

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

[Date]

[Creditor or Collection Agency Name]
[Recipient Name/Department]
[Address]
[City, State, Zip Code]

RE: Account Number: [Your Account Number]
Total Outstanding Balance: \$[Amount]

Dear [Name of Contact Person or Department],

I am writing regarding the outstanding balance on the above-referenced account. I acknowledge my financial obligation; however, I am currently experiencing financial hardship that prevents me from paying the full amount in a single lump sum at this time.

I would like to propose a formal payment plan to resolve this debt and avoid the necessity of litigation. My proposal is as follows:

- **Monthly Payment Amount:** \$[Amount]
- **Payment Start Date:** [Date]
- **Frequency:** [Monthly/Bi-weekly]
- **Duration:** Until the balance of \$[Total Amount] is paid in full.

I request that while I am making these payments, [Creditor Name] agrees to cease all further collection efforts, including interest accrual, late fees, and any pending legal action.

If this proposal is acceptable, please provide a written agreement confirming the terms. Once I receive the signed agreement, I will issue the first payment immediately.

I am committed to resolving this matter amicably. Thank you for your time and consideration.

Sincerely,

[Your Signature]

[Your Printed Name]