

Date: [Insert Date]

To: [Collection Agency Name]

Address: [Collection Agency Address]

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

From: [Your Full Name]

Address: [Your Address]

Account Number: [Insert Account Number]

Subject: Graduated Payment Agreement for Account #[Insert Account Number]

Dear [Contact Person or Collections Department],

This letter serves as a formal proposal to resolve the outstanding balance on the aforementioned account through a graduated payment plan. I am committed to satisfying this debt, but my current financial situation requires a tiered repayment structure.

I propose the following graduated payment schedule:

- **Phase 1:** \$[Amount] per month for [Number] months, starting on [Date].
- **Phase 2:** \$[Increased Amount] per month for [Number] months, starting on [Date].
- **Phase 3:** \$[Final Amount] per month until the remaining balance is paid in full.

By accepting this agreement, [Collection Agency Name] agrees to the following terms:

1. Interest charges and late fees will be frozen effective immediately upon receipt of the first payment.
2. The account will be marked as "Current" or "Paying as Agreed" on all credit bureau reports.
3. No further collection actions, legal proceedings, or wage garnishments will be pursued as long as payments are made according to the schedule above.

Please sign and return a copy of this agreement to confirm your acceptance of these terms. Once I receive the signed confirmation, I will issue the first payment according to the schedule above.

Sincerely,

[Your Signature]

[Your Printed Name]

Accepted By (Collection Agency Representative):

Signature: _____

Name/Title: _____

Date: _____