

PROMISSORY NOTE

PAPERWORK BURDEN DISCLOSURE NOTICE

Public reporting burden for this form is estimated to average 4 hours per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the needed data, and completing, reviewing, and submitting the form. You are not required to respond to this collection of information unless it displays a valid OMB control number. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing this burden to: Information Collections Management, Department of Homeland Security, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC, 20472, and Paperwork Reduction Project (1660-0083). **Note: Do not send your completed form to this address.**

PART I: COMMUNITY DISASTER LOAN

1. NAME AND ADDRESS OF BORROWER

2. TELEPHONE NUMBER

3. LOAN NUMBER

DATE _____, _____

(herein called "Borrower") promises to pay to the Order of the United States of America, acting through the Federal Emergency Management Agency, (herein called the "Government") at its office in _____

_____ The principle sum of _____ dollars (\$ _____), plus interest on the unpaid principal balance at the rate of _____ percent (_____ %) per annum. The principal and interest less such as may be canceled pursuant to Section 417 of the Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended and implementing regulations are due on _____ unless the term of this note is extended in the sole discretion of the Government, except that prepayments may be made as provided below.

The loan shall be paid in increments to Borrower as requested by Borrower and approved by Government. Interest shall be charged on each loan increment from the actual date of payment by the Government.

Every repayment made on this loan shall be applied first to interest and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Such payments shall be applied to the installments last to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments.

Any cost incurred by the government in collecting this note shall be added to the unpaid balance of the loan, bear interest at the same rate as this loan, and are immediately due without demand.

The government may extend, or renew, this note without affecting any other rights it has against the Borrower or any other party. Borrower agrees to use this loan solely for purposes authorized by the Government.

In the event of default on this note by the Borrower, the Federal Emergency Management Agency will take action to recover the outstanding principal plus related interest under Federal Debt collection authorities, including administrative offset against other Federal funds due the Borrower and/or referral to the Department of Justice for Judicial enforcement and collection.

