PROMISSORY NOTE
("NOTE")
FROM D & R RESTAURANT, BORROWER
TO THE
COUNTY COMMISSIONERS OF CAROLINE COUNTY, MARYLAND

$15,000.00 Date: February 3, 2015

1. **BORROWER'S PROMISE TO PAY**. For value received, D & R Restaurant (hereinafter as "Borrower"), hereby promise to pay to the order of the COUNTY COMMISSIONERS OF CAROLINE COUNTY, a body politic and corporate and a political subdivision of the State of Maryland (the "County"), the aggregate principal sum of Fifteen Thousand Dollars and no cents ($15,000.00) (the "Principal Sum"), together with interest on the unpaid balance thereof at a fixed rate equal to Five One-hundredths Percent (5.0%) per annum. Interest will be charged on the basis of a three hundred sixty-five (365) day year and the actual number of days elapsed, and shall be charged and accrue monthly, subject to the terms and conditions herein.

2. **LOAN**

a. **PRINCIPAL SUM.** Fifteen Thousand Dollars and no cents ($15,000.00).

b. **PAYMENTS AND MATURITY.** Principal and interest on the unpaid balance of the Principal Sum of the loan shall be due and payable in Sixty (60) consecutive monthly installments of Two Hundred Eighty Three Dollars and Seven cents ($283.07) commencing on February 27, 2015, with subsequent monthly installments in the same amount due on the Twenty Seventh day of each succeeding month thereafter, continuing through January 27, 2020.

3. **DEFAULT INTEREST**. Upon the occurrence of an Event of Default (as hereinafter defined) the Borrower promises to pay to the County, upon demand by the County, interest on the unpaid Principal Sum at a rate of seven per cent (7%) per annum ("Default Rate"). The Default Rate shall remain in effect thereafter until payment in full of the unpaid Principal Sum, together with any and all accrued and unpaid interest thereon and any and all other sums due and payable hereunder, notwithstanding the entry of any decree, order, judgment or other judicial action under, pursuant to, in connection with, or otherwise concerning the Note.

4. **LATE CHARGES**. If the Borrower shall fail to make any payment under the terms of this Note within fifteen (15) days after the date such payment is due, the Borrower promises to pay to the County, upon demand by the County, a late charge equal to five per cent (5%) of such payment. Such fifteen (15) day period shall not be construed as in any way extending the due date of any payment. This charge shall be in addition to, and not in lieu of, any other remedy the County may have and is in addition to any fees and charges of any agents or attorneys which the County may employ upon an Event of Default hereunder, whether authorized herein or by law. Such "late charge" if not previously paid, shall, at the option of the County, be added to, and become part of, the succeeding payment to be made under the terms of this Note.

5. **APPLICATION AND PLACE OF PAYMENTS.** All payments hereunder, shall be applied first to the payment of interest, second to the payment of principal and third to any uncollected late charges and/or costs. All payments on account of this Note shall be paid to the County Commissioners of Caroline County, c/o Caroline County Comptroller, P.O. Box 459, Denton, Maryland 21629, or at such other place as the County may at any time and from time to time designate in writing to the Borrower.

6. **PREPAYMENT**. The Borrower may prepay the Principal Sum in whole or in part without premium or penalty at any time and from time to time. All prepayment of the Principal Sum, whether in whole or in part, shall be accompanied by a payment of interest on the amount so prepaid through the date of prepayment. Partial prepayments shall be applied against installments of the Principal Sum due hereunder in the inverse order of their maturity.

7. **EVENTS OF DEFAULT.** The failure of the Borrower to pay the County when due any and all amounts payable by the Borrower to the County under the terms of this Note shall constitute an event of default ("Event of Default").

