


EXHIBIT A

	<p align="center">U.S. Small Business Administration</p> <p align="center">NOTE</p> <p align="center">(SECURED DISASTER LOANS)</p>	Date: January 8, 2003
		Loan Amount: \$198,600.00
		Annual Interest Rate: 4.000%

Control # 9TMA-00191

Loan # EIDL 59306540-01

1. **PROMISE TO PAY:** In return for a loan, Borrower promises to pay to the order of SBA the amount of One Hundred Ninety-Eight Thousand Six Hundred and no/100 Dollars, interest on the unpaid principal balance, and all other amounts required by this Note.
2. **DEFINITIONS:** A) "Collateral" means any property taken as security for payment of this Note or any guarantee of this Note. B) "Guarantor" means each person or entity that signs a guarantee of payment of this Note. C) "Loan Documents" means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.
3. **PAYMENT TERMS:** Borrower must make all payments at the place SBA designates. Borrower may prepay this Note in part or in full at any time, without notice or penalty. Borrower must pay principal and interest payments of \$1,690.00 every month beginning Five (5) months from the date of the Note. SBA will apply each installment payment first to pay interest accrued to the day SBA receives the payment and will then apply any remaining balance to reduce principal. All remaining principal and accrued interest is due and payable Thirteen (13) Years from the date of the Note.
4. **DEFAULT:** Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower: A) Fails to comply with any provision of this Note, the Loan Authorization and Agreement, or other Loan Documents; B) Defaults on any other SBA loan; C) Sells or otherwise transfers, or does not preserve or account to SBA's satisfaction for, any of the Collateral or its proceeds; D) Does not disclose, or anyone acting on their behalf does not disclose, any material fact to SBA; E) Makes, or anyone acting on their behalf makes, a materially false or misleading representation to SBA; F) Defaults on any loan or agreement with another creditor, if SBA believes the default may materially affect Borrower's ability to pay this Note; G) Fails to pay any taxes when due; H) Becomes the subject of a proceeding under any bankruptcy or insolvency law; I) Has a receiver or liquidator appointed for any part of their business or property; J) Makes an assignment for the benefit of creditors; K) Has any adverse change in financial condition or business operation that SBA believes may materially affect Borrower's ability to pay this Note; L) Dies; M) Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without SBA's prior written consent; or, N) Becomes the subject of a civil or criminal action that SBA believes may materially affect Borrower's ability to pay this Note.
5. **SBA'S RIGHTS IF THERE IS A DEFAULT:** Without notice or demand and without giving up any of its rights, SBA may: A) Require immediate payment of all amounts owing under this Note; B) Have recourse to collect all amounts owing from any Borrower or Guarantor; C) File suit and obtain judgment; D) Take possession of any Collateral; or, E) Sell, lease, or otherwise dispose of, any Collateral at public or private sale, with or without advertisement.
6. **SBA'S GENERAL POWERS:** Without notice and without Borrower's consent, SBA may: A) Bid on or buy the Collateral at its sale or the sale of another lienholder, at any price it chooses; B) Collect amounts due under this Note, enforce the terms of this Note or any other Loan Document, and preserve or dispose of the Collateral. Among other things, the expenses may include payments for property taxes, prior liens, insurance, appraisals, environmental remediation costs, and reasonable attorney's fees and costs. If SBA incurs such expenses, it may demand immediate reimbursement from Borrower or add the expenses to the principal balance; C) Release anyone obligated to pay this Note; D) Compromise, release, renew, extend or substitute any of the Collateral; and E) Take any action necessary to protect the Collateral or collect amounts owing on this Note.
7. **WHEN FEDERAL LAW APPLIES:** When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.

8. **GENERAL PROVISIONS:** A) All individuals and entities signing this Note are jointly and severally liable. B) Borrower waives all suretyship defenses. C) Borrower must sign all documents required at any time to comply with the Loan Documents and to enable SBA to acquire, perfect, or maintain SBA's liens on Collateral. D) SBA may exercise any of its rights separately or together, as many times and in any order it chooses. SBA may delay or forego enforcing any of its rights without giving up any of them. E) Borrower may not use an oral statement of SBA to contradict or alter the written terms of this Note. F) If any part of this Note is unenforceable, all other parts remain in effect. G) To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that SBA did not obtain any guarantee; did not obtain, perfect, or maintain a lien upon Collateral; impaired Collateral; or did not obtain the fair market value of Collateral at a sale. H) SBA may sell or otherwise transfer this Note.
9. **MISUSE OF LOAN FUNDS:** Anyone who wrongfully misapplies any proceeds of the loan will be civilly liable to SBA for one and one-half times the proceeds disbursed, in addition to other remedies allowed by law.
10. **BORROWER'S NAME(S) AND SIGNATURE(S):** By signing below, each individual or entity acknowledges and accepts personal obligation and full liability under the Note as Borrower.

