LOAN AGREEMENT

This Loan Agreement (this "Agreement") is made on _____, 20____ (the "Effective Date").

Lender: _____, mailing address _____ (the "Lender").

Borrower: _____, mailing address _____ (the "Borrower").

1. THE LOAN

The Lender agrees to lend the Borrower, and the Borrower agrees to borrow, the principal sum of $_____ (the "Loan Amount").

Purpose of the loan: _____.

The Lender will deliver the Loan Amount (check one): [ ] in one payment on or before _____; [ ] in parts on this schedule: _____. Delivery method: _____.

2. INTEREST

(Check one): [ ] The loan bears no interest. [ ] The unpaid principal bears simple interest at ____ percent per year, calculated on a 365-day year and the actual days elapsed, from the date each amount is delivered until it is repaid.

3. REPAYMENT

(Check one): [ ] Installments of $_____ each, due every _____ starting on _____. [ ] Interest-only payments every _____ starting on _____, with the full principal due at the end. [ ] One payment of all principal and interest.

Everything still owed is due in full on _____ (the "Maturity Date"). Payments will be made by _____ and are applied first to late charges and costs, then to interest, then to principal.

The Borrower may prepay all or part of the principal at any time (check one): [ ] without penalty; [ ] with a fee of ____ percent of the principal prepaid.

If a payment is more than ____ days late, the Borrower will pay a late charge of $_____ (leave blank for none). Only one late charge applies to each late payment.

4. SECURITY AND GUARANTY (OPTIONAL)

[ ] To secure repayment, the Borrower grants the Lender a security interest in this property (the "Collateral"): _____. The Borrower authorizes the Lender to file a financing statement, will keep the Collateral in good condition, and will not sell or encumber it without the Lender's written consent. For real estate, the Borrower will also sign a separate mortgage or deed of trust that the Lender may record; this Agreement does not by itself create a lien on real property.

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[ ] _____ (the "Guarantor"), mailing address _____, guarantees full and prompt payment of every amount the Borrower owes under this Agreement and signs below. The Lender may demand payment from the Guarantor without first suing the Borrower, to the extent the law allows.

5. BORROWER REPRESENTATIONS AND COVENANTS

The Borrower represents that it has the legal capacity and authority to sign this Agreement, that the information it gave the Lender is true and complete, and that no pending claim threatens its ability to repay. Until the loan is repaid, the Borrower will use the money only for the stated purpose and will tell the Lender in writing within 10 days of any change of name or address.

6. LENDER OBLIGATIONS

The Lender will deliver the loan as described above, keep a record of payments, give a statement of the balance on reasonable written request, and confirm in writing within 30 days after full payment that the loan is paid (and release any Collateral).

7. DEFAULT AND REMEDIES

It is an Event of Default if the Borrower misses a payment or breaks another promise in this Agreement and does not cure it within ____ days after written notice, makes a materially false statement, or becomes the subject of a bankruptcy proceeding.

After an uncured Event of Default, the Lender may declare the whole unpaid balance immediately due, enforce its rights in any Collateral, demand payment from any Guarantor, and use any other remedy the law allows. The Borrower will pay the Lender's reasonable collection costs and attorney fees, to the extent the law allows.

8. USURY SAVINGS

If any interest, fee or charge under this Agreement is more than the law allows, it is reduced to the lawful maximum, and any excess paid is applied to principal or refunded. Interest limits differ from state to state; check your state's limit before choosing a rate.

9. GENERAL TERMS

The laws of the State of _____ govern this Agreement. Any lawsuit about it will be brought in the courts serving _____ County.

This Agreement is the complete agreement between the parties about the loan and can be changed only in a signed writing. If a court finds any part unenforceable, the rest stays in effect. The Borrower may not transfer its duties without the Lender's written consent. Notices must be in writing and sent to the addresses above. This Agreement may be signed in counterparts and electronically.

Additional terms: _____

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SIGNATURES

Lender

Signature: _____ Date: _____

Printed Name: _____

Borrower

Signature: _____ Date: _____

Printed Name: _____

Guarantor (if any)

Signature: _____ Date: _____

Printed Name: _____

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