

# Promissory Note (Unsecured)

*State of North Carolina*

*Date:*

**FOR VALUE RECIEVED**, The undersigned [insert Borrower's name here] (the "**Borrower**"), having a primary address at [insert address here] promises to pay [insert Lender's name here] (the "**Lender**"), having a primary address at [insert address here], in the manner and at the place provided below, the principal sum of [insert sum here] Dollars (\$[insert numerical amount here]), with annual interest calculated in accordance with the terms and provisions provided below.

## **1. PAYMENT**

All sums owing under this Promissory note are payable in lawful money of the United States of America.

The **Borrower** shall pay repay the **Lender** in the following format (check the one applicable):

( ☐ ) **NO INSTALLMENTS**. Payment will be made in full of principal and interest accrued shall be payable on the due date.

( ☐ ) **INSTALLMENTS** of principal and interest in the amount of [insert installment amount here] Dollars (\$[insert numerical amount])

( ☐ ) **INTEREST ONLY PAYMENTS** on the outstanding principal balance.

If the installments or interest only payments are checked above, such installment payment shall be due and payable on the (check the one applicable):

( ☐ ) [insert date] day of every **calendar month** beginning on the [insert date] day of [insert month], [insert year].

( ☐ ) [insert date] day of every **third calendar month** beginning on the [insert date] day of [insert month], [insert year].

( ☐ ) [insert date] day of every **sixth calendar month** beginning on the [insert date] day of [insert month], [insert year].

( ☐ ) [insert date] day of every **twelfth calendar month** beginning on the [insert date] day of [insert month], [insert year].

( ☐ ) Every **week** beginning on the [insert date] day of [insert month], [insert year]



## 2. INTEREST

interest on the unpaid principal balance of this Promissory note is payable from the date of this Promissory note until this Promissory note is paid in full, at the rate of [insert interest percentage here] % per year. Accrued interest will be computed on the basis of a 365-day or 366-day year, based on the actual number of days elapsed in the period which it accrues.

## 3. DUE DATE

The entire balance of this Promissory note together with any and all interest accrued thereon shall be due and payable in full on [insert date] day of [insert month], [insert year].

## 4. PREPAYMENT

The **Borrower** may prepay the **Lender** the entire balance of this Promissory note, in whole or in part, at any time before the due date stated above without premium or penalty. No prepayment postpones or extends the due date stated above.

## 5. ALLOCATION OF PAYMENTS

Any payments will be credited to accrued interest due and unpaid as of the date of such payment first, then to the outstanding principal sum and lastly, the balance if any, to any accrued, but not yet due and payable, interest.

## 6. EVENTS OF DEFAULT

The following events will constitute default of this Promissory note and upon their occurrence, the entirety of any remaining amount due shall become immediately payable:

- (a) the **Borrower's** failure to make any payment including the final payment when due under the terms of this Promissory note;
- (b) the filing of any voluntary or involuntary petition in bankruptcy by or regarding the **Borrower** or the initiation of any proceeding under bankruptcy or insolvency laws against the **Borrower**;
- (c) [the appointment of a receiver, custodian, trustee, or similar party to take possession of the **Borrower's** assets or property; or
- (d) an assignment made by the **Borrower** for the benefit of creditors;]

## 7. INTEREST DUE IN THE EVENT OF DEFAULT

In the event that the **Borrower** fails to pay the balance of this Promissory note, in full, on the due date or fails to make any payment due within 15 days of the due date, any unpaid principal shall accrue interest at the rate of [insert interest percentage here] % per annum OR rate allowed by law, whichever is less, during such period of the **Borrower's** default under this Promissory note.

## 8. LATE FEES

If the **Lender** received any installment payment more than [insert number of days here] days after the due date stated above, then a late payment fee of [insert figure here] Dollars



(\$[insert numerical figure here]) shall be payable with the scheduled installment payment along with any default interest due.

## **9. ACCELERATION AND REMEDIES UPON DEFAULT**

If the **Borrower** is in default under this Promissory note and fails to make any payment owed and such default is not cured within [insert number of days here] days after written notice of such default, the **Lender** may declare all outstanding sums owed on this Promissory note to be immediately due and payable, in addition to any rights and remedies available to them under state and federal law.

## **10. ASSIGNMENT AND DELEGATION**

The **Borrower** may not assign any of its rights under this Promissory note, nor will the **Borrower** delegate any performance under this Promissory note. If an assignment or delegation is made in violation of this clause, it is deemed void.

## **11. ATTORNEYS' FEES AND COSTS**

The **Borrower** shall pay all expenses of the collection of indebtedness evidenced by this Promissory note, including any reasonable attorneys' fees and court costs.

## **12. WAIVER OF PRESENTMENT**

The **Borrower** hereby waives presentment, notice of dishonor, demand, notice of default or delinquency, protest and notice of protest, notice of costs, expenses or losses and interest of those, notice of interest and late charges, and diligence in taking any action to collect indebtedness evidenced by this Promissory note.

## **13. WAIVER**

No waiver of a failure, breach or any condition, or any remedy or right contained in or granted by the provisions of this Promissory note shall be effective unless it is in writing and signed by the party waiving the failure, beach, remedy, or right. No waiver will be deemed continuing, unless the writing specifies.

## **14. NON-WAIVER**

No delay or failure by the **Lender** in exercising their rights under this promissory note shall be considered a waiver of such rights.

## **15. SEVERABILITY**

In the event that a provision contained in this promissory note is, for any reason, held to be void, illegal, or unenforceable in any respect, the other provisions held in this Promissory note shall remain in full force and effect and will not be held to be void, illegal, or unenforceable.



## 16. INTEGRATION

This note may not be modified or amended except by written agreement signed by the **Borrower** and **Lender**.

## 17. NOTICE

Any notices required shall be given hereunder in writing and shall be delivered to the primary address stated above by:

- (a) certified mail, postage prepaid, return receipt requested
- (b) by facsimile or email
- (c) in person
- (d) by a commercial overnight courier that can guarantee next day delivery and provide a receipt.

## 18. GOVERNING LAW

The laws of the State of North Carolina govern this Promissory Note (without giving effect to its conflicts of law principles). Both Parties consent to the personal jurisdiction of the State and Federal Courts in [insert County here] County.

## 19. EXECUTION

The **Borrower** executes this Promissory note as a principal and not as a surety. If there is more than one **Borrower**, each **Borrower** shall be jointly and severally liable under this Promissory note.

### Signature

This agreement was signed the [insert date here] day of [insert month here], [insert year here] by the following:

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**LENDER'S SIGNATURE**

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**BORROWER'S SIGNATURE**

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**LENDER'S PRINTED NAME**

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**BORROWER'S PRINTED NAME**

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**WITNESS'S SIGNATURE**

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**WITNESS'S SIGNATURE**

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**WITNESS'S PRINTED NAME**

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**WITNESS'S PRINTED NAME**

