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Secured Term Loan Agreement

SECURED TERM LOAN AGREEMENT

Dated as of ^, 200X^

^, an individual residing in ^, Illinois (the "**Borrower**"), and ^, an Illinois corporation (the "**Lender**"), agree as of the date stated above that:

W H E R E A S,

[If appropriate, describe the background and reasons for the transaction.]

N O W T H E R E F O R E,

in consideration of the premises and the representations, warranties, covenants and acts referred to herein, the Borrower and the Lender agree as follows:

SECTION 1. COMMITMENT.

Subject to the terms and conditions of this Agreement, the Lender has loaned to the Borrower, and the Borrower has borrowed from the Lender, on the date hereof, the amount of \$^ (herein called the "**Loan**").

SECTION 2. THE NOTE.

The Loan shall be evidenced by a promissory note of the Borrower (herein, together with any promissory note given in extension, renewal, replacement or substitution thereof or therefor, called the "**Note**"), substantially in the form set forth in *Exhibit A* hereto, with appropriate insertions, payable to the order of the Lender in the original principal amount of \$^ in eight consecutive quarterly principal installments of \$^ payable on the last Business Day of ^, ^, ^, and ^ of each year, commencing ^, 200X^ to and including ^, 200X^ (provided that the final installment shall be in an amount sufficient to pay in full all unpaid principal of and accrued interest on the Note).

Payments of both principal of and interest on the Note are to be made in lawful money of the United States of America in immediately available funds.

SECTION 3. INTEREST.

The unpaid principal amount from time to time outstanding of the Note shall bear interest at the following rates: (a) prior to maturity, at ^% per annum; and (b) after maturity of any installment, whether by acceleration or otherwise, until paid at ^% per annum. Accrued interest shall be payable on the last Business Day of ^, ^, ^, and ^ of each year and at maturity, beginning with the first of such dates to occur after the date hereof. After maturity of any installment, whether by acceleration or otherwise, accrued interest on such installment shall be

payable on demand. Interest shall be computed for the actual number of days elapsed on the basis of a year consisting of 360 days.

SECTION 4. *PREPAYMENTS.*

The Borrower may from time to time prepay the Note in whole or in part, without premium or penalty; provided, that any partial prepayment shall be in an aggregate principal amount of \$^ or an integral multiple thereof and shall be applied to the eight scheduled quarterly principal installments in the order of maturity, and provided further that any prepayment of principal of the Note shall include accrued interest to the date of prepayment on the principal amount being prepaid.

SECTION 5. *MAKING OF PAYMENTS, OFFSET.*

§5.1 *Making of Payments.*

All payments (including those made pursuant to the terms of Section 4 hereof) of principal of, or interest on, the Note shall be made in immediately available funds by the Borrower to the Lender at such bank account as the Lender shall have designated by notice to the Borrower or, if no such notice is given, at the Lender's principal office in ^, Illinois.

§5.2 *Offset.*

In addition to and not in limitation of all rights of offset that the Lender or other holder of the Note may have under applicable law, the Lender or other holder of the Note shall, upon the occurrence of any Event of Default, have the right to appropriate and apply to the payment of the Note any and all balances, credits, deposits, accounts or moneys of any Borrower then or thereafter with the Lender or other holder.

SECTION 6. *COLLATERAL SECURITY.*

Payment of the Note and all other obligations of the Borrower hereunder is secured by a pledge agreement in the form of Exhibit B hereto (said document, as the same may be amended from time to time, being herein called the "**Pledge Agreement**") by which the Borrower has pledged and agreed to pledge to the Lender all of the issued and outstanding shares of capital stock of ^, an Illinois corporation (the "**Company**") now owned or hereafter acquired by the Borrower (herein collectively called the "**Pledged Shares**").

SECTION 7. *REPRESENTATIONS AND WARRANTIES.*

To induce the Lender to enter into this Agreement, the Borrower represents and warrants to the Lender that:

§7.1 *Organization, Etc.*

The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois; each Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its respective organization; and the Company is duly qualified and in good standing as a foreign corporation authorized to