

PROMISSORY NOTE AND LOAN AND SECURITY AGREEMENT		
LENDER		BORROWER
MISSOURI DEVELOPMENT FINANCE BOARD, Governor Office Building, 200 Madison Street, Suite 1000, P.O. Box 567 Jefferson City, MO 65102 Contact Person: Small Business Loan Administrator Phone: (573) 751-8479 Fax: (573) 526-4418 Email: mdfb@ded.mo.gov	Closing Date	Business Name Address City, State Zip Contact Persons: Name(s) Phone: (###) ###-#### Fax: Email:
	TBD	
	Loan Number	

Principal Amount	Interest Rate	Maturity Date	Payment Dates	First Payment Date	First Quarterly Payment	Regular Quarterly Payment
\$25,000	3% per annum <small>*Refer to Exhibit B for further details</small>	TBD Based upon closing date	TBD Quarterly (Based upon closing)	TBD	\$725.00	\$725 starting XXXX, 2011 and continuing until final Payment Date

PROMISSORY NOTE AND LOAN AND SECURITY AGREEMENT is entered into and effective the Closing Date shown above (the "Agreement") by and between the Lender and Borrower named above. Capitalized terms not otherwise defined shall have the meaning set forth above. In consideration of the mutual covenants and agreements contained herein, the Lender and the Borrower agree as follows:

ARTICLE I. THE LOAN AND PROMISSORY NOTE

The Borrower has applied to Lender for a loan in the Principal Amount for the purpose(s) (the "Loan Purposes") stated in the application attached as **Exhibit A (the "Application")**.

SECTION 1.01: THE LOAN. Subject to the terms and conditions of this Agreement, the Lender hereby agrees to lend to the Borrower, and the Borrower hereby agrees to borrow from the Lender on the Closing Date, the Principal Amount (the "Loan"). The Loan and the obligation of the Borrower to repay the Loan shall be evidenced by this Agreement, which is also the Promissory Note (the "Note").

SECTION 1.02: PROMISSORY NOTE. The Borrower hereby promises to pay to the order of the Lender the Principal Amount shown above (to the extent advanced by the Lender to the Borrower), together with interest thereon from the Closing Date at the Interest Rate until the Principal Amount is paid in full. Interest shall be computed for the actual number of days which have elapsed, on the basis of a 360-day year. The Principal Amounts shall be due in quarterly installments as shown above with the final principal payment due on the Maturity Date. Any payments not made when due shall bear interest at a per annum interest rate equal to 10% per annum (the "Late Payment Rate"). In the event that any quarterly payment is more than fifteen (15) days overdue, the Borrower shall pay a late fee in an amount equal to five percent (5%) of the past due amount. At the option of the Borrower, the Principal Amount may be prepaid without penalty at any time. Partial prepayments of the Principal Amount shall be applied to the last maturing principal. Quarterly payments shall be due as shown above. A schedule of the principal and interest component of each quarterly payment is attached hereto as **Exhibit B. Exhibit B**

shall be amended after the approval of a subsequent Disbursement Request made pursuant to Section 1.03. Each amended **Exhibit B** shall be provided to the Borrower within 45 days after such approval.

SECTION 1.03 DISBURSEMENT OF LOAN PROCEEDS. The proceeds of the Loan will be advanced by the Lender to the Borrower in accordance with the Disbursement Procedures set forth in **Exhibit C**.

