

LOAN AGREEMENT

Personal / business loan • [City, Country]

This Loan Agreement is made on [DD Month YYYY] at [City] between:

[Lender Full Name], holding [CNIC / ID / Passport No.], of [Address] (the "Lender"); and

[Borrower Full Name], holding [CNIC / ID / Passport No.], of [Address] (the "Borrower").

1. Loan amount

The Lender agrees to lend the Borrower [currency and amount] ([amount in words]) (the "Loan"), paid on [date] by [bank transfer to account no. 000000 / cheque no. 000000 / cash].

2. Purpose

The Borrower will use the Loan for [purpose, e.g. working capital for the shop / medical expenses].

3. Interest

[The Loan is interest-free.] OR [The Loan carries interest of [x]% per year, calculated on the outstanding balance.] Choose one and delete the other.

4. Repayment

The Borrower will repay the Loan in [12] monthly instalments of [amount], due on the [5th] of each month starting [date], until the full amount is repaid by [final date].

The Borrower may repay all or part of the Loan early without any penalty.

5. Late payment

If an instalment is more than [15] days late, the Lender will give written notice. If it is not paid within [30] days of the notice, the whole outstanding balance becomes due at once.

6. Security

[No security is given.] OR [The Borrower gives the following as security: describe the item, e.g. post-dated cheques / vehicle registration no. ABC-123].

7. Records

Each repayment will be acknowledged by a signed receipt or bank record. The Lender will confirm in writing when the Loan has been repaid in full.

8. Governing law

This agreement is governed by the laws of [Country / State], and the courts of [City] have jurisdiction.

IN WITNESS WHEREOF, the parties have signed this agreement on the date first written above.

LENDER

Signature: _____

Name: [Lender Full Name]

Date: _____

BORROWER

Signature: _____

Name: [Borrower Full Name]

Date: _____

WITNESS 1

Signature: _____
Name: _____
ID no.: _____

WITNESS 2

Signature: _____
Name: _____
ID no.: _____

This template is a general starting point, not legal advice. Laws differ by country and state; have the final agreement checked by a lawyer before signing.