

**PROMISSORY NOTE**

**NORTH DAKOTA DEPARTMENT OF COMMERCE/DCS**

SFN 51603 (05/02)

FOR VALUE RECEIVED \_\_\_\_\_ of \_\_\_\_\_ North Dakota (the Maker) promises to pay to the order of \_\_\_\_\_, at its principal place of business, or at such other place as may be designated from time to time by the holder of this note, the principal sum of \_\_\_\_\_ to be paid in (monthly, quarterly, or semi-annual) installments prior to their due dates in the amounts set forth in the repayment schedule to be attached after the date of the first drawdown of CDBG funds. If there is no repayment schedule, then all amounts are due and payable on demand.

Any and all installments or part of any installment may be paid anytime prior to their due dates without penalty.

In the event the Maker fails to requisition and spend the full face amount of the loan as set out above and as set out in the Loan Agreement then the amount of each installment payment shall be reduced accordingly in equal amounts.

If default is made in the payment of this note, or if holder believes itself insecure, the entire principal shall at once become due and payable without notice at the option of the holder of this note, and thereupon the Maker agrees to pay all costs of collection, including attorney fees as set out in the Loan Agreement referred to herein. Failure to exercise this option shall not constitute a waiver of the right to declare the entire principal amount of this note due and payable at once at any subsequent time.

Maker represents and warrants that the extension of credit evidenced by this note is for the purposes described in the Loan Agreement.

This Promissory Note is the note referred to in, and is entitled to the benefits of, the Loan Agreement dated \_\_\_\_\_, 20 \_\_\_\_, between the Maker and the \_\_\_\_\_. The Loan Agreement, among other things, contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for repayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

Borrower (Corporation) _____ By _____ ( President) Date _____	Lender (City/County) _____ By _____ (Chief Elected Official) Date _____
By _____ ( Secretary)	By _____ (Auditor)
Date _____	Date _____
The special endorsement of this Note does not constitute an indebtedness or a charge against the credit of the general funds of the _____.	
By _____ Signature	_____ Title