SECTION 1.04: COLLATERAL SECURITY. As collateral for the Borrower's obligations under this Note and this Agreement, Borrower hereby grants to Lender a security interest in all right, title, and interest now owned or hereafter acquired by Borrower in and to the personal property of Borrower, including, but not limited to, the following (with all capitalized terms having the meanings defined for them in the Missouri Uniform Commercial Code): Accounts, Chattel Paper, Documents, Commercial tort claims, Commingled Goods, Consumer Goods, Deposit Accounts, Equipment, Farm Products, Fixtures, General Intangibles, Healthcare-insurance receivables, Instruments, Inventory, Investment Property, Letter-of-credit Rights, Manufactured homes, Money, Payment Intangibles, Proceeds, Software, Books, and Supporting Obligations, including Accessions to any of the foregoing and Proceeds of all the foregoing (the "Collateral"). Upon written request of the Borrower the Lender shall subordinate the security interests granted pursuant to this section to the holders of all existing and future purchase money security interests granted by Borrower in the Collateral. The Lender's security interest in the Collateral shall be evidenced by Lender filing a UCC-1 under the Uniform Commercial Code.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

The Borrower represents and covenants as follows: (a) all of the information set forth in the Application is true and correct as of the Closing Date, (b) there has been no adverse change since the date the Application was submitted in the financial conditions, organizations, operation, business prospects, fixed properties, or key personnel of the Borrower from that shown in the Application; (c) the Borrower has delivered to Lender all of the items required to be submitted by the Borrower on the Loan Closing Checklist attached as **Exhibit D** and all of such information was true as of the date submitted and is true as of the Closing Date, (d) the Borrower has the power and authority to enter into this Agreement and to borrow and repay the Principal Amount, (e) the execution and performance by the Borrower of this Agreement has been duly authorized and will not violate any law, rule, regulation, order, writ, judgment, decree, determination, or award presently in effect having applicability to the Borrower, or result in a breach of, or constitute a default under any other agreement or instrument to which the Borrower is a party or by which it or its property may be bound or affected; (f) no authorization, consent or approval, or any formal exemption of any governmental body, regulatory authorities (Federal, State, or Local) or mortgagee, creditor, or third party is or was necessary to the valid execution and delivery by the Borrower of this Agreement; (g) there are no legal actions, suits, or proceedings pending or, to the knowledge of the Borrower, threatened against the Borrower which have not been disclosed to the Lender in writing; (h) the Borrower has secured all necessary approvals or consents required with respect to this transaction by any mortgagor, creditor, or other party having any financial interest in the Borrower; (i) other than as disclosed in writing to the Lender, the Borrower has not filed for bankruptcy within the seven (7) years preceding the Closing Date, (j) the Borrower has secured all necessary permits, approvals or consents required to expend the proceeds of the Loan in accordance with the Application; and (k) the Borrower is not in default on any existing loan.

The Borrower represents and covenants that: (a) the Borrower has timely filed all tax returns required to be filed with the Internal Revenue Service, the Missouri Department of Revenue or any other taxing agency, federal, state, or local (each a "Taxing Authority"); (b) the Borrower has paid all taxes (income, property, business, sales or other) due each Taxing Authority; (c) the Borrower is current in the payment of all estimated tax payments, withholding payments or filings due any Taxing Authority; (d) Borrower knows of no basis for any Taxing Authority to assess any deficiency payment against the Borrower or to file a lien on any property of the Borrower; and (e) the Borrower is not aware of any dispute with any Taxing Authority that has not been finally resolved.

ARTICLE III - COVENANTS OF THE BORROWER

The Borrower agrees to comply with the following covenants from the date hereof until the Lender has been fully repaid with interest, unless the Lender shall otherwise consent in writing.

SECTION 3.01: USE OF LOAN PROCEEDS; CIRCUMSTANCES OF PERSONAL LIABILITY.

The Borrower covenants that it shall apply the proceeds of the Loan solely for the purposes of funding the property described in the Application. The undersigned acknowledges and agrees that by signing on behalf of the Borrower below he or she shall be personally liable for the repayment of the Loan if (1) any of the information submitted to the Lender or the Department of Economic Development in connection with the Loan is false or misleading, or (2) the proceeds of the Loan are applied for any purposes other than those described in the Application.

