

[Your Name]
[Your Address]
[City, State, Zip Code]
[Your Phone Number]
[Your Email]

Date: [Date]

[Creditor/Collection Agency Name]
[Contact Person, if known]
[Address]
[City, State, Zip Code]

RE: Account Number: [Your Account Number]
Subject: Good Faith Letter of Intent for Debt Resolution

Dear [Name of Creditor or Representative],

This letter serves as formal notification of my good faith intent to resolve the outstanding balance on the aforementioned account. I am writing to you because I am currently experiencing financial hardship but wish to settle this obligation in a mutually beneficial manner to avoid further legal escalation.

Due to my current financial situation, I am unable to pay the full balance of \$[Total Amount Owed] at this time. However, I am prepared to offer the following proposal for your consideration:

- **Option A (Lump Sum Settlement):** I offer a one-time payment of \$[Amount] as full and final settlement of the debt.
- **Option B (Payment Plan):** I propose making monthly payments of \$[Amount] starting on [Date] until the agreed-upon amount is paid in full.

In exchange for this agreement, I request that [Creditor Name] agrees to:

1. Cease all collection activities and legal actions during the negotiation of this settlement.
2. Mark the account as "Paid in Full" or "Settled in Full" upon completion of the payment(s).
3. Report the updated status to all relevant credit bureaus.

Please note that this letter is for settlement purposes only and does not constitute an admission of the validity of the debt or a waiver of any legal rights. This offer is valid until [Expiration Date].

I look forward to receiving your written response or a counter-proposal. Please contact me via [Phone/Email/Mail] to discuss this matter further.

Sincerely,

[Your Signature]

[Your Printed Name]