

# INSTALLMENT PROMISSORY NOTE

**Principal Amount: Effective Date: Governing State: [STATE] First Payment Date: Maturity Date:**

FOR VALUE RECEIVED, [**BORROWER NAME**], a Individual with an address of [**BORROWER ADDRESS**] (the "Borrower" or "Maker"), hereby unconditionally promises to pay to the order of [**LENDER NAME**], a Individual with an address of [**LENDER ADDRESS**] (together with its successors and assigns, the "Holder" or "Lender"), the principal sum of \*\*\*\* ( ) in lawful U.S. currency, together with interest as provided below, **in equal Monthly installments** until paid in full.

## 1. Principal and Disbursement

Lender disbursed, or shall disburse, the principal sum to Borrower on \*\*\*\* (the "Disbursement Date"). Borrower acknowledges receipt.

## 2. Interest

Interest shall accrue on the outstanding principal balance at **6% per annum**, computed on an Actual/365 basis, from the Disbursement Date until paid in full.

**Default Rate.** Any amount not paid when due shall bear interest at the lesser of **12% per annum** or the maximum lawful rate.

## 3. Installment Payment Schedule

Borrower shall pay principal and interest in [**NUMBER OF INSTALLMENTS**] **equal Monthly installments of each**, commencing on \*\*\*\* and continuing on the same day of each successive Monthly period thereafter, with the final installment due on \*\*\*\* (the "Maturity Date"), at which time the entire remaining unpaid principal and all accrued interest shall be due and payable.

Each installment shall be applied **first** to any late charges and collection costs, **second** to accrued and unpaid interest, and **third** to principal. Payments shall be made in immediately available U.S. funds to Lender at the address stated above, or such other place as Lender designates in writing.

**Prepayment Without Penalty.** Borrower may prepay this Note in whole or in part at any time without premium or penalty. Partial prepayments shall be applied to principal in inverse order of maturity and shall not postpone the due date of any regular installment.

## 4. Late Charges

If any installment is not received within **10 days** after its scheduled due date, Borrower shall pay a late charge equal to **5%** of the overdue installment. The late charge is in addition to, and not in lieu of, the default interest rate and any other remedy.

## 5. Events of Default

Each of the following is an Event of Default:

1. Borrower's failure to pay any installment when due and such failure continues for **10 days** after written notice;
2. Death, dissolution, liquidation, or termination of Borrower;
3. Bankruptcy, insolvency, assignment for the benefit of creditors, or appointment of a receiver;
4. Any representation or warranty proves materially false;

## 6. Acceleration and Remedies

Upon an Event of Default, Lender may declare the entire unpaid balance plus accrued interest immediately due and payable without further notice or demand, and may pursue any remedy at law or in equity, including suit for the full accelerated balance and entry of judgment.

## 7. Collection Costs and Attorneys' Fees

Borrower shall pay all costs of collection, including reasonable attorneys' fees and court costs.

## 8. Servicemembers Civil Relief Act

If Borrower is an active-duty servicemember, upon notice and orders the rate shall be reduced to **6% per annum** per 50 U.S.C. §3937 for the duration of active duty, with amounts above 6% forgiven.

## 11. Waivers

Borrower waives presentment, demand, protest, notice of dishonor, and notice of non-payment.

## 13. General Provisions

**Governing Law; Venue.** [STATE]; [VENUE CITY FOR ANY DISPUTE], [STATE].

**Assignment; Notices; Severability; Entire Agreement; Counterparts; Electronic Signatures.**  
Standard commercial terms. ESIGN Act recognized.

## Signatures

IN WITNESS WHEREOF, the parties have executed this Installment Promissory Note as of the Effective Date.

### Borrower

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

**Lender**

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE