

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

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

Subject: Proposal for Debt Settlement

Dear [Creditor's Name or Debt Collection Agency],
I am writing to discuss my outstanding debt with your company, account number [Account Number]. Due to [briefly explain your financial situation, e.g., loss of income, medical expenses], I am currently unable to meet my payment obligations as originally agreed.

I would like to propose a settlement in order to resolve this debt. I am able to offer a one-time payment of [insert amount] as a settlement for the full balance of the debt. I believe this arrangement would be mutually beneficial, allowing me to pay off the debt in a manageable way while also enabling your company to recover a portion of the amount owed. I kindly request that you consider this proposal and respond at your earliest convenience. I hope we can come to an agreement that satisfies both parties.

Thank you for your time and consideration.

Sincerely,

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