

DEBT SETTLEMENT AGREEMENT

1. Parties

This **Debt Settlement Agreement** ("**Agreement**" hereinafter) has been signed by and between the parties below on _____, to arrange the term and conditions of the debt between the parties and payment principles;

Creditor

Debtor

2. Background

According to the contract between the Creditor and the Debtor dated _____, the Debtor owes _____ to the Creditor to be paid in installments. As of the dated of this Agreement, remaining debt of the Debtor is _____, and the purpose of this Agreement is to restructure of remaining debt because of the insolvency of the Debtor.

3. Settlement

Within the scope of this Agreement, the Creditor agrees and accepts a reduced amount of _____ as a full and final settlement of the debt owed by Debtor. The Parties agrees and accepts that this settlement amount shall be paid in accordance with the schedule below;

	Date	Amount
First Installment		
Second Installment		
Third Installment		
Final Installment		

This settlement amount represents a compromise and resolution of the outstanding debt, and the Creditor acknowledges that it shall have no further claim or right to collect any amount beyond the settlement amount.

4. Consequences of Failure to Pay

If the Debtor defaults on paying any of the installments agreed upon under this Agreement, the entire debt becomes due and claimable. In such a case the Creditor may, at its discretion, subject the entire debt to legal proceedings without the need for any notification.

5. Terms of Release

The Creditor confirms that after payment is completed, they will release the Debtor and will not bother to ask for the initial amount. The Credit will also release documentation indicating that payment is already complete.

6. Entire Agreement

This Debt Settlement Agreement supersedes any prior agreements or negotiations between the parties regarding the subject matter of this Agreement. The main contract remains in force, except for the payment-related provisions of the main contract that creates the debt subject to this Agreement between the parties.

7. Severability

Any provision found in this Debt Settlement Agreement shall be held illegal, invalid, or unenforceable by any competent court, the same shall apply only to the provision and the rest of the remaining provisions hereto shall remain valid.

8. Confidentiality

All the information and content of this Debt Settlement Agreement are considered strictly confidential. If a third party needs to view it, written approval or authorization should be provided by both parties except legal requirements.

9. Waiver

The Parties involved in this Debt Settlement Agreement have the ability to waive any provision, rights, obligations, under this Debt Settlement Agreement. If there should be any provision, rights, or obligations that need to be waived, a written agreement and approval will be required.

10. Amendment

No modification or change of this Debt Settlement Agreement shall be considered valid unless made in writing and agreed upon by the involved parties.

11. Governing Law and Dispute Resolution

This Agreement shall be subject to the applicable federal laws and the laws of the state of _____ . Any disputes arising from this Agreement shall be settled through amicably methods first. Any dispute, controversy, or claim arising out of or relating to this Agreement, its interpretation, performance, breach, termination, or validity, shall be exclusively resolved by the state and federal courts located within the state of _____ .

Debtor

Date Signed

Signature

Creditor

Date Signed

Signature



This document is a PDF copy of **Debt Settlement Agreement** template. You can edit it with **Jotform Sign** and convert to an eSign document with **Jotform Sign**.



Learn More About Jotform PDF Products

Jotform offers powerful PDF solutions. Check them out below.

Jotform PDF Editor

Turn form submissions into PDFs automatically ready to download or save for your records.

jotform.com/products/pdf-editor/



Smart PDF Forms

Convert your PDF files into online forms that are easy to fill out on any device.

jotform.com/products/smart-pdf-forms/



Jotform Sign

Collect e-signatures with Jotform Sign to automate your signing process.

jotform.com/products/sign/



These templates are suggested forms only. If you're using a form as a contract, or to gather personal (or personal health) info, or for some other purpose with legal implications, we recommend that you do your homework to ensure you are complying with applicable laws and that you consult an attorney before relying on any particular form.