SECTION 3.02: PAYMENT OF THE LOAN. The Borrower shall pay punctually the principal and interest on this Note according to its terms and conditions and shall pay punctually any other amounts that may become due and payable to the Lender under or pursuant to the terms of this Agreement.

SECTION 3.03: INSURANCE. The Borrower shall maintain any Collateral which constitutes personal property in good working condition, normal wear and tear excepted. The Borrower also agrees to maintain (1) general liability insurance and workers' compensation insurance in customary amounts for the size and nature of the Borrower's business; and (2) property casualty insurance insuring that portion of the Collateral that constitutes personal property against loss due to insurable events. The property casualty policies shall name the Lender as an additional loss payee. The Borrower shall not dispose of any property financed with the proceeds of the Loan in excess of \$2,500 per item without first obtaining the written consent of the Lender, unless such property shall no longer be suitable or desirable in connection with the business of the Borrower. Any proceeds from the sale of any property financed with the proceeds of the Loan shall be promptly used by the Borrower to prepay the Loan or to replace the property that was sold.

SECTION 3.04: PAYMENT OF ALL TAXES. The Borrower shall promptly file all tax returns required to be filed with any Tax Authority and shall promptly pay all taxes due each Taxing Authority.

SECTION 3.04: BOOKS AND RECORDS; FINANCIAL INFORMATION. The Borrower shall maintain adequate records and books of account in which complete entries will be made reflecting all of its business and financial transactions, such entries to be made in accordance with generally accepted principles of good business practices. Borrower shall give Lender, through any authorized representative, access during normal business hours after receiving reasonable notice to examine all records, books, papers, or documents related to its business and financial transactions. The Borrower agrees to deliver to the Lender annual financial statements, certified by an authorized officer of the Borrower to be true and accurate copies, within sixty (60) days of the close of the period, and annual financial statements certified by an authorized officer of the Borrower to be true and accurate copies, within ninety (90) days of the close of the preceding calendar year or the Borrower's tax year if the Borrower does not use a calendar year for tax purposes. The Lender retains the right to request additional financial statements from the Borrower which the Borrower shall be obligated to provide at the Borrower's expense. The Borrower shall annually file the Annual Reporting Certificate attached hereto as **Exhibit E**.

SECTION 3.06: INDEMNIFICATION. The Borrower shall indemnify and save the Lender harmless against any and all liability with respect to, or resulting from, any delay in discharging any obligation of the Borrower in connection with this Agreement or from the use of the proceeds of the Loan.

SECTION 3.07: EXPENSES OF COLLECTION OR ENFORCEMENT. All expenses of any kind or nature, including, but not limited to reasonable attorney fees and costs, which the Lender may deem necessary in connection with enforcement of the Agreement, satisfaction of the Note, or the administration, preservation, or realization of the Collateral shall be paid by the Borrower upon written demand of the Lender. Any amount not paid within five (5) days shall bear interest at the Late Payment Rate.

SECTION 3.08: UNAUTHORIZED ALIENS. The Borrower agrees and warrants that it currently does, and shall at all times any amounts due hereunder remains outstanding, comply with Sections 285.025 and 285.530, RSMo, regarding the employment of unauthorized aliens.

SECTION 3.09: NO DISCRIMINATION. The Borrower agrees and warrants it will not discriminate against any person or group of persons on account of age, race, sex, color, ethnicity, religion, national origin, ancestry, disability, marital status or receipt of public assistance.

SECTION 3.10: RELOCATION; DISCONTINUANCE OF BUSINESS. The Borrower agrees and warrants that it will not relocate its business outside the State of Missouri and will continue to operate its business so long as the Note is unpaid.

ARTICLE IV - EVENTS OF DEFAULT

The entire unpaid principal of this Note, and the interest then accrued thereon, shall become and be immediately due and payable upon the written demand of the Lender, without any other notice or demand of any kind or any presentment or protest, if any one of the following events (hereafter an "Event of Default") shall occur and be continuing at the time of such demand, whether voluntarily or involuntarily, or without limitation, occurring or brought about by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rules, or regulation of any administrative or governmental body.

