



PEOPLE HELPING PEOPLE FINANCIAL COACH PROGRAM

Pay-For-Deletion (PFD) Letters

A “Pay-For-Deletion” or PFD letter is used when you are willing to negotiate a payoff on a debt appearing on your credit report in exchange for the creditor removing it from your history. It’s ideal if you have something negative (like a collection) and you’re looking to increase your score.

What Should I Include in a Pay for Delete Letter?

You should keep your delete letter concise. Focus on the matter at hand.

Be specific with details relating to dates, turnaround times, payment amounts and any other key negotiation points. But, avoid providing too much unnecessary background information.

You want the collection agency to *remove negative information* from your credit report. The collection agency wants to *turn a profit* on the debt they purchased. There’s no sense in making it any more complicated than that.

The template below can help you get started with your own pay for delete letter. You will want to *keep a solid paper trail* for possible use later on in the process. It is a good idea to *send the letter via certified mail and request a return receipt*.

<Your Name>
<Your Address>
<Your City, State Zip>

<Collection Agency's Name>
<Collection Agency's Address>
<Collection Agency's City, State Zip>
<Date>

Re: Account Number XXXX-XXXX-XXXX-XXXX

Dear Collection Specialist:

I am writing this letter in response to your recent correspondence related to the account number I referenced in the subject line above. I am considering the possibility of settling this debt.

I accept no responsibility for ownership of this debt. However, I'm willing to compromise. I can offer a significant settlement amount in exchange for the following:

1. You agree, in writing, to designate the account as "payment in full" once you are in receipt of the agreed upon payment amount. The account will not be designated as a "paid collection" or "settled account."
2. You agree, in writing, to completely remove any and all references to this account from all credit bureaus to which you report.

I am willing to pay the <full balance owed / \$XXX as settlement for this debt> in exchange for your agreement to remove all information regarding this debt from all credit reporting agencies to which you report within fifteen calendar days of receipt of payment.

When I am in receipt of a signed agreement with the aforementioned terms from an authorized representative on your company letterhead, I will pay \$XXX via <cashier's check/wire transfer/money order>.

If I do not receive your response to this offer within fifteen calendar days, I will rescind this offer and follow up with a method of verification letter.

Please forward your agreement to the address listed above at your earliest convenience, as I look forward to resolving this matter quickly.

Sincerely,

<Your Name>