**COMPROMISE BETWEEN THE DEBTOR AND THE CREDITOR**

This **Compromise between the Debtor and Creditor** Agreement (this “Agreement”) is entered into as of [[Effective Date]] (the ‘’Effective Date’’).

**BETWEEN:** [[Entity: Choice (( Name of the person(s)), (“company”, "corporation", "limited liability partnership", "limited partnership", "proprietorship firm")]], a company, duly incorporated and registered under the Companies Act, 1956, with its principal place of business located at [[Company Address]], (the “Company”), through its [[Authorised signatory: Name of the Person]], (hereinafter called the “creditor”).

**AND:** [[Entity: Choice (( Name of the person(s)), (“company”, "corporation", "limited liability partnership", "limited partnership", "proprietorship firm")]], (the "Agency"), a company, duly incorporated and registered under the Companies Act, 1956, with its principal place of business located at [[Company Address]], (the “Company”), through its [[Authorised signatory: Name of the Person]], (hereinafter called the “debtor”).

**PREAMBLE**

WHEREAS the debtor has taken a loan of Rs [[Amount]] from the creditor on [[Date]] on interest at the rate of [[percent]]% per annum.

WHEREAS the aforesaid loan was payable by the debtor on or before [[Date]];

AND WHEREAS the debtor has failed to repay the loan and interest thereon and the creditor, in order to recover his loan, has agreed to accept a total amount of Rs [[Amount]]in full satisfaction of the said loan and interest thereon.

**NOW THIS DEED OF COMPROMISE WITNESSES AS FOLLOWS** :

1. That the debtor has paid an amount of Rs.[[Amount]]to the creditor on [[Date]] (the receipt whereof the creditor hereby acknowledges).
2. That the creditor has accepted the aforesaid amount in complete satisfaction of the amount of loan and interest thereon.
3. That the creditor, now has no claim against the debtor in respect of the aforesaid loan.
4. That the debtor is hereby discharged from his liability of repayment of the amount of loan and interest thereon.

IN WITNESS WHEREOF, both the creditor and debtor have signed this compromise on the day and date first before mentioned.

\*\*[[Party A | Uppercase]]\*\* \*\*[[Party B | Uppercase]]\*\*

[[Party A Signatory Email: Identity | Signature]] [[Party B Signatory Email: Identity | Signature]]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: [[Party A Signatory Name]] By: [[Party B Signatory Name]]

Title: [[Party A Signatory Title]] Title: [[Party B Signatory Title]]

WITNESSES

1. [[Name of the Witness: Witness A]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Address of the Witness A]] [[Witness A Signatory Email: Identity | Signature]]

[[Passport Size Photo: Image]]

1. [[Name of the Witness: Witness B]] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[[Address of the Witness B]] [[Witness B Signatory Email: Identity | Signature]]

[[Passport Size Photo: Image]]