

# Partial Payment Settlement Letter

Date: \_\_\_\_\_

To,  
**[Creditor's Name]**  
[Company/Organization Name]  
[Address Line 1]  
[Address Line 2]  
[City, State, Zip Code]

Subject: **Partial Payment Settlement Agreement**

Dear [Creditor's Name],

This letter serves as a formal confirmation and agreement for the settlement of the outstanding amount owed by **[Debtor's Name]** to **[Creditor's Name]** under the following terms and conditions:

Original Amount Due:	[Insert original amount]
Partial Settlement Amount:	[Insert agreed partial payment amount]
Due Date for Payment:	[Insert due date]
Balance to be Forgiven:	[Insert balance (if any) after partial settlement]

Upon receipt of the partial settlement amount specified above, **[Creditor's Name]** agrees to consider the debt settled in full/partially (select as applicable), and will release **[Debtor's Name]** from any further claims regarding the original obligation.

Please confirm your acceptance of these terms by signing below.

\_\_\_\_\_  
[Creditor's Name]  
[Title/Position]  
Date: \_\_\_\_\_

\_\_\_\_\_  
[Debtor's Name]  
[Title/Position, if applicable]  
Date: \_\_\_\_\_

## Important Notes

- Ensure both parties have agreed to the payment terms in writing.
- Partial settlement may impact credit records; clarify status with the creditor.
- Keep copies of all correspondence and payment receipts related to the settlement.
- Consult with a financial or legal advisor before finalizing any settlement agreement.
- Modifications or further claims after settlement should be explicitly addressed.