

**SHELTOWEE  
VENTURE DEBT  
AGREEMENT**

This **SHELTOWEE VENTURE DEBT AGREEMENT** (the “Agreement”) is made and entered into this **INSERT** day of December, 2022, by and among **INVESTOR** a **ENTITY** (“Lender”), and **Sheltowee Business Network, LLC**, a Kentucky limited liability company (the “Borrower”).

WHEREAS, Borrower has requested a loan from Lender, and Lender has agreed to lend to Borrower the sum of **LOAN AMOUNT** (the “Loan”) upon the terms and conditions set forth herein in order to enable the Borrower have sufficient funds to meet its short term liquidity needs.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. Loan.** Lender shall make the Loan to Borrower upon and subject to the terms and conditions contained herein.
- 2. Payment of Fees.** At time of repayment, Borrower shall pay and/or reimburse Lender for Lender’s origination fee of 10% of the loan amount.
- 3. Note.** In consideration of the Loan, Borrower agrees to execute and deliver to Lender at the Closing a Convertible Promissory Note of even date herewith (the “Note”) reflecting the terms and conditions of this Agreement, which Note is hereby incorporated by reference as if fully set forth herein. The Note shall be guaranteed by the Sheltowee Business Network. The Note shall bear interest at the rate of twenty percent (20%) per annum. Full payment of the Loan and any fees shall take place six months from the date of this agreement, provided that such date falls on a business day. In the event the date falls on a weekend, the Loan shall be repaid upon the next business day, following said weekend.
- 4. Closing.** The closing (“Closing”) of the Loan shall take place simultaneously with the execution of this Agreement at such other date and time as the parties may mutually agree. The transactions contemplated by this Agreement shall be effective as of the close of business on the date of Closing. Signatures shall be accepted via an electronic system, such as DocuSign.
- 5. Default.** The happening of any one, or more, of the following events shall constitute an event of default (“Event of Default”) under this Agreement, and each of the other Transaction Documents:

(a) **Non-payment of Principal or Interest.** Borrower failing to make the required principal or interest payments under the Note which continues ten (10) days after written notice from Lender;

(b) **Breach of Condition, Etc.** Borrower violating any other material term, condition, or representation contained in any Transaction Documents and such violation continues ten (10) days after notice from Lender provided, however, that if such violation cannot reasonably be cured within such ten (10) day period but can reasonably be cured within a thirty (30) day period, the Borrower shall have an additional period of time, not to exceed thirty (30) days after the original notice of default, provided that the Borrower proceeds promptly, diligently and in good faith to cure such violation. Said notice provisions and any other notice provisions contained in any other document shall run concurrently and not successively and no notice shall be required, and an Event of Default shall immediately occur, in the event any of said events occur after three (3) or more notices are given pursuant to subparagraph (a) or this paragraph during any twelve (12) month period.

(c) **Bankruptcy or Insolvency.** Borrower being insolvent by being unable to pay its debts when they become due, or by having the amount of its liabilities exceed the amount of its assets; or Borrower committing an act of bankruptcy, making a general assignment for the benefit of creditors, or if there is filed by or against Borrower a voluntary or involuntary Petition in Bankruptcy or for the appointment of a receiver, or it admits in writing to a creditor that it is financially unable to pay such creditor any indebtedness due it, or if there commences under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, proceedings for Borrower's relief, or for the composition, extension, arrangement or adjustment of any of its obligations, or affecting the Borrower's business, which is not withdrawn or dismissed within sixty (60) days after the filing of, or the entry into, the same, or if a Writ of Attachment, execution, or any similar process is issued or levied against any significant part of any of its property, which is not released, stayed, bonded or vacated within a reasonable time after its issue or levy.

(d) **Default Under Other Documents.** Any default, whether monetary or non-monetary, under the terms and provisions of any of the other Transaction Documents, or any instrument executed in connection therewith which continues after the expiration of any applicable grace or cure period.

