

Subject: Financial Hardship Explanation for Settlement

[Your Name]

[Your Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Recipient's Name]

[Recipient's Title]

[Company/Organization Name]

[Company Address]

[City, State, Zip Code]

Dear [Recipient's Name],

I hope this letter finds you well. I am writing to formally explain my current financial hardship situation and to propose a settlement regarding my [debt/loan/account].

Due to [briefly explain hardship, e.g., job loss, medical expenses, unexpected expenses], I am facing significant financial difficulties that have made it challenging for me to meet my financial obligations. My income has been [explain your financial situation, including changes in income or expenses].

Given these circumstances, I am unable to continue making the scheduled payments and would like to propose a settlement amount of [proposed amount] to resolve this matter. I believe this is a reasonable offer based on my current ability to pay.

I appreciate your understanding in this difficult time and look forward to working together towards a resolution. Please let me know if you require any further information or documentation regarding my financial situation.

Thank you for considering my request. I look forward to your prompt response.

Sincerely,

[Your Signature (if sending a hard copy)]

[Your Printed Name]