

## PROMISSORY NOTE

**\$172,000.00**

New Bern, North Carolina  
\_\_\_\_\_, 201\_\_

**FOR VALUE RECEIVED**, the receipt of which is acknowledged, **SST PROPERTIES, LLC**, a North Carolina limited liability company (the “**Borrower**”) promises to pay to Craven County, a North Carolina unit of local government (the “**Lender**”), or order, at such other place as the legal holder hereof may designate in writing, the principal sum of **ONE HUNDRED SEVENTY-TWO THOUSAND and No/100 Dollars (\$172,000.00)**, as provided herein. The entire unpaid principal balance of this Note shall be due and payable on December 31, 2016.

The principal balance of this Note thereon shall be payable upon a default by Borrower under the Agreement Conveying Real Property for Economic Development Purposes between Borrower and Lender dated as of \_\_\_\_\_, 2014 (the “**Agreement**”), the terms and conditions of which are incorporated in this Note by reference. It is agreed that Borrower and Lender are not partners or joint venturers, but that Lender is a creditor and Borrower is a debtor under this Note. The indebtedness evidenced by this Note may be prepaid, in whole or in part, at any time without penalty.

This Note is secured by a Deed of Trust and Security Agreement (the “**Deed of Trust**”) dated as of \_\_\_\_\_, 2014, executed and delivered by Borrower to Jimmie B. Hicks, Jr., Trustee for the benefit of Lender, conveying certain real estate and other property described therein, and duly recorded in the Office of the Register of Deeds of Craven County, North Carolina. The Deed of Trust will be subordinate at all times to any financing obtained by Borrower (i) to purchase the property described in the Deed of Trust, (ii) construct improvements on the property described in the Deed of Trust, or (iii) refinance any debt related to items (i) and (ii) above. If necessary, Lender agrees to execute an agreement subordinating the lien of its Deed of Trust as required in the immediately preceding sentence.

Upon the occurrence of any default under the Agreement and the expiration of any applicable notice and cure period specified in the Agreement, Lender shall have the right, at its option and election, to accelerate the indebtedness evidenced by this Note and declare the entire principal balance immediately due and payable in full. Upon such acceleration by Lender, Borrower promises to pay the full principal amount of this Note in accordance with the terms of the

Agreement, together with all costs and expenses incurred in connection with the collection or attempted collection of this Note and the protection of the security for this Note, including reasonable attorneys' fees, whether or not suit is instituted. As used in this Note, the term "reasonable attorneys' fees" shall mean those fees actually charged by attorneys selected by Lender, based upon their standard rates, as opposed to any statutory presumption that may then be in effect in the State of North Carolina.

All parties to this Note, whether principals, sureties, guarantors or endorsers, hereby waive presentment for payment, demand, protest and notice of dishonor, and all defenses on the ground of extension of time for the payment hereof, which may be given by Lender to them or any of them, or to anyone who has assumed the payment of this Note.

No delays on the part of Lender in exercising any right under this Note or under the Loan Agreement shall operate as a waiver thereof or preclude the exercise thereof at any time during the continuance of any default or during the continuance of any subsequent default.

This Note may not be modified or terminated orally. This Note shall be construed and enforced in accordance with the laws of the State of North Carolina.

**IN WITNESS WHEREOF**, Borrower has executed this Note as of the day and year first above written.

**SST PROPERTIES, LLC**  
a North Carolina Limited Liability Company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

NORTH CAROLINA

CRAVEN COUNTY

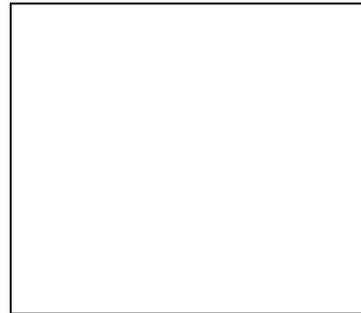
I, the undersigned Notary Public of the County of \_\_\_\_\_ and State of North Carolina, do hereby certify that \_\_\_\_\_ personally appeared before me this day and acknowledged (i) that he/she is the \_\_\_\_\_ of **SST PROPERTIES, LLC**, a limited liability company, and (ii) that by authority duly given and as the act of such limited liability company, he/she signed the foregoing instrument in the name of such limited liability company on such limited liability company's behalf as its act and deed.

WITNESS my hand and notarial seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC



NOTARY SEAL/STAMP MUST APPEAR  
LEGIBLY IN ABOVE BOX