

Milestone-Based Payment Agreement

This Milestone-Based Payment Agreement (â€œAgreementâ€) is made and entered into as of [Date] by and between:

[Client Name], having its principal place of business at [Client Address] (â€œClientâ€), and

[Service Provider Name], having its principal place of business at [Provider Address] (â€œService Providerâ€).

1. Project Overview

The Service Provider agrees to deliver the following project: [Project Description] (the â€œProjectâ€) in accordance with the milestones and payment schedule outlined below.

2. Milestones and Payment Schedule

Milestone No.	Description	Due Date	Payment Amount
1	[Describe Milestone 1]	[Date]	[Amount]
2	[Describe Milestone 2]	[Date]	[Amount]
3	[Describe Milestone 3]	[Date]	[Amount]
Total			[Total Amount]

3. Payment Terms

- Payments shall be made by the Client within [Number] days of completion and written approval of each milestone.
- All payments will be made via [Payment Method, e.g., Bank Transfer] to the account details provided by the Service Provider.
- Any delay in payment may result in suspension of work until payment is received.

4. Acceptance Criteria

Each milestone will be deemed completed upon written acceptance by the Client, based on the mutually agreed deliverables for each milestone.

5. General Terms

- Both parties agree to the terms established and will work cooperatively to achieve timely completion of the Project.
- Changes to the scope or schedule may result in adjustments to the milestones and payment amounts,

subject to mutual written agreement.

- Either party may terminate this Agreement upon written notice in accordance with the provisions set forth herein.

Client:

Name: [Client Name]

Date: _____

Service Provider:

Name: [Provider Name]

Date: _____

Important Notes

- Milestone-based agreements help manage risk by linking payments to deliverables.
- Define milestones and acceptance criteria as clearly as possible to avoid disputes.
- Always specify payment timelines and methods within the document.
- Both parties should review and agree on changes in writing if the scope or timeline changes.
- Retain signed copies for legal and recordkeeping purposes.