



Pro-Rata Plan Letter

Date: Sept 4, 2023

From: Ken & Barbie Smith
1313 Mockingbird Lane
Bumchuck, Mo 12345

Enclosure: (1) Cash Flow Plan

Re: Ken & Barbie Smith, Account # 1234-5678-1313-004

Dear (Account Specialist, Collections Manager, Office Supervisor):

We are presently dealing with circumstances beyond our control. I have recently been laid off from my job, and my wife is unable to work. We are actively seeking help from a financial counselor to find solutions for our immediate problems.

We acknowledge the fact that we owe you \$3000. We intend to pay you back in full. However, you are one of 11 creditors that we owe \$32,323. We currently have monthly minimum payments totaling \$1292. We are unable to meet these monthly obligations in full at this time, and we are not planning on borrowing any more money to fund our basic needs.

We have put together an emergency cash flow plan based on our take home pay of \$2500/mo. (See enclosure (1)). Since we have 3 small children and limited/no disposable income, we can only make payments of \$23/mo at this time. We have no interest in declaring bankruptcy, and we request that you work with us during this difficult time.

We request that you grant us a moratorium on payments for the next 120 days. We will call you twice per month, and we will increase our monthly payments as soon as we are able. Additionally, we are asking that you reduce our interest on this loan until we are better able to make our full monthly payments.

We can appreciate that this is an inconvenience to you, but we must meet our basic needs for food, shelter, clothing and utilities first. We fully intend to pay our creditors all that we own them. Please be patient with us.

If you need to contact us, please call (123) 555-1313.

Thank you for your consideration during our time of distress.

Sincerely,

Barbie Smith
Ken Smith