Corporate Seal

X Dated this 15th day of JANUARY, 2003.

(Witness to both)

Corporate Execution

Ludwig's Limousine Service, Inc.

X By: [Signature] (President)
Jeffrey M. Ludwig, President

X By: [Signature] (Clerk)
Jeffrey M. Ludwig, Clerk

EXHIBIT B

RECEIVED

2003 JAN 30 PM 2:36

LOAN AUTHORIZATION AND AGREEMENT

US SBA DAO 1
LEGAL DEPT.

Date: December 10, 2002

On the above date, this Administration (SBA) authorized (under Section 7(b) of the Small Business Act, as amended) a Loan (Loan Number EIDL 59306540-01) to Ludwig's Limousine Service, Inc. (Borrower) of [REDACTED] Peabody, Massachusetts [REDACTED] in the amount of One Hundred Ninety-Eight Thousand Six Hundred and no/100 (\$198,600.00) Dollars upon the following conditions:

1. PAYMENT TERMS

- A. Interest will accrue at the rate of 4.000% per annum; installment payments, including principal and interest, of One Thousand Six Hundred Ninety and no/100 (\$1,690.00) Dollars monthly, will begin Five (5) months from the date of the promissory Note. The balance of principal and interest will be payable Thirteen (13) Years from the date of the promissory Note.
- B. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal.
- C. Each payment will be made when due even if at that time the full amount of the Loan has not yet been advanced or the authorized amount of the Loan has been reduced.
- D. Interest will accrue only on funds actually advanced from the date(s) of each advance.

2. COLLATERAL

Borrower will provide the following collateral:

- A. Security Interest in structure & improvements located at [REDACTED] Peabody, Massachusetts [REDACTED] now owned, hereafter acquired, or purchased in whole or in part from the proceeds of this Loan, and/or the proceeds of any disposition thereof. Said Security Interest to be subject only to the following Security Interest(s):
 - (1) Security Interest held by North Shore Bank, 32 Main Street, Peabody, Massachusetts 01961 with a current approximate balance of \$243,300.00.
- B. Security Interest in machinery and equipment, now owned, hereafter acquired, or purchased in whole or in part from the proceeds of this Loan, and/or the proceeds of any disposition thereof.
- C. Assignment by Borrower with the right of reassignment with lessor's consent in a manner satisfactory to SBA of all rights, title, and interest in and to that certain lease(s) dated February 20, 1997 by and between Peter Coco, Trustee, Tracy South Realty Trust, lessor, and Ludwig Limousine Service, Inc., lessee, covering real estate located at [REDACTED] Peabody, Massachusetts [REDACTED]. Additionally, lessor will agree that so long as SBA has not entered into possession of the premises, SBA will not be liable for rent or any other obligations.

3. GUARANTEE

Borrower will provide the following guarantee(s):

- A. Guarantor will provide a guarantee on SBA Form 2128 of Jeffrey M. Ludwig of
Massachusetts

Groveland.

4. REQUIREMENTS RELATIVE TO COLLATERAL

- A. Borrower will submit to SBA evidence of SBA's recorded lien position and of payment of appropriate fees prior to the disbursement of Loan funds in excess of \$5,000.00. Such evidence will be in a form satisfactory to SBA Counsel and will be at Borrower's expense.
- B. Borrower will not sell or transfer any collateral (except normal inventory turnover in the ordinary course of business) described in paragraph 2 hereof without the prior written consent of SBA.
- C. Borrower will neither seek nor accept future advances under any superior liens on the collateral securing this Loan without prior written consent of SBA.

5. USE OF LOAN PROCEEDS

Borrower will use the proceeds of this Loan solely to alleviate economic injury caused by Disaster occurring in the month of September, 2001. Borrower will apply all Loan proceeds to the following specific uses:

- A. Approximately \$20,000.00 as payment on note payable to AAA Financial.
- B. Approximately \$178,600.00 as payment on note payable to Northshore Bank.

