TO

**[Receiver Name]**

[Receiver Title]

**ADDRESS:** **[Receiver Address]**

**EMAIL:** **[Email Address]**

**PHONE:**  **[Home Phone]**

FROM

**[Sender Name]**

**[Sender Title]**

Sub: Debt Settlement Letter

Dear **[NAME]**

Due to **[EXPLAIN WHAT HAS LED TO YOUR FINANCIAL DIFFICULTY — FOR EXAMPLE, “LOSING MY JOB” OR “A HEALTH SETBACK”]**, I am experiencing financial difficulty.

I am asking each of my creditors to accept a reduced payment on any debt I might owe. I am able to pay you **[AMOUNT OF SETTLEMENT OFFER]**.

Please find attached  **[EVIDENCE THAT SUPPORTS YOUR INABILITY TO PAY THE FULL DEBT — FOR EXAMPLE, A LAYOFF NOTICE FROM WORK].** I also attach a copy of my monthly budget, so you can see my financial situation.

Please respond to my request in writing to the address above at your earliest convenience. Thank you in advance for your understanding of my situation.

Yours truly,

**[YOUR NAME]**