

LOAN AGREEMENT

This Loan Agreement (the "Agreement") is made and entered into on this _____ day of _____, 20_____, by and between the following parties:

I. PARTIES

A. LENDER:

Name: _____

Street Address: _____

City: _____

State: _____

Zip Code: _____

B. BORROWER:

Name: _____

Street Address: _____

City: _____

State: _____

Zip Code: _____

(The Lender and Borrower are collectively referred to herein as the "Parties" and individually as a "Party.")

II. RECITALS

WHEREAS, the Parties are siblings and desire to formalize a personal loan arrangement to prevent misunderstandings and ensure legal clarity; and

WHEREAS, the Borrower desires to borrow a certain sum of money from the Lender, and the Lender is willing to lend such sum to the Borrower, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows: III. LOAN AMOUNT

The principal amount of the loan (the "Loan Amount") is: \$ _____ .

IV. INTEREST RATE

The Loan shall bear interest at an annual rate of: _____ % (the "Interest Rate"). Interest shall be calculated on the outstanding principal balance of the Loan.

V. REPAYMENT TERMS

The Borrower shall repay the Loan Amount, plus accrued interest, according to the following schedule: _____

(e.g., "in monthly installments of \$ _____ beginning on the _____ day of _____, 20 _____, until the Loan is fully repaid," or "in a single lump sum payment on the _____ day of _____, 20 _____.")

All payments shall be made to the Lender at the address specified above or at such other address as the Lender may designate in writing.

VI. PREPAYMENT

The Borrower shall have the right to prepay the Loan in whole or in part at any time without penalty. Any partial prepayment shall be applied first to accrued and unpaid interest, and then to the outstanding principal balance.

VII. LATE PAYMENTS

If any payment due under this Agreement is not received by the Lender within _____ (_____) days after its due date, the Borrower shall pay a late fee of \$ _____. This late fee is intended to compensate the Lender for administrative costs associated with late payments and is not a penalty.

VIII. DEFAULT

The occurrence of any of the following events shall constitute an "Event of Default" under this Agreement:

- a. **Failure to Pay:** The Borrower fails to make any payment of principal or interest when due under this Agreement and such failure continues for a period of _____ (_____) days after written notice from the Lender.
- b. **Breach of Covenants:** The Borrower breaches any other covenant, term, or condition of this Agreement and fails to cure such breach within _____ (_____) days after written notice from the Lender.
- c. **Insolvency:** The Borrower becomes insolvent, makes an assignment for the benefit of creditors, or files for bankruptcy.

IX. REMEDIES UPON DEFAULT

Upon the occurrence of an Event of Default, the Lender may, at its option, declare the entire outstanding principal balance of the Loan, together with all accrued and unpaid interest and any late fees, immediately due and payable without further notice or demand. The Lender shall also be entitled to pursue any other remedies available at law or in equity.

X. GOVERNING LAW

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

XI. NOTICES

Any notice or communication required or permitted under this Agreement shall be in writing and shall be deemed effectively given upon personal delivery, or three (3) days after deposit in the United States mail, postage prepaid, addressed to the Party at the address set forth above, or to such other address as a Party may designate by written notice to the other Party.

XII. ENTIRE AGREEMENT

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

XIII. AMENDMENTS

This Agreement may not be amended or modified except by a written instrument signed by both Parties.

XIV. WAIVER

No waiver of any provision of this Agreement shall be effective unless made in writing and signed by the Party granting the waiver. The failure of either Party to enforce any provision of this Agreement shall not be construed as a waiver of that provision or of the right to enforce it at a later time.

XV. SEVERABILITY

If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such provision shall be severed from this Agreement, and the remaining provisions shall remain in full force and effect.

XVI. SUCCESSORS AND ASSIGNS

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

XVII. HEADINGS

The headings used in this Agreement are for convenience only and shall not affect the interpretation of the provisions hereof.

XVIII. CONSTRUCTION

The Parties acknowledge that they have each had the opportunity to review this Agreement with legal counsel of their choice. This Agreement shall be construed fairly and not against the drafter.

IN WITNESS WHEREOF, the Parties have executed this Loan Agreement as of the date first written above.

LENDER

Signature: _____

Print Name: _____

Date: _____ day of _____, 20 _____

Address: _____

BORROWER

Signature: _____

Print Name: _____

Date: _____ day of _____, 20 _____

Address: _____