

application will be final and refund of the guarantee fee will not be made after approval unless the GSM determines that such refund will be in the best interest of CCC. If the application for a payment guarantee is not approved or is approved only for a part of the guarantee coverage requested, a full or pro rata refund of the fee remittance will be made.

**§ 1493.470 Importer obligation.**

A promissory note(s) must evidence the unconditional obligation of the importer to pay the exporter. All payment terms shall be consistent with the credit terms of the applicable payment guarantee. Each promissory note(s) shall be a fixed rate note or a floating rate note as set forth in paragraphs (a) or (b) of this section. The promissory note(s) must contain the provisions set forth in paragraphs (a) or (b) of this section and may include, without prior written consent of CCC one or more of the provisions set forth in paragraph (d) of this section. No other form of promissory note may be used. Program participants should also note the additional instructions set forth in paragraph (c) of this section.

(a) *Fixed Rate Note.*

Name of Maker \_\_\_\_\_

**PROMISSORY NOTE**

U.S. \$\_\_\_\_\_, 199—

FOR VALUE RECEIVED, [Name and address of Importer] ("Maker") by this promissory note ("Note") hereby unconditionally promises to pay to the order of [Name and address of exporter] ("Lender"), or its successor(s) or assign(s), at [Name and address of U.S. financial institution] the principal sum of [amount in words] U.S. dollars (\$\_\_\_\_\_) as hereinafter provided [if interest is payable add: and to pay interest on the principal balance hereof from time to time outstanding, as hereinafter provided at the rate of percent (\_\_\_\_%) per annum].

Interest shall be calculated for actual time elapsed from (date). Interest shall be based on a (360 or 365 day year). Principal and interest shall be paid as follows:

Date	\$ principal due	Interest due, if any
_____	_____	_____
_____	_____	_____

All principal and interest payable under this Note are payable in lawful money of the United States of America in immediately available funds without deduction for or on account of any present or future taxes, duties, or other charges levied or imposed on this Note or the proceeds or holder hereof by the Government of [Country of Maker] or any political subdivision or taxing authority thereof.

The Maker hereby waives diligence, presentment, demand, protest and notice of protest, demand and dishonor, and nonpayment of this Note.

No delay or omission on the part of the holder here in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note, nor shall any waiver on one occasion be construed as a bar to or waiver of any such right on any future occasion. No waiver shall be effective unless in writing and signed by the holder.

This Note shall be governed by and construed in accordance with the laws of the State of [Specify a State reasonably related to the transaction], United States of America.

Name of Maker \_\_\_\_\_

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

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

(Print)

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

(b) *Floating Rate Note.*

Name of Maker \_\_\_\_\_

**PROMISSORY NOTE**

U.S. \$\_\_\_\_\_, 199—

FOR VALUE RECEIVED, [Name and address of Importer] ("Maker") by this promissory note ("Note") hereby unconditionally promises to pay to the order of [Name and address of exporter] ("Lender"), or its successor(s) or assign(s), at [Name and address of U.S. financial institution] the principal sum of [amount in words] U.S. dollars (\$\_\_\_\_\_) in installments as hereinafter provided and to pay interest on the principal balance(s) hereof from time to time outstanding, with interest accruing for actual days elapsed from (date) calculated on the basis of a (360 or 365) day year, at the rate to be determined by (adding) (subtracting) \_\_\_\_\_ percent (\_\_\_\_%) per annum (to) (from) the annual rate of interest [Specify method or source for calculating rate of interest and adjustment procedure].

Principal and interest shall be paid as follows:

Principal due date	\$ principal due	Interest due date
_____	_____	_____
_____	_____	_____

All principal and interest payable under this Note are payable in lawful money of the United States of America in immediately available funds without deduction for or on account of any present or future taxes, duties, or other charges levied or imposed on this Note or the proceeds or holder hereof by the Government of [Country of Maker] or any political subdivision or taxing authority thereof.

The Maker hereby waives diligence, presentment, demand, protest and notice of protest, demand and dishonor, and nonpayment of this Note.

No delay or omission on the part of the holder here in exercising any right hereunder

shall operate as a waiver of such right or of any other right under this Note, nor shall any waiver on one occasion be construed as a bar to or waiver of any such right on any further occasion. No waiver shall be effective unless in writing and signed by the holder.

This Note shall be governed by and construed in accordance with the laws of the State of [Specify a State reasonably related to the transaction], United States of America.

Name of Maker \_\_\_\_\_

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

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

(Print)

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

(c) *Additional instructions.* When preparing the promissory note, program participants should make certain of the following:

(1) In order to ensure that the payment guarantee will cover any defaults, the lender must ensure that the payment schedule is consistent with the credit terms specified in the payment guarantee. For example, the last payment due must be within the actual terms of the guarantee coverage. The coverage expiration date is based on the date of export as defined in § 1493.401(d) or the date when interest begins to accrue, whichever is earlier (§ 1493.450(b));

(2) Personal makers should sign in their personal capacities only. Corporate makers should sign only in their corporate capacities with proper reference to their corporate titles; and

(3) In a floating rate note the method or source for calculating the annual rate of interest and any applicable adjustment procedure is adequately described. An example of an appropriate description of the source would be: "the annual rate of interest announced by (specify U. S. commercial bank) as its prime rate, such rate to be adjusted on each date any change announced by that bank becomes effective."

(d) *Optional provisions.* The following optional provisions may be incorporated into the promissory note:

(1) In the event that any amount of the principal hereof or interest on this Note is not paid when due, the Maker, to the extent permitted by applicable law, shall pay on demand interest on such unpaid amount from the date such amount was due to the date such amount is paid in full at the rate of \_\_\_\_\_ percent per annum ("late interest"), but in no event to exceed the maximum rate permitted by applicable law;

(2) Each payment hereunder shall be credited first to late interest then due and payable, then to ordinary interest then due and payable, and the