

LINE OF CREDIT PROMISSORY NOTE

\$ _____ Date: _____

FOR VALUE RECEIVED, _____, ("Borrower") promises to pay to the order of _____ ("Lender"), a/an [STATE] Corporation, the principal sum of _____ Dollars (\$ _____), or so much thereof as may be disbursed to, or for the benefit of the Borrower by Lender in Lender's sole and absolute discretion. It is the intent of the Borrower and Lender hereunder to create a line of credit agreement between Borrower and Lender whereby Borrower may borrow up to \$ _____ from Lender; provided, however, that Lender has no obligation to lend Borrower any amounts hereunder and the decision to lend such money lies in the sole and complete discretion of the Lender.

INTEREST & PRINCIPAL: The unpaid principal of this line of credit shall bear simple interest at the rate of _____ percent (___%) per annum. Interest shall be calculated based on the principal balance as may be adjusted from time to time to reflect additional advances made hereunder. Interest on the unpaid balance of this Note shall accrue monthly but shall not be due and payable until such time as when the principal balance of this Note becomes due and payable. The principal balance of this Note shall be due and payable on _____. There shall be no penalty for early repayment of all or any part of the principal.

SECURITY: This Note shall be secured by a mortgage ("Mortgage") upon certain property owned by the Borrower located in _____ County, [STATE].

DEFAULT: The Borrower shall be in default of this Note on the occurrence of any of the following events: (i) the Borrower shall fail to meet its obligation to make the required principal or interest payments hereunder. (ii) the Borrower shall be dissolved or liquidated; (iii) the Borrower shall make an assignment for the benefit of creditors or shall be unable to, or shall admit in writing their inability to pay their debts as they become due; (iv) the Borrower shall commence any case, proceeding, or other action under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, or any such action shall be commenced against the undersigned; (v) the Borrower shall suffer a receiver to be appointed for it or for any of its property or shall suffer a garnishment, attachment, levy or execution.

REMEDIES: Upon default of this Note, Lender may declare the entire amount due and owing hereunder to be immediately due and payable. Lender may also use all remedies in law and in equity to enforce and collect the amount owed under this Note.

Borrower hereby waives demand, presentment, notice of dishonor, diligence in collecting, grace and notice of protest.

BORROWER: _____

Filename: LINE OF CREDIT PROMISSORY NOTE
Directory: N:\Web_Assistant 2\Online Forms\Credit & Collection
Forms
Template: C:\WINDOWS\Application
Data\Microsoft\Templates\Normal.dot
Title: LINE OF CREDIT PROMISSORY NOTE
Subject:
Author: Joseph Macaluso
Keywords:
Comments:
Creation Date: 5/15/00 10:24 AM
Change Number: 1
Last Saved On: 5/15/00 10:26 AM
Last Saved By: Joseph Macaluso
Total Editing Time: 2 Minutes
Last Printed On: 11/6/00 4:49 PM
As of Last Complete Printing
Number of Pages: 1
Number of Words: 449
Number of Characters: 2,379