

Loan Agreement

PRE-TRIAL PRACTICE

Example:

LOAN AGREEMENT

Plaintiff _____ and Defendant _____
enter into the following agreement:

Plaintiff _____ has filed suit against Defendant _____
_____ and other Defendants. This suit, civil action no. _____, is pending in the
United States District Court. Defendant _____ and other Defendants
have denied the claims.

Plaintiff's pending suit is based on a collision that occurred on or about
_____(date) _____ at _____(location) _____ in which Plaintiff
claims to have suffered injuries as a result of a collision between an automobile in which
Plaintiff was a passenger and other automobiles. Defendant _____ was the
driver of the automobile in which Plaintiff was a passenger. Defendant _____ has
denied liability for Plaintiff's claimed injuries.

Plaintiff wishes to dispose of her claim against Defendant _____
and continued her claims against the other Defendants in the pending suit. Defendant _____
_____ wishes to dispose of Plaintiff's claim against him. Plaintiff _____
and Defendant _____ agree to the following:

Plaintiff _____ agrees to dismiss the complaint only against
Defendant _____ in the above action, with prejudice, and continue her
action against the remaining defendants until her action is terminated by settlement or judgment.

Defendant _____ agrees to loan Plaintiff the sum of
\$ _____. This loan is without interest. Plaintiff promises to repay the loan from any
judgment or settlement Plaintiff actually receives and collects from any of the remaining
Defendants in the above action. Plaintiff will be obligated to repay the loan only to the extent
of any recovery actually collected from any of the remaining Defendants, and in any event
Plaintiff shall have no obligation to pay Defendant _____ any sum
exceeding \$ ____ (loan amount) _____.

Date: _____
Plaintiff

Defendant