

MIDDLE BASS ISLAND YACHT CLUB CAPITAL IMPROVEMENT BOND

ISSUER: Middle Bass Island Yacht Club, Inc.
PO Box 81
Middle Bass Island, OH 43446

BONDHOLDER: (Name) _____

(Address) _____

(Member Number) _____

PRINCIPAL AMOUNT: \$ _____

ISSUE DATE: _____

Whereas, the above listed Bondholder, a member of Middle Bass Island Yacht Club, has purchased the Principal Amount shown of Capital Improvement Bonds from the Issuer with the intent that the Issuer will use the proceeds to purchase and install docks and construct a clubhouse for the use of Club members on Middle Bass Island, Ohio and with the understanding that this Bond sets forth the terms and conditions that apply to the repayment of such Principal Amount.

Now Therefore, The parties Agree as Follows:

Promise to Pay For value received, the Issuer hereby promises to pay to the Bondholder the Principal Amount plus accrued interest, calculated as described below, subject to the terms and conditions set forth herein.

Calculation of Interest The Principal Amount, or any portion thereof which remains outstanding, shall bear simple interest computed from the Issue Date shown above to the date of payment at the rate of 5% per annum. Interest for any partial year shall be calculated on the basis of a 365 day year.

Payment Payment of the Principal Amount and all accrued interest will be made in a single lump sum on or before October 1, 2018. Amounts due under this Bond may, at the option of the Issuer, be prepaid in whole or in part at any time without premium or penalty. All prepayments shall first be applied to interest, and then to principal.

Place of Payment All payments due under this Bond shall be made to the Bondholder at the address set forth above or at such other place as the Bondholder shall designate in writing.

Security This Bond is unsecured.

Transfer This Bond is not transferable except to the heirs or legatees of a Bondholder in the event of death or the beneficiaries or successor trust if the Bondholder is a trust for a member. The terms of this Bond remain binding on, and for the benefit of, any such heirs, legatees, beneficiaries or permitted successors.

Change in Membership Status Change in the membership status of a Bondholder in the Middle Bass Island Yacht Club after the Issue Date shall not affect the ownership or enforceability of this Bond.

Collection Costs In the event of default by the Issuer, in addition to amounts due hereunder, the Issuer agrees to pay the costs and expenses, including reasonable attorney fees, incurred by the Bondholder in an action to enforce collection of this Bond.

Entire Agreement This Bond is the entire agreement between the parties with respect to the subject matter hereof. It replaces and supersedes all prior written or oral agreements between the parties. No amendment, modification or waiver of any of the terms of this Bond shall be effective unless evidenced by a writing executed by a duly authorized officer of the Issuer.

Severability In the event any provision of this Bond is deemed unenforceable, all other provisions of this Bond shall remain in full force and effect.

Governing Law This Bond shall be governed by and construed in accordance with the laws of the State of Ohio.

In Witness Whereof, the Issuer has caused this Bond to be executed by its duly authorized officer effective as of the Issue Date set forth above.

MIDDLE BASS ISLAND YACHT CLUB, INC.

By: _____

Its: _____