

head>

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

[Date]

[Name of Contact Person or Department]
[Name of Creditor/Collection Agency]
[Address]
[City, State, Zip Code]

RE: Account Number: [Your Account Number]

Dear [Contact Person Name or Accounts Department],

I am writing to discuss the outstanding balance of \$[Total Amount Owed] on the above-referenced account. I would like to resolve this debt, but I am currently experiencing financial hardship that prevents me from paying the full amount in one lump sum.

I propose a settlement agreement to resolve this matter. I am offering to pay a total reduced amount of \$[Total Settlement Amount] as full and final satisfaction of this debt.

Because I cannot pay the settlement amount immediately, I propose the following installment plan:

- **Down Payment:** \$[Amount] to be paid by [Date].
- **Monthly Installment:** \$[Amount] per month.
- **Duration:** [Number] of months, starting on [Date of First Payment].

By accepting this proposal, [Name of Creditor] agrees that once the final payment is received, the debt will be considered paid in full. Furthermore, I request that you report this account to the credit bureaus as "Settled" or "Paid in Full" and cease all collection activities while payments are being made.

Please provide written confirmation of your acceptance of these terms. Once I receive the signed agreement, I will issue the first payment as scheduled.

Thank you for your cooperation and for helping me resolve this matter.

Sincerely,

[Your Signature]

[Your Printed Name]