

PAYMENT AGREEMENT

A simple agreement for the repayment of money owed

This Payment Agreement (the "Agreement") is entered into as of ____ day of _____, 20____ (the "Effective Date"), by and between:

PAYOR (the person who owes and will pay the money)

Full Legal Name	
Address	
Email	
Telephone	

PAYEE (the person who is owed and will receive the money)

Full Legal Name	
Address	
Email	
Telephone	

The Payor and Payee are referred to individually as a "Party" and collectively as the "Parties."

1. Acknowledgment of Debt

The Payor acknowledges that the Payor owes the Payee the principal sum of \$_____ (_____ dollars) (the "Total Amount"), arising from:

_____ (briefly describe the reason for the debt, e.g., a loan, unpaid invoice, services rendered).

2. Repayment Schedule

The Payor agrees to repay the Total Amount to the Payee according to the following schedule:

Payment #	Due Date	Amount
1		
2		

Payment #	Due Date	Amount
3		
4		
5		
6		
TOTAL		

Alternatively, if a single lump-sum payment applies, the Total Amount shall be paid in full on or before _____.

3. Payment Method

All payments shall be made to the Payee by _____ (e.g., bank transfer, check, cash, online payment) at the following details:

Payment Method	
Bank / Account Name	
Account Number / Reference	
Other Instructions	

4. Interest

(Choose one option and delete the other.)

Option A — No Interest: The Total Amount shall not bear interest, provided that all payments are made on time.

Option B — Interest: The Total Amount shall bear simple/compound interest at a rate of ____% per _____ (year/month), calculated from the Effective Date until paid in full.

5. Late Payments

If any scheduled payment is not received by the Payee within ____ (___) days of its due date, the Payor shall pay a late fee of \$_____ (or ____% of the overdue amount), in addition to the amount due. Repeated or significant late payments may also constitute a default under Article 6.

6. Default

The Payor shall be in default if (a) any payment is more than _____ (____) days overdue, (b) the Payor becomes insolvent or files for bankruptcy, or (c) the Payor breaches any other term of this Agreement. Upon default, the Payee may declare the entire unpaid balance immediately due and payable, and may pursue any remedies available at law or in equity, including reasonable collection costs and attorneys' fees.

7. Prepayment

The Payor may prepay all or any portion of the Total Amount at any time without penalty. Prepayments shall be applied first to any accrued late fees and interest, then to the principal balance.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of _____ . Any disputes arising out of this Agreement shall be resolved in the courts of _____ .

9. Entire Agreement

This Agreement contains the entire understanding between the Parties regarding its subject matter and supersedes all prior discussions, understandings, and agreements. Any amendment must be in writing and signed by both Parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

<p>PAYOR</p> <hr/> <p>Signature</p> <p>Name: _____</p> <p>Date: _____</p>	<p>PAYEE</p> <hr/> <p>Signature</p> <p>Name: _____</p> <p>Date: _____</p>
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— END OF AGREEMENT —

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