**LOAN AGREEMENT**

**Background:**

This Loan Agreement (“Agreement”) is made and entered into on the [INSERT DATE] between:

[INSERT NAME] located at [INSERT ADDRESS] (“**Borrower**”); and

 [INSERT NAME] located at [INSERT ADDRESS] (“**Lender**”)

**Background**

1. Lender agrees to loan Borrower $[AMOUNT OF LOAN]. Together with interest on the principal balance, and in accordance with the terms set forth below.

**Repayment [CHOOSE ONE]**

1. **Single Payment:** The Loan together with accrued and unpaid interest and all other charges, costs, and expenses, is due and payable on demand of the Lender **OR** on or before [DATE].

**OR**

**Regular Payments:** The Loan together with accrued and unpaid interest and all other changes, costs, and expenses, is due and payable on or before [DATE]. All payments under this Agreement are applied first to accrued interest and then to the Principal Balance. The Loan shall be payable in installments equal to $[AMOUNT]. The first payment is due on [DATE] and due thereafter in [NUMBER OF PAYMENTS] equal consecutive: [CHOOSE ONE]

**Monthly instalments:** Each successive payment is due on the [DAY] day of the month.

**Quarterly instalments:** Each successive payment is due on the [DAY] day of the quarter.

**Semi-annual instalments:** Each successive payment is due on the [DAY] day of the half-year.

**Annual installments:** Each successive payment is due on the [DAY] of the year.

**Security [CHOOSE ONE]**

1. The loan is secured by collateral. Borrower agrees that until the Loan together with interest is paid in full, the Loan will be secured by [DETAILS] and Borrower hereby grants to Lender a security interest in and to such property. **OR** The loan is not secured by collateral.

**Guaranty [CHOOSE ONE]**

1. There is a guarantor located at [LOCATION] (“Guarantor”). Guarantor promises to unconditionally guarantee to Lender, the full payment and performance by Borrower of all duties and obligations arising under this Agreement. Guarantor agrees this guaranty shall remain in full force and effect and be binding on Guarantor until this Agreement is satisfied. **OR**

There is no guarantor.

**Interest**

1. The principal balance shall bear interest at the rate of [PERCENTAGE]% per annum, accruing daily. Notwithstanding, the total interest charged on the principal amount shall not exceed the maximum amount allowed by law and the Borrower shall not be obligated to pay any interest in excess of such amount.

**Late Fee**

1. **There is a late Fee:** If Borrower fails to make a payment due under this Agreement within [DAYS] days after the due date, Borrower agrees to pay to Lender a late payment fee of [AMOUNT]% of the amount then due. **OR**

There is no late fee.

**Prepayment [CHOOSE ONE]**

1. Borrower has the right to prepay all or any part of the loan, together with accrued and unpaid interest at any time without penalty of premium of any kind. Borrower must give [DAYS] written notice to the Lender of any prepayment and the amount. **OR**

Borrower does not have the right to prepay all or any part of the Loan.

**Discount: [CHOOSE ONE]**

If Borrower pays all of the loan, with interest, on or before [DATE]. Lender will give a discount of [PERCENTAGE]%. **OR**

Discount is not applicable.

**Acceleration**

1. In the event the Borrower makes payment more than [DAYS] days late, Lender may demand that the Principal balance and any interest must be made immediately due in full. **OR**

In the event the Borrower makes a late payment, the Lender may not accelerate the Loan.

**Remedies**

1. Lender may enforce its rights or remedies in equity and/or law, whether for specific performance or to enforce the payment of the Loan or any other legal right or remedy. The rights and remedies of Lender shall be cumulative and in addition to every other such right or remedy.

**Costs and Expenses**

1. Borrower shall pay to Lender all costs of collection, including reasonable attorney fees the Lender may incur in enforcing this Agreement.

**Waiver**

1. Borrower and all sureties waive presentment, protest, demand and dishonor and nonpayment of this Agreement.

**Successors and Assigns**

1. This Agreement will inure to the benefit of and be binding on the respective successors and permitted assigns of the Borrower.

**Joint and Several Liability**

1. If there is more than one Borrower in this Agreement, the obligation of each Borrower shall be joint and several.

**Amendment**

1. This Agreement may be amended or modified, only by a written agreement signed by the Lender and Borrower.

**Notices [INSERT ALL THAT APPLY]**

1. Any notice or communication under this Loan must be in writing and send via one of the options below:

[Delivery in person];

[Overnight Courier Service];

[Certified or registered mail];

[Facsmile];

[Electronic email transmission];

[OTHER].

**No Waiver**

1. Lender shall not be deemed to have waived any provision of this Loan Agreement or the exercise of any rights unless such waiver is made in writing. Waiver by Lender of a breach of this Agreement shall not constitute a waiver of any other breach or violation.

**Severability**

1. In the event that any of the provisions of this Agreement are found to be invalid or unenforceable in whole or in part, the remaining provisions shall not be affected and shall continue to be valid and enforceable as though the invalid and unenforceable parts had not existed.

**Assignment**

1. Borrower shall not assign any part of this Agreement without the prior written consent of the Lender. However, the Lender may assign any part of this Agreement with written notice to the Borrower.

**Governing Law**

1. The terms of this Agreement shall be governed by and construed in accordance with the laws of the state of [INSERT STATE], not including its conflicts of law provisions.

**Dispute Resolution**

1. **Court Litigation:** Any suit involving any dispute or matter arising under this Agreement may only be brought in a United States District Court located in the State of [STATE] or any State Court in [STATE] having jurisdiction over the subject matter of the dispute or matter. All parties consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding. All parties waive any right to trial by jury in connection with any action or proceeding relating to this Agreement.

**OR**

**Binding Arbitration:** Shall be conducted in accordance with the rules of the American Arbitration Association.

**OR**

**Mediation**

**OR**

**Mediation, then Binding Arbitration:** If the dispute cannot be resolved through mediation, the dispute will then be conducted in accordance with the rules of the American Arbitration Association.

**Entire Agreement**

1. This Agreement contains the entire understanding between the parties and cancels and supersedes all prior agreements of the parties, whether oral or written.

**IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first stated above.**

**SIGNATURES**

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|  |  |  |
| **Borrower Signature** |  | **Borrower Full Name** |

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| --- | --- | --- |
|  |  |  |
| **Borrower Signature** |  | **Borrower Full Name** |

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| --- | --- | --- |
|  |  |  |
| **Grantor Signature** |  | **Grantor Full Name** |

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| --- | --- | --- |
|  |  |  |
| **Lender Signature** |  | **Lender Full Name** |

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **Lender Signature** |  | **Lender Full Name** |