

Detailed Capital Loan Agreement

1. Parties

Lender: [Lender's Full Name], [Address], [Contact Number]

Borrower: [Borrower's Full Name], [Address], [Contact Number]

2. Loan Details

Loan Amount: \$[Amount]

Disbursement Date: [DD/MM/YYYY]

Interest Rate: [X]% per annum

Repayment Period: [Number of Months/Years]

3. Purpose of the Loan

The Borrower agrees to use the loan strictly for the following purpose:

[Detailed description of the purpose, e.g., Business expansion, equipment purchase, etc.]

4. Repayment Terms

- Repayment shall be made in [monthly/quarterly/annual] installments of \$[Amount] each.
- First installment due on [DD/MM/YYYY].
- Prepayment is [allowed/not allowed]. If allowed, no penalty will apply/penalty of [X]% of outstanding principal applies.

5. Interest Calculation

Interest shall be calculated on the remaining principal at the agreed rate and added to each installment as per the payment schedule.

6. Default Terms

- Failure to pay any installment within [X] days of the due date constitutes an event of default.
- Upon default, the Lender may demand immediate repayment of the full outstanding amount and initiate recovery action as per applicable law.
- Late payment interest at [X]% per annum above the agreed rate will apply for overdue amounts.

7. Security/Collateral (if applicable)

The loan shall be secured against the following collateral:

[Description of collateral, e.g., property, inventory, personal guarantee]

8. Representations and Warranties

- The Borrower affirms that all information provided is true and correct.

- The Borrower confirms legal right and authority to obtain this loan.
- The Lender affirms the capacity to provide the loan amount as per agreed terms.

9. Miscellaneous

- This Agreement constitutes the entire understanding between the parties.
- Any amendments shall be made in writing and signed by both parties.
- Applicable law: [Specify jurisdiction]

Lender:

Name: _____

Signature: _____

Date: ____ / ____ / ____

Borrower:

Name: _____

Signature: _____

Date: ____ / ____ / ____

Important Notes:

- Carefully review all terms and ensure accuracy before signing.
- Both parties should retain a signed copy of this agreement.
- Consider involving legal counsel for large or complex loans.
- Keep clear records of all repayments for reference in case of dispute.
- Details regarding interest, collateral, and penalties should not be left ambiguous.