SECTION 4.01: NONPAYMENT OF LOAN. If the Borrower shall fail to make payment when due of any principal on the Note, or interest accrued thereon, and if the default shall remain unremedied for fifteen (15) days.

SECTION 4.02: INCORRECT REPRESENTATION OR WARRANTY. The Lender determines that any material representation, warranty or certification contained in, or made in connection with the Application, the execution and delivery of this Agreement, or in any document related hereto, including any disbursement request, shall prove to have been incorrect.

SECTION 4.03: DEFAULT IN COVENANTS. The Borrower shall default in the performance of any other term, covenant, or agreement contained in this Agreement, and such default shall continue unremedied for fifteen (15) days after either: (i) it becomes known to an executive officer of the Borrower; or (ii) written notice thereof shall have been given to the Borrower by the Lender.

SECTION 4.04: INSOLVENCY. If the Borrower shall become insolvent or shall cease to pay its debts as they mature or shall voluntarily file, or have filed against it, a petition seeking reorganization of, or the appointment of a receiver, trustee, or liquidation for it or a substantial portion of its assets, or to effect a plan or other arrangement with creditors, or shall be adjudicated bankrupt, or shall make a voluntary assignment for the benefit of creditors.

SECTION 4.05: RIGHTS UPON DEFAULT. Upon default by Borrower, Lender shall have all remedies available to it both in law and in equity in enforcing this Agreement, this Note, and its rights to the Collateral including, but not limited to, the following:

- a) Accelerate and declare the full balance immediately due on this Note and commence suit for collection thereof;
- b) Take possession of the Collateral or render it unusable, without notice, except as required by law, provided that said self-help shall be done without breach of peace;
- c) Request and demand that Borrower assemble the Collateral at an acceptable location for delivery to Lender;
- d) Sell or dispose of Collateral by lawful sale;
- e) Specifically enforce the terms of the Agreement;
- f) Foreclose on any personal property; and
- g) Pursue any and all other remedies to enforce the terms of this Agreement and Lender's rights to the Collateral.

ARTICLE V - MISCELLANEOUS

SECTION 5.01: WAIVER OF NOTICE. No failure or delay on the part of the Lender in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise or any such right, power, or remedy preclude any other or further exercise thereof or the exercise

of any other right, power, or remedy hereunder. No modification or waiver of any provision of this Agreement or of this Note, nor any consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

SECTION 5.02: AMENDMENTS - WRITING REQUIRED. The Lender hereby expressly reserves all rights to amend any provisions of this Agreement, to consent to or waive any departure from the provisions of this Agreement, to release or otherwise deal with any Collateral provided, however, that all such amendments be in writing and executed by the Lender and the Borrower.

SECTION 5.03: NOTICES. All notices, consents, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been duly given to a party hereto if mailed by first class mail, overnight mail, sent by facsimile or email or hand delivered to the Lender at its address above, and to the Borrower at its address above, or at such other address as any party may have designated in writing to the other party.

SECTION 5.04: SURVIVAL OF REPRESENTATIONS AND WARRANTIES. All agreements, representations, and warranties made by the Borrower here or any other document in connection with this Agreement shall survive the delivery of this Agreement, and the granting of a security interest in the Collateral, and shall continue in full force and effect so long as and amount is due under this Agreement.

SECTION 5.05: SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon the Borrower, its successors, and assigns, except that the Borrower may not assign or transfer its rights without prior written consent of the Lender.

SECTION 5.06: COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 5.07: GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of Missouri.

SECTION 5.08: WRITTEN AGREEMENT. Oral agreements or commitments to loan money, extend credit or to forebear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect the Borrower and the creditor herein from misunderstanding, any agreements reached between the Borrower and Lender covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between the parties, except as the parties may later agree in writing to modify it.

