

## Division 7A Loan Agreement Information Checklist

- Who is the lender of the money?  
(This is usually a company which makes a loan to a shareholder or their associate. But it could also be the trustee of a trust lending money to a shareholder or associate of a beneficiary company).
- You need the name and address of the lender (and if the lender is a company the ACN / ABN of the company).
- For a lender who is a company, decide who will sign the agreement – 2 directors, a director and a secretary, the sole director and secretary or another person or persons.
- If the lender is a trustee of a trust, then:
  - What is the name of the trust?
  - What is the name of the beneficiary company in which the borrower or an associate of the borrower a shareholder?
- What are the names and addresses of the borrowers?  
If a borrower is a company, then you need the ACN / ABN of the company.
- If a borrower is a company, then who will sign the agreement? – 2 directors, a director and a secretary, the sole director and secretary or another person or persons.
- Which State's (or Territory's) laws will apply to the agreement?
- Will the agreement cover any past loans, payments or forgiven debts made after 1 July 2001?  
  
If so, then they must be incorporated before 30 June 2008 and full 'corrective action' under the PS LA 2007/20 must be taken for the incorporation to be effective. You can read about that by visiting [www.cleardocs.com/clearlaw/tax/division-7a-grace-period](http://www.cleardocs.com/clearlaw/tax/division-7a-grace-period)



To create the documents to form a Division 7A Loan Agreement, you need to provide the information listed to the left. You might like to print this checklist out and gather the information before you start online.

Client Notes