

Sample Letters

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Settlement Offer Letter

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Creditor,
Re: Account Number_____

Please allow me to explain why I have not been able to take care of this debt. I have been unemployed for 6 months, and have used up all my savings trying to keep up with my bills. Due to this, I have been unable to make payments to you. I am now finally in a position where I can resolve my debt to you for the account number above.

The amount I would propose to pay towards full settlement of this debt is \$_____. Currently, I am in negotiations with several other creditors for similar type settlements and have only

Negotiate and Settle Your Debts |2

a limited amount of money available. I have decided to settle only with those that meet mutually agreed upon terms and conditions with me. Additionally, if you would agree to remove any late payment or charge-offs from my credit report, I am willing to offer additional funds.

Please be advised, that I will not make a payment, unless upon written confirmation of this settlement, sent to the address above, or faxed to 310-555-1212. I sincerely would like to settle this debt and have it paid off.

If you find these terms and conditions acceptable, please forward to me, a final agreement. Upon receipt of this agreement, I will forward you the stated amount through a cashier's check or money order.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

Another Settlement Offer Letter

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Creditor,
Re: Account Number 12345678

Due to a long period of financial crisis, I have been unable to make payments to you. To save both of us money and time, I am now finally in a position where I can offer you a settlement towards my debt of which the account number is given above.

The amount I would propose to pay towards full settlement of this debt is \$_____. Currently, I am in negotiations with several other creditors for similar type settlements and have only a limited amount of money available. I have decided to settle only with those that meet mutually agreed upon terms and conditions with me. Additionally, if you would agree to remove any late payment or charge-offs from my credit report, I am willing to offer additional funds.

Negotiate and Settle Your Debts |4

Please be advised, that I will not make a payment, unless upon written confirmation of this settlement, sent to the address above, or faxed to 310-555-1212. I sincerely would like to settle this debt and have it paid off.

Once I receive a settlement letter from you, I will make the first payment within 10 business days. If you find these terms and conditions acceptable, please forward to me, a final agreement. Upon receipt of this agreement, I will forward you the stated amount through a cashier's check or money order.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

Countering a Creditor's Offer

A counter offer for debt settlement is what you propose to pay your creditors in response to the offer they made to you. A sample of such a counter offer letter is given below for your reference. It's a good idea to attach this to the Debt Settlement Agreement Letter sent to your creditor.

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Acme Collection Representative,

Re: Account Number 12345678

I much appreciate that your company is co-operating with regarding a mutually agreed upon debt settlement. However, this amount would not be a feasible amount for me to pay, as I am borrowing the funds from my mother.

Instead, the amount that I could come up with to settle this debt in full would be \$_____. Additionally, I would request you remove any late payments or charge-offs from my credit report.

Currently, I am in negotiations with several other creditors for similar type settlements and have only a limited amount of

Negotiate and Settle Your Debts |6

money available. I have decided to settle only with those that meet mutually agreed upon terms and conditions with me. Additionally, if you would agree to remove any late payment or charge-offs from my credit report, I am willing to offer additional funds.

Please be advised, that I will not make a payment, unless upon written confirmation of this settlement, sent to the address above, or faxed to 310-555-1212. I sincerely would like to settle this debt and have it paid off.

Once I receive a settlement letter from you, I will make the first payment within 10 business days. If you find these terms and conditions acceptable, please forward to me, a final agreement. Upon receipt of this agreement, I will forward you the stated amount through a cashier's check or money order.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

Sample Cease and Desist Letter

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Acme Collection Representative,

Re: Account Number 12345678

I would like to request, according to my rights under the Fair Debt Collections Act, that no telephone contact be made by your offices to my home, or to my place of employment.

If your offices attempt telephone communication with me, including but not limited to computer generated calls as well as regular calls and faxes, I will document and forward such as a complaint to the Federal Trade Commission.

I would also like to state that I dispute this debt, and request proof from you as to the validity of this debt. Please forward transaction history, as well as statements from the original creditor, including such creditor's name, address and contact information to me.

All future communications with me need to be in writing to the above address.