6. REQUIREMENTS FOR USE OF LOAN PROCEEDS AND RECEIPTS

- A. Borrower will obtain and itemize receipts (paid receipts, paid invoices or cancelled checks) and contracts for all Loan funds spent and retain these receipts for 3 years from the date of the final disbursement. Prior to each subsequent disbursement (if any) and whenever requested by SBA, Borrower will submit to SBA such itemization together with copies of the receipts.
- B. Borrower will make the damaged, repaired or replacement property(ies) available to SBA for inspection and verification of the use of Loan proceeds when so requested.
- C. Borrower will return to SBA, as soon as possible but not later than 1 year from the date of final disbursement, all funds received but not used for disaster repairs as authorized by the above paragraph. Funds so returned will be used to reduce the outstanding balance of this Loan and will not be applied in lieu of scheduled payments.
- D. Borrower will not use any proceeds of this Loan to pay wages or any other compensation for repair work performed by Borrower or members of Borrower's immediate family, or to pay overhead or profit for repairs performed by, or materials acquired from, a business in which Borrower owns a 50% or greater interest.
- E. Borrower will not use, directly or indirectly, any portion of the proceeds of this Loan to relocate without the prior written permission of SBA. The law prohibits the use of any portion of the proceeds of this Loan for voluntary relocation from the business area in which the disaster occurred. To request SBA's prior written permission to relocate, Borrower will present to SBA the reasons therefore and a description or address of the relocation site. Determinations of (1) whether a relocation is voluntary or otherwise, and (2) whether any site other than the disaster-affected location is within the business area in which the disaster occurred, will be made solely by SBA.
- F. Borrower will, to the extent feasible, purchase only American-made equipment and products with the proceeds of this Loan.

7. DEADLINE FOR RETURN OF LOAN CLOSING DOCUMENTS

Loan closing documents must be signed and returned to SBA within 2 months from the date of this Loan Authorization and Agreement. SBA will cancel this Loan if Borrower fails to meet this deadline. If causes beyond the control of the Borrower result in delay which prevents meeting the deadline, Borrower may submit a written explanation of the delay and request for an extension of this deadline. The deadline may be extended only by SBA in writing.

8. AGREEMENT TO REMIT AND ASSIGNMENT OF COMPENSATION FROM OTHER SOURCES

- A. Eligibility for this disaster Loan is limited to disaster losses that are not compensated by other sources. Other sources include but are not limited to: (1) proceeds of policies of insurance or other indemnifications, (2) grants or other reimbursement (including loans) from government agencies or private organizations, (3) claims for civil liability against other individuals, organizations or governmental entities, and (4) salvage (including any sale or re-use) of items of damaged property.
- B. Borrower will promptly notify SBA of the existence and status of any claim or application for such other compensation, and of the receipt of any such compensation, and Borrower will promptly submit the proceeds of same (not exceeding the outstanding balance of this Loan) to SBA.
- C. Borrower hereby assigns to SBA the proceeds of any such compensation from other sources and authorizes the payor of same to deliver said proceeds to SBA at such time and place as SBA shall designate.
- D. SBA will in its sole discretion determine whether any such compensation from other sources is a duplication of benefits. SBA will use the proceeds of any such duplication to reduce the outstanding balance of this Loan, and Borrower agrees that such proceeds will not be applied in lieu of scheduled payments.

9. DUTY TO MAINTAIN INSURANCE

- A. Prior to disbursement of Loan funds in excess of \$5,000.00, Borrower will purchase hazard insurance, including fire, lightning, and extended coverage equal to 80% of the insurable value of the collateral or the minimum coinsurance requirement set forth in the insurance policy provided by Borrower, whichever is greater, or such other amounts and types of coverage as SBA may require. Borrower will provide proof of such hazard insurance coverage to SBA together with an endorsement naming SBA as mortgagee or loss payee, and Borrower will maintain such coverage throughout the entire term of this Loan.
- B. Prior to disbursement of Loan funds in excess of \$5,000, Borrower will purchase (make application and pay initial premium for) hazard insurance including fire, lightning, and extended coverage equal to 80% of the insurable value of (1) the collateral, including structures and improvements as well as business contents, located at [REDACTED], Peabody, Massachusetts [REDACTED], or the minimum coinsurance requirement set forth in the insurance policy provided by the Borrower, whichever is greater, or such other amounts and types of coverage as SBA may require. Borrower will provide proof of such hazard insurance coverage together with an endorsement naming SBA as mortgagee or loss payee. Borrower will not cancel such coverage and will maintain such coverage throughout the entire term of the loan. **BORROWER WILL NOT BE ELIGIBLE FOR EITHER ANY FUTURE DISASTER ASSISTANCE OR SBA FINANCIAL ASSISTANCE IF THIS INSURANCE IS NOT MAINTAINED AS STIPULATED HEREIN THROUGHOUT THE ENTIRE TERM OF THIS LOAN.**

