

Demand Promissory Note

This section identifies the Borrower, the Lender, the amount of the loan (the "Principal") and the interest rate.

For value received, _____ (the "Borrower") hereby promises to pay the principal sum of \$ _____ in lawful money of Canada (the "Principal"), and interest calculated thereon in the same currency on the unpaid portion from time to time of the Principal at the rate of _____% per annum, calculated yearly, not in advance, as well after as before maturity and both before and after default and judgment _____ to (the "Lender") on demand.

This section states that the Principal is payable on demand and sets the terms and dates of the interest repayment.

The Principal shall become due and be paid in full on demand. Interest, calculated at the aforesaid rate and in the aforesaid manner shall become due and payable annually on the first day of January each year and must be paid no later than January 30.*

This section states that interest will accrue before and after default of payment, or in the event the Lender obtains judgment, or on overdue interest on this Promissory Note.

Interest payable hereunder will be payable without allowance or deduction for deemed reinvestment or otherwise, and such interest will accrue from time to time at the rate and in the manner specified herein both before and after maturity, default and/or judgment, if any, until payment thereof, and interest will accrue and be payable on overdue interest at the same rate, compounded monthly.

This section permits the Lender to demand repayment of the Promissory Note without notice or other preconditions.

The Borrower hereby waives the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Demand Promissory Note.

This section sets out the applicable laws that govern this Promissory Note.

This Demand Promissory Note will be governed by and construed in accordance with the laws of the Province of _____ and the federal laws of Canada applicable therein.

The date the Promissory Note is signed.

Dated as of this _____ day of _____, 20____

The signature of the Borrower and the Witness.

Witness

Signature of Borrower

Name (Please print)

Name (Please Print)

* If interest is not paid within 30 days after the calendar year end that year's income and all future years' income will be attributed back to the lender. The parties to this agreement may wish to seek the advice of a professional to discuss their specific situation.