INSTALLMENT PROMISSORY NOTE

Principal Amount: $25,000.00 **Effective Date:** May 15, 2026 **Governing State:** NY **First Payment Date:** June 15, 2026 **Maturity Date:** March 15, 2027

FOR VALUE RECEIVED, **Morgan Example**, a Individual with an address of 100 Example Lane, NY (the "Borrower" or "Maker"), hereby unconditionally promises to pay to the order of **Taylor Example**, a Individual with an address of 200 Example Lane, NY (together with its successors and assigns, the "Holder" or "Lender"), the principal sum of **$25,000.00** (twenty-five thousand dollars and 00/100) in lawful U.S. currency, together with interest as provided below, **in equal Monthly installments** until paid in full.

1. Principal and Disbursement

Lender advanced funds on **May 15, 2026**. Borrower confirms actual net receipt of **$25,000.00**. Payment reference: The holder and borrower compared their settled cash ledger on May 15..

2. Interest

Interest shall accrue on the outstanding principal balance at **0% per annum**, computed on an Actual/365 basis, from the Disbursement Date until paid in full.

Default Rate. Any amount not paid when due shall bear interest at the lesser of **0% per annum** or the maximum lawful rate.

Below-market loans. Determine whether the parties, transaction and applicable federal rate bring this arrangement within IRC §7872. Gift, compensation-related and shareholder loans have distinct rules. The $10,000 exceptions consider the total outstanding between the parties and have statutory exclusions, including certain income-producing uses for individual gift loans.

3. Installment Payment Schedule

Borrower shall pay principal and interest in **10 equal Monthly installments of $2,500.00 each**, commencing on **June 15, 2026** and continuing on the same day of each successive Monthly period thereafter, with the final installment due on **March 15, 2027** (the "Maturity Date"), at which time the entire remaining unpaid principal and all accrued interest shall be due and payable.

Each installment shall be applied **first** to any late charges and collection costs, **second** to accrued and unpaid interest, and **third** to principal. Payments shall be made in immediately available U.S. funds to Lender at the address stated above, or such other place as Lender designates in writing.

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Prepayment Without Penalty. Borrower may prepay this Note in whole or in part at any time without premium or penalty. Partial prepayments shall be applied to principal in inverse order of maturity and shall not postpone the due date of any regular installment.

4. Late Charges

5. Events of Default

Each of the following is an Event of Default:

1. Borrower's failure to pay any installment when due and such failure continues for **10 days** after written notice;
2. Death, dissolution, liquidation, or termination of Borrower;
3. Bankruptcy, insolvency, assignment for the benefit of creditors, or appointment of a receiver;
4. Any representation or warranty proves materially false;

6. Acceleration and Remedies

Upon an Event of Default, Lender may declare the entire unpaid balance plus accrued interest immediately due and payable without further notice or demand, and may pursue any remedy at law or in equity, including suit for the full accelerated balance and entry of judgment.

7. Collection Costs and Attorneys' Fees

Borrower shall pay all costs of collection, including reasonable attorneys' fees and court costs.

8. Servicemembers Civil Relief Act

For a covered obligation incurred before the servicemember entered military service, 50 U.S.C. §3937 limits interest, including covered charges, to 6% during service. For mortgage-type security the protection also covers the following year. Excess interest is forgiven and periodic payments reflect that reduction. Written notice with orders or other qualifying evidence may be given through 180 days after service ends. The statute also provides for creditor verification through the Defense Manpower Data Center and court relief where the legal test is met.

9. Military Lending Act

Military Lending Act coverage depends on the creditor, the credit and the borrower’s covered status, including qualifying dependents, when the credit is extended. Covered credit requires the separate disclosures, 36% military annual percentage rate calculation and restrictions on terms required by 10 U.S.C. §987 and 32 CFR Part 232. Residential mortgages and certain purchase-money credit secured by

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the purchased vehicle or personal property have separate exclusions. This note records no representation that disclosures were delivered.

10. Truth in Lending Act Disclosure

If the transaction is consumer credit subject to Regulation Z, identify the applicable creditor, purpose, disclosures and timing before consummation, including any applicable earlier mortgage disclosures. Business or commercial purpose and other exemptions require separate consideration. This note does not supply the required disclosure statement or certify delivery.

11. Waivers

Borrower waives presentment, demand, protest, notice of dishonor, and notice of non-payment.

13. General Provisions

Governing Law; Venue. NY; Albany, NY.

Assignment; Notices; Severability; Entire Agreement; Counterparts; Electronic Signatures. Standard commercial terms. ESIGN Act recognized.

Signatures

IN WITNESS WHEREOF, the parties have executed this Installment Promissory Note as of the Effective Date.

Borrower	**Lender**
PRINTED NAME	PRINTED NAME
SIGNATURE	SIGNATURE
DATE	DATE

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