

## PROMISSORY NOTE

\$40,068.00

Ramsey, Minnesota

Date: XXXXXX

For Value Received, Stories Foundation, a Minnesota non-profit Corporation ("Borrower") promises to pay to the order of the City of Ramsey, a municipal corporation ("Lender"), at 7550 Sunwood Dr. NW, Ramsey, MN 53303, or at such other location as Lender may direct, in lawful money of the United States of America, the principal amount of \$40,068.00, with interest at the Stated Rate (as defined below) computed on the principal balance of this Promissory Note outstanding from time to time. The principal balance and all accrued interest are fully due and payable on the Maturity Date (as defined below), unless sooner required under the terms hereof.

1. **Definitions.** The following terms have the following meanings wherever they are used in this Promissory Note:
  - (a) "Borrower" means Stories Foundation, a Minnesota non-profit Corporation.
  - (b) "Lender" means the Lender named in the first paragraph and each subsequent holder or holders of this Promissory Note, and their respective heirs, personal representatives, successors and assigns.
  - (c) "Loan" means all amounts advanced hereunder plus all interest, charges and fees due to Lender hereunder.
  - (d) "Maturity Date" means **TBD.**
  - (e) "Stated Rate" means 0% per annum.
2. **Payments.** Principal and interest at the Stated Rate shall be paid in consecutive annual installments commencing three hundred sixty-five (365) days after the Loan Closing Date (the "Initial Payment Date") and continuing on the same day of the year thereafter for four more years, the Borrower shall make annual payments of principal and interest in the amount of \$8,904 beginning, **Insert Date** unless the payment is forgiven by the Lender.
3. **Application of Payments.** All payments and prepayments shall be applied first to any costs of collection, second to accrued interest on this Promissory Note, and third to principal.
4. **Prepayment.** This Promissory Note may be prepaid in full or in part at any time without premium or penalty. Prepayments shall apply to Borrower's indebtedness last incurred.
5. **Loan Documents; Security.** This Promissory Note is given to evidence the Loan and is the Note referred to and secured by the following ("Loan Documents"):
  - Loan Agreement

- Guarantee

6. **Defaults.** If Borrower fails to pay any sum to Lender as and when the same becomes due, or breaches any provision contained herein or in any Loan Document, then Lender shall have, besides any and all other rights, remedies, and recourse available to Lender, the right and option to declare the unpaid principal balance and accrued interest on this Promissory Note immediately due and payable without notice, demand or presentment for payment to Borrower or others, and to foreclose all liens and security interests securing the payment of the same and to invoke all rights, remedies, and recourse relating thereto. The remedies of Lender may be pursued singly, successively, or together, at the sole discretion of Lender, and may be exercised as often as occasion arises. No act of omission or commission of Lender, including any failure to exercise any right, remedy or recourse, shall be deemed a waiver or release of same, such waiver or releases to be effective only as set forth in a written document executed by Lender and then only to the extent specifically recited. A waiver or release for one event or occurrence shall not be construed as continuing as a bar to, or as a waiver or release of, any subsequent right, remedy, or recourse as to any subsequent event or occurrence.
7. **Lender's Costs.** If Lender engages outside legal counsel for advice to Lender regarding Lender's rights and remedies under, or enforcement of, this Promissory Note, Borrower shall pay all legal expenses incurred by Lender, irrespective of whether any suit or other proceeding has been or is filed or commenced. Any such expenses, costs and charges will constitute additional indebtedness of Borrower to Lender, payable upon demand, accruing interest at the time of such expenditure by Lender at the rate provided herein.
8. **Interest Limitation.** All agreements between Borrower and Lender are limited so that in no contingency or event (whether by acceleration of maturity of the indebtedness evidenced by this Promissory Note or otherwise) shall the amount paid or agreed to be paid to Lender for the Loan exceed the maximum permissible under applicable law. If, from any circumstances, fulfillment of any provisions of this Promissory Note or the other Loan Documents shall cause the interest to be paid to exceed the maximum permitted under applicable law, then the obligation to be fulfilled shall automatically be reduced to an amount that complies with applicable law. If, from any circumstances, Lender should ever receive as interest an amount that would exceed the highest lawful rate of interest, such amount over such lawful rate shall apply to the reduction of the principal balance of this Promissory Note and not to the payment of interest.
9. **Waivers.** Borrower waives presentment for payment, protest, notice of nonpayment, and notice of dishonor.
10. **Governing Law, Jurisdiction, and Venue.** This Promissory Note shall be governed by, interpreted, and enforced under the laws of Minnesota, without giving effect to its conflict of laws provisions. Any litigation between the Parties shall be conducted exclusively in the state and federal courts in Anoka County, Minnesota, and any arbitration or similar proceeding shall be conducted exclusively at a location within

such county and state. Each Party consents to the jurisdiction and venue of the courts described above.

**Stories Foundation**

---

By: Mark Thurston, Vice Chair, Board of  
Directors