

INSTRUCTIONS FOR PROMISSORY NOTE

Sometimes in your dealings you will find yourself in need of money or in need of purchasing a piece of equipment. Often, family members or donors will offer to assist in the purchase with the idea that the money can be paid back at a later time. This can be done without any documents, and many do that. Doing these types of transactions in a business-like manner may often free up all of the parties and answer many questions that may not be considered at the time of the transaction.

The Promissory Note form provided is simple and straightforward. In some cases doing something as simple as this helps extended family members should a situation arise where one of the parties is no longer available to establish what did take place. Fill out the form making sure that it reflects what, in fact, took place. Should a change need to be made on the form, merely draw one line through the correction and have all of the parties initial the change.

PROMISSORY NOTE

Dated: _____, _____

FOR VALUE RECEIVED, without grace, I promise to pay to _____ the principal sum of _____ (\$ _____) with interest thereon from date hereof at the rate of _____ percent, per annum until maturity.

Said principal, together with interest, shall be paid in monthly payments as follows (payments including interest) : _____ (\$ _____) or more on the _____ day of _____, 20____, and a like sum on the _____ day of each and every month thereafter until the said principal sum, together with interest, shall have been fully paid. Said principal and interest shall be paid in lawful money of the United States, and shall bear interest from maturity until paid at the rate of _____ percent per annum.

If default be made in the payment of this note, or any part thereof, or any interest thereon, then the principal sum with accrued interest shall at once become due and collectible without notice, time being of the essence of this note, and said principal sum and interest shall bear interest from such default until paid at the rate of _____ percent per annum.

In case suit is instituted to collect this note or any portion thereof, I promise to pay such additional sum as the court may adjudge reasonable as attorney fees in such suit.

This contract is to be construed in all respects and enforced according to the laws of the State of _____.

(Borrower)

(Borrower)