

IE-LDGloa18

Loan agreement: person to person; secured by guarantee

Dated: [\[Insert date\]](#)

This agreement is dated: [Insert date]

It is made between [Lender name] of [] (" ")

And

[Borrower name] of [address] (" ")

And

[Guarantor name] of [address] (" ")

The terms of this agreement are:

1. Definitions

"Advance"	means all or part of the Loan drawn down by the
"Basic rate"	means interest at the rate of [number]
"Financial Information"	means all information relating to the financial affairs of the Borrower including the Borrower's [audited financial statement as on [date] / statement of income and expenditure for the []]
"Higher Rate"	means a rate of interest five per cent
"Interest Date"	means [date number] in each month
"Loan"	means the sum of €[amount] or such greater sum as shall in fact have been lent by the Lender to the Borrower at any time this agreement subsists, or such lesser sum
"Default"	means the one of the circumstances as set

2. Purpose of Loan

- 2.1. The Loan shall be used only to [buy a car / pay for university fees / provide /]
- 2.2. The Lender is not under any obligation obliged to monitor and verify

3. Sum of Loan and when advanced

- 3.1. The total sum offered by the Lender and available for €[].

- 3.2. The Loan shall be drawn down in a single sum of €[amount]

OR

- 3.3. The Loan shall be paid into the bank account of [].

AND/OR

- 3.4. The Loan shall be drawn down

OR

- 3.5. The initial draw down of the Loan shall be made only

AND/OR

- 3.6. Before any new Advance may be drawn , / ,
:

[List items of info required].

4. Repayment conditions

4.1. The Loan shall be repaid [] [/ /] .

OR

4.2. The Loan shall be repaid in : [€] .

OR

4.3. The Loan shall be :

[here set out the trigger events, ,] .

AND/OR

4.4. The Loan , ;

[Set out instalment plan].

5. Interest payable

5.1. Interest at the .

5.2. Interest shall be [] [/] .

5.3. Interest shall be paid on the Interest Date.

6. Early repayment of part

The Borrower may repay all or part of the Loan before the due date for repayment provided that

7. Method of payment

All payments due to the Lender of both capital and interest shall be

8. Event of Default

An "Event of Default" occurs when:

8.1. the Borrower fails

;

8.2. the Borrower fails to pay in full and on the due date

[]

;

8.3. a petition is presented

;

8.4. any information given or a

:

8.5. The Borrower dies.

9. Notice of Default

9.1. Where an Event of Default has occurred the Lender may issue a “

”.

9.2. From the date when the Lender issues a Notice of Default,

9.3. Each Event of Default stands on its own,

9.4. When an Event of Default happens, the Lender may serve

10. Consequences of Termination

At any time after issue of a valid

, /

:

10.1. all money ;

10.2. damages for any breach of this agreement;

10.3. all expenses and costs

11. Borrower's warranties

The Borrower represents and warrants that:

11.1. If he ;

11.2. the execution of this agreement, the borrowing, and the performance by the Borrower of his obligations are fully

,

,

;

11.3. the Financial Information fairly represents the financial state of

;

11.4. there are no material, ;

11.5. the Borrower will advise the Lender

;

11.6. no litigation, arbitration proceedings or governmental proceedings are pending or

12. Assignment

12.1.

OR

12.2.

12.3.

13. The Guarantor

13.1.

13.2.

13.3.

13.4.

13.5.

14. Guarantor's continuing liability

14.1.

14.2.

14.2.1

14.2.2

14.2.3

14.2.4 the assignment of the agreement; or

14.2.5

14.2.6

14.2.7

15. Rights waived

,
.
(
)
.

16. Miscellaneous matters

16.1.

,
.

16.2.

.

16.3.

,
,

16.4.

,
,
,

16.5.

,
,

16.6.

16.6.1

16.6.2 issue a claim in any court.

16.6.3 take any other action he considers appropriate.

16.7.

16.8.

It shall be deemed to have been delivered:

72

24

16.9.

Signed by the Lender, [full personal name]

Signed by the Borrower, [full personal name]

Signed by the Guarantor, [full personal name]

Schedule 1: form of financial statement

[
].

Explanatory Notes:

Loan agreement: person to person; secured by guarantee

Paragraph Specific Notes:

Notes relating to the numbered paragraphs

1. Definitions

The financial information you require is entirely a matter

The definition of "Loan" includes all money outstanding, which may of course be

2. Purpose of Loan

It is important to specify the purpose because by doing so, if the borrower uses the money for something different, he is

3. Sum of Loan and when advanced

Provides for alternative draw down arrangements and provision of information to the lender. Edit to the precise draw down arrangement you have agreed. Use a

4. Repayment conditions

This could be a fixed date or several dates or on the happening of a specific event. If you use this last option, make sure that the event you specify is certain to happen within your expected timescale. For example "When you

5. Interest payable

The provision for cumulation of interest should have careful attention, particularly if the rate of interest is high. Cumulation has the effect of adding the interest to the capital, so that

6. Early repayment of part

We have no comment.

7. Method of payment

Leave as is or specify this precisely.

8. Event of Default

We have no comment.

9. Notice of Default

Precise procedural matters we suggest

10. Consequences of Termination

A simple statement to avoid dispute

11. Borrower's warranties

Insofar as the lender has relied on any information provided by

12. Assignment

We have no comment.

13. Guarantor(s)

We have no comment.

14. Guarantor's continuing liability

This paragraph covers a list of

15. Rights waived

Leave this paragraph in place. Without it

16. Miscellaneous matters

A number of

Schedule 1: form of financial statement

End of notes