

PROMISSORY NOTE

This PROMISSORY NOTE (the "Note") is made and entered into on this ____ day of _____, 20____,

BY AND BETWEEN:

The Borrower: _____

Address: _____

Phone: _____

Email: _____

AND

The Lender: _____

Address: _____

Phone: _____

Email: _____

RECITALS

WHEREAS, the Borrower desires to borrow a certain sum of money from the Lender; and

WHEREAS, the Lender is willing to lend such sum to the Borrower under the terms and

conditions set forth herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower promises to pay to the Lender the Principal Sum (as defined below) in accordance with the terms and conditions hereinafter set forth.

I. DEFINITIONS

For the purposes of this Note, the following terms shall have the meanings ascribed to them below:

- a. "**Borrower**" refers to _____, and its successors and permitted assigns.
- b. "**Lender**" refers to _____, and its successors and permitted assigns.
- c. "**Principal Sum**" means the total amount of money borrowed by the Borrower from the Lender, which is _____ US Dollars (\$ _____).
- d. "**Interest Rate**" means the annual interest rate of _____ percent (_____ %) on the unpaid Principal Sum.
- e. "**Maturity Date**" means the date on which the entire unpaid Principal Sum and any accrued interest become due and payable, which is the _____ day of _____, 20____.
- f. "**Payment Due Date**" means the _____ day of each _____ (e.g., month, quarter, year), starting on the _____ day of _____, 20____, until the Principal Sum and all accrued interest are paid in full or until the Maturity Date, whichever occurs first.
- g. "**Default**" means any event described in Section V of this Note.

II. PRINCIPAL SUM AND INTEREST

The Borrower hereby promises to pay to the order of the Lender the Principal Sum of _____ US Dollars (\$ _____), together with interest thereon at the Interest Rate of _____ percent (_____ %) per annum. Interest shall be calculated on the outstanding Principal Sum and shall accrue from the date of this Note until the Principal Sum is paid in full.

III. PAYMENT TERMS

The Borrower shall repay the Principal Sum and accrued interest to the Lender as follows:

a. **Payment Schedule:**

Lump Sum Payment: The entire Principal Sum and all accrued interest shall be due and payable in a single lump sum on the Maturity Date.

Installment Payments: The Borrower shall make regular payments of _____ US Dollars (\$ _____) on each Payment Due Date. Each payment shall be applied first to accrued interest and then to the outstanding Principal Sum.

Interest-Only Payments: The Borrower shall make interest-only payments of _____ US Dollars (\$ _____) on each Payment Due Date. The entire Principal Sum shall be due and payable on the Maturity Date.

b. **Payment Method:** All payments shall be made in lawful money of the United States of America to the Lender at the address specified above, or at such other place as the Lender may designate in writing.

IV. LATE PAYMENTS

If any payment required under this Note is not received by the Lender within _____ (_____) days after its Payment Due Date, the Borrower shall pay a late fee of _____ US Dollars (\$) _____) or _____ percent (_____ %) of the overdue payment, whichever is greater. This late fee shall be immediately due and payable and shall be in addition to any other remedies available to the Lender upon Default.

V. PREPAYMENT

The Borrower shall have the right to prepay this Note in whole or in part at any time without penalty or premium. Any partial prepayment shall be applied first to accrued and unpaid interest and then to the outstanding Principal Sum.

VI. DEFAULT

The occurrence of any of the following events shall constitute an event of "Default" under this Note:

- a. Failure of the Borrower to pay any installment of principal or interest when due under this Note.
- b. Failure of the Borrower to perform any other covenant, condition, or agreement contained in this Note, and such failure continues for a period of _____ (_____) days after written notice thereof from the Lender to the Borrower.
- c. The Borrower (i) becomes insolvent, (ii) files a petition in bankruptcy or for reorganization,

arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal, state, or other statute or law, (iii) has an involuntary petition filed against it, which is not dismissed within _____ (_____) days, (iv) makes an assignment for the benefit of creditors, or (v) has a receiver, trustee, custodian, or similar official appointed for its assets.

d. Any representation or warranty made by the Borrower in connection with this Note proves to be false or misleading in any material respect.

VII. ACCELERATION

Upon the occurrence of any event of Default, the Lender, at its option, may declare the entire unpaid Principal Sum, together with all accrued and unpaid interest and any other amounts payable hereunder, immediately due and payable without presentment, demand, protest, or further notice of any kind.

VIII. WAIVER

No delay or omission on the part of the Lender in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.

IX. GOVERNING LAW

This Note shall be governed by and construed in accordance with the laws of the State of _____, without regard to its conflict of laws principles.

X. NOTICES

Any notice or communication required or permitted under this Note shall be in writing and shall

be deemed to have been duly given when delivered personally, sent by certified or registered mail (return receipt requested), or sent by a nationally recognized overnight courier service, to the addresses of the Borrower and Lender as first set forth above, or to such other address as either party may designate in writing from time to time.

XI. SEVERABILITY

If any provision of this Note is held to be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

XII. ENTIRE AGREEMENT

This Note constitutes the entire agreement between the Borrower and the Lender with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written.

XIII. SUCCESSORS AND ASSIGNS

This Note shall be binding upon and inure to the benefit of the Borrower and the Lender and their respective heirs, executors, administrators, successors, and permitted assigns. The Borrower may not assign its rights or delegate its obligations under this Note without the prior written consent of the Lender.

XIV. AMENDMENTS

This Note may not be amended, modified, or supplemented except by a written instrument executed by both the Borrower and the Lender.

XV. HEADINGS

The headings of the sections of this Note are for convenience only and shall not affect the interpretation or construction of any of its provisions.

XVI. CONSTRUCTION

The parties acknowledge that they have had the opportunity to review and revise this Note. No presumption for or against any party shall arise by virtue of the authorship of any particular provision of this Note.

XVII. COLLECTION COSTS

If this Note is placed in the hands of an attorney for collection after Default, or if suit is brought to collect this Note, or if this Note is collected through bankruptcy, probate, or other legal proceedings, the Borrower agrees to pay all costs of collection, including, but not limited to, reasonable attorney's fees and court costs, in addition to the Principal Sum and any accrued interest.

IN WITNESS WHEREOF, the Borrower has executed this Promissory Note as of the date first written above.

BORROWER

Signature: _____

Print Name: _____

Date: _____ day of _____, 20____

Address: _____

LENDER

Signature: _____

Print Name: _____

Date: _____ day of _____, 20____

Address: _____

WITNESSES

The undersigned witnesses attest to the execution of this Promissory Note by the Borrower and Lender.

Witness 1:

Signature: _____

Print Name: _____

Date: _____ day of _____, 20____

Address: _____

Witness 2:

Signature: _____

Print Name: _____

Date: _____ day of _____, 20____

Address: _____

NOTARY PUBLIC ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

On this ____ day of _____, 20____, before me, a Notary Public in and for said County and State, personally appeared _____ (Borrower Name) and _____ (Lender Name), known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal.

Notary Public: _____

Print Name: _____

My Commission Expires: _____

(Seal)