

SUPPLIER CREDIT GUARANTEE PROGRAM
IMPORTER OBLIGATION
Russia Program
(Instructions, Page 1 of 2)

Each promissory note shall be a fixed rate note or a floating rate note as set forth in the attachments. Each note must contain the provisions set forth. No other form of promissory note(s) may be used.

Program participants should also note the following instructions when preparing a promissory note:

(A) 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 date must be within the period of guarantee coverage. The coverage expiration date of the guarantee is calculated from the date of export as defined in 7 C.F.R. § 1493.410(d) or the date when interest begins to accrue, whichever is earlier (7 C.F.R. § 1493.450(b)).

(B) 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. Any note executed by an entity other than an individual must have two signatures: (1) an authorized officer; and (2) the chief accountant.

(C) *Fixed Rate Note.*

- (1) Insert the name of the Maker (importer) at top of note.
- (2) Insert in the total dollar (\$) value of the note.
- (3) *Section I, insert the following:*
 - (a) Name and address of the Maker (importer).
 - (b) Name and address of the exporter.
 - (c) Name and address of the financial institution in the United States or other location at which payment is to be made. This is an optional provision; the payment guarantee may be assigned whether or not this blank is filled in.
 - (d) The dollar amount of the note in words and numbers, with numbers in parentheses using the dollar sign.
 - (e) If interest is to accrue on outstanding principal, state the annual percentage rate of interest in both words and numbers (e.g., “six and one-half (6.5) percent per annum”). If interest is not to accrue, state a “zero” rate of interest. A fixed charge included in the contract sales price to reflect the deferred terms of payment is not considered accruing interest; therefore, a “zero” rate of interest should be stated in such cases.
 - (f) If applicable, provide the date interest begins to accrue.
 - (g) If applicable, specify whether the basis for interest calculation is a 360 or 365 day year.
 - (h) Provide the date(s) principal and, if applicable, interest are due; the dollar (\$) amount of principal due; and, if applicable, the dollar (\$) amount of any interest due.
- (4) *Section II, insert the following:* Country of the Maker (importer).
- (5) *Section V, insert the following:* Name of the U.S. State under whose law the Note will be governed.
- (6) *Section VI, insert the following:* Name of U.S. State specified in Section V.
- (7) *Section VII, insert the following:* If late interest is applicable, specify rate in words and numbers, with numbers in parentheses.

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(Instructions, Page 2 of 2)

(D) *Floating Interest Rate Note*. Follow instruction at (A), (B), above, and insert the following:

- (1) The name of the Maker (importer) at top of note.
- (2) The total dollar (\$) value of the note.
- (3) *Section I, insert the following:*
 - (a) Insert name and address of the Maker (importer).
 - (b) Insert name and address of the exporter.
 - (c) Name and address of the financial institution in the United States or other location at which payment is to be made. This is an optional provision; the payment guarantee may be assigned whether or not this blank is filled in.
 - (d) The dollar amount of the note in words and numbers, with numbers in parentheses using the dollar sign.
 - (e) Provide the date interest begins to accrue.
 - (f) Specify whether the basis for interest calculation is a 360 or 365 day year and whether rate of interest will be added or subtracted from annual rate of interest.
 - (g) Specify, in words and numbers, the interest rate to be added or subtracted from the annual rate of interest and specify whether the rate is subtracted from or added to the annual rate of interest. For example, if in Line 9 it is indicated that the rate of interest is added to the annual rate of interest, insert the word "to," and conversely, if it is indicated in line 9 that the rate of interest is to be subtracted from the annual rate of interest, insert the word "from."
 - (h) Provide the method or source for calculating the annual rate of interest, and any applicable adjustment procedure, which must be adequately described. An example of an appropriate description 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."
 - (i) The date(s) principal is due; the dollar (\$) amount of principal due; and the date(s) interest is due.
- (4) *Section II, insert the following:* Country of the Maker (importer).
- (5) *Section V, insert the following:* Name of the U.S. State under whose law the Note will be governed.
- (6) *Section VI, insert the following:* Name of U.S. State specified in Section V.
- (7) *Section VII, insert the following:* If late interest is applicable, specify percentage rate in words and numbers, with numbers in parentheses.

FIXED RATE NOTE

(Name of Maker)

PROMISSORY NOTE

(Use only for transactions in Russia)

U.S. \$ _____

I. 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 or other location for payment] 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 days elapsed from _____ (date). Interest shall be based on a _____ (choose 360 or 365) day year]. Principal and interest shall be paid as follows:

Date	\$ Principal due	\$ Interest due date, if any
_____	_____	_____
_____	_____	_____

II. 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.

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

IV. 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.

V. 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.

Fixed Rate Note

(Use only for transactions in Russia)

VI. For any legal action or proceeding with respect to this Note, the Maker hereby expressly authorizes any action brought upon the enforcement of this Note by Lender, or its successor or assignee to be instituted and prosecuted in any Federal District Court of the United States of America in New York, the District of Columbia, or _____ [State specified in V above], at the election of Lender, its successor or assign. Maker accordingly further waives any right, claim, or plea with respect to any other jurisdiction or venue.

VII. 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"). Each payment hereunder shall be credited first to late interest then due and payable, then to ordinary interest then due and payable, and the remainder thereof, if any, to the unpaid principal balance of this Note.

VIII. The Maker shall have the right, at any time or from time to time, to prepay all or any part of the principal hereof, provided any accrued interest on the amount prepaid is also paid, and any such prepayment shall be applied to the remaining principal installments in the inverse order of their maturities.

IX. Maker further agrees to pay all reasonable costs of collection, including reasonable attorneys' fees (inclusive of any appellate or bankruptcy proceedings) in case any payment of principal or interest is not paid by the due date thereof, whether suit be brought or not.

(Name of Maker)

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Print - Chief Accountant)

Name: _____
(Print)

Date: _____

Title: _____

Address: _____

Date: _____

Address: _____

FLOATING RATE NOTE

(Name of Maker)
PROMISSORY NOTE
(Use only for transactions in Russia)

U. S. \$ _____

I. 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 or other location for payment] 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 _____ (choose 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 annual rate of interest and adjustment procedure]. Principal and interest shall be paid as follows:

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

II. 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.

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

IV. No delay or omission on the part of the holder herein 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.

V. 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.

Floating Interest Rate Note
(Use only for transactions in Russia)

VI. For any legal action or proceeding with respect to this Note, the Maker hereby expressly authorizes any action brought upon the enforcement of this Note by Lender, or its successor or assignee to be instituted and prosecuted in any Federal District Court of the United States of America in New York, the District of Columbia, or _____ [State specified in V above], at the election of Lender, its successor or assignee. Maker accordingly further waives any right, claim, or plea with respect to any other jurisdiction or venue.

VII. 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"). Each payment hereunder shall be credited first to late interest then due and payable, then to ordinary interest then due and payable, and the remainder thereof, if any, to the unpaid principal balance of this Note.

VIII. The Maker shall have the right, at any time or from time to time, to prepay all or any part of the principal hereof, provided any accrued interest on the amount prepaid is also paid, and any such prepayment shall be applied to the remaining principal installments in the inverse order of their maturities.

IX. Maker further agrees to pay all reasonable costs of collection, including reasonable attorneys' fees (inclusive of any appellate or bankruptcy proceedings) in case any payment of principal or interest is not paid by the due date thereof, whether suit be brought or not.

(Name of Maker)

By: _____
(Signature)

By: _____
(Signature)

Name: _____
(Print - Chief Accountant)

Name: _____
(Print)

Date: _____

Title: _____

Address: _____

Date: _____

Address: _____
