

**Date:** [Insert Date]

**Creditor Name:** [Insert Company Name]

**Address:** [Insert Address]

**City, State, Zip:** [Insert City, State, Zip]

**Debtor Name:** [Insert Debtor Name]

**Account Number:** [Insert Account Number]

**Total Debt Amount:** \$[Insert Amount]

Dear [Insert Debtor Name],

This letter serves as a formal agreement regarding the repayment of your outstanding debt. Both parties agree to the following adjustable installment plan:

**1. Initial Payment:** An initial payment of \$[Amount] shall be made on [Date].

**2. Installment Schedule:** Payments of \$[Amount] will be made [Monthly/Weekly] starting on [Date].

**3. Adjustment Clause:** The parties agree that the payment amount may be adjusted every [Number] months based on the Debtor's documented financial status. Any adjustment must be agreed upon in writing by both parties at least [Number] days before the new payment amount takes effect.

**4. Interest:** [State whether interest will continue to accrue or if it is frozen during the plan].

**5. Default:** If a payment is missed by more than [Number] days, the full remaining balance shall become immediately due, and further collection actions may be taken.

Please sign and return a copy of this letter to confirm your acceptance of these terms.

**Creditor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Debtor Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_