

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

Dear [Creditor's Name or "To Whom It May Concern"],
Subject: Debt Settlement Proposal for Account [Account Number]
I hope this letter finds you well. I am writing to propose a settlement for the outstanding debt I owe on account number [Account Number] with your organization.

Due to [briefly explain your financial hardship, e.g., loss of job, medical expenses, etc.], I have been unable to meet my financial obligations. After careful consideration of my current financial situation, I would like to propose a settlement amount of [Proposed Settlement Amount], which I can pay in a lump sum by [Proposed Payment Date].

I believe this settlement will be beneficial for both parties, allowing me to resolve this debt while you receive a portion of the owed amount. I kindly request your understanding and consideration of my proposal. Please let me know if you are willing to accept this settlement offer. I would appreciate a response by [Response Deadline Date] so that we can come to an agreement and I can take the necessary steps to finalize the settlement.

Thank you for your attention to this matter. I look forward to your prompt response.

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