

# Capital Loan Agreement

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

## Parties

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

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

This Capital Loan Agreement ("Agreement") is entered into by and between the above-named Parties.

## 1. Loan Amount and Disbursement

The Lender agrees to loan the Borrower the principal sum of \_\_\_\_\_ (the "Loan"), to be disbursed on \_\_\_\_\_.

## 2. Interest

The Loan shall bear interest at a rate of \_\_\_\_\_ % per annum, calculated on the outstanding principal balance.

## 3. Repayment Terms

The Borrower agrees to repay the Loan and accumulated interest in accordance with the following schedule:

- Repayment Frequency: \_\_\_\_\_
- No. of Payments: \_\_\_\_\_
- Due Date for First Payment: \_\_\_\_\_
- Final Payment Date: \_\_\_\_\_

## 4. Prepayment

The Borrower may prepay all or any portion of the Loan at any time without penalty.

## 5. Default

In the event of default, the Lender may demand immediate repayment of the entire outstanding principal, accrued interest, and any costs related to the collection of the debt.

## 6. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of \_\_\_\_\_.

## 7. Signatures

Lender Signature: \_\_\_\_\_

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

Borrower Signature: \_\_\_\_\_

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

**Important Notes:**

- This is a sample template and should be reviewed by a qualified attorney before use.
- Clearly specify all loan terms to prevent disputes.
- Retain signed copies for the records of both parties.
- Local laws may require additional provisions or disclosures.
- Both parties should fully understand their obligations and rights under this agreement.