

SECURED PROMISSORY NOTE

This **Secured Promissory Note ("Note")** is executed on this day of _____, 20, between:

PARTIES.

Borrower

Name: [NAME OF BORROWER]

Mailing address: [MAILING ADDRESS]

referred to herein as "**Borrower**", and

Lender

Name: [NAME OF LENDER]

Mailing address: [MAILING ADDRESS]

referred to herein as "**Lender**".

The Borrower and Lender, collectively referred to as the "**Parties**," hereby agree as follows:

2. LOAN TERMS. The Lender agrees to lend to the Borrower on these terms:

- a. **Principal Amount:** [BORROWED AMOUNT IN USD]
- b. **Interest Rate:** [INT]% compounded per: (select one)
 - Monthly
 - Per Annum
 - Other: [OTHER]
- c. **Borrower to receive borrowed money on:** [DATE]

Henceforth referred to as "Borrowed Money."

3. PAYMENTS. The entire amount borrowed, including all accrued interest and any other fees or penalties, is due and payable in: (select one).

- **A LUMP SUM.** By [DATE] ("Due Date"), the Borrower shall make a lump-sum, complete repayment of the Borrowed Money in the amount of \$[AMOUNT] (principal and interest).

- **INSTALLMENTS.** Borrower shall pay principal and interest installments totaling \$[AMOUNT], with the first (1st) payment due on [DATE] and the remaining payments to be made: (select one)

- **Weekly**, with any remaining balance due on [DATE] ("Due Date").

- **Monthly** with any remaining balance due on [DATE] ("Due Date").

- **Quarterly** with any remaining balance due on [DATE] ("Due Date").

Hereinafter known as the "Repayment Period."

PAYMENT IS DUE. Any payment made by the Borrower is considered late if it is made more than [#] day(s) after the payment due date ("Payment Due Date"). This includes, but is not limited to, any payment made in connection with the Repayment Period, the Due Date, or any other payment specified in this Note.

4. LATE FEE. In the event of late payment by the Borrower for any Payment Due Date, there shall be: (select one)

- **NO LATE FEE.**

- **LATE FEE.** Late fees shall be charged to the Borrower for: (select one)

- **Occurrence** payment is late.

- **Day** payment is late.

5. SECURITY. The Borrower shall be required to provide security for this Note if he defaults using the following property: [DESCRIPTION OF SECURITY] ("Security").

According to Section 10 of this Note, the Security will be transferred to the Lender's possession and ownership immediately. Until the Due Date, the Security may not be sold or transferred without the Lender's consent. If the borrower violates this clause, the lender may, unless otherwise prohibited by law, declare all amounts due under this Note immediately due and payable. The Lender shall have the sole discretion to accept the Security in full settlement of the Borrowed money without incurring any further liabilities or obligations. If the market value of the security does not exceed the amount borrowed, the borrower will still be responsible for paying the remaining balance due, plus interest at the highest rate permitted by law.

6. CO-SIGNER. (select one)

- **NO CO-SIGNER.** There shall be no Co-Signer of this Note.

- **CO-SIGNER.** A Co-Signer known as [CO-SIGNER'S NAME] ("Co-Signer") shall be a party to this Note and shall be bound by the liabilities and obligations of the Borrower hereunder. The Co-Signer is personally liable for and guarantees the payment of the principal, late fees, and all accrued interest under the terms of this Note if the Borrower fails to make payment.

7. PREPAYMENT PENALTY. The Borrower shall be charged: (select one)

- **NO PRE-PAYMENT PENALTY.** Borrowers have the option of prepaying their Borrowed Money at any time, without penalty.

- **A PRE-PAYMENT PENALTY.** If the borrower pays the lender any borrowed money with the intention of paying less interest, there will be a pre-payment fee of: (select one)

- \$[AMOUNT]

- [PERCENT]% of the pre-paid amount.

- Other. [OTHER]

8. INTEREST DUE IF DEFAULT OCCURS. If the Borrower does not pay the Note in full by the Due Date, interest will be charged on the unpaid balance at the highest rate permitted by law until the Borrower is no longer in default.

9. ALLOCATION OF PAYMENTS. Payments will be credited first (1st) to any late fees owed, second (2nd) to interest owed, and any remainder to the principal.

10. ACCELERATION. If the Borrower violates any of the terms of this Note or another provision of this Note, and the violation is not remedied within the minimum period of time allowed by law following written notice of the violation, the Lender may, at its discretion, declare all unpaid amounts on this Note to be immediately due and payable. Any possessional rights in connection with the Security mentioned in Section 5 are included.

11. ATTORNEYS' FEES AND COSTS. After a default, the borrower is responsible for all costs, including reasonable attorneys' fees, incurred by the lender in recovering any amounts owed under this Note. If Lender or Borrower sues to enforce this Note or obtain a declaration of its rights under it, the prevailing party shall be entitled to recover from the non-prevailing party its reasonable attorneys' fees and costs incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal).

12. WAIVER OF PRESENTMENTS. Borrower waives payment presentment, dishonor notice, protest, and protest notice.

13. NON-WAIVER. Lender's failure or delay in exercising its rights under this Note does not constitute a waiver.

14. SEVERABILITY. The invalidity or unenforceability of any provision herein shall not affect the validity or enforceability of any other provision, which shall all remain valid and enforceable.

15. INTEGRATION. There are no agreements, verbal or otherwise that modify or affect the terms of this Note. Unless agreed upon in writing by Borrower and Lender, this Note cannot be modified or amended.

16. CONFLICTING TERMS. The terms of this Secured Promissory Note shall take precedence over any conflicting terms in any referenced agreement or document.

17. NOTICE. Any notices required or permitted to be given hereunder must be in writing and delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, (c) by facsimile, or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, to the parties addresses listed above.

18. EXECUTION. This Secured Promissory Note is executed by the Borrower as a principal, not as a surety. The Borrower and Co-Signer are jointly and severally liable under this Note if there is a Co-Signer.

19. GOVERNING LAWS. This secured promissory note shall be governed by the laws of the State of _____.

20. ADDITIONAL TERMS & CONDITIONS. [ADDITIONAL TERMS & CONDITIONS]

21. ENTIRE AGREEMENT. This Secured Promissory Note contains all of the parties' agreed-upon terms regarding its subject matter, including any attachments or addendums. All previous discussions, understandings, and oral agreements are superseded by this Note. The Borrower and Lender have agreed to the terms and conditions and will be bound until the Borrower has fully repaid the Borrowed Money.

Signature of Lender: _____ **Date:** _____

Name in Print: _____

Signature of Borrower: _____ **Date:** _____

Print Name: _____

Signature of Co-Signer (if any): _____ **Date:** _____

Name in Print: _____