

# Performance-Based Payment Agreement

Date: \_\_\_\_\_

Agreement Number: \_\_\_\_\_

## Parties

Client: \_\_\_\_\_

Service Provider: \_\_\_\_\_

Project/Service Name: \_\_\_\_\_

## 1. Purpose

This Performance-Based Payment Agreement ("Agreement") outlines the terms and conditions under which the Service Provider shall provide deliverables to the Client and the payment will be made upon achievement of specified performance milestones.

## 2. Scope of Work

The Service Provider agrees to perform the following tasks and provide the following deliverables:

- Task/Deliverable 1: \_\_\_\_\_
- Task/Deliverable 2: \_\_\_\_\_
- Task/Deliverable 3: \_\_\_\_\_

## 3. Payment Schedule Based on Performance

Milestone	Description	Payment Amount	Due Date
Milestone 1	[Describe milestone 1]	\$ _____	_____
Milestone 2	[Describe milestone 2]	\$ _____	_____
Milestone 3	[Describe milestone 3]	\$ _____	_____

## 4. Terms & Conditions

1. Payments will be made only upon successful completion and acceptance of the respective milestones.
2. All deliverables must meet the quality standards specified by the Client.
3. Both parties must agree in writing to modify any term of this Agreement.
4. This Agreement is governed by the laws of \_\_\_\_\_.
5. Any dispute will be resolved by Arbitration / Court Jurisdiction.

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**Client Signature**

Name: \_\_\_\_\_

Date:

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**Service Provider Signature**

Name:

Date:

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## Important Notes

- Payments are strictly tied to pre-defined performance milestones.
- Clear definition of milestones and acceptance criteria minimizes disputes.
- Document should list quality standards and objective metrics if possible.
- Modifications should always be documented and agreed upon by both parties.
- Keep a signed and dated copy with each party for reference.