I would most appreciate your attention to this matter

Sincerely,

Negotiate and Settle Your Debts |8

Debbie Debtors Signature

Debbie Debtors Printed Name

Sample Debt Validation letter:

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Acme Collection Representative,

Re: Account Number 12345678

I am writing in response to a notice received from you on January 01, 2010. In accordance to the FDCPA (Fair Debt Collection Practices Act), I request a validation of this debt from your company, which should include the following;

1. The name, address and phone number of the original creditor as well as statements for at least the last twelve months prior, for this particular account.
2. I also request a copy of the original signed agreement for my records.
3. Proof that your company is authorized to collect this debt on behalf of this creditor.

If your office fails to respond to this request within 30 days, this will be construed as a waiver of your claims against me. Please note that this is a request for your company to provide me with evidence and documentation that there is a legal obligation on my behalf. Also be advised that this is not an acknowledgement of this debt.

Sincerely,

Negotiate and Settle Your Debts | 10

Debbie Debtors Signature

Debbie Debtors Printed Name

Follow up debt validation letter after 30 days

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

Dear Acme Collection Representative,

Re: Account Number 12345678

Creditor: Incredulous Credit Card Company
Amount Due: \$10,000

Dear Collection Agent,

This letter is to inform you that it has been over 30 days since my initial request to your company for documentation concerning the validity of the account above.

Please see the attached original copy of request of validation for this account. Up to now, I still have not received any of the information requested from your company. As per the FCRA credit reporting agencies, your company now needs to remove all references of above account to myself.

If you do not remove this account from my credit report, with written notification to me, I will file a formal complaint with the FTC as well as with the Office of Consumer Affairs, and will also seek legal counsel to determine what other options I have available.

Negotiate and Settle Your Debts | 12

I look forward to a speedy response from you.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

**Follow up letter to Lawyer about Settlement Letter
Verbiage**

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Bishop,White,Marshall & Weibel,P.S.
901 Sunvalley Blvd, Suite #220
Concord, CA 94520
1-877-269-1016

06/20/2012

Dear Jerome M Yalon Peter

Re: Account Number 1234567890

I am writing in response to a letter received from you dated June 15th, 2012. (See attachment) authorizing a settlement on above account.

I respectfully request the following verbiage for the settlement of above account:

Per our conversation, this letter sets forth a proposal to settle the above-mentioned account. Bishop,White,Marshall & Weibel,P.S. is an legally authorized representative of Discover Bank, and is authorized to agree to a settlement of \$1500 for the account above by (date specified), the original balance as of the date of this letter being \$6,358.

By making this payment, this will represent a settlement in full on the above account, your credit bureau report will be updated accordingly by our client. Your account will be considered settled and you will not be obligated to pay the remaining balance.

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Please allow enough time for the correct wording of the settlement letter to reach me, and for myself to be able to respond with the final settlement.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

Removing inaccurate information from your credit report

If you wish to remove inaccurate information from your credit report, you'll need to do so in writing to all the credit bureaus in order to have details from your report deleted. Here is an example of such a Request letter below, in order to have inaccurate information removed.

Sample Request to remove inaccurate information

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Social: 123-45-6789

Credit Bureau
123 Credit Bureau Street, Credit Bureauville, CA 99999

Today's Date

Dear Sir/Madam,

This is a written request to have your company remove inaccurate items and information from my credit report, and to forward to me the corrected credit report once this is done. This incorrect information has severely affected my chances of getting loans and credit, as well as employment.

I am including with this letter, the proof of the items in dispute, for verification. This will confirm inaccurate details on my credit report.

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The following items in error are:

1. This is not my account.
2. The account status of this account is incorrect
3. The information is out dated
4. The following inquiries are more than two years old

I demand these items be investigated and removed from my credit report. I also request that these changes be made within 30 days in order to avoid any further violation of the FCRA.

Sincerely,

Debbie Debtors Signature

Debbie Debtors Printed Name

Sample Expired Statute of Limitations Letter

Today's Date

Debbie Debtor
123 Debt Street, Debtville CA 99999
310-555-1212

Acme Collection Agency
123 Acme Street
Creditorville, CA 99999

Today's Date

RE: Account 12345678

Dear Acme Collection Agent,

This letter is in response to your phone call dated January 01, 2010, concerning the above account.

I also have verified that the Statute of Limitations for enforcing this debt through the courts in California has expired. Should you decide to pursue this matter legally in court, I intend to use the "statute of limitations" defense.

I also hereby request that you cease and desist all contact with me regarding this debt. You may only contact me to advise that collection activities are being terminated by your company.

