**Subject: Debt Lawsuit Settlement Offer**

Dear [Recipient's Name],

I hope this letter finds you well. I am writing to discuss a potential settlement regarding the outstanding debt owed to [Your Company Name]. Please accept this letter as a formal proposal for resolving the matter amicably and avoiding any further legal proceedings.

After careful consideration and in light of our desire to maintain a positive business relationship, we propose the following terms for settling the outstanding debt:

1. Total Debt Amount: $[Total Debt Amount]

2. Settlement Amount: $[Settlement Amount]

3. Payment Method: [Specify acceptable payment methods, e.g., check, wire transfer]

4. Deadline for Payment: [Specify a reasonable deadline for payment]

We believe that this settlement amount is fair and reasonable considering the circumstances surrounding the debt. By accepting this offer, both parties can avoid the time-consuming and costly process of litigation while achieving a mutually beneficial resolution.

It is important to note that acceptance of this settlement offer will constitute a full and final settlement of the outstanding debt. Upon receipt of the agreed settlement amount, [Your Company Name] will consider the debt satisfied, and no further legal action will be pursued.

To facilitate a smooth resolution, we kindly request that you respond to this settlement offer within [Specify a reasonable timeframe, e.g., 14 days] from the date of this letter. Should you accept this proposal, please provide written confirmation of your agreement, along with the proposed payment method and date.

In the event that we do not receive a response within the specified timeframe, we will be left with no choice but to pursue legal action to recover the full outstanding debt. We sincerely hope to avoid such measures and believe that reaching a mutually acceptable agreement is in the best interest of both parties involved.

Should you have any questions or concerns regarding this settlement offer, please do not hesitate to contact me at [Your Phone Number] or via email at [Your Email Address]. We remain open to discussing possible alternative solutions that would be agreeable to both parties.

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

Yours sincerely,

[Your Name]

[Your Company Name]

[Your Title]