**PERSONAL LOAN AGREEMENT**

**1. THE PARTIES**. This Personal Loan Agreement (“Agreement”) made {text:user:monthDay} of {text:user:year} is between:

Borrower: {text:user:borrowerName} with a mailing address of {text:user:streetAddress} (“Borrower”) and agrees to borrow money from:

Lender: Henry F. Potter with a mailing address of 1410 11th St., Bellingham, WA 98225 and agrees to lend money to the Borrower under the following terms:

**2. LOAN AMOUNT**. The total amount of money being borrowed from the Lender to the Borrower is ${text:user:loanAmount} (“Borrowed Money”).

**3. INTEREST RATE**. The Borrowed Money shall: (check one)

**Bear Interest**. The Borrowed Money shall bear interest at a rate of 7% compounded monthly.

**4. TERM**. The total amount of the Borrowed Money, including principal and interest, shall be due and payable on {text:user:dueDate} (“Due Date”).

**5. PAYMENTS**. The Borrower agrees to repay the Borrowed Money to the Lender on the {text:user:payDay} of every month until the Due Date.

Hereinafter known as the “Payment Schedule.” All payments made by the Borrower shall be first applied to any accrued interest and second to the principal balance.

**6. LATE PAYMENT**. If the Borrower is late by more than 5 days for any payment due, it shall be considered late. If a payment is late, the Borrower shall be charged a LATE FEE of $25.00, payable before the next installment date.

**7. ACCELERATION**. The Lender shall have the right to declare the Borrowed Money to be immediately due and payable, including interest owed, if any of the events are to occur:

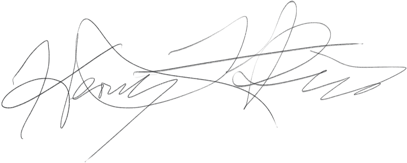
a.) **Late Payment**. If any payment is late that is due under the Payment Schedule of more than 15 days;  
b.) **Default**. If the Borrower should default on any of the conditions of this Agreement

**9. SEVERABILITY**. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities, or circumstances shall be affected, thereby, but instead shall be enforced to the maximum extent permitted by law.

**10. GOVERNING LAW**. This Agreement shall be construed and governed by the laws located in the state of California (“Governing Law”).

**IN WITNESS WHEREOF**, Borrower and Lender have executed this Agreement as of the day and year first above written.

**Borrower’s Signature**: \_\_\_\_{signature:user}\_\_\_\_\_\_\_\_\_\_\_ Date: {text:user:today}

Print Name: \_\_\_{text:user:borrowerName}\_\_\_\_\_

**Lender’s Signature**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: {text:user:today}

Print Name: \_Henry F. Potter\_\_\_\_\_\_