

This Agreement is made, organized, and formulated by the undersigned parties to provide the agreed terms and conditions of the executed loan agreement granted by [SPECIFY LENDER’S NAME] in favor of [SPECIFY BORROWER’S NAME]. This is executed in [SPECIFY PLACE OF EXECUTION] on [SPECIFY DATE]. This Agreement shall be duly enforced and implemented on [SPECIFY DATE OF EFFECTIVITY].

**PARTIES**

[SPECIFY BORROWER’S NAME], of legal age, a citizen of [SPECIFY CITIZENSHIP], [SPECIFY CIVIL STATUS], and a resident of [SPECIFY PLACE OF RESIDENCE], herein referred to as the **BORROWER;**

**and**

[SPECIFY LENDER’S NAME], is a financial institution which is duly incorporated and registered as one under the laws of [SPECIFY STATE OF REGISTRATION] herein referred to as the **LENDER;**

**RECITALS**

**WHEREAS,** the parties agree that the Lender will grant the Borrower a loan covering the amount of [INSERT AMOUNT] which will be payable in installments for a period of [DURATION];

**WHEREAS,** the Lender has the legal capacity to enter into a loan agreement with the Borrower in order for the latter to pursue the following: [PURPOSE OF THE LOAN];

**WHEREAS,** this Agreement shall be binding to the undersigned parties in its entirety including its incidents and necessary legal consequences;

**WHEREFORE,** the undersigned Lender and undersigned Borrower hereby completely agree to adhere and uphold the terms and conditions of this Agreement which are set forth below:

**LOANED MONEY**

1. The undersigned Lender grants the Borrower a loan of money covering the amount of [INSERT AMOUNT].
2. As a condition precedent before the Borrower becomes entitled to the loan, he/she is required and mandated by this Agreement to execute a real estate mortgage on his/her property to secure the performance of the loan obligation. The pertinent details pertaining to the aforementioned real estate mortgage are duly written in the attached Deed of Real Estate Mortgage which is duly executed as [SPECIFY DESIGNATION].
3. In the event that the Borrower fails to perform its payment obligations sanctioned under this Agreement, the Lender is granted with the power and authority to extra judicially foreclose the real estate mortgage subject to the laws of [INSERT STATE] in terms of real estate mortgages and foreclosures of real property.

**PAYMENT TERMS AND ARRANGEMENTS**

1. The Borrower is obliged to pay a monthly installment of [INSERT AMOUNT] to satisfy the payment of the loan for a period of [INSERT DURATION].
2. Any and all accrued interests, necessary charges, and incidental expenses arising from the execution of this Agreement shall be duly paid by the undersigned Borrower no later than [SPECIFY NUMBER OF DAYS] days from the maturity date of the said loan.
3. During the execution of this Agreement, the undersigned parties agree that the execution of this loan will yield interests in favor of the undersigned Lender with a rate of [SPECIFY AGREED INTEREST RATE]. The stipulated interest rate is duly bargained for and agreed upon by the undersigned parties taking into account the nature of this Agreement and the circumstances and financial capabilities of the undersigned parties.
4. Any and all payments shall be made at [SPECIFY AGREED PLACE OF PAYMENT], unless the undersigned parties subsequently make a contrary stipulation. Payments shall be made by the undersigned Borrower directly to any of the undersigned Lender’s authorized representatives. A duly verified and certified list of the authorized representatives of the Lender is provided below: [SPECIFY LIST OF LENDER’S AUTHORIZED REPRESENTATIVES]
5. The accepted payment modes are [SPECIFY THE ACCEPTED PAYMENT MODES].
6. In the event that the Borrower commits delays in the payment of the agreed monthly due, he/she is liable to pay the late payment fee of [SPECIFY AMOUNT OF LATE PAYMENT FEE] to be reckoned from the time the debt matures.

