

**LINE OF CREDIT PROMISSORY NOTE**

April 1, 2020

\$4,000.00  
Chisholm, Minnesota

**FOR VALUE RECEIVED,** \_\_\_\_\_ (the “Maker”), having an office at \_\_\_\_\_ does hereby promise to pay to the order of the **Chisholm Development Association/Chisholm Economic Development Authority**, whose address is 316 West Lake Street, Chisholm MN 55719 (the “Lender”), at such place as Lender may designate in writing, in lawful money of the United States of America, the principal sum of up to Four Thousand Dollars (\$4,000.00), or such lesser amount as may be borrowed by the Maker as Advances under this line of credit promissory note (the “Note”).

This Note shall bear no interest for the period of April 1, 2020, through March 31, 2021, and from that date it shall bear interest at the rate of 1.50% per annum until paid in full.

Monthly payments shall begin on May 1, 2021 and will be based on a fifteen (15) year amortization schedule.

1. **Advances.** Subject to the provisions of Section 2 below, the Maker shall have the right, at any time or from time to time prior to March 31, 2021, to request loans and advances from the Lender (individually an “Advance” and collectively, the “Advances”). Each such Advance shall be reflected on Schedule A to this Note and initialed by an officer, director, or duly authorized agent of the Maker that receipt has been received on their behalf. The Lender shall not be under any obligation to make advances under this Note.

2. **Use of Proceeds.** This Note shall be used by the Maker solely for business purposes in connection with their business activities within the City of Chisholm, Minnesota. It is the intent of this credit promissory note to assist Maker in continuing its business activities and paying necessary real estate taxes, insurance, or public utility commission (the “Vendors”) expenses in light of the economic downturn resulting from the COVID-19 pandemic. All proceeds will be paid directly by the Lender to the qualified Vendor upon written request and a copy of the Vendor invoice or statement.

3. **No Guarantees of Payment.** Nothing contained in this Note or any other agreement or instrument shall be deemed or construed to constitute a guaranty or undertaking by any shareholder, officer, or director of the Maker, or any third person of any of the obligations of the Maker under this Note.

4. **Payment of Monthly Payments.** At any time, Maker shall have the right to prepay all or any part of the Advances, in whole or in part, without premium or penalty.

5. **Choice of Law: Venue and Jurisdiction.** This Note shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects, including, but not limited to, the legality of the interest charged hereunder, by the statutes, laws, and decisions of the State of Minnesota. The exclusive venue and/or jurisdiction for any proceeding that may be brought in connection with this Note shall be any federal and state court located in Saint Louis County, Minnesota and each of the parties hereto irrevocably consents to such venue and/or jurisdiction.

6. **Miscellaneous Provisions.**

(a) This Note may not be amended or modified, and revision hereto shall not be effective, except by an instrument in writing executed by Maker and Lender.

(b) Any and all notices, demands, or requests required or permitted to be given under this Note shall be given in writing and sent, by registered or certified U.S. mail, return receipt requested, by hand, or by overnight courier, addressed to the parties hereto at their addresses set forth above or such addresses as they may from time-to-time designate by written notice, given in accordance with the terms of this Section. A party may change its address for notification purposes by giving the other parties notice in accordance with the terms of this Section 6(b) of the new address and the date upon which it shall become effective.

(c) Maker hereby waives presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Maker hereunder, Lender may extend the time for payment of any amount due hereunder and release any party liable hereunder without in any other way affecting the liability and obligation of Maker. Maker shall pay all attorneys’ fees and other costs of collection actually incurred by Lender in connection with Lender enforcing its rights under this Note to receive payment or otherwise.

(d) Headings at the beginning of each numbered Section of this Note are intended solely for convenience of reference and are not to be deemed or construed to be a part of this Note.

**IN WITNESS WHEREOF**, Maker has executed this Note as of the date first set forth above.

**Borrower:**

Address: Chisholm, MN 55719

[BUSINESS NAME]

By: \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Date Signed: \_\_\_\_\_

