

DEMAND PROMISSORY NOTE

\$1,000,000 DATE: June ____, 20__

FOR VALUE RECEIVED, the undersigned, the ABC Investors, Ltd., a Texas limited partnership ("Borrower"), hereby promises to pay on demand to the order _____, Inc., a California corporation ("Payee"), in lawful money of the United States of America in immediately available funds, the aggregate principal sum of one million dollars (\$1,000,000), together with interest on the unpaid principal amount from the date of borrowing until repayment in full at an annual rate (the "Rate") of twelve percent (12.0%). Interest on the outstanding principal balance shall be payable at the expiration of each three (3) month period during which this Promissory Note is outstanding. Interest will be computed on the basis of actual days elapsed on a three hundred sixty (360) day year basis. Any installment of interest not paid when due will be capitalized and become part of the principal amount of this Promissory Note.

Principal shall be due and payable on demand. Any outstanding principal balance together with all accrued interest thereon shall be due and payable in full on December 31, 20__.

Borrower shall have the right to prepay, without premium or penalty, at any time, any part or all of the indebtedness evidenced by this Promissory Note upon three (3) days' advance notice to Payee. Any prepayment shall include interest accrued to the date of such prepayment, and all prepayments of principal shall be applied against the next due payment of principal.

All payments under this Promissory Note shall be paid to Payee at the offices of Payee, _____, or at such other place or places as the Payee may from time to time designate in writing.

At the election of Payee or the legal holder of this Promissory Note and without notice, the full remaining unpaid indebtedness under this Promissory Note shall become at once due and payable in case of any of the following (a "Default"): (i) a default in the payment, when due and payable, of any amounts due under this Promissory Note in accordance with its terms; (ii) any insolvency, filing of a petition in bankruptcy, or assignment for the benefit of creditors of Borrower; (iii) if Borrower is an entity, the sale of substantially all of the assets, or fifty percent (50%) or more of the equity interests of Borrower; (iv) if Borrower is an entity, the merger, consolidation, or reorganization of Borrower, where Borrower does not own a majority of the issued and outstanding voting stock, general partnership interests, or other form of controlling equity of the merged, consolidated, or reorganized entity; or (v) the occurrence of an event of default under any other funded indebtedness of Borrower. In the event of a Default, Payee or the legal holder of this Promissory Note shall be entitled to: (a) interest on all overdue payments at a rate equal to the Rate plus six percent (6%); and (b) reasonable costs of collection, including reasonable attorneys' fees.