

# Business Loan Contract Template

Date: \_\_\_\_\_

## Parties

This Business Loan Contract ("Contract") is entered into by and between:

**Lender:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Borrower:** \_\_\_\_\_

**Business Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

## 1. Loan Amount and Disbursement

The Lender agrees to loan the Borrower the principal sum of \$\_\_\_\_\_ ("Loan Amount"). The Loan Amount shall be disbursed to the Borrower on or before \_\_\_\_\_.

## 2. Interest Rate

The Loan Amount shall bear interest at a rate of \_\_\_\_\_% per annum, calculated on a [simple/compound] basis.

## 3. Repayment Terms

|                               |         |
|-------------------------------|---------|
| <b>Installment Amount</b>     | \$_____ |
| <b>Frequency</b>              | Monthly |
| <b>Number of Installments</b> | _____   |
| <b>First Payment Due</b>      | _____   |
| <b>Final Payment Due</b>      | _____   |

## 4. Prepayment

The Borrower may prepay the Loan Amount in whole or in part at any time without penalty.

## 5. Default

In the event of a default, the Lender may demand immediate repayment of the entire outstanding balance, including accrued interest.

## 6. Representations and Warranties

- The Borrower represents that the loan proceeds will be used exclusively for business purposes.
- Both parties warrant that they have the authority to enter into this Contract.

## 7. Governing Law

This Contract shall be governed by the laws of the State of \_\_\_\_\_.

## **8. Miscellaneous**

1. This Contract constitutes the entire agreement between the parties.
2. Any amendments must be in writing and signed by both parties.
3. If any provision is found unenforceable, the remaining provisions remain in effect.

### **Lender's Signature**

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Name: \_\_\_\_\_

Date: \_\_\_\_\_

### **Borrower's Signature**

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Name: \_\_\_\_\_

Date: \_\_\_\_\_