

PROMISSORY NOTE RELEASE

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This Promissory Note Release (this "**Release**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[LENDER/HOLDER LEGAL NAME], a [STATE] [ENTITY TYPE] (or an individual residing at [LENDER ADDRESS]) (the "**Holder**"); and

[BORROWER/MAKER LEGAL NAME], a [STATE] [ENTITY TYPE] (or an individual residing at [BORROWER ADDRESS]) (the "**Maker**").

The Holder and the Maker are each a "**Party**" and together the "**Parties**." Any guarantor of the Note who is released by this Release is a "**Guarantor**."

Recitals. The Maker executed and delivered to the Holder a promissory note dated [NOTE DATE] in the original principal amount of [\$ ORIGINAL PRINCIPAL] (the "**Note**"), together with any related guaranty, security agreement, mortgage, or deed of trust (collectively with the Note, the "**Loan Documents**"). The Maker has paid the Note in full (or the Parties have otherwise agreed to discharge it as set out below). The Parties enter into this Release to confirm that the Note is satisfied, to discharge the Maker and any Guarantor from further obligation, and to release any security given for the Note. In consideration of the mutual promises below, the Parties agree as follows.

1. Acknowledgment of Payment

1.1 Payment in full. The Holder acknowledges that it has received payment in full of all principal, interest, and other amounts owed under the Note, in the total amount of [\$ TOTAL PAID], received on or before [PAYMENT DATE].

1.2 No remaining balance. As of the Effective Date, no amount remains outstanding or owing under the Note, and the Maker has no further payment obligation under the Note or the other Loan Documents, except as expressly stated in this Release.

1.3 Final payment subject to clearance. If final payment was made by check or electronic transfer, this Release is effective only when that payment has been finally collected and is not subject to reversal. If such payment is reversed or fails to clear, this Release is void and the Note is reinstated in full.

2. Release and Discharge of the Note

2.1 Discharge. The Holder hereby cancels, discharges, and releases the Note and the Maker's obligations under it. The Note is deemed fully paid, satisfied, and of no further force or effect.

2.2 Return or cancellation of the Note. The Holder will, within [NUMBER] days after the Effective Date, deliver to the Maker the original Note marked "PAID IN FULL" and "CANCELED," or, if the original Note has been lost, deliver the lost-note affidavit described in Section 6.

2.3 No further obligation. Following the discharge, the Maker is fully released from any obligation to make any further payment or to perform any further covenant under the Note.

3. Release of Guarantor

3.1 Guarantor release. To the extent any Guarantor guaranteed the Note, the Holder releases and discharges the Guarantor from all obligations under its guaranty of the Note, effective as of the Effective Date, subject to Section 1.3.

3.2 No surviving guaranty. No guaranty of the Note survives this Release except as expressly stated, and any such guaranty is terminated.

4. Release of Collateral and Security Interests

4.1 Release of liens. The Holder releases and discharges any and all liens, mortgages, deeds of trust, security interests, and other encumbrances it holds on any property of the Maker or any Guarantor securing the Note (collectively, the "**Security Interests**").

4.2 Termination filings. The Holder will, at the Maker's reasonable request and expense, promptly execute and deliver (or authorize the filing of) all documents reasonably necessary to evidence the release of the Security Interests, including UCC termination statements, mortgage satisfactions or reconveyances, and lien releases, in proper form for recording or filing where applicable. **[Recording and filing requirements for releasing recorded liens vary by jurisdiction; confirm local requirements.]**

4.3 Possession of collateral. Any collateral in the Holder's possession will be returned to the Maker promptly after the Effective Date, subject to Section 1.3.

5. Mutual Release of Claims

5.1 Maker's release. The Maker releases and discharges the Holder and its successors and assigns from all claims, demands, and causes of action, known or unknown, arising out of or relating to the Note and the Loan Documents through the Effective Date.

5.2 Holder's release. The Holder releases and discharges the Maker and any Guarantor from all claims, demands, and causes of action, known or unknown, arising out of or relating to the Note and the Loan Documents through the Effective Date.

5.3 Exclusions. These mutual releases do not release any obligation created by this Release itself, and do not apply if final payment is reversed as described in Section 1.3.

6. Lost Note Affidavit

6.1 Lost note. If the original Note cannot be located, the Holder represents that: (a) the Note has been lost, misplaced, or destroyed and not assigned, transferred, or pledged to any other person; and (b) the Holder will indemnify the Maker against any loss arising from a claim by any person asserting rights under the Note based on the Holder's prior interest. This Release operates as a discharge of the Note notwithstanding the absence of the original instrument.

7. Representations

7.1 Authority. Each Party represents that it has the authority to enter into this Release and that the person signing on its behalf is duly authorized to do so.

7.2 **Ownership of the Note.** The Holder represents that it is the lawful holder and owner of the Note and has not assigned, transferred, or pledged the Note or any interest in it to any other person.

7.3 **No reliance.** Each Party enters into this Release based on its own judgment and not in reliance on any representation of the other Party except those expressly stated here.

8. General Provisions

8.1 **Governing law and venue.** This Release is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

8.2 **Further assurances.** Each Party will execute and deliver such further documents and take such further actions as the other Party reasonably requests to carry out the purposes of this Release.

8.3 **Entire agreement; amendment.** This Release is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

8.4 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

8.5 **Counterparts and electronic signature.** This Release may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Release as of the Effective Date.

HOLDER	MAKER
Signature: _____	Signature: _____
Printed name: [NAME]	Printed name: [NAME]
Title: [TITLE / N/A]	Title: [TITLE / N/A]
Date: _____	Date: _____
GUARANTOR (if released)	
Signature: _____	
Printed name: [NAME]	
Title: [TITLE / N/A]	
Date: _____	

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