

CREDITOR CONTACT LETTER

Address _____

Date _____

Re: Account # _____

Dear _____

Please accept my/our apology for not contacting you earlier about my account. During the past few months, my financial situation has deteriorated considerably. I realize that the timely payment of debts is a firm obligation on my part; nevertheless, there have been insufficient funds to accomplish such payment on a regular basis. I would like to arrange a payment schedule that will be acceptable to your company and feasible within my budget.

In an effort to alleviate the situation, I am currently working with _____, a Budget Coach with Crown Financial Ministries, whose phone number is (_____) _____ and email is _____. Together, a spending plan has been developed that should provide a long-term means of satisfying all obligations on a scheduled basis, even though it reduces the originally stated rates of debt payment.

Attached are a Financial Statement and a Monthly Income and Expenses form. The amount I am able to pay you on a monthly basis is \$_____.

The proposed schedule of payments is predicated on income at my present job. No increase in income is assumed; however, if this does occur, payments will be increased proportionately. It is my intention to pay every creditor in full. However, this plan requires the cooperation of every creditor. To assure no further indebtedness I have made a commitment to using no credit in the future.

I would appreciate your written acceptance of this plan, as well as any indication of smaller payments, interest, and late charge waivers or any principal reductions that would be acceptable to you. If you cannot approve this plan, please direct this letter to someone who has that authority. You may contact me at _____ between _____ and _____. Thank you for your patience.

Sincerely,

ACCEPTANCE _____

Date: _____

Organization: _____

By: _____

Comments: _____

P.S. Please return this signed acceptance to me.

[This is given as a simple letter and should be personalized for each client's situation.]

CREDITOR CONTACT LETTER

Address _____

Date _____

Re: Account # _____

Dear _____

I am working as a Crown certified Budget Coach, with one of your customers, _____ (client name) regarding an outstanding indebtedness. Attached you will find copies of an earlier letter and forms regarding this subject.

_____ (client name) related that all creditors except your organization have agreed to the attached payment plan. I want to confirm that I am working with _____ (client name) on a monthly basis, and I assisted them in developing this payment plan. I will continue to supervise this payment plan and will notify all creditors if the agreed conditions are not being met.

I have had training in the area of budget and debt coaching through Crown Financial Ministries, a nonprofit teaching and educational ministry. If you would like information about this organization, please visit www.crown.org.

The success of this plan depends on the concurrence of all creditors. Without this approval, the only recourse remaining will be through the courts. It is to the advantage of all parties concerned to avoid this if possible. If you have any questions for me, I can be reached at _____ between _____ and _____.

I trust your organization will agree to the submitted plan and will sign and return the acceptance.

Sincerely,

[This is given as a sample letter that a Crown certified Budget Coach might use. If you are not a Crown certified Budget Coach, this format should not be used.]