

**PROMISSORY NOTE**

\$dollar amount of loan

County, Minnesota  
Date, 2009

FOR VALUE RECEIVED, the undersigned Name, Title, (herein after referred to as the “Maker”) promises to pay to the City of Elysian Economic Development Authority (EDA) or its assigns (EDA and any assigns are hereinafter referred to as the “Holder”), as its designated principal office or such other place as the Holder may designate in writing, the principal sum of written dollar amount dollars (\$) or so much thereof as may be advanced under this Note, with interest as hereinafter provided, in any coin or currency which at the time or times of payment is legal tender for the payment of private debts in the United States of America. The principal of this Note is payable in installment due as follows:

1. The Loan shall bear interest at a rate of three (3%) per annum and interest shall commence to accrue as of the Initial Disbursement Date as defined in the Loan Agreement, as hereinafter defined.
2. Payments of principal and interest shall commence on the first day of the first month immediately following the Initial Disbursement Date, and continue on the first day of each and every month thereafter until paid in full. Equal monthly payments of \$ shall be first applied to interest and the balance to principal, the remaining unpaid principal shall be paid in full as a balloon payment with the month 60 payment. Such payments shall full amortize the Loan over five (5) years; provided, however, the entire remaining unpaid balance of the principal and interest shall be due and payable in full on the first day of the sixtieth (60) month following Initial Disbursement Date.
3. The Maker shall have the right to repay the principal of this Note, in whole or in part, without prepayment penalty.

4. All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, or any instrument securing this Note are hereby made in part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that if time is of the essence of this Note, then the Holder of this Note may at its right and option, and without notice, declare immediately due and payable the principal balance of this Note, together with any costs of collection in attorney fees incurred by the Holder of this Note in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder, or under any instrument securing this Note. The Maker agrees that the sums due hereunder, or under any instrument securing this Note. The Maker agrees that the Holder of this Note may, without notice to the Maker of this Note, accept additional or substitute for this Note, or release any security or any party liable for this Note or extend or renew this Note.

5. The remedies of the Holder of this Note as provided herein, and in the Loan Agreement, or any other instrument securing this Note, shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Holder of this Note, may be exercised as often as occasion therefore shall occur, and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Holder of this Note shall not be deemed, by any act or omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Holder of this Note and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. The Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change sought.

6. This Note shall be governed by and construed in accordance with the laws of the State of Minnesota without regard to its conflict of laws provisions. Any disputes, controversies, or claims arising out of this Note shall be heard in the State or Federal Courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these Court, whether based on convenience or otherwise.

7. The headings used in this Note are solely for convenience or reference, are no part of this Note, and are not to be considered in construing or interpreting this Note.

8. This Note, with the other Loan Documents, constitutes the entire Note between the parties pertaining to its subject matter and it supersedes all prior contemporaneous Notes, representations, and understandings of this parties pertaining to the subject matter of this Note.

9. Separability. Whenever possible, each provision of this Note and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement or any related document is to any extent found invalid then the remaining provisions of this Note or any other related documents and portions thereof continue on in full force and effect.
  
10. This Note may, in the sole discretion of the Elysian EDA, be secured by a mortgage, UCC Financing Statement, assignment of life insurance provision, declaration of lien on a motor vehicle, or such other collateralization methods. The Maker hereby agrees to execute any and all documents the Elysian EDA deems necessary to appropriately collateralize this note. The Maker hereby acknowledges that just because the Elysian EDA chose several methods in which to collateralize its Note, the City of Elysian then reserves the right to execute on any and all of those lien or collateral options at any time a default occurs in this Note. The Maker hereby agrees that should a default occur the Maker may be assessed any and all costs of collection to include filing fees, attorney's fees, service of process fees, and any further costs of collection incurred by the Elysian EDA in enforcing the rights it has under this Note.
  
11. IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have been performed in regular and due form as required by law.

IN WITNESS WHEREOF, the Make has caused this Note to be duly executed as of \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

Its \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

Its \_\_\_\_\_