

Sample Letter to Your Creditors

(Do not wait for a response—include first payment and continue with repayment plan)

Today's Date

Credit Department
1 Anyplace St.
Kitchener, Ontario
N2R 2X6

Dear (Creditor's name):

I am writing this letter to request a temporary change in the repayment terms of my account. Since I have become unemployed, (or list other reasons) I've had to adjust my finances quite substantially. My current income is \$_____ However, when I carefully examined my financial situation and made a strict budget for my living expenses, it has become necessary to ask you to accept reduced payments of \$_____ for the next _____ months.

Please find enclosed a copy of my pay stub (or other) and my monthly expenses as well as my other debt/obligations. Seeing as my current monthly income is \$_____ (list total monthly income) and my minimum monthly living expenses are \$ _____(total expenses), I am left only with \$_____ for my proposed monthly payment.

My account #	Amount Owing	Monthly Pmt	Proposed Pmt
_____	_____	_____	_____

You can expect a certified cheque (or money order) for my first payment on (date). I will continue to make the same payment for the next _____ months. I will try to resume my normal payment as soon as my financial situation improves.

I am asking that my account not be placed with a collection agency, (if it already has, ask them to pull the account back) as I wish to deal with the company directly rather than an agency. I would like to avoid further debt. Could you please consider withholding interest on my account over the next 60 (90) days as I am waiting employment (or other reason) and will notify you in 60 (90) days as to any changes to my financial situation? I do not want to jeopardize my future relationship with (creditor's name), as this has never happened before.

Thank you for your consideration of this proposal. Please let me know if this is at all acceptable for the short term. If it is, please sign this letter and send me a copy. I am eager to resume regular payments.

Sincerely,

(Signature)

_____ Yes, I we accept the payments offered

Authorized signature _____ for _____ (company name).