

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

[Debtor Name]
[Debtor Address]
[City, State, Zip Code]

RE: Notice of Outstanding Debt and Opportunity to Settle

Account Number: [Account Number]
Total Balance Due: \$[Amount]

Dear [Debtor Name],

This letter is to formally notify you that your account regarding [Description of Debt/Invoice Number] is currently past due. As of [Date], our records show an outstanding balance of \$[Amount].

We would like to offer you an opportunity to resolve this matter amicably before we proceed with further collection actions. We are willing to accept a settlement under the following terms:

- **Option 1: Lump Sum Settlement.** Pay a reduced total of \$[Settlement Amount] if received by [Date]. This will be considered payment in full.
- **Option 2: Payment Plan.** Pay the full balance in monthly installments of \$[Monthly Amount] starting on [Start Date].

Please contact us by [Deadline Date] to confirm which option you choose or to pay the full balance. Payments can be made via [Payment Methods, e.g., Check, Credit Card, Online Portal].

If we do not hear from you or receive payment by the date mentioned above, we may be forced to escalate this matter to a collection agency or pursue legal action to recover the debt.

Thank you for your prompt attention to this matter.

Sincerely,

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