

COMPROMISE

For good and valuable consideration, _____, Creditor and _____, Debtor hereby agree to compromise and discharge the indebtedness owed to the Creditor by the Debtor according to the following terms:

- 1 The Debtor acknowledges that the sum of the present debt due the Creditor is \$_____.
- 2 The Creditor agrees to accept the sum of \$ _____ as payment in full and agrees to discharge, release, and accept it as satisfaction of all monies presently due.
- 3 Agreement of the Creditor to accept a lesser sum is binding only if payment by the Debtor is made within _____ days of the signing of this agreement.
- 4 If Debtor fails to pay the agreed sum within _____ days of the signing of this agreement, the Creditor shall have the right to pursue his or her claim for the full amount.
- 5 In the event of default, the defaulting party agrees to pay reasonable attorney fees and costs.
- 6 The agreement shall be binding on parties, their heirs, assigns, successors, and personal representatives.

Signed this _____ day of _____, 200__.

Creditor

Debtor