

# Sample Loan or Debt Repayment Agreement for Personal or Employee Lending

\$ \_\_\_\_\_ (Loan or Note) \_\_\_\_\_ (Date)

For value received, the undersigned \_\_\_\_\_  
("Borrower"), \_\_\_\_\_ (Address), promises to pay to  
the order of \_\_\_\_\_ ("Lender"), the face value of the loan  
or note of \$ \_\_\_\_\_ at a monthly interest rate of \_\_\_% or annual interest rate of \_\_\_%, in  
monthly Installments as described further below, to a place designated by Lender, which may  
from time to time change per the written notice of Lender to Borrower, with the initial address  
being \_\_\_\_\_.

Until the Loan or Note is due in full, for whatever reason, the unpaid principal and accrued  
interest shall be payable in monthly installments ("Installments"), payable on the first of each  
month ("Installment Due Date") of \$ \_\_\_\_\_, and continuing until \_\_\_\_\_ ("Due  
Date"), at which time the remaining unpaid principal, interest, and other costs, if any, shall be  
due in full unless this Note was called earlier per the rights of the Lender under this Agreement.

Any payments on this Note shall first be applied against legal or collection costs until paid in full,  
as then may be due, and then against outstanding interest until paid in full, as then may be due,  
and finally applied to the outstanding principal balance.

1. Prepayment. The Borrower reserves the right to prepay this Note (in whole or in part) prior  
to the Due Date with no prepayment penalty.
2. Collection Costs, Attorney's Fees, and Late Charge. If any payment obligation under this  
Note is not paid when due, the Borrower promises to pay all costs of collection, including  
reasonable attorney fees, whether or not a lawsuit is commenced as part of the collection  
process, without protest of any kind, legal or otherwise. If the note remains unpaid for an  
additional 30 days after Lender gives demand, the Borrower shall be required to pay a 5%  
late charge based on the Installment amount. Each late Installment shall make another 5%  
due.
3. Default Events. If any of the following events of default occur, this Note and any other  
obligations of the Borrower to the Lender, shall become due immediately, without demand or  
notice:
  - 1) failure of the Borrower to pay the monthly installment payment on or before the  
Installment Due Date;
  - 2) death of the Borrower or Lender;
  - 3) filing of bankruptcy proceedings involving the Borrower as a Debtor;
  - 4) application for the appointment of a receiver for the Borrower;
  - 5) making of a general assignment for the benefit of the Borrower's creditors;

6) insolvency of the Borrower;

7) a misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit.

4. Borrower Waivers. Borrower waives presentment for payment, protest, and notice of protest and nonpayment of this Note.

5. Additional Lender Rights. No renewal or extension of this Note, delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note shall affect the liability or the obligations of the Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

6. Notices.

Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or a recognized over night delivery service such as FedEx.

If to the Borrower: \_\_\_\_\_.

If to the Lender: \_\_\_\_\_.

7. No Waiver.

The waiver or failure of either party to exercise in any respect any right provided in this agreement shall not be deemed a waiver of any other right or remedy to which the party may be entitled.

8. Entirety of Agreement.

The terms and conditions set forth herein constitute the entire agreement between the parties and supersede any communications or previous agreements with respect to the subject matter of this Agreement. There are no written or oral understandings directly or indirectly related to this Agreement that are not set forth herein. No change can be made to this Agreement other than in writing and signed by both parties.

9. Governing Law.

This Agreement shall be construed and enforced according to the laws of the State of \_\_\_\_\_ and any dispute under this Agreement must be brought in this venue and no other.

10. Headings in this Agreement

The headings in this Agreement are for convenience only, confirm no rights or obligations in either party, and do not alter any terms of this Agreement.

11. Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid or

unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

In Witness whereof, the parties have executed this Agreement as of the date first written above.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Lender

## Installment Loan or Note Review List

This review list is provided to inform you about the document in question and assist you in its preparation. The tough language involved in this document is required to improve your chances of collecting on a defaulted note or loan. The strict terms are required to improve the odds of ultimate collection.

This is a simple straightforward document that only requires the signatures of the party. If you are concerned about any later dispute, and being on the safe side is always prudent, we recommend you obtain a notary verification and signature as well.

Make multiple copies and distribute them to the parties. You should keep your copies with your corporate or personal records.