

[Your Name]
[Your Address]
[Your Phone Number]
[Your Email Address]

[Date]

[Name of Creditor/Collection Agency]
[Department, if known]
[Address]

RE: Account Number [Your Account Number]

Dear [Name of Contact Person or Department],

I am writing to you regarding the balance owed on the above-referenced account. Due to unexpected financial hardship, I am currently unable to pay the full balance of [Total Amount Owed].

I would like to resolve this debt and am proposing a settlement for a total of [Settlement Amount]. Since I cannot pay this amount in one lump sum, I propose to pay this settlement through a payment plan of [Number of Monthly Payments] monthly installments of [Monthly Payment Amount] each, starting on [Start Date].

In exchange for these payments, I request that [Name of Creditor] agrees to:

- Accept this total amount as "payment in full" for the debt.
- Stop all further collection activity and interest accrual.
- Report the account to the credit bureaus as "Settled" or "Paid in Full."

Please provide written confirmation if these terms are acceptable. Once I receive your written agreement, I will begin making the payments as outlined above.

Thank you for your time and cooperation in resolving this matter.

Sincerely,

[Your Signature]

[Your Printed Name]