

State of

# BUSINESS LOAN AGREEMENT

This Loan Agreement (this "Agreement"), is made as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_  
(the "Effective Date") by and among/between:

**Borrower(s):** \_\_\_\_\_, located at \_\_\_\_\_  
\_\_\_\_\_ [Address] ("Borrower"), and

**Lender(s):** \_\_\_\_\_, located at \_\_\_\_\_  
\_\_\_\_\_ [Address] ("Lender").

The parties agree as follows:

**1. Loan Amount.** Lender agrees to loan Borrower the principal sum of \$\_\_\_\_\_ (the "Loan"), together with interest on the outstanding principal amount of the Loan (the "Principal Balance"), and in accordance with the terms set forth below.

**2. Repayment of Loan.** (Check one)

**Single Payment.** The Loan together with accrued and unpaid interest and all other charges, costs and expenses, is due and payable (Check one)  on demand of the Lender  on or before \_\_\_\_\_, 20\_\_\_\_\_.

**Regular Payments.** The Loan together with accrued and unpaid interest and all other charges, costs and expenses, is due and payable on or before \_\_\_\_\_, 20\_\_\_\_\_. 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 \$\_\_\_\_\_. The first payment is due on \_\_\_\_\_, 20\_\_\_\_\_ and due thereafter in \_\_\_\_\_ [Number of payments] equal consecutive: (Check one)

- Monthly installments. Each successive payment is due on the \_\_\_\_\_ day of the month.
- Quarterly installments. Each successive payment is due on the \_\_\_\_\_ day of the quarter.
- Semi-annual installments. Each successive payment is due on the \_\_\_\_\_ day of the half-year.
- Annual installments. Each successive payment is due on the \_\_\_\_\_ day of the year.

**3. Security.** (Check one)

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 \_\_\_\_\_, and Borrower hereby grants to Lender a security interest in and to such property.



- The loan is NOT secured by collateral.

**4. Guaranty.** (Check one)

There is a guarantor. \_\_\_\_\_ located at \_\_\_\_\_  
\_\_\_\_\_ (“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 that this guaranty shall remain in full force and effect and be binding on Guarantor until this Agreement is satisfied.

- There is NO guarantor.

**5. Interest.** The Principal Balance shall bear interest at the rate of \_\_\_\_\_% per annum, accruing daily. Notwithstanding, the total interest charged shall not exceed the maximum amount allowed by law and Borrower shall not be obligated to pay any interest in excess of such amount.

**6. Late Fee.** (Check one)

There is a late Fee. If Borrower fails to make a payment due under this Agreement within \_\_\_\_\_ days after the due date, Borrower agrees to pay to Lender a late payment fee of \_\_\_\_\_% of the amount then due.

- There is NO late fee.

**7. Prepayment.** (Check one)

Borrower has the right to prepay all or any part of the Loan, together with accrued and unpaid interest thereon, at any time without prepayment penalty or premium of any kind. Borrower must provide \_\_\_\_\_ days prior written notice to Lender of the prepayment and the amount of the prepayment.

Discount (Check one)

If Borrower pays all of the Loan, together with accrued interest, on or before \_\_\_\_\_, 20\_\_\_\_\_, Lender will give a discount of \_\_\_\_\_% of the Principal Balance then due.

- Not applicable.

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

**8. Acceleration.** (Check one)

In the event Borrower is more than \_\_\_\_\_ days late with a payment, Lender in its sole discretion may demand that the Principal Balance and any accrued and unpaid interest be immediately due and payable in full.

- In the event Borrower is late with a payment, Lender may NOT accelerate the Loan.



**9. Remedies.** Lender may enforce its rights or remedies in equity or at law, or both, whether for specific performance of any provision in this Agreement or to enforce the payment of the Loan or any other legal or equitable right or remedy. The rights and remedies of Lender now or hereafter existing at law or in equity or by statute or otherwise shall be cumulative and shall be in addition to every other such right or remedy.

**10. Costs and Expenses.** Borrower shall pay to Lender all costs of collection, including reasonable attorney's fees, Lender incurs in enforcing this Agreement.

**11. Waiver.** Borrower and all sureties, guarantors and endorsers hereof, waive presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Agreement.

**12. Successors and Assigns.** This Agreement will inure to the benefit of and be binding on the respective successors and permitted assigns of Lender and Borrower.

**13. Joint and Several Liability.** The obligation of each Borrower shall be joint and several under this Agreement.

**14. Amendment.** This Agreement may be amended or modified only by a written agreement signed by Borrower and Lender.

**15. Notices.** Any notice or communication under this Loan must be in writing and sent via one of the following options: (Check all that apply)

- Delivery in Person
- Overnight Courier Service
- Certified or Registered Mail (Postage Prepaid, Return Receipt Requested)
- Facsimile
- Electronic Email Transmission
- Other: \_\_\_\_\_

**16. No Waiver.** Lender shall not be deemed to have waived any provision of this Agreement or the exercise of any rights held under this Agreement unless such waiver is made expressly and in writing. Waiver by Lender of a breach or violation of any provision of this Agreement shall not constitute a waiver of any other subsequent breach or violation.

**17. Severability.** In the event that any of the provisions of this Agreement are held 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 or unenforceable parts had not been included in this Agreement.

**18. Assignment.** Borrower shall not assign this Agreement, in whole or in part, without the written consent of Lender. Lender may assign all or any portion of this Agreement with written notice to Borrower.



**19. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_, not including its conflicts of law provisions.

**20. Disputes.** Any dispute arising from this Agreement shall be resolved through: (Check one)

- Court litigation. Disputes shall be resolved in the courts of the State of \_\_\_\_\_.  
(Check if applicable)
  - If either Party brings legal action to enforce its rights under this Agreement, the prevailing party will be entitled to recover from the other Party its expenses (including reasonable attorneys' fees and costs) incurred in connection with the action and any appeal.
- Binding arbitration. Binding arbitration shall be conducted in accordance with the rules of the American Arbitration Association.
- Mediation.
- Mediation, then binding arbitration. If the dispute cannot be resolved through mediation, then the dispute will be resolved through binding arbitration conducted in accordance with the rules of the American Arbitration Association.

**21. Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes and cancels all prior agreements of the parties, whether oral or written, with respect to such subject matter.

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

**SIGNATURES**

\_\_\_\_\_  
**Borrower** Signature

\_\_\_\_\_  
**Borrower** Full Name

\_\_\_\_\_  
**Borrower** Signature

\_\_\_\_\_  
**Borrower** Full Name

\_\_\_\_\_  
**Borrower** Signature

\_\_\_\_\_  
**Borrower** Full Name



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**Borrower** Signature

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**Borrower** Full Name

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**Grantor** Signature

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**Grantor** Full Name

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**Lender** Signature

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**Lender** Full Name