Be advised that any other communication would be in violation of the Fair Debt Collection Practices Act and will immediately be reported to the Federal Trade Commission.

Debbie Debtors Signature

Debbie Debtors Printed Name

Note: When sending an expired Statute of Limitations letter, it implies the debt is yours and is valid and that you have acknowledged that. Always send your expired Statute of Limitations letters via "return receipt requested", and keep copies for your records.

My Own Settlement Letters

Bank of America



www.bankofamerica.com

[REDACTED]
[REDACTED]
REDONDO BEACH CA 90277 [REDACTED]

June 08, 2009

Account No.: [REDACTED]

Dear [REDACTED]:

This letter confirms our conversation to settle the above-referenced account. Your current balance is \$19,584.11. We will accept \$4,000.00 as settlement on this account. Thank you for your first payment towards this settlement, each future installment is listed below.

<u>Settlement Installment</u>	<u>Installment Due Date</u>
\$1,333.00	June 26, 2009
\$1,333.00	July 27, 2009
\$1,334.00	August 28, 2009

By completing this payment plan, your account will be considered settled. Although this account is now closed, please note that any new or third-party charges posted to this account will be your responsibility. You will not be obligated to pay the remaining balance, provided no additional charges appear on this account after the date of this letter. Also, any future account activity that results in a credit balance will become the property of Bank of America. Any violation of this agreement will result in the full balance being due immediately. All payments must be received by the above stated due dates.

If the remaining amount is equal to or greater than \$600.00, we are required by federal law Internal Revenue Service (IRS) section 6050P to report this amount. You will be receiving a Form 1099-C from Bank of America no later than next January 31. If you have any questions regarding your personal taxes, we recommend that you consult a certified public accountant or other tax professional.



[REDACTED]
[REDACTED]
REDONDO BEACH CA 90277 [REDACTED]

June 08, 2009

Account No.: [REDACTED]

Dear [REDACTED]

This letter confirms our conversation to settle the above-referenced account. Your current balance is \$14,677.02. We will accept \$3,000.00 as settlement on this account. Thank you for your first payment towards this settlement, each future installment is listed below.

<u>Settlement Installment</u>	<u>Installment Due Date</u>
\$1,000.00	June 25, 2009
\$1,000.00	July 25, 2009
\$1,000.00	August 25, 2009

By completing this payment plan, your account will be considered settled. Although this account is now closed, please note that any new or third-party charges posted to this account will be your responsibility. You will not be obligated to pay the remaining balance, provided no additional charges appear on this account after the date of this letter. Also, any future account activity that results in a credit balance will become the property of Bank of America. Any violation of this agreement will result in the full balance being due immediately. All payments must be received by the above stated due dates.

If the remaining amount is equal to or greater than \$600.00, we are required by federal law Internal Revenue Service (IRS) section 6050P to report this amount. You will be receiving a Form 1099-C from Bank of America no later than next January 31. If you have any questions regarding your personal taxes, we recommend that you consult a certified public accountant or other tax professional.

Bank of America



www.bankofamerica.com

[REDACTED] (Business)

[REDACTED] (Guarantor)

[REDACTED]

[REDACTED]

REDONDO BEACH CA 90277

Account No [REDACTED]

Account Balance: \$26530.50

Dear [REDACTED]

Per our conversation, this letter sets forth a proposal to settle the above-referenced account. We will accept 5,400.00 as a settlement on this account. To accept this offer, you must agree to send the first installment payment of 2700.00 by 7/16/09. Each future installment is listed below.

<u>Settlement Installment</u>	<u>Installment Due Date</u>
1. 2700.00	7/16/09
2. 2700.00	8/16/09

By completing this payment plan, your account will be considered settled, and you will not be obligated to pay the remaining balance, provided no additional charges appear on this account after the date of this letter. Also, any future account activity that results in a credit balance will become the property of Bank of America. Any violation of this agreement will result in the full balance of \$26530.50. Payment due immediately, all payments must be received by the above stated due dates.

If the remaining amount is equal to or greater than \$600.00, we are required by federal law (IRS Section 6050P) to report this amount. You will be receiving a Form 1099-C from Bank of America no later than next January 31 of the next year. If you have any questions regarding your personal taxes,

We recommend that you consult a certified public accountant or other tax professional.

