

**Evangelical United Church of Christ
Member Financing of Construction Loan**

Evangelical United Church of Christ ("EUCC") will offer members an opportunity to loan funds to the church to finance the cost of construction approved at the congregation meeting on January 31, 2010. This financing will cover the gap between construction period expenses and receipt of capital campaign pledges over the remaining period of the campaign. The intent is to offer members reasonable interest rates and save the church some of the borrowing costs associated with commercial bank loans or the UCC Cornerstone Fund.

The terms of the Short Term Loan Agreement are as follows:

1. This is an unsecured loan that will be documented by a promissory note issued by EUCC.
2. The individuals who loan funds to EUCC must be members of record with EUCC.
3. The period of the loan can be either one, two or three years as agreed to in advance by the member and EUCC.
4. Interested individuals are requested to indicate their intent to provide a short term loan to the Finance Team Leader (Ken Ulmer 314 353-2188 or kulmer@pbucc.org) by March 1, 2010. The intent should state the amount and term of the proposed loan. The Loan Agreement must be executed by April 1, 2010.
5. The minimum amount of the loan is \$5,000 for any given term, and can be in any number of \$1,000 increments above that minimum.
6. The promissory notes will be repaid by EUCC at the following interest rates:

Note Term	Annual Interest Rate
One year	3.0%
Two year	4.0%
Three year	5.0%

7. Interest will be paid annually on the anniversary date of the note and lenders will be provided with a 1099 for the year in which the interest is paid. The interest paid may be subject to treatment as ordinary taxable income for both federal and state income tax purposes, however, lenders are encouraged to consult with their independent tax and/or legal advisors in connection with any note transaction or the tax consequences of extending a loan. EUCC cannot and does not give tax or legal advice.
8. The principal amount and all accrued but unpaid interest will be paid on the term date of the note, at which time the note will be deemed satisfied.
9. The notes are callable by the church with 30 days notice to the lender. That is, the notes can be paid off by the church at any time, with interest earned up to the date of payoff, after giving 30 days notice.
10. Requests by the lender for early redemption in the event of an emergency will be handled on a case-by-case basis.

**Short Term Loan Agreement
With
Evangelical United Church of Christ
204 East Lockwood Avenue, Webster Groves, MO 63119**

This documents a loan in the amount of \$_____.00 that was provided to Evangelical United Church of Christ ("EUCC") by its member _____ ("Lender") on _____, 2010. The purpose for the loan is to fund Capital Campaign Phase I Construction expenses at EUCC.

The annual interest rate for the loan will be _____ (___%) percent. The term of this loan is _____ year(s), beginning _____, 2010. Interest will be paid annually on the anniversary date of the note. The principal amount and any unpaid accrued interest due on the loan will be paid on _____, which is the term date of the note.

EUCC may at any time elect to repay all or part of the loan prior to the term date of the note, upon 30 days written notice to the Lender. Any such early repayment shall include principal and interest accrued as of the date of the repayment. Any partial repayment by EUCC will reduce the outstanding principal amount of the loan. Thereafter, interest on the loan will be calculated and paid based on the then outstanding principal amount.

The parties agree that this note cannot be assigned without the agreement of the parties. This note shall be binding upon the parties hereto and their respective heirs, successors, and assigns. Any amendments or modifications to this Agreement must be in writing and signed by the parties.

SIGNATURES

For Evangelical UCC:

Laura Bardelmeier, President

Date Signed

Paul Mack, Secretariat

Date Signed

Kenneth L Ulmer, Finance Team Leader

Date Signed

For _____:
Signature

Printed Name

Date Signed