[Enter your Name and Address here]

[Enter your Creditors name and address here]

[Enter Date here]

Dear Sir/Madam

WITHOUT PREJUDICE

Account / Reference Number: [Enter your Creditors Account/Reference Number here]

Current Balance Due on Account: [Enter the current estimated balance on the account here]

I write with reference to the above account.

I can confirm that I am unable to offer to pay the money which I owe in full and am unable to maintain the minimum repayments. I enclose a Personal Budget sheet which shows my total income from all sources, and my outgoings. As you can see I have no money left after covering my essentials for my creditors.

However, I can raise £[Enter your settlement offer to your Creditor here] from a third party source and want to offer this an ex-gratia payment in full and final settlement of the account.

This offer is made on the clear understanding that, if accepted, neither you nor any associate company will take any other action to enforce or pursue this debt in any way whatsoever and that I will be released for any liability.

I also request that, if accepted, you will make an entry on a credit reference agency file relating to the above account as "satisfied" in full.

Payment can be made within [Enter when funds can be made here in weeks or days here] of receiving your written agreement of this offer and method of payment. I believe this sum represents a realistic amount in light of my financial circumstances, and I hope therefore that you will be able to accept the offer.

I look forward to hearing from you as soon as possible.

Yours faithfully

[Enter your name here]