

Sample Document: Debt Financing for Capital Expansion

Parties

Lender: First National Bank Ltd., a corporation organized under the laws of the State of Exampleland, with its principal office at 123 Main Street, Capital City, Exampleland.

Borrower: Expansion Industries Inc., a corporation incorporated under the laws of Exampleland, with its principal office at 456 Opportunity Drive, Metrovale, Exampleland.

Recitals

WHEREAS, the Borrower has determined the need for additional capital to finance the expansion of its manufacturing facilities and related working capital;

WHEREAS, the Lender is willing to extend a term loan to the Borrower on the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, the parties agree as follows:

Important Notes

- Clearly identify all parties, including full legal names and registered addresses.
- State the purpose of the financing and the intended use of loan proceeds.
- Recitals provide context and show mutual understanding between parties.
- This introductory section does not contain binding obligations; main provisions follow in subsequent sections.
- Ensure parties review and confirm all facts and legal identities before further agreements or disbursement of funds.