Line of Credit Agreement

This **Line of Credit Agreement** (the "***Agreement***") is made effective as of ______ ("***Effective Date***") by and between the following parties:

Lender

Borrower

1. Purpose

Lender agrees to make available to Borrower a revolving commercial line of credit on the terms of this Agreement. Borrower will use the proceeds solely for its lawful business, commercial, or organizational purposes.

This Agreement is not intended for personal, family, household, consumer, residential real-estate, or educational purposes. The parties should have this Agreement reviewed for applicable lending, licensing, disclosure, and interest-rate requirements before use.

2. Credit Facility

Subject to this Agreement, Lender may advance funds to Borrower from time to time, up to a maximum outstanding principal balance of ______ (the "***Credit Limit***").

Borrower may request advances in the manner approved by Lender, including through ______. Lender may decline an advance request if an Event of Default has occurred and is continuing, if the request would exceed the Credit Limit, or if a condition in the Conditions to Advances clause has not been satisfied.

Amounts repaid may be borrowed again during the Term, provided that no outstanding principal balance exceeds the Credit Limit.

3. Term

The credit facility begins on the Effective Date and continues until ________ (the "***Term***"), unless earlier terminated under the Termination and Acceleration clause.

On the Maturity Date, all unpaid principal, accrued interest, fees, costs, and other amounts owed under this Agreement become immediately due and payable.

4. Interest

Interest accrues on the outstanding principal balance at a variable annual rate equal to ________ plus ________%, calculated on the basis of a ________-day year for the actual number of days elapsed.

The interest rate will not exceed the maximum rate permitted by applicable law. If any amount of interest collected exceeds that maximum rate, Lender will apply the excess to outstanding principal or refund it to Borrower if no principal remains outstanding.

Lender will provide Borrower with reasonable notice of a change in the Reference Rate or interest rate calculation, unless immediate notice is required by law or the relevant reference rate changes automatically.

5. Payments

Borrower will make payments as follows:

Payment Type	**Amount and Due Date**
Monthly interest payment	Accrued interest due on the ________ of each month
Principal payment	________ due on the ________ of each month
Final payment	All remaining obligations due on the Maturity Date

Borrower will make all payments in ________ by ________ to the account or address designated by Lender. Payments must be made without deduction, setoff, or counterclaim, except where required by applicable law. Lender may apply payments first to costs and expenses, then to fees, then to accrued interest, and finally to principal, unless applicable law requires a different order.

6. Fees

Borrower will pay the following fees:

Fee	Amount	When Due
Origination fee		On the Effective Date
Annual facility fee		
Late payment fee		When a payment remains unpaid for days after its due date
Returned payment fee		Upon each returned or rejected payment

Lender may charge only fees that are disclosed in this Agreement or otherwise agreed to by Borrower in writing.

7. Conditions to Advances

Lender is not required to make an advance unless, on the date of the requested advance:

- Borrower has submitted a complete request for the advance.
- The requested advance will not cause the outstanding principal balance to exceed the Credit Limit.
- Borrower's representations in this Agreement remain true in all material respects.
- No Event of Default has occurred or would result from the advance.
- Borrower has provided any information reasonably requested by Lender to confirm its continuing financial condition, authority, or use of proceeds.

8. Borrower Representations

Borrower represents and warrants to Lender that:

- Borrower is duly formed, validly existing, and authorized to conduct business under the laws of its place of formation and operation.
- Borrower has full authority to enter into and perform this Agreement.
- The individual signing this Agreement for Borrower is authorized to bind Borrower.
- This Agreement constitutes Borrower's legal and binding obligation, subject to applicable bankruptcy, insolvency, and similar laws.

- Borrower's execution and performance of this Agreement do not violate its organizational documents, another binding agreement, or applicable law.
- Information Borrower provides to Lender in connection with this Agreement is accurate and not misleading in any material respect.
- Borrower is not using and will not use any advance for an unlawful purpose.

9. Borrower Covenants

During the Term, Borrower will:

- Maintain its legal existence and all material permits, registrations, and approvals needed to operate its business.
- Keep accurate financial and business records.
- Promptly notify Lender of a material adverse change in its business, financial condition, ownership, or ability to perform its obligations.
- Provide financial statements, tax information, and other business records reasonably requested by Lender.
- Pay taxes, debts, and obligations when due, except amounts being disputed in good faith through appropriate proceedings.
- Comply with applicable laws and regulations relevant to its business and use of proceeds.
- Not materially change the nature of its business without Lender's prior written consent.
- Not incur additional indebtedness or grant liens that would materially impair its ability to perform under this Agreement without Lender's prior written consent.

10. Unsecured Credit Facility

This Agreement creates an unsecured obligation of Borrower. Borrower is not granting Lender a security interest in any assets under this Agreement.

Any collateral arrangement, personal guarantee, or other credit support must be documented in a separate written agreement signed by the applicable parties.

11. Events of Default

Each of the following is an Event of Default:

- Borrower fails to pay any amount due under this Agreement within ________ days after its due date.
- Borrower breaches a material obligation under this Agreement and does not cure that breach within ________ days after receiving written notice from Lender.
- A representation or warranty made by Borrower proves materially false or misleading when made.
- Borrower becomes insolvent, makes an assignment for the benefit of creditors, files for bankruptcy protection, or becomes subject to an involuntary insolvency proceeding that is not dismissed within ________ days.
- Borrower ceases or threatens to cease a material part of its business operations.
- Borrower defaults on other indebtedness in a manner that could reasonably impair its ability to repay amounts owed under this Agreement.
- A judgment, lien, or governmental action materially impairs Borrower's ability to perform its obligations.

12. Termination and Acceleration

Lender may terminate the credit facility without cause by giving Borrower ________ days' written notice. Termination prevents further advances but does not excuse Borrower from paying amounts already owed.

Lender may terminate the credit facility immediately upon an Event of Default. Following an Event of Default, Lender may declare all outstanding principal, accrued interest, fees, costs, and other obligations immediately due and payable, to the extent permitted by applicable law.

Borrower may terminate the credit facility by giving Lender ________ days' written notice, provided Borrower first pays all obligations in full. Borrower will remain responsible for any fees or costs that accrued before termination.

Termination does not affect provisions that are intended to continue after termination, including payment obligations, confidentiality, indemnification, governing law, notices, and dispute resolution.

13. Costs and Expenses

Borrower will reimburse Lender for reasonable, documented costs incurred in enforcing this Agreement after an Event of Default, including reasonable attorneys' fees, court costs, collection costs, and expenses incurred to protect Lender's rights, to the extent permitted by applicable law.

14. Confidentiality

Each party will protect the other party's nonpublic business, financial, and personal information and will use it only as necessary to perform or enforce this Agreement. A party may disclose confidential information when required by law, court order, regulator, auditor, professional adviser, or financing source, provided it takes reasonable steps to protect the information where permitted.

15. Notices

Any notice under this Agreement must be in writing and delivered personally, by nationally recognized courier, by certified or registered mail, or by email with confirmation of receipt. Notices must be sent to the addresses in the first page of this Agreement, or to another address designated by written notice.

A notice is effective when received, except that a notice sent by certified or registered mail is effective on the third business day after mailing.

16. Assignment

Borrower may not assign, delegate, or transfer its rights or obligations under this Agreement without Lender's prior written consent.

Lender may assign or transfer its rights under this Agreement to an affiliate, successor, purchaser of its loan portfolio, or other qualified assignee, provided the assignment does not increase Borrower's obligations under this Agreement.

17. Governing Law and Dispute Resolution

This Agreement is governed by the laws of the State of __________, without regard to rules that would apply another jurisdiction's laws.

The parties will first attempt in good faith to resolve any dispute through direct discussions. If the dispute is not resolved within ________ days, either party may bring an action in the state or federal courts located in ____________. Each party consents to the jurisdiction and venue of those courts.

18. General Provisions

This Agreement is the entire agreement between the parties concerning the credit facility and replaces prior discussions or understandings on that subject.

Any amendment or waiver must be in writing and signed by both parties. A failure or delay in enforcing a right does not waive that right.

If a provision of this Agreement is held unenforceable, the remaining provisions will continue in effect, and the unenforceable provision will be enforced to the greatest extent permitted by law.

This Agreement may be signed in counterparts. Electronic signatures and electronically delivered copies have the same effect as original signatures to the extent permitted by applicable law.

19. Signatures

By signing below, the parties acknowledge that they have read, understood, and agree to be bound by this Agreement.

Lender

Name

Date

Signature

Borrower

Name

Date

Signature