

Debt Settlement Agreement Letter

Your Name _____

Your Address _____

Your Phone # _____

Creditor's Name _____

Department _____

Creditor's Address _____

Dear Creditor,
Re: Account Number _____

Date _____

In response to my recent conversation with your customer service representative, I'd like to present a complete assessment of my financial situation.

Unfortunately, I have a lot of debt and not enough funds to pay all my creditors. So, I'll be able to negotiate and settle debt with a few creditors only. I have enclosed a copy of my financial statement with details of my monthly income and expenses. This will help you assess my financial situation and give you an idea as to why I have requested a debt settlement.

The final debt amount that we agreed upon is \$_____. As part of the settlement agreement, I request you to co-ordinate with the credit bureaus in order to remove negative entry (late payment, collections etc) on my account from the credit report.

Given my situation, I hope you'll refrain from taking further action against me as payment will be maintained as decided in the agreement. I shall review my financial situation on a regular basis and inform you about any change, positive or negative.

I hope you'll understand my situation and co-operate with me in this hour of financial crisis. I look forward to receiving a written confirmation from your end regarding the debt settlement agreement.

Yours truly,

Your Signature

Your Name