

Date: [Insert Date]

To: [Creditor Name]

Attn: [Contact Person/Department]

Address: [Creditor Address]

City, State, Zip: [Creditor City, State, Zip]

RE: Payment Arrangement for Account Number: [Insert Account Number]

Dear [Contact Person Name],

This letter serves as a formal agreement regarding the outstanding balance of \$[Insert Total Amount Owed] owed by [Your Business Name] to [Creditor Name].

Due to [Briefly state reason, e.g., temporary cash flow constraints], we would like to propose the following payment schedule to clear the outstanding balance:

- **Initial Payment:** \$[Amount] to be paid on [Date].
- **Installment Amount:** \$[Amount] to be paid [Weekly/Monthly].
- **Start Date:** [Date of first installment].
- **Number of Installments:** [Number] payments.
- **Final Payment Date:** [Date].

By accepting this arrangement, [Your Business Name] agrees to make all payments on time. In exchange, we request that [Creditor Name] agrees to:

- Suspend any further late fees or interest charges during the repayment period.
- Refrain from taking further legal action or referring this account to a collection agency, provided payments are made as scheduled.

Please confirm your acceptance of this proposal by signing below and returning a copy of this letter to us.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Job Title]

[Your Business Name]

Creditor Acceptance:

I, [Name of Creditor Representative], acting on behalf of [Creditor Name], hereby accept the payment terms outlined above.

Signature: _____ Date: _____