Date: [Insert Date]

To: [Creditor or Collection Agency Name]
Address: [Insert Street Address]
City, State, Zip: [Insert City, State, Zip]

Re: Account Number: [Insert Account Number]

Dear [Contact Person Name or Settlement Department],

This letter is a formal offer to settle the above-referenced account. I am currently experiencing financial hardship and am unable to pay the full balance of $[Insert Total Balance Owed].

I am offering a one-time, lump-sum payment of $[Insert Offer Amount] as a full and final settlement of this debt. This offer is made on the condition that, upon receipt of the payment, your company agrees to the following:

- The account will be considered paid in full.
- You will release me from any further liability or obligation regarding this debt.
- You will report the account status as "Paid in Full" or "Settled in Full" to all relevant credit bureaus.
- No further collection actions or legal proceedings will be pursued against me.

This offer is valid for [Insert Number, e.g., 15] days from the date of this letter. If you accept these terms, please send a written agreement on your company letterhead signed by an authorized representative.

Once I receive the signed agreement, I will send the funds via [Insert Payment Method, e.g., Certified Check] within [Insert Number] business days.

Sincerely,

[Your Signature]
[Your Printed Name]
[Your Address]
[Your Phone Number]