Bank of America



www.bankofamerica.com

[REDACTED] (Business)

[REDACTED] (Guarantor)

[REDACTED]

[REDACTED]

REDONDO BEACH CA 90277

Account No [REDACTED]

Account Balance: \$11805.31

Dear [REDACTED]

Per our conversation, this letter sets forth a proposal to settle the above-referenced account. We will accept \$2,400.00 as a settlement on this account. To accept this offer, you must agree to send the first installment payment of \$1200.00 by 7/16/09. Each future installment is listed below.

<u>Settlement Installment</u>	<u>Installment Due Date</u>
1. 1200.00	7/16/09
2. 1200.00	8/16/09

By completing this payment plan, your account will be considered settled, and you will not be obligated to pay the remaining balance, provided no additional charges appear on this account after the date of this letter. Also, any future account activity that results in a credit balance will become the property of Bank of America. Any violation of this agreement will result in the full balance of \$11805.31. Payment due immediately, all payments must be received by the above stated due dates.

If the remaining amount is equal to or greater than \$600.00, we are required by federal law (IRS Section 6050P) to report this amount. You will be receiving a Form 1099-C from Bank of America no later than next January 31 of the next year. If you have any questions regarding your personal taxes, We recommend that you consult a certified public accountant or other tax professional.



VALENTINE & KEBARTAS, INC.

15 Union Street, Lawrence, Massachusetts 01840 PHONE: 1-866-598-2788 FAX: 941-748-0258 EMAIL: lseig@vki-fl.com

February 10, 2010

[REDACTED]
[REDACTED]
Redondo Beach, CA 90277 [REDACTED]

RE: Chase Bank USA, N.A.

Account Number: [REDACTED]

Current Balance: \$ 11,544.89

Paid to VKI: \$ 2,250.00

Dear Ms. [REDACTED]

Valentine and Kebartas, Inc. is a legally authorized representative of CHASE BANK USA, N.A.

We have received a settlement of this liability for the sum of *Two Thousand Two Hundred Fifty Dollars (\$2,250.00)*.

This payment will represent a settlement in full on the above captioned account; your credit bureau report will be updated accordingly by our client.

Please call 1-866-598-2788 should any further assistance be required from our office.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Pauline Reardon'.

Pauline Reardon
Collections Manager

The 1099 that Bank of America sent after the debt was settled.

BANK OF AMERICA, N.A.
CONSUMER LENDING
PO BOX 22021
GREENSBORO, NC 27420-2021

Bank of America



BANK# 7503

*****AUTO**SCH 3-DIGIT 902

COMBINED TAX STATEMENT FOR YEAR 2009

THIS STATEMENT REPORTS 1099-DIV (OMB No. 1545-0110), 1099-INT (OMB No. 1545-0112), 1099-OID (OMB No. 1545-0117), 1088 (OMB No. 1545-0801), 1099-MISC (OMB No. 1545-0115), 1099-B (OMB No. 1545-0715), 1099-Q (OMB No. 1545-1780), 1099-A (OMB No. 1545-0877), 1099-C (OMB No. 1545-1424), 1099-S (OMB No. 1545-0997), 1099-E (OMB No. 1545-1576), 1099-SA (OMB No. 1545-1517).
DEPARTMENT OF THE TREASURY-INTERNAL REVENUE SERVICE.

PAYERS E.I.N.

CUST SERV PH #
(888) 800-5419

TAXPAYERS IDENTIFICATION NUMBER

"For Form 1099-B, DIV, INT, MISC, OID and Q: This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported."

ACCOUNT NUMBER	ACCOUNT TYPE	IRS DESCRIPTION	IRS BOX #	AMOUNT
* * * 2009 FORM 1099-C, CANCELLATION OF DEBT * * *				
[REDACTED]	CREDIT CARD	AMT DEBT CANCELED	2	15584.11
	06/29/2009	DATE CANCELED	1	
	SETTLEMENT DEFICIENCY BALANCE	DEBT DESCRIP	4	
		BORROWER WAS PERSONALLY LIABLE FOR REPAYMENT OF DEBT	5	
[REDACTED]				
[REDACTED]	CREDIT CARD	AMT DEBT CANCELED	2	11677.02
	07/03/2009	DATE CANCELED	1	
	SETTLEMENT DEFICIENCY BALANCE	DEBT DESCRIP	4	
		BORROWER WAS PERSONALLY LIABLE FOR REPAYMENT OF DEBT	5	

