Combination Debt Validation and Settlement Letter

Your Name

1 Any Street

Any Town, AZ 85000

ABC Collections

1 E. Main

Some Other Town, CO 80000

Date: Oct 31, 2003

Re: Acct # XXXX3 or XXXXX4

To Whom It May Concern:

I recently pulled a copy of my credit report and noticed that there was a collection from your agency on my credit report. I was never notified of this collection. Not notifying me is a violation of the Fair Debt Collections Practices Act (FDCPA). This is not a refusal to pay, but a notice that your claim is disputed.

In addition, under the FDCPA, I have the right to request validation of the debt you say I owe you. I am requesting proof that I am indeed the party you are asking to pay this debt, and there is some contractual obligation which is binding on me to pay this debt.

In addition, until you provide me with proper validation of this debt, you are not allowed to pursue any collection activities, including reporting this information on my credit report. Proper debt validation is met with the production of the following documents:

1.Complete payment history, the requirement of which has been established via SPEARS vs. BRENNAN,

2.An agreement that bears the signature of the alleged debtor wherein he agreed to pay the original creditor,

3.Letter of sale or assignment from the original creditor to your company. (Agreement with your client that grants you the authority to collect on this alleged debt.)

4.Evidence of intimate knowledge of the creation of the debt by you, the collection agency

I recognize that no one likes court or protracted, costly legal battles, especially ones in which you are certain to lose. To expedite the resolution of this matter and get it off of my credit report, I am willing to pay a portion of the debt, even though I am not fully convinced that it is mine. I am attaching a settlement offer for your consideration.

Best regards,

Your Name

Agreement to Settle Debt

This agreement for settlement of $xxx.xx known as the Debt is between known as Collection Agency and known as Payor. Payeecertifies that they are acting as a representative of Collection Agency, and has authority to make decisions regarding this Debt.

Upon payment of <$XXX.XX -the amount of the offer> the Debt to Collection Agency, Collection Agency agrees that the Debt has been paid in full and agrees to remove any negative mark on the Payor’s credit report, and also agrees to not put any negative marks on the Payor’s credit report at any time in the future.

Once the Collection Agency has received the payment from the Payor, the collection agency agrees to remove the account listing completely from the Payor’s credit report. It is not currently known what the dollar amount might be if Collection Agency refuses to remove its account listing on Payor’s credit report or places one on it in the future, but Payor estimates the liquidated damages of such a negative mark to be $10,000. If at anytime in the future, the Payor finds a negative listing from Collection Agency, the Collection Agency agrees to pay the liquidated damages.

If these terms are acceptable to your company, please sign below and return a copy to me. Upon receipt of this acknowledged agreement, I will express you a money order in the amount stated above.

Read, Approved and Accepted by: