

SMALL BUSINESS LOAN AGREEMENT

This Loan Agreement ("Agreement") is made and effective the [DATE],

BETWEEN: **CITY OF COALINGA** (the "Lender"), A MUNICIPALITY with the main address located at:

155 W. Durian Avenue
Coalinga, CA 93210

AND: **[COMPANY NAME]** (the "Borrower"), a corporation organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[COMPLETE ADDRESS]

1. PURPOSE

The purpose of this Small Business Loan is to provide aid to the small businesses located within the City of Coalinga who have been impacted due to the COVID-19 virus as financial relief.

2. PROMISE TO PAY

Payments will commence 3 months from the end of the local emergency with a 12 month repayment period. Borrower promises to pay to Lender the sum of [AMOUNT] without interest.

3. RESPONSIBILITY

Although this Agreement may be signed below by more than one person, Borrower understands that each are individuals responsible for paying back the full amount.

4. BREAKDOWN OF LOAN

Amount of Loan: _____

Other (Describe) _____

Amount financed: _____

Total number of payments: _____

Payment amount: _____

5. REPAYMENT

This is how Borrower will repay: Borrower will repay the amount of this note in 12 equal uninterrupted monthly installments of [AMOUNT] each on the [DAY] of each month starting on the [DATE], and ending on [DATE].

6. PREPAYMENT

Borrower has the right to prepay the whole outstanding amount at any time.

7. LATE CHARGE

Any installment not paid within [NUMBER] days of its due date shall be subject to a late charge of [%] of the payment, not to exceed [AMOUNT] for any such late installment.

8. SECURITY

To protect Lender, Borrower gives what is known as a security interest or mortgage in:

[DESCRIBE]

9. DEFAULT

If for any reason Borrower fail to make any payment on time, Borrower shall be in default. The Lender can then demand immediate payment of the entire remaining unpaid balance of this loan, without giving anyone further notice. If Borrower has not paid the full amount of the loan when the final payment is due.

10. RIGHT OF OFFSET

If this loan becomes past due, the Lender will have the right to pay this loan from any deposit or security Borrower have with this Lender without notice to me. If the Lender gives me an extension of time to pay this loan, Borrower still must repay the entire loan.

11. COLLECTION FEES

If this note is placed with an attorney for collection, then Borrower agree to pay an attorney's fee of [%] of the unpaid balance. This fee will be added to the unpaid balance of the loan.

12. CO-BORROWERS

If Borrower is signing this Agreement as a co-borrower, Borrower agrees to be equally responsible with the Borrower for this loan.

LENDER

BORROWER

Authorized Signature

Authorized Signature

Print Name and Title

Print Name and Title