Settlement Letter from Discover



July 5, 2012

BARBARA L. BOLLER* **
HALLIE N. ZIMMERMAN
JEROME M. YALON, JR.
THERESA S. HARRIS
PETER A. OSTERMAN * **
* Also Admitted in Washington
** Also Admitted in Illinois
*** Also Admitted in Alaska

REDONDO BEACH, CA 90277

Re: DISCOVER BANK, ISSUER OF THE DISCOVER CARD vs.
Our File No.
Account Balance as of the date of this letter: \$6,358.87

WE ARE A DEBT COLLECTOR. THIS COMMUNICATION IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Per our conversation, this letter sets forth a proposal to settle the above-mentioned account. Bishop, White, Marshall & Weibel, P.S. is an authorized representative of Discover Bank, Issuer of the Discover Card, and is authorized to agree to a settlement of \$1,500.00 for the account above within ten (10) days of the date of this letter, with the original balance as of the date of this letter being \$6,358.87.

By making this payment, this will represent a settlement in full on the above account. Your account will be considered settled and you will not be obligated to pay the remaining balance.

Please make your check payable to "BISHOP, WHITE, MARSHALL & WEIBEL, P.S." and send it to our office:

BISHOP, WHITE, MARSHALL & WEIBEL, P.S.
ATTN: Accounting
PO BOX 2186
Seattle, WA 98111-2186

If you have any questions or concerns, please call me at (925) 826-1829.

Very truly yours,

BISHOP, WHITE, MARSHALL & WEIBEL, P.S.

Jerome M. Yalon, Jr.
Attorney for Plaintiff

Negotiate and Settle Your Debts |29



Bishop, White, Marshall & Weibel, P.S.

ATTORNEYS AT LAW

August 13, 2012

BARBARA L. BOLLEROY**
HALLIE N. ZIMMERMAN
JEROME M. YALON, JR.
THERESA S. HARRIS
PETER R. OSTERMAN***

* Also Admitted in Washington
** Also Admitted in Illinois
*** Also Admitted in Alaska

REDONDO BEACH, CA 90277


Re: DISCOVER BANK, ISSUER OF THE DISCOVER CARD v.
BWM File No:
Account No. Ending In: 7698

Dear

This firm would like to inform you that your account is now SETTLED in full. Please retain this letter for your records. If you have any questions or concerns, please contact our office at (206) 622-5306 ext. 4239.

The purpose of this communication is to collect a debt. Any information obtained will be used for that purpose.

Sincerely,
BISHOP, WHITE, MARSHALL & WEIBEL, P.S.


Christian Susi
Legal Assistant

Settlement Letter from a reader

Negotiate and Settle Your Debts | 31

5800 NORTH COURSE DR
HOUSTON, TX 77072-1613
Address Service Requested

November 26, 2012

Chino Hills, CA 91709



UNITED RECOVERY SYSTEMS[®]
LP

Creditor: USAA Savings Bank
Account:
URS ID:
Amount Due as of November 26, 2012: \$25,872.86

United Recovery Systems, LP
P.O. Box 722929
Houston, TX 77272-2929

Telephone: 800-466-1195, ext 9273

Please detach at perforation and return with your payment.

SETTLEMENT OFFER

We will agree to accept 1 payment(s) totaling \$6,475.00 as settlement for the amount owed on your account. Please make your check or money order payable to USAA Savings Bank.

Date	Amount	Date	Amount
11/26/2012	\$6,475.00		

Please note, failure to make payment(s) as scheduled will cancel the agreement and result in the entire balance becoming due.

Notice: The internal revenue service may require financial institutions to file Form 1099-C (Cancellation of Debt) to report the discharge of indebtedness of \$600.00 or more.

We are required to inform you that this is an attempt to collect a debt. Any information obtained will be used for this purpose. This communication is from a debt collector.

Sincerely,

JOSHUA NICHOLSON
800-466-1195 ext 9273

Creditor: USAA Savings Bank
Account:
URS ID:
Amount Due as of November 26, 2012: \$25,872.86

Telephone: 800-466-1195, ext 9273
You May Call Our Office 24 Hours a Day