10. BOOKS AND RECORDS

- A. Borrower will maintain current and proper books of account in a manner satisfactory to SBA for the most recent 5 years until 3 years after the date of maturity, including extensions, or the date this Loan is paid in full, whichever occurs first. Such books will include Borrower's financial and operating statements, insurance policies, tax returns and related filings, records of earnings distributed and dividends paid and records of compensation to officers, directors, holders of 10% or more of Borrower's capital stock, members, partners and proprietors.

- B. Borrower authorizes SBA to make or cause to be made, at Borrower's expense and in such a manner and at such times as SBA may require: (1) inspections and audits of any books, records and paper in the custody or control of Borrower or others relating to Borrower's financial or business conditions, including the making of copies thereof and extracts therefrom, and (2) inspections and appraisals of any of Borrower's assets.
- C. Borrower will furnish to SBA, not later than 3 months following the expiration of Borrower's fiscal year and in such form as SBA may require, Borrower's financial operating statements.
- D. Upon written request of SBA, Borrower will accompany such statements with an "Accountant's Review Report" prepared by an independent public accountant at Borrower's expense.
- E. Borrower authorizes all Federal, State and municipal authorities to furnish reports of examination, records and other information relating to the conditions and affairs of Borrower and any desired information from such reports, returns, files, and records of such authorities upon request of SBA.

11. DISTRIBUTIONS AND COMPENSATION

- A. Borrower will not, without the prior written consent of SBA, declare or pay any dividend or make any distribution upon its capital stock, or purchase or retire any of its capital stock, or consolidate, or merge with any other company, or give any preferential treatment, make any advance, directly or indirectly, by way of Loan, gift, bonus, or otherwise, to any company directly or indirectly controlling or affiliated with or controlled by Borrower, or any other company, or to any officer, director or employee of Borrower, or of any such company.

12. CONDITIONS RELATIVE TO LEASED PREMISES

- A. Prior to disbursement of Loan funds in excess of \$5,000.00, Borrower will obtain and submit in a form satisfactory to SBA a landlord's waiver covering the Borrower's leased premises. Said waiver must allow SBA free access to such leased premises in case of default or foreclosure in order to remove those items covered in the Security Interest(s) referred to in Paragraph 2 hereof.
- B. Prior to disbursement of Loan funds in excess of \$5,000.00, Borrower will provide Assignment of Lease for property located at [REDACTED], Peabody, Massachusetts 01960.

13. OTHER CONDITIONS

- A. If Borrower has or intends to have employees, Borrower will post SBA Form 722, "Equal Opportunity Poster", in Borrower's place of business where it will be clearly visible to employees, applicants for employment, and the general public.
- B. Borrower will submit to SBA a Standby Agreement on SBA Form 155 for each of the following named individuals covering the total principal amount of Borrower's indebtedness to each individual in the amount set opposite their name, together with all accrued and future interest thereon:

Jeffrey Ludwig

\$80,700.00

- C. Prior to disbursement of any Loan funds, Borrower will execute and submit Board of Directors' Resolution on SBA Form 160.
- D. Prior to disbursement in excess of \$5,000.00, Borrower will provide SBA with the following information for each piece of real estate used to secure this Loan:
 - (1) A complete, legible copy of the deed or other document which reflects ownership and contains a legal description. Also provide the commonly known address of the property.
- E. Prior to disbursement of any Loan proceeds, Borrower will complete the Certification Concerning Lobbying and the Disclosure of Lobbying Activities (if appropriate), and submit the required document(s) to SBA (for Loans in excess of \$150,000).

