IOU

Date: _____ Amount owed: $_____

I, _____, of _____ (the "Borrower"), acknowledge that I owe _____, of _____ (the "Lender"), the sum of $_____ (the "Amount"). The Lender lent me the Amount on _____ to pay for _____ (optional). The Amount is a loan, not a gift, and I promise to repay it to the Lender as this IOU sets out.

1. REPAYMENT

(Check one) [ ] I will repay the Amount in full on or before _____. [ ] I will repay the Amount in _____ payments of $_____ each, due (check one) [ ] monthly [ ] every two weeks [ ] weekly, beginning on _____, with a last payment of $_____ due on _____. [ ] I will repay the Amount in full within _____ days after the Lender asks me for it in writing; a text message or email counts. [ ] We have not set a date. I will repay the Amount as soon as I reasonably can, and within 60 days after the Lender asks me in writing for what is left.

I may repay all or part of the Amount early, at any time, with no penalty.

2. INTEREST

(Check one) [ ] No interest is charged; I will repay only the Amount. [ ] I will also pay $_____ in interest, due with the Amount. [ ] Simple interest is charged at _____% per year on the unpaid part of the Amount until it is repaid.

The Lender will never charge, and I will never have to pay, interest above the highest amount the law allows. Any excess is reduced to that amount, and anything extra already paid is applied to the Amount or given back to me. Note: most states limit interest on personal loans. Check your state's limit before you add interest.

3. PAYMENTS

I will pay the Lender by _____ (payment methods), or in another way the Lender agrees to in writing. The Lender will give me a signed receipt for any cash payment, and for any other payment if I ask.

If I miss an installment and do not make it within _____ days after the Lender reminds me in writing, the Lender (check one) [ ] may ask me to repay everything I still owe at once [ ] may not ask for any later payment before its due date.

When I have repaid everything I owe, the Lender will write "Paid in Full" on this IOU, sign and date it, and give it back to me, or confirm in writing that nothing more is owed.

This general template is provided for informational purposes only and does not constitute legal advice. Requirements vary by state and locality; review current law and attach any disclosures or addenda your situation requires before signing. For a guided state-specific document, visit lawvault.org.

4. OTHER TERMS

The law of the State of _____ applies to this IOU. If the Lender accepts a late or partial payment, the Lender keeps the right to be repaid in full. This IOU is the full agreement about this loan and can be changed only in writing signed by the Borrower and the Lender. If any part cannot be enforced, the rest still applies. This IOU may be signed electronically.

Additional terms: _____

SIGNATURES

Borrower

Signature: _____ Date: _____

Printed Name: _____

Lender (optional)

Signature: _____ Date: _____

Printed Name: _____

Witness (optional)

Signature: _____ Date: _____

Printed Name: _____

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