

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

[Creditor's Name]  
[Creditor's Address]  
[City, State, Zip Code]

Subject: Debt Settlement Agreement

Dear [Creditor's Name],

I hope this letter finds you well. I am writing to propose a settlement agreement regarding my outstanding debt with your organization, Account Number: [Account Number].

As of [Date], my current balance is [Total Amount Owed]. Due to [brief explanation of financial hardship], I am unable to pay the full amount. However, I am committed to resolving this matter and am proposing a settlement to satisfy the debt.

I propose to pay a lump sum of [Settlement Amount] by [Proposed Payment Date]. In exchange for this payment, I kindly request that you agree to the following terms:

1. The remaining balance of the debt will be forgiven, and the account will be marked as "Paid in Full."

2. You will send me a letter confirming this agreement upon receipt of the payment.

3. You will report the settled status to all credit bureaus accordingly.

I believe this proposal is in the best interest of both parties, given my current financial situation. Please sign and return a copy of this letter to confirm your acceptance of this settlement agreement.

Thank you for your consideration. I look forward to your prompt response.

Sincerely,

[Your Signature (if sending a hard copy)]

[Your Printed Name]