14. BORROWER'S CERTIFICATIONS

Borrower certifies that:

- A. There has been no substantial adverse change in Borrower's financial condition (and organization, in case of a business borrower) since the date of the application for this Loan. (Adverse changes include, but are not limited to: judgment liens, tax liens, mechanic's liens, bankruptcy, financial reverses, arrest or conviction of felony, etc.)
- B. No fees have been paid, directly or indirectly, to any representative (attorney, accountant, etc.) for services provided or to be provided in connection with applying for or closing this Loan, other than those reported on SBA Form 5, "Business Disaster Loan Application", or SBA Form 159, "Compensation Agreement." All fees not approved by SBA are prohibited.
- C. All representations in the Borrower's Loan application (including all supplementary submissions) are true, correct and complete and are offered to induce SBA to make this Loan.
- D. No claim or application for any other compensation for disaster losses has been submitted to or requested of any source, and no such other compensation has been received, other than that which Borrower has fully disclosed to SBA.
- E. Neither the Borrower nor, if the Borrower is a business, any principal who owns at least 50% of the Borrower, is delinquent more than 60 days under the terms of any: (a) administrative order; (b) court order; or (c) repayment agreement that requires payment of child support.
- F. The Borrower(s) are the owner(s) of and hold legal title to certain real estate property fully described in Section 2--Collateral. Said premises are in my/our possession, and my/our title thereto has never been disputed or questioned as to any part thereof. Said premises are free of all mortgages, taxes, assessments, liens, encumbrances, and claims, or interest of any other party, except as listed in Section 2 of this document. There are no actions pending affecting said real property.

15. CIVIL AND CRIMINAL PENALTIES

- A. Criminal Penalties: Any person who knowingly makes a false statement or misrepresentation to SBA shall be subject to a fine of not more than \$10,000.00 or to imprisonment for not more than 5 years, or both, under provisions of 18 U.S.C. 1001 and/or 15 U.S.C. 645.
- B. Civil Penalties: Public Law 92-385 provides that for all disaster Loans made after August 16, 1972, anyone who wrongfully misapplies the proceeds of a disaster Loan shall be civilly liable to the Administrator in an amount equal to one and one-half times the original principal amount of the Loan.

16. RESULT OF VIOLATION OF THIS LOAN AUTHORIZATION AND AGREEMENT

- A. If Borrower violates any of the terms or conditions of this Loan Authorization and Agreement, the Loan will be in default and SBA may declare all or any part of the indebtedness immediately due and payable. SBA's failure to exercise its rights under this paragraph will not constitute a waiver.
- B. A default (or any violation of any of the terms and conditions) of any SBA Loan(s) to Borrower and/or its affiliates will be considered a default of all such Loan(s).

17. DISBURSEMENT OF THE LOAN

- A. Disbursements will be made by and at the discretion of SBA Counsel, in accordance with this Loan Authorization and Agreement and the general requirements of SBA.
- B. Disbursements may be made in increments as needed.
- C. Other conditions may be imposed by SBA pursuant to general requirements of SBA.

- D. Disbursement may be withheld if, in SBA's sole discretion, there has been an adverse change in Borrower's financial condition or in any other material fact represented in the Loan application, or if Borrower fails to meet any of the terms or conditions of this Loan Authorization and Agreement.
- E. NO DISBURSEMENT WILL BE MADE LATER THAN 6 MONTHS FROM THE DATE OF THIS LOAN AUTHORIZATION AND AGREEMENT.

18. PARTIES AFFECTED

- A. This Loan Authorization and Agreement will be binding upon Borrower and Borrower's successors and assigns and will inure to the benefit of SBA and its successors and assigns.

19. DATE

- A. This Loan Authorization and Agreement is approved and issued on December 10, 2002.

Hector V. Barreto
 Administrator

Claire A. Holmes
 Claire Holmes
 Supervisory Loan Officer
 U.S. Small Business Administration

The undersigned agree(s) to be bound by the terms and conditions herein during the term of this Loan, and further agree(s) that no provision stated herein will be waived without prior written consent of SBA.

Ludwig's Limousine Service, Inc.

X	By: <u>[Signature]</u> (President)	X	<u>1/15/03</u>
	Jeffrey M. Ludwig, President		Date
X	By: <u>[Signature]</u> (President)	X	<u>1/15/03</u>
	Jeffrey M. Ludwig, Clerk		Date

Note: Corporate Borrowers must execute Loan Authorization and Agreement in corporate name, by a duly authorized officer, and seal must be affixed and duly attested; partnership Borrowers must execute in firm name, together with signature of a general partner. Limited liability entities must execute in the entity name by the signature of the authorized managing person.

