

DEMAND NOTE

(Employee Loan)

\$25,049.00 April __, 20__

_____ (“Borrower”), for value received, hereby promises to pay on demand to the order of _____, L.P. (“Payee”), in immediately available funds, the principal amount of Twenty-Five Thousand Forty-Nine (\$25,049.00), together with interest on the unpaid principal amount from the date of borrowing until repayment in full at an annual rate of _____ percent (___%). Interest on the outstanding principal balance shall be payable at the expiration of each three (3) month period during which this Demand 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 Demand Note. Unless a Default exists, Payee will not make a demand earlier than June __, 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 Demand Note upon five (5) days’ advance notice to Payee. Any prepayment shall include interest accrued to the date of such prepayment.

All payments under this Demand 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 Demand Note and without notice, the full remaining unpaid indebtedness under this Demand 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 Demand Note in accordance with its terms; (ii) the termination of Borrower’s employment with Payee for any reason; (iii) the sale of Payee’s residence located in _____ or (iv) any insolvency, filing of a petition in bankruptcy, or assignment for the benefit of creditors of Borrower. In the event of a Default, Payee or the legal holder of this Demand Note shall be entitled to (a) interest on all overdue payments at a rate equal to the Rate plus two percent (2%), and (b) reasonable costs of collection, including reasonable attorneys’ fees.

To the extent permitted by law, after a Default, Borrower authorizes Payee to withhold any sums due to Payee from Borrower (whether payroll, bonus or otherwise), until the Default is cured.

All remedies afforded by law shall be cumulative, and all shall be available to Payee at all times until this Demand Note has been paid and performed in full. No delay or omission of Payee to exercise any right or power under this Demand Note shall impair such right or power or be construed to be a waiver of any Default or acquiescence therein, and any single or partial exercise of any such right or power shall not preclude any other or further exercise thereof or the exercise of any other right or