**PROMISSORY NOTE**

**$\_\_\_\_\_\_\_\_\_\_**  
**[Date]**

**FOR VALUE RECEIVED**, the undersigned, **[Borrower’s Full Legal Name]**, residing at **[Borrower’s Address]**, ("Borrower") promises to pay to **[Lender’s Full Legal Name]**, residing at **[Lender’s Address]**, ("Lender") the principal sum of **[Loan Amount in Words]** Dollars ($\_\_\_\_\_\_\_\_\_\_), with interest on the unpaid balance at the rate of **[Interest Rate]** percent per annum, under the following terms and conditions:

**1. PAYMENTS**

The Borrower agrees to pay the principal and interest on the loan in the following manner:

* **Loan Term**: The loan shall be repaid over a period of **[Number of Months/Years]**, beginning on **[Start Date]**.
* **Payment Amount**: Borrower will pay **[Amount]** per month/year in principal and interest.
* **Payment Due Date**: Payments will be due on the **[Day]** of each month, commencing on **[Start Date]** and continuing until the full amount of the loan is paid in full, including interest.

**Optional Prepayment**: Borrower may prepay all or any portion of the principal at any time without penalty.

**2. INTEREST**

The Loan shall bear interest at the rate of **[Interest Rate]**% per annum. Interest shall be calculated on the outstanding principal balance of the Loan and accrue monthly. Interest shall be computed based on a **365-day year**.

**3. LATE PAYMENT**

If any payment is not made within **[Number of Days]** days after the due date, Borrower agrees to pay a late charge of **[Late Fee Amount]**, or the maximum amount allowed by law, whichever is less.

**4. DEFAULT**

An event of default will occur if:

1. **Failure to Pay**: Borrower fails to make any required payments under the Note or this Promissory Note.
2. **Breach of Agreement**: Borrower fails to comply with any of the terms or conditions outlined in this Promissory Note.
3. **Bankruptcy**: Borrower files for bankruptcy or becomes insolvent.

Upon an event of default, the Lender may declare the entire outstanding balance, including accrued interest, immediately due and payable.

**5. ACCELERATION**

In the event of a default, Lender has the right to accelerate the loan, requiring the immediate repayment of the entire balance due, including principal and accrued interest.

**6. GOVERNING LAW**

This Promissory Note shall be governed by and construed in accordance with the laws of the State of **California**, without regard to its conflicts of law principles.

**7. WAIVER OF PRESENTMENTS**

Borrower waives presentment, demand for payment, notice of dishonor, protest, and notice of protest in the event of nonpayment or default.

**8. COLLECTION COSTS**

In the event of default and the need for collection action, Borrower agrees to pay all reasonable costs of collection, including but not limited to attorney’s fees, court costs, and any other expenses related to enforcing this Promissory Note.

**9. SUCCESSORS AND ASSIGNS**

This Promissory Note shall inure to the benefit of the Lender and its successors and assigns, and shall be binding upon the Borrower and its successors and assigns.

**10. ENTIRE AGREEMENT**

This Promissory Note represents the entire agreement between Borrower and Lender concerning the loan. Any changes or amendments must be in writing and signed by both parties.

**EXECUTION**

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note as of the date first written above.

**Borrower**:

Signature of Borrower  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Lender**:

Signature of Lender  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NOTARY ACKNOWLEDGMENT (Optional, if required)**

State of California  
County of \_\_\_\_\_\_\_\_\_\_\_

On this \_\_\_ day of \_\_\_\_\_\_\_***, 20***, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_\_\_\_\_\_\_ (Borrower), known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that (he/she) executed the same for the purposes therein contained.

WITNESS my hand and official seal.

Notary Public  
My commission expires: \_\_\_\_\_\_\_\_\_\_\_