EXHIBIT C



U.S. Small Business Administration
UNCONDITIONAL GUARANTEE
(DISASTER LOANS)

SBA Loan #	EIDL 59306540-01
Control #	9TMA-00191
Guarantor	Jeffrey M. Ludwig
Borrower	Ludwig's Limousine Service, Inc.
Date	January 8, 2003
Note Amount	\$198,600.00

1. GUARANTEE:

Guarantor unconditionally guarantees payment to SBA of all amounts owing under the Note. This Guarantee remains in effect until the Note is paid in full. Guarantor must pay all amounts due under the Note when SBA makes written demand upon Guarantor. SBA is not required to seek payment from any other source before demanding payment from Guarantor.

2. NOTE:

The "Note" is the promissory note dated January 8, 2003 in the principal amount of One Hundred Ninety-Eight Thousand Six Hundred and no/100 Dollars, from Borrower to SBA. It includes any assumption, renewal, substitution, or replacement of the Note.

3. DEFINITIONS:

"Collateral" means property, if any, taken as security for payment of the Note or any guarantee of the Note.

"Loan" means the loan evidenced by the Note.

"Loan Documents" means the documents related to the Loan signed by Borrower, Guarantor or any other guarantor, or anyone who pledges Collateral.

"SBA" means the Small Business Administration, an Agency of the United States of America.

4. SBA'S GENERAL POWERS:

SBA may take any of the following actions at any time, without notice, without Guarantor's consent, and without making demand upon Guarantor:

- A. Modify the terms of the Note or any other Loan Document except to increase the amounts due under the Note;
- B. Refrain from taking any action on the Note, the Collateral, or any guarantee;
- C. Release any Borrower or any guarantor of the Note;
- D. Compromise or settle with the Borrower or any guarantor of the Note;
- E. Substitute or release any of the Collateral, whether or not SBA receives anything in return;
- F. Foreclose upon or otherwise obtain, and dispose of, any Collateral at public or private sale, with or without advertisement;

G. Bid or buy at any sale of Collateral by SBA or any other lienholder, at any price SBA chooses; and

H. Exercise any rights it has, including those in the Note and other Loan Documents.

These actions will not release or reduce the obligations of Guarantor or create any rights or claims against SBA.

5. FEDERAL LAW:

When SBA is the holder, the Note and this Guarantee will be construed and enforced under federal law, including SBA regulations. SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Guarantee, Guarantor may not claim or assert any local or state law against SBA to deny any obligation, defeat any claim of SBA, or preempt federal law.

6. RIGHTS, NOTICES, AND DEFENSES THAT GUARANTOR WAIVES:

To the extent permitted by law,

A. Guarantor waives all rights to:

- 1) Require presentment, protest, or demand upon Borrower;
- 2) Redeem any Collateral before or after SBA disposes of it;
- 3) Have any disposition of Collateral advertised; and
- 4) Require a valuation of Collateral before or after SBA disposes of it.

B. Guarantor waives any notice of:

- 1) Any default under the Note;
- 2) Presentment, dishonor, protest, or demand;
- 3) Execution of the Note;
- 4) Any action or inaction on the Note or Collateral, such as disbursements, payment, nonpayment, acceleration, intent to accelerate, assignment, collection activity, and incurring enforcement expenses;
- 5) Any change in the financial condition or business operations of Borrower or any guarantor;
- 6) Any changes in the terms of the Note or other Loan Documents, except increases in the amounts due under the Note; and
- 7) The time or place of any sale or other disposition of Collateral.

C. Guarantor waives defenses based upon any claim that:

- 1) SBA failed to obtain any guarantee;
- 2) SBA failed to obtain, perfect, or maintain a security interest in any property offered or taken as Collateral;
- 3) SBA or others improperly valued or inspected the Collateral;
- 4) The Collateral changed in value, or was neglected, lost, destroyed, or underinsured;
- 5) SBA impaired the Collateral;
- 6) SBA did not dispose of any of the Collateral;
- 7) SBA did not conduct a commercially reasonable sale;
- 8) SBA did not obtain the fair market value of the Collateral;
- 9) SBA did not make or perfect a claim upon the death or disability of Borrower or any guarantor of the Note;
- 10) The financial condition of Borrower or any guarantor was overstated or has adversely changed;
- 11) SBA made errors or omissions in Loan Documents or administration of the Loan;
- 12) SBA did not seek payment from the Borrower, any other guarantors, or any Collateral before demanding payment from Guarantor;
- 13) SBA impaired Guarantor's suretyship rights;
- 14) SBA modified the Note terms, other than to increase amounts due under the Note. If SBA modifies the Note to increase the amounts due under the Note without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for all other amounts;
- 15) Borrower has avoided liability on the Note; or

16) SBA has taken an action allowed under the Note, this Guarantee, or other Loan Documents.

