(**Today’s Date**)

(**Your Name**)

(**Your Address**)

Subject: Counteroffer for (**Account Name & Account Number**)

Dear (**Creditor/ Collection Companies Name**),

I’m responding to the settlement offer you sent me for (**Account Name & Account Number**). I have also included a copy of the settlement offer mentioned for your review. (**See Attached**) Unfortunately, I’m unable to pay the settlement amount you’re asking for due to (**Explain your financial hardship in detail. A description of what caused you to fall behind, as well as why you are unable to pay the balance in full currently**).

I propose a counteroffer to settle this debt for (**Amount you are offering**). In exchange, I ask that

1. You close this account and report it as Paid in Full, with no further money owed. In addition, you and any associated companies must remove any negative listings from the three major credit bureaus associated with this account.
2. You and any associated companies must agree to release me from all Liability related to this account and take no further action to enforce or collect it.

If you agree, please send me a signed settlement agreement. As soon as I receive the agreement, I’ll pay the proposed amount within (**number of days/weeks/or months you will pay the settlement**). Please be aware that due to my circumstances I have several financial obligations to meet. I would like to prioritize yours but can only afford to pay the creditors that are willing to settle based on what I can afford.

Thank you for your prompt attention to this matter. I very much look forward to getting this resolved as soon as possible.

Sincerely,

(**Your Name**)  
(**Your Address and Contact Information**)