

# Debt Settlement Letter

Date: [Insert Date]

[Your Name]  
[Your Address]  
[City, State, Zip Code]  
[Email Address]  
[Phone Number]

[Creditor's Name]  
[Creditor's Address]  
[City, State, Zip Code]

Dear [Creditor's Name],

I hope this letter finds you well. I am writing to discuss my current financial situation and propose a settlement for the outstanding debt I owe to your company. My account number is [Insert Account Number].

Due to [briefly explain reason for financial difficulty, e.g., job loss, medical expenses], I am unable to meet the terms of my original payment agreement. Therefore, I would like to propose a settlement of [insert proposed amount] as a full and final resolution of my debt.

I understand that this is less than the total amount owed, but I am hopeful that you will consider this offer due to my current circumstances. If you agree to this settlement, I request that you provide written confirmation that the remaining balance will be forgiven upon receipt of the agreed amount.

Thank you for taking the time to consider my proposal. I hope we can resolve this matter amicably. I look forward to your prompt response.

Sincerely,

[Your Signature (if sending a hard copy)]  
[Your Printed Name]