

DEBT SETTLEMENT AGREEMENT

This Debt Settlement Agreement is entered into as of **[Date, Month, and Year]** by and between:-

Debtor [Name, s/o, Occupation and Address]

AND

Creditor [Name, s/o, Occupation and Address]

The Creditor and Debtor are hereby individually referred to as "Party" and collectively "Parties"

The Creditor and the Debtor hereby agree to negotiate and settle the debt owed under the following terms and conditions:

1. The Creditor and Debtor agree that the current outstanding debt is **[Amount in Figures]** **[Amount in Words]**. All Parties agree that the Creditor will accept a payment of **[Amount in Figures]** **[Amount in Words]** towards the settlement of the debt in full. The Debtor shall pay the debt in the following manner:

[Mode of Payment] [Number of Installments, if any]

The Creditor agrees to compromise the debt provided they receive this payment from the Debtor by **[Date, Month, and Year]**.

2. If the Creditor does not receive the agreed upon payment by the above date, or if the Debtor does not make a payment for more than 30 (thirty) days after it is due, then the Debtor shall be granted the ability to demand the entire balance due and may take any legal actions that are necessary to collect the above mentioned loan.
3. This Agreement for a settlement of debt owed shall be binding upon all Parties, including the Debtor and Creditor, as well as their successors, heirs, and assigns.
4. The Parties agree that upon the Creditor's receipt of the payment described above, the debt is full and forever settled. The Parties agree that there are no further claims between them of any nature whatsoever from any and all liability or damages of any kind, known or unknown, in contract or in tort, related to this debt.

5. All Parties agree that the other Parties are free from any liability or wrongdoing. Any liability or wrongdoing is expressly denied. Furthermore, the Parties each agree that neither Party shall disparage the other to any third party at any time.
6. The Parties agree that the terms of this Agreement are the result of negotiations between the Parties and constitute a final accord and satisfaction concerning all disputes between them related to the outstanding debt described by this Agreement.
7. All settlement terms described herein are dependent upon the Creditor receiving from the debtor the final payment of **[Amount in Figures] [Amount in Words]**.
8. The Parties agree not to bring any claim of any kind against the other Party to this Agreement concerning any matter released by this Agreement, except for any suits necessary to enforce the terms of this Agreement. Each Party further agrees that this Agreement constitutes a bar to any such future claims.
9. The Parties agree that the terms and conditions of this Agreement shall remain confidential and that no Party shall release any part of this Agreement unless the Agreement is subpoenaed or to their own accountants or legal counsel.
10. This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Parties to this Agreement. Any other agreements, discussions, promises, and representations have been and are integrated into and superseded by this Agreement.
11. No modifications to any provisions contained in this Agreement shall be binding upon any Party unless made in writing and signed by all concerned Parties.
12. If any provision of this Agreement is held to be unenforceable for any reason, the remaining parts of the Agreement shall remain in full force and effect.
13. Each Party affirms and swears that they have not assigned any portion of the claims released under this Agreement to any third party.
14. Each Party represents that they have the express authority to enter into this Agreement on behalf of themselves or their respective organizations.
15. This Agreement shall be construed in accordance with the applicable laws in India. Any dispute arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts at [NAME OF PLACE].

IN WITNESS WHEREOF, the Parties have executed this Debt Settlement Agreement.

[Signature of the Debtor]

[Signature of the Creditor]

[Name, Address and Signature of the Witness]

[Name, Address and Signature of the Witness]