8. **REMEDIES**. Upon the occurrence of an Event of Default, at the option of the County, the unpaid Principal Sum, any and all accrued and unpaid interest thereon, and all other amounts payable by the Borrower to the County under the terms of this Note shall immediately become due and payable by the Borrower to the County without notice or demand of any kind, and the County shall have all of the rights, powers, and remedies available under the terms of this Note, any of the documents submitted by or on behalf of the Borrower to induce the County to make this Loan or submitted or executed by any Person in connection with this Loan or the inducement to the County to make this Loan (the "Loan Documents"), and applicable law and equity. The Borrower and all endorsers, guarantors, and other parties who may be now or in the future primarily or secondarily liable for the payment of the indebtedness evidenced by this Note hereby waive demand, notice, presentment, and protest, and expressly agree that this Note, or any payment hereunder, may be extended from time to time without in any way affecting the liability of any Borrower. **The liability hereunder of the Borrower (and of any guarantors, if**

any) of the Note shall be joint and several.

9 **EXPENSES**. The Borrower promises to pay to the County, upon demand by the County, all costs and expenses incurred by the County in connection with the collection and enforcement of this Note, including, without limitation, all court costs and expenses and reasonable attorney's fees incurred by the County.

10. **WAIVER OF JURY TRIAL. THE BORROWER, EACH GUARANTOR (IF ANY), AND THE COUNTY HEREBY JOINTLY AND SEVERALLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH THE BORROWER AND/OR THE COUNTY AND/OR ANY GUARANTOR MAY BE PARTIES, ARISING OUT OF, OR IN CONNECTION WITH OR IN ANY WAY PERTAINING TO, THIS NOTE OR ANY OF THE LOAN DOCUMENTS. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS NOTE.**

THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE BY THE BORROWER, THE GUARANTORS, AND THE COUNTY, and the Borrower, the Guarantors (if any), and the County hereby represent that no representations of fact or opinion have been made by any individual or person to induce this waiver of trial by jury or to in any way modify or nullify its effect.

11. **MISCELLANEOUS**. Each right, power, and remedy of the County as provided for in this Note or any of the Loan Documents provided or executed by the Borrower or provided to the County with the knowledge of the Borrower, in connection with the subject matter of the transactions giving rise to the Note (the "Loan Documents"), or now or hereafter existing under any applicable law or otherwise, including but not limited to any financing statement, deed of trust, mortgage, guarantee, application, or otherwise, shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Note or in any of the other Loan Documents or now or hereafter existing under any applicable law, and the exercise or beginning of the exercise by the County of any one or more of such rights, powers, or remedies shall not preclude the simultaneous or later exercise by the County of any or all such other rights, powers, or remedies. No failure or delay by the County to insist upon the strict performance of any term, condition, covenant, or agreement of this Note or of any of the other Loan Documents, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, condition, covenant, or agreement or of any such breach, or preclude the County from exercising any such right, power, or remedy at a later time or times. By accepting payment after the due date of any amount payable under the terms of this Note, the County shall not be deemed to waive the right either to require prompt

payment when due of all other amounts payable under the terms of this Note or to declare an Event of Default for the failure to effect such prompt payment of any such other amount. No course of dealing or conduct shall be effective to amend, modify, waive, release, or change any provisions of this Note. The captions herein set forth are for convenience only and shall not be deemed to define, limit, or describe the scope or intent of this Note. The provisions of this Note shall be governed by the laws of the State of Maryland, without regard to its conflicts of laws principles.

13. **GUARANTORS**. Richard Harrison, by executing this Note, and in consideration of the loan to Borrower by County evidenced by this Note, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, hereby guarantees the timely performance of Borrower under this Note, and shall be liable to the County for all of the obligations of Borrower under this Note, including, but not limited to, all installments due hereunder, principal, interest, penalties, fees and expenses, and other obligations of Borrower hereunder to the County. The County shall not be obligated to pursue any remedy against, or otherwise take any action against or in pursuit of, Borrower prior to seeking enforcement of this Note or of any obligation hereunder against any Guarantor hereof.

IN WITNESS WHEREOF, the Borrower had executed this Note under seal as of the date first written above.

WITNESS OR ATTEST:

BORROWER:

D & R Restaurant

_____
(SEAL)

By: _____

Richard Harrison
Authorized Member

GUARANTOR:

Richard Harrison

_____
(SEAL)
(SEAL)

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