

PROMISSORY NOTE

Principal: \$5,000.00	Loan Date:	Maturity: April 1, 2021	Loan Number:
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Borrower:

Lender:

South County Economic Development Council
780 Bay Boulevard Suite 204
Chula Vista, CA 91910

Principal Amount: \$5,000.00 Initial Rate: 0.0% Date of Note:

PROMISE TO PAY. _____ (“**Borrower**”), promises to pay to South County Economic Development Council (“**Lender**”), or order, in lawful money of the United States of America, the principal amount of FIVE THOUSAND & 00/100 dollars (\$5,000.00). There shall be no monthly payments on this loan and no interest collected. The total amount of funds \$5,000 shall be paid in full no later than April 1, 2021.

BALLOON PAYMENT. Borrower will pay this loan in full immediately on April 1, 2021. Borrower will pay Lender at Lender’s address shown above or at such other place as Lender may designate in writing.

FIXED RATE. The interest rate on this Note is fixed at 0%.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower’s obligation to continue to pay remaining balance by April 1, 2021. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked “paid in full”, “without recourse”, or similar language. If Borrower sends such payment, Lender may accept it without losing any of Lender’s rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications must be mailed or delivered to: South County Economic Development Council, 780 Bay Boulevard Suite 204, Chula Vista, CA 91910.

DEFAULT. Each of the following shall constitute an event of default (“**Event of Default**”) under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on borrower’s behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower’s existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower’s property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceedings under bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceedings, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occur with respect to any Guarantor of any indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Change In Ownership. Any change in ownership of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired. If Borrower decides to relocate out of Lender's geographic area all principal balance will be due immediately.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and Borrower will pay that amount. Lender reserves the right to pursue non-payment of loan or remaining balances in Small Claims Court.

GOVERNING LAW. This Note will be governed by the laws of the State of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of San Diego County, State of California.

COLLATERAL. Borrower is using the loan proceeds hereunder to purchase inventory, business acquisition, operational expenses and/or to hire/pay employees for _____(name of restaurant) located at _____(restaurant location).

GUARANTEE. _____ ("Guarantor") hereby guarantees, to Lender, its successors, and assigns, the full and faithful payment of all amounts owed and performance of each and every one of the obligations, responsibilities, and undertakings to be carried out, performed, or observed by Borrower under this Note and any other agreement that now or later secures repayment of the Note, and any other agreement that Guarantor now or later states is guaranteed. All these documents are collectively referred to as the "**Loan Documents.**" The obligations guaranteed are referred to as the "**Guaranteed Obligations.**" The Guaranteed Obligations shall include, but not be limited to, the indebtedness of Borrower under this Note in the amount of Five Thousand and 00/100 dollars (\$5,000.00).

Guarantor's liability on this Guaranty is a guaranty of payment and performance.

Guarantor's liability under this Guaranty shall not in any way be affected by the cessation of Borrower's liability for any reason other than full performance of all the obligations under the Loan Documents; including, without limitation, any and all obligations to indemnify Lender.

LOAN. This Note evidences a loan in the original principal amount of Five Thousand (\$5,000.00) and 00/100 Dollars. The outstanding principal balance of this Note shall payable on the first day of April, 2021.

GENERAL PROVISIONS. This Note is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude Lender's right to declare payment of this Note on its demand. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF COMPLETED COPY OF THIS PROMISSORY NOTE.

Borrower: _____ (Company Name)

By: _____ (Signature)

Name: _____ Title: _____

Guarantor:

By: _____
Guarantor Signature

Lender:

South County Economic Development Council

By: _____
Authorized Signer