## 6. Remedies.

(a) **Lender's Remedies.** Upon the occurrence of any Event of Default hereunder, Lender shall have the absolute right at its option and election and in its sole discretion to:

(i) **Cancellation.** Cancel this Agreement by written notice to Borrower;

(ii) **Specific Performance.** Institute appropriate proceedings to enforce specific performance of the terms and conditions of this Agreement;

(iii) **Acceleration.** Accelerate maturity of the Note and demand payment of the principal sums due thereunder, with interest, advances, costs, and reasonable attorneys' fees, and in default of said payment or any part thereof, to enforce collection of such payment by exercising its remedies under the Transaction Documents and/or other appropriate action in any court of competent jurisdiction;

- (iv) **Other.** Exercise any other right, privilege, or remedy available to Lender as may be provided by applicable law, or under the Transaction Documents.

The foregoing remedies and rights of Lender shall be cumulative and not mutually exclusive. Lender shall be privileged and shall have the absolute right to resort to anyone, or more, or all, of such remedies, none to the limit or exclusion of the other. In addition, in the event that the Lender sues on the Notes or engages counsel to collect the amounts due under the Notes, or to enforce the rights and remedies under any of the Transaction Documents, the Borrower shall be required to pay reasonable attorney's fees and all costs of collection incurred by Lender.

- (b) **Waiver of Defaults.** The waiver by Lender of any breach or default by Borrower under any of the terms of the Transaction Documents shall not be deemed, nor shall the same constitute, a waiver by the Lender of any subsequent breach or default on the part of Borrower unless agreed to in writing by the parties.

## 7. **General Provisions.**

- (a) **Amendments.** No provision of this Agreement may be amended, revoked or waived except by a writing signed by each of the parties hereto.

- (b) **Severability.** The invalidity or unenforceability of any part of this Agreement, for any reason, shall not prejudice or affect the validity or enforceability of the remainder, and in such event the parties hereto shall use their best efforts to agree upon a replacement for such invalid or unenforceable provision in terms which correspond as closely as possible to the original provision.

- (c) **Assignment.** Except as otherwise provided herein, this Agreement shall not be assignable by the Borrower without the express written consent of the Lender.

- (d) **Parties Bound.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their representatives, trustees, successors and permitted assigns.

- (e) **Notices.** Any notice required to be given hereunder shall be deemed sufficient and delivery shall be deemed complete if sent by certified or registered mail with the U.S. Postal Service,

postage pre-paid, return receipt requested, by a recognized national courier service, or by facsimile (with the original sent via U.S. Mail, First Class) to the following designated representatives of the parties (or such other person as designated by the parties in writing) at the following addresses:

To Lender:

**INVESTOR ADDRESS HERE**

To Borrower:

Sheltowee Business  
Network, LLC 7605  
Woodridge Dr  
Pewee Valley, Kentucky 40056  
Attention: Alex Day

**(f) Governing Law and Forum.** This Agreement and any amendments hereto, all supplements hereof, and all acts, transactions, agreements, certificates, instruments, assignments and transfers hereunder shall be governed by and interpreted and construed in accordance with the laws of the State of Tennessee. The parties further expressly agree that jurisdiction and venue for any actions concerning the enforcement, construction or interpretation of this Agreement shall be exclusively in the Chancery Court for Knox County, Tennessee or the Federal District Court for the Eastern District of Tennessee, Northern Division, sitting in Knoxville, Tennessee.

**(g) Headings.** The headings of the sections of this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

**(h) Entire Agreement; Conflicts.** This Agreement, together with Transaction Documents and the other agreements referenced herein, represents the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all other prior agreements, understandings and communications, whether oral or written.

**(i) Authority.** The parties hereto represent and warrant that they have full power and authority to execute, deliver and perform this Agreement and such other instruments as required herein and to consummate the transactions contemplated hereby.

**(j) Further Assurances.** From and after the Closing, the parties agree to execute and deliver such additional documents, agreements, notices, acknowledgments and other instruments as are reasonably necessary or required to effectuate the intent and purpose of this Agreement.

**(k) Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same instrument.

**(l) Survival of Representations and Warranties.** The representations, warranties and agreements made by the Borrower in this Agreement shall survive the execution of this Agreement and the closing of the transactions described herein, shall be continuing in nature, and shall remain in full force and effect until such time as the obligations of the Borrower hereunder have been satisfied in full.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above written.

**LENDER:**

**INVESTOR HERE**

By: \_\_\_\_\_  
**INVESTOR NAME HERE**

**BORROWER:**

**SHELTOWEE BUSINESS NETWORK, LLC**

By: \_\_\_\_\_  
Alex Day, Chief Executive Officer