

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

[Date]

[Contact Person Name]  
[Creditor Name]  
[Creditor Address]  
[City, State, Zip Code]

**RE: Debt Settlement Proposal for Account Number: [Your Account Number]**

Dear [Contact Person or Collections Department],

I am writing to you on behalf of [Business Name] regarding the outstanding balance on the above-referenced account. Currently, our business is experiencing significant financial hardship due to [briefly state reason, e.g., economic downturn, supply chain issues, or medical emergency].

As a result of these challenges, we are unable to meet the full payment obligations of our current debt, which stands at \$[Current Total Balance]. We are committed to resolving this matter and wish to avoid bankruptcy or further legal complications.

We would like to propose a one-time, lump-sum settlement of \$[Proposed Settlement Amount] as full and final payment of the debt. This amount represents [Percentage]% of the total balance. We believe this offer is fair given our current financial constraints and the resources available to us at this time.

If you accept this proposal, we agree to make the payment within [Number] days of receiving your written acceptance. In exchange for this payment, we request that [Creditor Name] agrees to:

- Accept the payment as full satisfaction of the debt.
- Release [Business Name] from any further liability regarding this account.
- Report the account to credit bureaus as "Settled in Full" or "Paid as Agreed."

Please review this offer and provide a written response by [Date]. We are open to discussing alternative payment arrangements if this lump-sum offer is not feasible for your organization.

Thank you for your time and consideration of our situation.

Sincerely,

[Signature]  
[Typed Name]  
[Title]