SECTION 5.09: NULL AND VOID COVENANTS. The Borrower agrees that in the event that any provision of this Agreement is declared null and void, invalid, or held for any reason to be unenforceable by a Court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect.

Executed on the Closing Date set forth above.

Lender:

MISSOURI DEVELOPMENT FINANCE BOARD

By: _____
Printed Name: _____
Title: _____

Borrower:

BUSINESS NAME

By: _____
Printed Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF _____)

On this _____ day of _____, before me, _____,
a Notary Public in and for said State, personally appeared _____ who acknowledged
that he or she executed the Promissory Note and Loan and Security Agreement as his or her free act and
deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and
year last above written.

Notary Public - State of Missouri
Commissioned in _____ County

[SEAL]
My commission expires: _____

** Execution and Authorization Instructions are attached hereto but are not a part of this Loan Agreement

EXHIBIT A
LOAN APPLICATION

ON FILE

SAMPLE

EXHIBIT B

SCHEDULE OF QUARTERLY PAYMENTS

To be provided as disbursement requests are approved.

SAMPLE

EXHIBIT C

DISBURSEMENT PROCEDURES

Proceeds of the Loan will only be disbursed following review by the Lender of a executed and fully completed form of Disbursement Request. The Borrower should expect that the review process will require approximately 10 days.

Request No: 1
Date: _____

DISBURSEMENT REQUEST

To: Missouri Development Finance Board
Governor Office Building
200 Madison Street, Suite 1000
Jefferson City, MO 65102
Contact Person: Small Business Loan Administrator
Fax: (573) 526-4418
Email: mdfb@ded.mo.gov

Re: Promissory Note and Loan and Security Agreement

You are hereby requested to advance funds under the above referenced Promissory Note and Loan and Security Agreement the following amounts:

Payee	Amount	Description of Costs**	

** Invoices **must** be attached to support each Payee disbursement request. If costs are operating expenses, historical information (payroll records, tax records, payment histories, etc.) **must** be attached that shows that operating expenses will accrue at the described rate during the stated period. This request will not be considered without sufficient supporting documentation. Cost documentation older than 90 days will not be accepted.

The undersigned, the Borrower or a duly authorized officer of the Borrower hereby states and certifies that:

1. Each item listed above is presently due and payable or have been paid by the Borrower and are reasonable costs that are payable or reimbursable under the Agreement.
2. No item listed above has been included in any other Disbursement Request previously filed with the Lender.
3. Each item listed above has been expended or is being expended in accordance with the Agreement and the Application.
4. No event has occurred and no condition exists which constitutes, or with the passage of time or the giving of notice, or both, would constitute, an event of default under the Agreement.

5. All of the representations and warranties set forth in the Agreement remain true and correct as of the date hereof.

Please send by wire* the requested funds to the following:

Name of Bank: _____
Address: _____
Routing Number: _____
Final Account Number: _____
Name on Account: _____
Intermediary Regional Bank, Name**: _____
Address: _____
Routing/ABA Number: _____

* Wiring instructions **must** be completed by an official from your bank. If no wiring instructions are provided, a check will be mailed to the address on file with MDFB.

** If your local bank is unable to accept a direct wire, your bank official must provide the identifying information for any intermediary regional bank.

Dated as shown above.

Borrower:

BUSINESS NAME

By: _____
Printed Name: _____
Title: _____

Approved for payment: _____, 20__.

