TO

**[Receiver Name]**

[Receiver Title]

**ADDRESS:** **[Receiver Address]**

**EMAIL:** **[Email Address]**

**PHONE:**  **[Home Phone]**

FROM

**[Sender Name]**

**[Sender Title]**

Sub: Debt Settlement Letter

Dear **[NAME]**

This letter is about the account number identified above and its outstanding debt. Due to financial difficulties, I am unable to pay the outstanding balance in full. **[EXPLAIN YOUR HARDSHIP TO THE CREDITOR HERE.]**

I would like to offer $ amount **[MAKE AN OPENING OFFER FOR POSSIBLE NEGOTIATION HERE]** as a full settlement amount. I request in return **[STATE SPECIFICALLY ALL THAT YOU WANT THE CREDITOR TO DO — REMOVE ACCOUNT MISSED PAYMENTS FROM YOUR CREDIT FILE, REPORT ACCOUNT AS "PAID IN FULL" OR "PAID AS AGREED" TO ALL CREDIT BUREAUS, ETC]**. I also request that I have no further liability regarding the debt of this account.

If this proposal is acceptable, I ask that you send me a written and signed agreement to that effect. When I receive your agreement, I will pay the settlement amount within  **[NUMBER OF DAYS WITHIN WHICH THE CREDITOR CAN EXPECT YOUR PAYMENT]**. Please notify me of your decision by **[DATE/ TIME LIMIT YOU GIVE CREDITOR TO RESPOND]**.

Sincerely,