LOAN AGREEMENT

THIS LOAN AGREEMENT ("**Agreement**") is made and entered into as of _____, 2024 ("**Closing Date**"), by and between TOC FACILITIES LLC, a Maryland limited liability company ("**Borrower**"), and _____, its successors and assigns ("**Lender**").

RECITALS

A. Borrower is a wholly owned subsidiary of Tilghman on Chesapeake Community Association, Inc., the Homeowners Association that governs the Tilghman-On-Chesapeake housing community in which Lender resides;

B. As a resident of the Tilghman-On-Chesapeake housing community, Lender is aware of the need for renovations to the marina owned and operated by the Borrower and located within the Tilghman-On-Chesapeake housing community (collectively, the "**Renovations**"); and

C. Lender has offered to fund a portion of the Renovations pursuant to a term loan (the "**Loan**") from Lender to Borrower in the original principal amount of _____ Dollars, which Loan was made by Lender on the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises, covenants and agreements of the parties contained in this Agreement, the parties agree as follows:

1. DEFINITIONS.

1.1 The following capitalized words and terms shall have the following meanings when used in this agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural/ and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement.

"Affiliated Entity" means any entity in which Borrower owns more than twenty-five percent (25%) of the issued and outstanding membership interest, partnership interest or stock.

"Agreement" means this Loan Agreement, as this Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Loan Agreement from time to time.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks in the State of Maryland are authorized or required to close.

"Costs and Expenses" means all fees, costs and expenses of or incurred by Lender in connection with the negotiation and preparation of this Agreement, and each of the Loan Documents, in connection with filing and/or recording taxes or fees, all title insurance

premiums, and Lien and other record searches, in connection with the administration of the Loan, and in exercising or enforcing any rights, powers and remedies provided in this Agreement or any of the other Loan Documents or under applicable Laws, including, without limitation, with respect to any and all of the foregoing reasonable attorneys' fees, fees of appraisers and other professionals, court costs, receiver's fees, management fees and costs incurred in the repair, maintenance and operation of, or taking possession of, or selling, any collateral.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any department, agency or instrumentality thereof including, without limitation, the United States Department of the Treasury's Office of Foreign Assets Control.

"Laws" means, collectively, laws, ordinances, statutes, rules, regulations, orders, injunctions, rule of common law, judicial interpretation, writs, or decrees of any Governmental Authority, all as amended.

"Lender" means, Lender and its successors and assigns.

"Lien" means any security interest, lien, encumbrance, charge, assignment, reservation of title, trust, financing statement, or any other right whatsoever of a third party in property, whether real or personal, whether such interest is based on the common law, agreement, statute, rule of equity, judgment or other determination of Governmental Authority, or otherwise, and also means any contingent or other agreement to provide any of the foregoing.

"Loan Documents" means this Agreement, the Note, and any and all other documents, instruments, guarantees, certificates, agreements, loan agreements, security agreements, guaranties, deeds of trust, mortgages, assignments or other contract with or for the benefit of Lender, or securing or evidencing payment of any indebtedness of Borrower, previously, simultaneously or hereafter executed and/or delivered by Borrower and/or any other Person in connection with the Loan or any of the Obligations.

"Loan" means, the Loan described in Recital A above.

"Note" means, as amended, modified, and/or restated, the promissory note evidencing the Loan in the principal amount of _____ Dollars ($_____) by and between Borrower and Lender, dated even date herewith.

"Obligations" means all the indebtedness, duties, obligations, and liabilities, arising, of Borrower to Lender with respect to the Loan.

"Person" means and includes an individual, a corporation, a partnership, a joint venture, a limited liability company or partnership, a trust, an unincorporated association, a Governmental Authority, or any other organization or entity.

1.2 Interpretation. The Recitals accurately state the facts, circumstances and intentions of the parties and are hereby incorporated in this Agreement by this reference and made a part hereof. The headings in this Agreement are included in this Agreement for convenience only, shall not constitute a part of this Agreement for any other purpose, and shall not be deemed to affect the meaning or construction of any of the provisions hereof. As used in this Agreement, the singular number shall include the plural, the plural the singular and the use of the masculine, feminine or neuter gender shall include all genders, as the context may require. All terms used in this Agreement which are defined by the Maryland Uniform Commercial Code shall have the same meanings as assigned to them by the Maryland Uniform Commercial Code unless and to the extent varied by this Agreement. References to any one or more of the Loan Documents include the same as amended, restated, modified, substituted, extended and renewed from time to time. Unless expressly otherwise defined, as used in this Agreement and in any financial statement, certificate, report or other document made or delivered pursuant hereto, accounting terms not otherwise defined herein, and accounting terms only partly defined herein, to the extent not defined, shall have the respective meanings given to them under United States generally accepted accounting principles, as consistently applied to the applicable Person.

2. THE LOAN.

2.1 Loan. Lender hereby agrees to make the Loan to Borrower, the proceeds of which shall be disbursed at closing hereunder and used to finance the Renovations. To evidence the Loan and the terms of repayment thereof with interest, Borrower agrees to execute the Note.

2.2 Note; Payment. All payments under the Loan and all other Obligations shall be repaid in lawful money of the United States which at the time and place of payment is legal tender for the payment of public and private debts.

2.3 Interest. All sums lent to Borrower pursuant to this Agreement shall bear interest at a rate or rates of interest set forth in the Note.