7. DUTIES AS TO COLLATERAL:

Guarantor will preserve the Collateral, if any, pledged by Guarantor to secure this Guarantee. SBA has no duty to preserve or dispose of any Collateral.

8. SUCCESSORS AND ASSIGNS:

Under this Guarantee, Guarantor includes successors, and SBA includes successors and assigns.

9. GENERAL PROVISIONS:


- A. **ENFORCEMENT EXPENSES.** Guarantor promises to pay all expenses SBA incurs to enforce this Guarantee, including, but not limited to, attorney's fees and costs.
- B. **SUBROGATION RIGHTS.** Guarantor has no subrogation rights as to the Note or the Collateral until the Note is paid in full.
- C. **JOINT AND SEVERAL LIABILITY.** All individuals and entities signing as Guarantor are jointly and severally liable.
- D. **DOCUMENT SIGNING.** Guarantor must sign all documents necessary at any time to comply with the Loan Documents and to enable SBA to acquire, perfect, or maintain SBA's liens on Collateral.
- E. **FINANCIAL STATEMENTS.** Guarantor must give SBA financial statements as SBA requires.
- F. **SBA'S RIGHTS CUMULATIVE, NOT WAIVED.** SBA may exercise any of its rights separately or together, as many times as it chooses. SBA may delay or forgo enforcing any of its rights without losing or impairing any of them.
- G. **ORAL STATEMENTS NOT BINDING.** Guarantor may not use an oral statement to contradict or alter the written terms of the Note or this Guarantee, or to raise a defense to this Guarantee.
- H. **SEVERABILITY.** If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
- I. **CONSIDERATION.** The consideration for this Guarantee is the Loan or any accommodation by SBA as to the Loan.

10. GUARANTOR ACKNOWLEDGMENT OF TERMS.

Guarantor acknowledges that Guarantor has read and understands the significance of all terms of the Note and this Guarantee, including all waivers.

11. GUARANTOR NAME(S) AND SIGNATURE(S):

By signing below, each individual or entity becomes obligated as Guarantor under this Guarantee.

X Dated this 15th day of JANUARY, 2003. 
Jeffrey M. Ludwig

X State of Massachusetts }
County of ESSEX } ss:

X On this 15th day of JANUARY, 2003,
before me personally appeared Jeffrey M. Ludwig to me known
to be the person(s) described in and who executed the foregoing
instrument, and acknowledged that he/she/they executed the
same as his/hers/their free act and deed.


X 
Notary Public
My Commission expires: 3/28/08

EXHIBIT D



U. S. DEPARTMENT OF THE TREASURY
FINANCIAL MANAGEMENT SERVICE
WASHINGTON, D. C.

ACTING ON BEHALF OF
U.S. Small Business Administration
CERTIFICATE OF INDEBTEDNESS

Debtor Name(s) and
Address(es):

Jeffrey M. Ludwig

Groveland, MA

Total debt due United States as of September 12, 2011:

Principal: \$175,657.04
Interest through 11/06/2008*): \$ 22,653.19
DOJ & FMS fees: \$ 67,466.37
TOTAL:\$265,776.60

*As per the program profile provided by the SBA to FMS, no additional prejudgment interest has accrued on this claim since the above date.

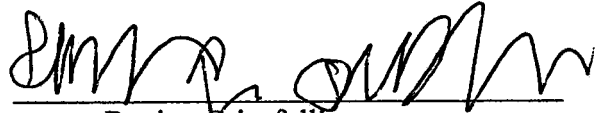
I certify that the U.S. Small Business Administration (SBA) records show that the debtor named above is indebted to the United States in the amount stated above.

The claim arose in connection with the debtor's January 2008 default on a \$198,600.00.SBA loan.

CERTIFICATION: Pursuant to 28 USC ss. 1746, I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief based upon information provided by the U.S. Small Business Administration.

Date:

9/12/2011



Regina Crisafulli
Financial Program Specialist
U.S. Department of the Treasury
Financial Management Service