**DUTIES AND OBLIGATIONS OF THE PARTIES**

1. Under the terms and conditions of this Agreement, the undersigned parties are required to diligently comply with their respective duties and obligations.
2. The duties and obligations of the Lender are as follows:
	1. The undersigned Lender is duty-bound to deliver and provide the undersigned Borrower with the loaned amount within [AGREED DAYS] days from the due execution of this Agreement;
	2. The undersigned Lender must provide due notice to the Borrower with regard to the payment of the monthly installments;
	3. The undersigned Lender shall duly record and account any and all payments made by the Borrower and allow the Borrower to access and examine the said records during reasonable hours;
	4. The undersigned Lender agrees to comply with any other analogous conditions and obligations that are necessary and indispensable for the execution of this Agreement.
3. The duties and obligations of the Borrower are as follows:
	1. The undersigned Borrower is required by this Agreement to submit and forward to the undersigned Lender any and all relevant and necessary documents which are significant to the execution of this Agreement;
	2. The undersigned Borrower must execute a valid real estate mortgage to secure the performance of his/her loan obligation; and
	3. The undersigned Borrower agrees to comply with any other analogous conditions and obligations that are necessary and indispensable for the execution of this Agreement.

**REPRESENTATIONS AND WARRANTIES**

1. The undersigned Borrower makes the following representations and warranties:
	1. That undersigned Borrower has duly complied with all the requirements and processes provided under the law and has the legal authority to conduct and operate a regular business;
	2. That the undersigned Borrower is authorized under the law to execute this Agreement;
	3. That the undersigned Borrower duly agrees to comply with and perform any and all obligations that are necessary and essential for the execution of the sale, such as the delivery of certain statements, certificates, and other relevant documents; and
	4. [OTHER REPRESENTATIONS AND WARRANTIES]
2. The undersigned Lender makes the following representations and warranties:
	1. That the undersigned Lender is authorized under the law to execute this Agreement;
	2. That the undersigned Lender has duly complied with all the requirements and processes provided under the law and has the legal authority to conduct and operate a regular business;
	3. That the undersigned Lender duly agrees to comply with and perform any and all obligations that are necessary and essential for the execution of the sale, such as the delivery of certain statements, certificates, and other relevant documents; and
	4. [OTHER REPRESENTATIONS AND WARRANTIES]

**PREPAYMENT**

1. The undersigned Borrower is duly authorized to make prepayments which means paying the principal obligation first or satisfying the entire loan obligation before the agreed date of maturity.
2. Notwithstanding such rule, if the undersigned Borrower fails to exercise the aforementioned right, he/she will not incur penalties and other additional charges. In this case, the exercise of such right is optional and not mandatory.

**ACCELERATION CLAUSE**

The undersigned Borrower agrees to pay the loan by way of monthly installments. In the event that the Borrower defaults in the payment of more than two outstanding monthly installments, the undersigned Lender is entitled to demand from the undersigned Borrower the payment of the entire principal amount. This is without prejudice to the agreed late payment fee of [SPECIFY AMOUNT] that the undersigned Borrower must pay to the undersigned Lender.

Nothing in this Agreement precludes the Borrower from questioning the propriety of the action of the Lender to invoke this acceleration clause.

**DISPUTE RESOLUTION**

1. Under the terms and conditions of this Agreement, the undersigned parties are entitled to avail any and all applicable legal remedies to secure and protect their interests and properties.
2. The undersigned parties agree to be governed and recognize the jurisdiction of a selected arbitration tribunal in the event that conflicts and disputes arise in the course of the operation of this Agreement.
3. The parties agree to be bound by the rules of procedure of [SPECIFY THE ARBITRATION TRIBUNAL] with respect to dispute resolution.
4. The undersigned parties consensually agree to integrate the procedures and rules which are provided and promulgated by [SPECIFY THE ARBITRATION TRIBUNAL].
5. Pending the resolution of the arbitration tribunal, the undersigned parties cannot initiate a legal action outside the domains of the arbitration tribunal.
6. The undersigned parties shall agree on the qualifications of the arbitrators. In the event that the parties fail to agree on the composition of the arbitral tribunal within a period of [SPECIFY AGREED PERIOD], the [SPECIFY INSTITUTION] shall select the arbitrators.

**GENERAL PROVISIONS**

**FORCE MAJEURE**

Nothing in this Agreement makes any of the undersigned liable to any form of force majeure including but not limited to natural disasters, act of government, act of God, and any other external forces and causes that are beyond the control of the undersigned parties, in the event that the mentioned causes interfere in the parties performance of their respective obligations, provided that: there is proper notice given to the concerned party within [SPECIFY PERIOD] from the occurrence of the force majeure. However, this provision does not excuse the performing party from complying with its obligations upon the cessation of the force majeure.

