**THIS IS A PROMISSORY NOTE TEMPLATE THAT YOU CAN USE TO GET STARTED. WE STRONGLY SUGGEST THAT YOU HIRE AN ATTORNEY TO HELP DRAFT AND REVIEW THE PROMISSORY NOTE.**

**PROMISSORY NOTE**

**$[*AMOUNT*]**  **[*DATE OF NOTE*]**

 **[*CITY, STATE]***

*[USE THIS CLAUSE IF ALL OF THE MONEY WILL BE REPAID ON A CERTAIN DATE]*

For value received, [NAME OF BORROWER(S)], whose address is [ADDRESS OF BORROWER(S)] (“Promisor”) promises to pay to the order of [LENDER(S)], whose address is [ADDRESS OF LENDER(S)] (“Promisee”) the principal sum of [AMOUNT BORROWED] on or before [DATE OF REPAYMENT], with interest accruing as of [DATE INTEREST STARTS] at the rate of [ANNUAL INTEREST RATE] per annum, compounded quarterly if this note is not paid in full on or before [DATE OF REPAYMENT].

*[USE THIS CLAUSE IF THE MONEY WILL BE REPAID IN INSTALLMENTS]*

For value received, [NAME OF BORROWER(S)], whose address is [ADDRESS OF BORROWER(S)] (“Promisor”) promises to pay to the order of [LENDER(S)], whose address is [ADDRESS OF LENDER(S)] (“Promisee”) the principal sum of [AMOUNT BORROWED] in [WEEKLY/BI-WEEKLY/MONTHLY] installments of $\_\_\_\_\_\_\_\_\_\_\_\_ [AMOUNT OF PAYMENTS] on or before [DATE OF WEEKLY/MONTHLY ETC. REPAYMENT], with interest accruing as of [DATE INTEREST STARTS] at the rate of [ANNUAL INTEREST RATE] per annum, compounded quarterly and paid annually until this Note is repaid. Promisor may prepay the entire outstanding balance of this Note at any time without penalty.

 Promisor waives demand for payment, notice of nonpayment, presentment, notice of dishonor, protest, and notice of protest. If Promisor fails to make timely the payments required by this Promissory Note, Promisor shall pay costs of collection and reasonable attorneys’ fees.

As security for the repayment of this Promissory Note, the Promisor agrees to grant to the Promisee a lien over all of the real and personal property, including any intellectual property, now or hereafter belonging to the Promisor. At the request of the Promisee the Promisor shall also provide evidence of such lien in a form registerable under the Uniform Commercial Code.

*[SELECT ONE OF THE TWO FOLLOWING DISPUTE RESOLUTION CLAUSES AND DELETE THE OTHER ONE]*

All remedies hereunder or by law afforded shall be cumulative and all shall be available to the Promisee in connection with this Note until the liability of the Promisor herein created has been paid in full. In the event of any dispute, the prevailing party shall be entitled to attorneys fees and costs. Exclusive venue shall be the courts of law in and for (COUNTY AND STATE OF LENDER).

All remedies hereunder or by law afforded shall be cumulative and all shall be available to the Promisee in connection with this Note until the liability of the Promisor herein created has been paid in full. In the event of any dispute, arising with regard to this Promissory Note, such dispute shall be resolved by binding arbitration pursuant to the rules and regulations of the American Arbitration Association.

IN WITNESS WHEREOF, the Promisor has executed this Note the day and year first above written.

BORROWER’S NAME

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature line

CO-BORROWER’S NAME (if applicable)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature line