

## PAYMENT PLAN AGREEMENT

This Payment Plan Agreement ("Agreement") is entered into as of the

\_\_\_\_\_ day of \_\_\_\_\_ ,  
20 \_\_\_\_\_ , by and between:

Creditor: Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

and

Debtor: Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

### RECITALS

WHEREAS, Debtor acknowledges an outstanding debt to Creditor in the amount of \$  
\_\_\_\_\_ ("Debt Amount"); and

WHEREAS, the parties desire to establish a structured payment plan for the repayment of the  
Debt Amount;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained,

the parties agree as follows:

## 1. DEFINITIONS

"Payment Schedule" shall mean the schedule of payments as detailed in Section 2 of this Agreement.

"Interest Rate" shall mean the annual interest rate applied to the outstanding balance, if applicable, as detailed in Section 3.

"Default" shall mean the failure to make any scheduled payment within the grace period specified in Section 4.

## 2. PAYMENT SCHEDULE

Debtor agrees to repay the Debt Amount in installments according to the following schedule:

Initial Payment: \$ \_\_\_\_\_ due on or before

\_\_\_\_\_

Subsequent Payments: \$ \_\_\_\_\_ due on the

\_\_\_\_\_ day of each month, commencing on

\_\_\_\_\_, until the Debt Amount is paid in full.

## 3. INTEREST

The Debt Amount shall accrue interest at an annual rate of

\_\_\_\_\_ %, calculated monthly on the outstanding balance.

Interest shall be payable as part of each installment.

## 4. DEFAULT

In the event of Default, defined as failure to make any scheduled payment within \_\_\_\_\_ days of its due date, the entire outstanding balance, including accrued interest, shall become immediately due and payable at the option of the Creditor. The Creditor may also pursue any legal remedies available under applicable law.

## 5. TERMINATION

This Agreement shall terminate upon full payment of the Debt Amount, including any accrued interest, or upon written agreement by both parties. Termination shall not affect any rights or obligations that have accrued prior to termination.

## 6. NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

To Creditor:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

To Debtor:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

## 7. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_ . Any legal action or proceeding arising under this Agreement shall be brought exclusively in the courts located in \_\_\_\_\_ County, State of \_\_\_\_\_ .

#### 8. SEVERABILITY

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect. The parties agree to replace any invalid or unenforceable provision with a valid and enforceable provision that achieves, to the greatest extent possible, the original intent and economic effect of the invalid or unenforceable provision.

#### 9. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral.

#### 10. AMENDMENT

This Agreement may be amended only by a written agreement signed by both parties.

#### 11. WAIVER

No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Creditor:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Debtor:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Witness:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Commission Expiration: \_\_\_\_\_