

LOAN AGREEMENT

This Loan Agreement (the "Agreement") is made and entered into as of [Date] (the "Effective Date") by and between:

1. Lender:

[Bank Name], a banking institution with its principal place of business located at [Bank Address] (hereinafter referred to as the "Lender").

2. Borrower:

[Borrower Name], an individual/corporation/LLC with a principal address at [Borrower Address] (hereinafter referred to as the "Borrower").

RECITALS

WHEREAS, the Borrower desires to borrow from the Lender, and the Lender is willing to lend to the Borrower, a certain sum of money under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. LOAN AMOUNT AND TERMS

1.1 **Loan Amount:** The Lender agrees to loan the Borrower the principal sum of [Loan Amount in words] ([Loan Amount in numbers] USD) (the "Loan").

1.2 **Interest Rate:** The Loan shall bear interest at the rate of [Interest Rate]% per annum, calculated based on a [simple/compound] interest method.

1.3 **Term:** The term of the Loan shall be [Term of Loan] (e.g., 12 months, 5 years) from the Effective Date.

1.4 **Repayment Schedule:** The Borrower agrees to repay the Loan in [monthly/quarterly/annual] installments of [Installment Amount] ([Installment Amount in numbers] USD) each, starting on [First Payment Date] and ending on [Final Payment Date].

2. PAYMENT

2.1 **Payment Method:** All payments shall be made to the Lender at [Bank Address] or any other location specified by the Lender in writing.

2.2 **Prepayment:** The Borrower may prepay the Loan in whole or in part at any time without penalty.

2.3 **Late Payment:** In the event that the Borrower fails to make any payment due under this Agreement within [X] days after the due date, the Borrower shall pay a late fee of [Late Fee Percentage or Amount].

3. USE OF LOAN PROCEEDS

The Borrower agrees that the Loan proceeds shall be used for the following purpose(s): [Purpose of the Loan]. The Borrower agrees not to use the Loan for any other purpose without the Lender's prior written consent.

4. REPRESENTATIONS AND WARRANTIES

4.1 **Borrower's Representations:** The Borrower represents and warrants that:

- (a) The Borrower has the legal capacity to enter into this Agreement.
- (b) The execution of this Agreement does not violate any existing law or agreement.
- (c) The Borrower shall use the Loan proceeds solely for the purposes specified herein.

5. DEFAULT

5.1 Events of Default: The occurrence of any of the following shall constitute an event of default:

- (a) The Borrower fails to make a payment when due.
- (b) The Borrower becomes insolvent or files for bankruptcy.
- (c) The Borrower breaches any other term or condition of this Agreement.

5.2 Remedies: Upon an event of default, the Lender may declare the entire unpaid principal amount and all accrued interest due and payable immediately.

6. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of [State/Country]. Any disputes arising under this Agreement shall be resolved in the courts of [Jurisdiction].

7. AMENDMENTS

This Agreement may only be amended or modified in writing signed by both parties.

8. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations, agreements, or understandings.

9. SIGNATURES

IN WITNESS WHEREOF, the parties have executed this Loan Agreement as of the Effective Date.

Lender:

[Bank Name]

By: _____

Name: [Authorized Signatory]

Title: [Title]

Date: [Date]

Borrower:

[Borrower Name]

By: _____

Name: [Borrower's Name]

Title: [If Borrower is an entity]

Date: [Date]