**NOTE**

***A PROPERLY SIGNED NOTE IS REQUIRED***

***PRIOR TO ANY DISBURSEMENT***

**CAREFULLY READ THE NOTE:**It is your promise to repay the loan.

* The Note is pre-dated. **DO NOT CHANGE THE DATE OF THE NOTE.**
* **LOAN PAYMENTS** will be due as stated in the Note.
* **ANY CORRECTIONS OR UNAUTHORIZED MARKS MAY VOID THIS DOCUMENT.**
* Contact your Case Manager immediately if you: discover any errors or omissions; or if you have any questions.

**SIGNING THE NOTE:** All borrowers must sign the Note.

* Signyour name *exactly* as it appears on the Note. If typed incorrectly, you should sign with the correct spelling.
* If your middle initial appears on the signature line, sign with your middle initial.
* If a suffix appears on the signature line, such as Sr. or Jr., sign with your suffix.
* Do not sign as a Power of Attorney unless the information concerning the Power of Attorney (or Attorney-in-Fact) is printed on the signature lines of the Note.
* Corporate Signatories: Authorized representatives should sign the signature page, and affix the corporate seal if you have one.

**RETURN THE NOTE TO SBA:** Mail the signed original Note to SBA at the address below. You may keep the copy marked as ***“Borrower’s Copy”*** for your records.

U.S. Small Business Administration

Processing and Disbursement Center

14925 Kingsport Road

Fort Worth, TX 76155

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|  | U.S. Small Business Administration  **NOTE**  (UNSECURED DISASTER LOANS) | **Date:** **<<Loan\_Note\_Date>>**  **Loan Amount:** **$<<Loan\_Loan\_Amount>>**  **Annual Interest Rate:** **<<Loan\_Interest\_Rate>>%** |

**Application #** **<<Loan\_Application>> Loan #** **<<Loan\_Name>>**

1. **PROMISE TO PAY:** Borrower promises to pay to the order of SBA !Syntax Error, < **($<<Loan\_Loan\_Amount>>)** Dollars, accrued interest, and all other amounts required by this Note.

2. **PAYMENT TERMS:** Borrower must make all payments at the place SBA designates. Borrower may prepay this Note in part or in full at any time, without notice or penalty. Borrower must pay principal and interest payments of !Syntax Error, <**($<<Loan\_Payment\_Amount>>)** Dollars every **<<Loan\_Payment\_Frequency>>** beginning **!Syntax Error, <(<<Loan\_Months\_Deferred>>)** months from the date of the Note. SBA will apply each installment payment first to pay interest accrued to the day SBA receives the payment and will then apply any remaining balance to reduce principal. All remaining principal and accrued interest is due and payable !Syntax Error, < **<<TermYears\_p>> <<TermYearWritten>><<Term\_And>><<TermMonths>><<TermMonths\_p>> <<TermMonthWritten>>** from the date of the Note.

3. **DEFAULT**: Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower: **A)** Fails to do anything required by this Note, the Loan Authorization and Agreement, or other loan documents; **B)** Does not disclose, or anyone acting on their behalf does not disclose, any material fact to SBA; **C)** Makes, or anyone acting on their behalf makes, a materially false or misleading representation to SBA; **D)** Dies; or **E)** Becomes the subject of a bankruptcy or insolvency proceeding, has a receiver or liquidator appointed for any part of their business or property, or makes an assignment for the benefit of creditors.

4. **IF THERE IS A DEFAULT**: SBA may: **A)** Require immediate payment of all amounts owing under this Note; **B)** Collect all amounts owing from any Borrower or guarantor; or, **C)** File suit and obtain judgment.

5. **SBA'S GENERAL POWERS**: Without notice and without Borrower's consent, SBA may: **A)** Incur expenses, including reasonable attorney's fees and costs, to collect amounts due under this Note and enforce the terms of this Note or any other loan document. If SBA incurs such expenses, it may demand immediate reimbursement from Borrower or add the expenses to the principal balance; or, **B)** Release or compromise with anyone obligated to pay this Note.

6. **FEDERAL LAW APPLIES**: When SBA is the holder, federal law governs this Note. Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.

7. **GENERAL PROVISIONS**: **A)** All individuals and entities signing this Note are jointly and severally liable. **B)** Borrower waives all suretyship defenses. **C)** SBA may exercise any of its rights separately or together, as many times and in any order it chooses. SBA may delay or forgo enforcing any of its rights without giving up any of them. **D)** Borrower may not use an oral statement of SBA to contradict or alter the written terms of this Note. **E)** To the extent allowed by law, Borrower waives all demands and notices as to this Note. **F)** SBA may sell or otherwise transfer this Note. **G)** If any part of this Note is unenforceable, all other parts remain in effect.

8. **MISUSE OF LOAN FUNDS**: Anyone who wrongfully misapplies any proceeds of the loan will be civilly liable to SBA for one and one-half times the amount of proceeds disbursed, in addition to other remedies allowed by law.

9. **BORROWER SIGNATURE**: By signing below, each individual or entity becomes obligated under this Note as Borrower.

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