

PREVIEW

PROMISSORY NOTE

For valued received in the manner, on the dates, and in the amounts in this agreement stipulated, the undersigned [name] an individual residing in [County, Texas] ("Maker"), individually and severally promises to pay to [name] of [address] ("Holder"), the sum of \$ _____ in lawful and legal tender of the United States of America, together with interest on the unpaid balance from the date of this note until maturity, payable as stated below:

1. Interest Rate. Interest shall accrue on the principal and unpaid balance of the note as the rate of _____ percent per annum, prior to maturity, and after maturity at the maximum rate permitted by law.

2. Payment. This note consisting of principal and interest is due and payable as follows:

a. [number] monthly installments of \$ _____ each, beginning [date] and continuing monthly thereafter on the same day of the month until paid in full. Payment shall be made to Holder at [his or her] address listed above or at such other address as Holder may state in writing sent to Maker by United States certified mail, return receipt requested.

b. Any check, draft, money order, or other instrument given in payment of all or any portion hereof and accepted by Holder and handled in collection in the customary manner, but this will not constitute payment hereunder or diminish any rights of Holder except to the extent that actual cash proceeds of such instrument are unconditionally received by Holder.

3. Prepayment. Maker at any time subsequent to the execution of this note may prepay this note without penalty, in whole or in part, and in such amounts as Maker may desire and from time to time as Maker sees fit, prior to maturity. Interest shall immediately cease to accrue as of the date of such prepayment, on any amount of the principal that is so prepaid. Any prepayment of the principal shall be credited to the payment of the installments last accruing under this note. Prepayment of a part of this note shall not affect the Maker's obligations to continue the regular payments stated in this agreement.

4. Default. It is agreed that time is of the essence in this note. If default be made in the payment of any installment of principal or interest and continue more than 90 calendar days after the monthly due date, the Holder may declare the entire unpaid balance of both the principal and accrued interest immediately due and payable with 10 days of notice of default and intention to accelerate and then proceed to exercise [his or her] rights against the collateral securing this note, if such default is not cured. Failure of the Holder to exercise this option shall not constitute a waiver of Holder's right to exercise this right in the event of any subsequent default.

5. Attorney Fees. In the event of default by the Maker in the payment of this note, or if this note be placed in the hands of an attorney or agency for collection, regardless of whether or not suit is filed or if it is not, the collection of an or legal process including, but not limited to through the probate court or bankruptcy proceedings, Maker agrees to pay an additional sum equal to _____

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percent of all sums then due thereon, including principal and interest, as attorney fees plus costs of court.

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6. No Waivers. Maker and any and all sureties, guarantors and endorsers of this note, and all other parties now or hereafter liable hereon, do not waive grace, demand, presentment for payment, protest, or notice of any kind (including, but not limited to, notice of dishonor, notice of protest, notice of intention to accelerate, and notice of acceleration).

7. Personal Liability. This note shall be the joint and several obligation of Maker and endorsers, if any, and shall be binding upon them, individually and severally, their heirs, legal representatives, successors and assigns. The Maker and each endorser do not waive demands for payment, presentations for payment, protests and notices of protest, and do not agree that the time of the payment may be extended from time to time without notice and without releasing any of the parties.

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8. Security. Payment of this note shall be secured by a security interest created and granted in a security agreement executed concurrently with this Promissory Note, executed by [name] in favor of [name], and secured by [describe property that is the subject of the security interest, such as: (number) shares of common stock in (name of corporation)].

9. Assignment. This note and all rights and powers hereunder, together with any property securing it, may be transferred and assigned by the Holder at such time and upon such terms as the Holder may deem advisable, and assignee shall succeed to all the rights and powers of the Holder hereunder.

10. Not Assumable. This note may not be assumed without the written consent of the Holder.

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11. Construction. This note shall be governed by and construed under the laws of the State of Texas and the laws of the United States of America.

12. Maker shall have the right to offset any amount due hereunder to the extent permitted in that one certain agreement and bill of sale of corporate stock of even date herewith, which is incorporated in this agreement by reference as though it were set forth in this agreement verbatim.

The undersigned, intending to be legally bound, has executed this note on

_____.

THANK YOU

MAKER

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