By: _____

EXHIBIT D

LOAN CLOSING CHECKLIST

<input checked="" type="checkbox"/>	Line	BORROWER SUPPLIED ITEMS <i>(Note: Items that have already been submitted need not be submitted again)</i>
	1.	Business Plan
	2.	Articles/Bylaws/Partnership Agreement
	3.	Corporate Resolutions/Minutes of Corporate Meeting
	4.	Memorandum of Understanding between the Applicant and the United States Citizenship and Immigration Services (USCIS)
	5.	Proof of Insurance (see Loan Agreement for details)
	6.	Copies of loan documents for any existing loan (if applicable)
	7.	Signatures for all Loan Documents
	8.	Completed Initial Disbursement Request (with attached supporting documentation)
	9.	Business License and Missouri Taxpayer ID Number
	10.	Driver's License of Person Signing Documents
	11.	Current State and Federal Tax Returns for Business

SAMPLE

EXHIBIT E

FORM ANNUAL REPORT

_____, 20__

To: Missouri Development Finance Board
Governor Office Building
200 Madison Street, Suite 1000
Jefferson City, MO 65102
Contact Person: Micro Loan Administrator
Fax: (573)526 - 4418
Email: mdfb@ded.mo.gov

Re: Promissory Note and Loan and Security Agreement - Annual Report the [tax][calendar year] beginning January 1, 20__ and ending December 31, 20__

Pursuant to Section 3.04 of the Agreement the Borrower or a duly authorized officer of the Borrower hereby states and certifies that:

1. At the beginning of the most recent calendar year the Borrower had ___ full-time employees and ___ part-time employees and on the last day of the calendar year the Borrower had ___ full-time employees and ___ part-time employees.

2. The Borrower has timely filed all tax returns required to be filed with the Internal Revenue Service, the Missouri Department of Revenue or any other taxing agency, federal, state, or local (each a "Taxing Authority"); (b) the Borrower has paid all taxes (income, property, business, sales or other) due each Taxing Authority; (c) the Borrower is current in the payment of all estimated tax payments, withholding payments due to any Taxing Authority; (d) Borrower knows of no basis for any Taxing Authority to assess any deficiency payment against the Borrower or filing a lien on any property of the Borrower; and (e) the Borrower is not aware of any dispute with any Taxing Authority that has not been finally resolved.

3. Attached hereto are the annual financial statements for the most recent tax year. The undersigned hereby certifies that such financial statements are true and correct.

BUSINESS NAME

By: _____
Printed Name: _____
Title: _____

Execution and Authorization Instructions

The Missouri Development Finance Board is required to establish that the parties signing the Loan Documents are duly authorized to sign on behalf of the borrower or as the borrower. Evidence of that authorization will vary depending upon the legal nature of the borrower. The requirements are as follows:

Individuals

Borrowers that do not have a separate legal entity are known as sole-proprietorships which means that the businesses are owned and operated directly by individuals. The following is required:

- a. Valid drivers license.
- b. Social Security card.

Limited Liability Company or LLC

A business organized as a limited liability company must provide the following:

- a. Articles of Organization, with all amendments.
- b. Operating Agreement, with all amendments.
- c. Valid drivers license of signers.

Note: all members of the LLC must sign the Loan Agreement.

Partnership (General and Limited)

A business organized as a general or limited partnership must provide the following:

- a. Partnership Agreement, with all amendments.
- b. Valid drivers license of signers.

Note: all members of the partnership must sign the Loan Agreement.

Corporation

- a. Articles of Incorporation, with all amendments.
- b. Bylaws, with all amendments.
- c. Corporate Resolution (see form below).
- d. Valid drivers license of signers.

For a corporation the following resolution (or a resolution containing similar authority) must be adopted and signed by all of the members of the Board of Directors:

RESOLVED, that the undersigned Board of Directors of [_____] (insert name of corporation) hereby approve the borrowing from the Missouri Development Finance Board of a sum not to exceed \$ _____ at an interest rate not to exceed 3% per annum and a term not to exceed 10 years, all as may be more fully described in the documents evidencing such loan (the "Loan") and further authorize _____ (insert name of president) to sign any and all documents evidencing such Loan and the obligation of this corporation to repay the Loan and to secure repayment of the Loan as provided in the loan documents.

Adopted and approved this ____ day of _____, 2010

_____ (Board Member)
 _____ (Board Member)
 _____ (Board Member)