

[Your Company Name]
[Your Address]
[City, State, Zip Code]
[Date]

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

RE: Letter of Intent - Debt Restructuring and Settlement Proposal

Dear [Contact Person Name],

This letter serves as a formal expression of interest by [Your Company Name] to restructure the outstanding balance currently owed to [Vendor Name]. Our records indicate an outstanding balance of \$[Total Amount Owed] related to [Invoice Numbers/Account Number].

Due to [briefly mention reason, e.g., current cash flow constraints or market conditions], we are seeking to reach a mutually beneficial agreement to resolve this debt. We propose the following settlement terms for your consideration:

- **Option A (Lump Sum Settlement):** A one-time payment of \$[Amount], representing [Percentage]% of the total balance, to be paid by [Date] as full and final settlement.
- **Option B (Extended Payment Plan):** A total repayment of \$[Amount] divided into [Number] monthly installments of \$[Amount] each, commencing on [Start Date].

Upon acceptance of this proposal, we request a formal written agreement stating that [Vendor Name] will forgive the remaining balance and report the account as "Satisfied" or "Paid in Full" to any relevant credit agencies.

This letter is a statement of intent and does not constitute a legally binding contract until a formal settlement agreement is signed by both parties. We value our partnership and look forward to resolving this matter promptly.

Please contact me at [Phone Number] or [Email Address] by [Deadline Date] to discuss these options.

Sincerely,

[Your Signature]
[Your Printed Name]
[Your Title]