**Promissory Note – Line of Credit**

This document is a Promissory Note Payable on Demand (the "Note") and is made and effective the [DATE],

**BETWEEN: [LENDER NAME]** (the "Lender"), an individual with his main address located at OR a company organised and existing under the laws of the [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

**AND: [YOUR COMPANY NAME]** (the "Borrower"), a company organised and existing under the laws of the [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**RECITALS**

FOR VALUE RECEIVED, **the** Borrower promises to pay to the order of the Lender, the principal sum of [AMOUNT], or so much thereof as may be disbursed to, or for the benefit of the Borrower by the Lender in the Lender's sole and absolute discretion. It is the intent of the Borrower and the Lender hereunder to create a line of credit agreement between the Borrower and the Lender whereby the Borrower may borrow up to [AMOUNT] from the Lender; provided, however, that the Lender has no obligation to lend the Borrower any amounts hereunder and the decision to lend such money lies in the sole and complete discretion of the Lender.

1. **INTEREST & PRINCIPAL**

The unpaid principal of this line of credit shall bear simple interest at the rate of [%] per annum. Interest shall be calculated based on the principal balance as may be adjusted from time to time to reflect additional advances made hereunder. Interest on the unpaid balance of this Note shall accrue monthly but shall not be due and payable until such time as when the principal balance of this Note becomes due and payable. The principal balance of this Note shall be due and payable on [DATE]. There shall be no penalty for early repayment of all or any part of the principal.

1. **SECURITY**

This Note shall be secured by a mortgage ("Mortgage") upon certain property owned by the Borrower located in [CITY], [STATE/PROVINCE] and described as [DESCRIBE].

1. **DEFAULT**

The Borrower shall be in default of this Note on the occurrence of any of the following events: (i) the Borrower shall fail to meet its obligation to make the required principal or interest payments hereunder; (ii) the Borrower shall be dissolved or liquidated; (iii) the Borrower shall make an assignment for the benefit of creditors or shall be unable to, or shall admit in writing their inability to pay their debts as they become due; (iv) the Borrower shall commence any case, proceeding, or other action under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganisation or relief of debtors, or any such action shall be commenced against the undersigned; (v) the Borrower shall suffer a receiver to be appointed for it or for any of its property or shall suffer a garnishment, attachment, levy or execution.

1. **REMEDIES**

Upon default of this Note, the Lender may declare the entire amount due and owing hereunder to be immediately due and payable. The Lender may also use all remedies in law and in equity to enforce and collect the amount owed under this Note. The Borrower hereby waives demand, presentment, notice of dishonour, diligence in collecting, grace and notice of protest.

IN WITNESS WHEREOF, the undersigned has caused this Promissory Note to be duly executed as of the date first written above.

LENDER BORROWER

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title