**DEFAULT**

In the event that the undersigned Lender shall provide and deliver to the undersigned Borrowed, may it be personally or through a registered, a written notice of default, the latter has [SPECIFY AGREED NUMBER OF DAYS] days to make an answer or reply to such default in order to cure such default.

The answer or reply of the undersigned Borrower must state substantial, reasonable, and excusable grounds explaining why he incurred the default. This rule does not prejudice the application of the acceleration clause. It is optional on the undersigned Lender’s end if he/she will not send a notice of default to the undersigned Borrower. Hence, it is not a mandatory requirement.

**TERMINATION**

The term of this Agreement is coterminous with the term of the loan or until the loan shall be duly paid. Nonetheless, any of the undersigned parties may commence an action to terminate this Agreement or rescind the operation of this agreement if any of the following instances occur:

1. if one of the parties commit an action that tantamount to a material breach of the terms and conditions of this Agreement;
2. If one of the undersigned parties violate their representations and warranties as specified under this Agreement;
3. Any other relevant grounds that the parties may agree upon provided that they are not contrary to law, morals, public policy, or public order.

The party seeking to terminate or rescind this Agreement is mandated to give the party at fault a notice of termination within [SPECIFY PERIOD] from the occurrence of such material breach. Subject to the terms and conditions of this Agreement, any of the undersigned parties are authorized to unilaterally terminate the operation of this Agreement before its completion, except in specific cases.

**INTEGRATION**

This Agreement, including all the relevant attachments and references which are associated with this Agreement, is deemed as the complete and entire agreement of the parties. All those representations made by the undersigned parties before the conclusion of this Agreement which run counter to the terms and conditions of this Agreement are deemed to be modified and superseded by this Agreement.

**SEVERABILITY**

The terms and conditions of this Agreement are separate and distinct. Subject to the terms and conditions of this Agreement and the agreement of the parties to uphold their respective joint and mutual interests, in the event that any of the embodied provisions and sections of this Agreement shall be duly declared by a court of competent jurisdiction to be invalid and unenforceable, the validity of the remaining provisions shall survive and be upheld.

**ASSIGNMENT**

Both the undersigned Borrower and Lender agree that they can freely assign to third persons or entities the rights that they are entitled to under this Agreement. This Agreement does not vest preclude any of the undersigned parties the right to assign or transfer their rights and obligations arising from the operation of this Agreement to a third person or entity, provided that the required notice requirements are complied with by the undersigned parties.

**GOVERNING LAW**

The terms, conditions, and general expressions enshrined in this Agreement shall be governed by [SPECIFY GOVERNING LAW]. In case that conflicts and disputing claims arise from the operation of this Agreement, the legal issue shall be resolved before the competent courts of [SPECIFY STATE COURT].

**MODIFICATIONS**

In the event that any of the undersigned parties intend to modify and change some of the terms and conditions of this Agreement, amendments are allowed under this Agreement. Any of the undersigned party may initiate an action to amend some of the terms provided that such action shall be commenced within [SPECIFY PERIOD], and that the consent and approval of the other party are secured. The amendment must be expressed and manifested in a written document.

**NOTICES**

The undersigned parties are fully aware of the fact that in the course of the implementation and operation of this Agreement, the undersigned parties may be required to provide notice to the other party to validly commence a particular action that can affect the rights and obligations of the undersigned parties.

**IN WITNESS WHEREOF**, the undersigned parties enter into and execute this **Agreement** this [SPECIFY DATE] and affix their respective signatures.

**BORROWER:**

|  |
| --- |
|  |
|  |
|  |
|  |
|  |

[PROVIDE COMPLETE PRINTED NAME AND SIGNATURE]

[SPECIFY THE POSITION, IF THE ONE SIGNING WAS AN AUTHORIZED REPRESENTATIVE]

**LENDER:**

|  |
| --- |
|  |
|  |
|  |
|  |
|  |

[PROVIDE COMPLETE PRINTED NAME AND SIGNATURE]

[SPECIFY THE POSITION, IF THE ONE SIGNING WAS AN AUTHORIZED REPRESENTATIVE]