

**Loan agreement: company borrower; secured on physical assets; guarantor option**

**Borrower:** [\[Name\]](#)

**Lender:** [\[Name\]](#)

**Date:** [\[Date\]](#)





- [illegible]

### 3. Borrower's warranties

The Borrower represents and warrants that:

- [illegible]



#### 4. Sum of Loan and Advances

4.1 The Initial Loan is \$[amount].

[illegible]

OR

[illegible]

**4.4** Before any Advance is drawn ■■■■ , ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■  
■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ / ■■■■ :

*[specify information required].*

*OR*

[illegible]

*OR*

[illegible]

## 5. Security

[illegible]

OR

[illegible]

OR

- 5.3 The Borrower pledges as Security for the Repayment ■■■■■■■■■■  
 ■■■■, ■■■■ [ ■■■■ / ■■■■ / ■■■■ / ■■■■ ] ■■■■■■■■■■  
 ■■■■ 1 .
- 5.4 All the Security ■■■■■■■■■■  
 ■■■■■■■■■■ :
- 5.4.1 keep the Security ■■■■■■■■■■  
 ■■■■■ [ ■■■■ ];
- 5.4.2 insure the Security ■■■■■■■■■■  
 ■■■■■■■■■■ ;
- 5.4.3 maintain the Security in good and clean condition;
- 5.4.4 comply fully with the manufacturer's instructions, the [ ■■■■  
 ■■■■ ] ■■■■■■■■■■, ■■■■■■■■■■  
 ■■■■■■■■■■ [ ■■■■■■■■■■ ];
- 5.4.5 comply with [shipping / other] ■■■■■■■■■■  
 ■■■■■■■■■■ .
- 5.5 The Lender acknowledges receipt of ■■■■■■■■■■  
 ■■■■ 1 ■■■■■■■■■■ .
- 5.6 The Lender will keep ■■■■■■■■■■ [ ■■■■■■■■■■ / ■■■■■■■■■■  
 ■■■■, ■■■■ ].
- 5.7 The Lender will insure ■■■■■■■■■■  
 ■■■■■■■■■■ \$[ ■■■■ ].

## 6. Loan condition: use by Lender

- 6.1 It is a condition of this Loan that the Lender may have ■■■■■■■■■■  
 ■■■■■■■■■■ [ ■■■■ ] ■■■■■■■■■■ [ ■■■■ ]  
 ■■■■■■■■■■ [ ■■■■ ] ■■■■■■■■■■  
 ■■■■■■■■■■ :
- 6.1.1 the total number of days when ■■■■■■■■■■  
 [ ■■■■ ] ■■■■■■■■■■ [ ■■■■ ];
- 6.1.2 the condition lapses when ■■■■■■■■■■  
 ■■, ■■■■■■■■■■ ;
- 6.1.3 the Lender will pick up the [Superdigger] from the ■■■■■■■■■■  
 ■■■■■■■■■■ [ ■■■■ ]

[illegible]







- [illegible]

## 11. Notice of Default

- 11.1 Where an Event of Default has occurred the Lender may issue a “**Notice of Default**”.
- 11.2 From the date when the Lender issues a Notice of Default, **the Borrower shall be in default of its obligations under this Agreement**.
- 11.3 Each Event of Default stands on its own, **and the occurrence of one or more Events of Default shall not constitute an admission of any other Event of Default**.
- 11.4 When an Event of Default happens, the **Lender may, at its sole discretion, accelerate the maturity of the Loan and declare all amounts due to the Lender immediately due and payable**.

## 12. Consequences of Default

At any time after   
:

[illegible]

12.2 the Borrower hereby irrevocably agrees that:

[illegible][illegible][illegible][illegible]

**12.3 ■■■■■■ [28] ■■■■, ■■■■■■■■■■■■■■■■■■■■:**

[illegible]

12.3.2 damages for any breach of this agreement;

[illegible]

### 13. Sale of Security

[illegible]





## 17. Miscellaneous matters

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

It shall be deemed to have been delivered:

[illegible]

[illegible]

Signed by [the Guarantor]



## **Schedule 1: the Securities**

- 1 [Two David Brown Superdiggers].
- 2 500 gold Krugerrand coins.
- 3
- 4

## Schedule 2: Loan Repayment

Dates	Amount to paid
dd-mm-yy	\$000
dd-mm-yy	\$000
dd-mm-yy	\$000
dd-mm-yy	\$000
dd-mm-yy	\$000

### Schedule 3: example financial report

[ .....  
.....]

### Explanatory notes:

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## General notes

## 1. Registering a charge

You should consider registration of the debt as a “security interest”. Registration of security interests protects you against your borrower’s insolvency and preserves

And there are other benefits of registration. It can, for example, support your rights to continue your security interest in ■■■■■■■■■■■■■■■■■■■■■■  
■■■■■■■■■■■■■■■■■■■■.

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[illegible]

<https://www.ppsr.gov.au/registrations>

<https://www.ppsr.gov.au/register-security-interests>

## 2. A shareholders' agreement

[illegible]

## Paragraph specific notes

Notes relating to the numbered paragraphs

## 1. Definitions

Note that the definition of "Loan" includes all money outstanding, which may of course

When you edit the document, be careful how you define the security. We have used “Superdigger” as an example. You could use legal terminology but the meaning of the document will be clearer if the security is named explicitly. If there are many items of security, list them in a ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■





## 11. Notice of Default

No comment.

## 12. Consequences of Default

Edit carefully to suit your requirement.

### 13. Sale of Security

The .....

## 14. Assignment

No comment.

## 15. Promise to provide information

It is the lender's choice what information he requires.

## 16. The Guarantor

[illegible]

## 17. Miscellaneous matters

[illegible]

## Schedule 1: the Securities

List the securities \_\_\_\_\_  
\_\_\_\_\_.

## Schedule 2: Loan Repayment

This covers the option mentioned in the agreement.

### Schedule 3: example financial report

Delete if not required.

**End of notes**