3. REPRESENTATIONS AND WARRANTIES.

Borrower represents and warrants to Lender on the date of this Agreement, and shall be deemed to represent and warrant to such Lender until the Obligations are satisfied, as follows:

3.1 This Agreement and the other Loan Documents executed and delivered by Borrower have been properly executed and delivered and constitute the valid and legally binding obligations of the foregoing and are fully enforceable against Borrower in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and secured parties, and general principles of equity regardless of whether applied in a proceeding in equity or at law.

3.2 Neither Borrower nor, to the knowledge of Borrower, any owner, trustee, director, officer, employee, agent, affiliate or representative of Borrower is an individual or another Person currently the subject of any sanctions administered or enforced by the United States Government, including, without limitation, the U.S. Department of Treasury's Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty's

Treasury, or other relevant sanctions authority (collectively, "**Sanctions**"), nor is Borrower located, organized or resident in a country or territory that is the subject of Sanctions.

3.3 Borrower has not, directly or indirectly, used the proceeds of the credit provided under this Agreement, and has not loaned, contributed or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

4. COVENANTS.

4.1 Borrower shall pay and perform all Obligations as and when due and shall comply with all Laws to which Borrower is subject.

4.2 Borrower shall maintain all of its tangible property in good condition and repair (ordinary wear and tear excepted) and make all necessary replacements thereof, and shall obtain, preserve, maintain, defend and protect all licenses, trademarks, privileges, permits, franchises, certificates and the like necessary or desirable for the operation of its business(es).

5. DEFAULT. Borrower shall be in default under this Agreement upon the failure to cure within thirty (30) days of receipt of written notice from Lender of the occurrence of any one or more of the following (such failure to cure an "**Event of Default**"): (a) there occurs any failure to pay any amounts when due under the Loan or the other Obligations; (b) Borrower fails to timely and properly observe, keep or perform, any term, covenant, agreement or condition in this Agreement or in any of the other Loan Documents, which failure is not cured within any applicable cure period; (c) Borrower suspends or terminates its business operations or liquidates, dissolves or terminates its existence; (d) Borrower (i) makes an assignment for the benefit of any of its creditors or (ii) is the subject of federal or state bankruptcy, insolvency, receivership or trustee proceedings (any Event of Default under this clause being sometimes referred to as an "**Insolvency Default**"); or (e) Borrower is indicted or prosecuted for any crime, or is subject to any enforcement proceedings by the United States Department of the Treasury's Office of Foreign Assets Control.

6. REMEDIES.

6.1 Following an Event of Default, Lender may, in the exercise of its sole and absolute discretion from time to time, without notice (a) exercise its rights and remedies under applicable Laws and as otherwise set forth in the Loan Documents, and/or (b) declare all the rest or any portion of the Note and all other Obligations remaining unpaid, whether due or not, immediately due and payable without any action of any kind and without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower.

6.2 Lender may remedy in any manner or waive any Event of Default of Borrower without waiving the default remedied or any other prior or subsequent default.

7. OTHER AGREEMENTS.

7.1 All notices, requests or demands which any party is required or may desire to give to any other party under any provision of this Agreement must be in writing, hand delivered, sent by nationally recognized overnight courier or mailed, addressed to Lender and to Borrower, at the addresses set forth in in this Section 7.1, or to such other address as any party may designate by written notice to the other party. Each such notice, request and demand shall be deemed given or made as follows: (i) if sent by hand delivery or by nationally recognized overnight courier service, upon delivery; or (ii) if sent by mail, upon the earlier of the date of receipt or three (3) days after deposit in the U. S. Mail, first class postage prepaid. Notices shall be sent to the following addresses:

if to Lender, to:

[LENDER NAME]
[ADDRESS]
[ADDRESS]

if to Borrower, to:

TOC Facilities LLC
21526 Island Club Road
Tilghman, Maryland 21671
Attn: Chad Holliday

with a copy to:

McAllister, DeTar, Showalter & Walker LLC
100 North West Street
Easton, Maryland 21601
Attn: Vincent Dongarra

7.2 Borrower promise to pay any and all Costs and Expenses, including reasonable attorneys' fees and expenses, court costs, litigation and other expenses incurred by Lender in enforcing any of the Obligations, including, without limitation, payment of amounts due under the Note, this Agreement or the other Loan Documents. Notwithstanding any judgment related to this Agreement or the Note, this provision shall not be merged into such judgment but shall survive the same and shall be binding and conclusive on the parties for all time. Post-judgment attorneys' fees and costs incurred related to the enforcement of such judgment related to this Agreement shall be recoverable hereunder in the same or separate actions.

7.3 The rights, powers and remedies provided in this Agreement and the other Loan Documents are cumulative, may be exercised concurrently or separately, may be exercised from time to time and in such order as Lender shall determine, and are in addition to, and not exclusive of, rights, powers and remedies provided by applicable Laws, all without regard to any right of Borrower or any other Person to the marshalling of assets, which right Borrower and any other Person hereby waive to the extent permitted by applicable Laws. Without limiting the

generality of the foregoing, Lender may proceed against Borrower under any of the Loan Documents with or without proceeding under the other Loan Documents. Borrower hereby waives and releases all claims and defenses against Lender and/or with respect to the payment or enforcement of the Obligations. Without implying any limitation on the foregoing, Borrower expressly waives any presentment, demand, protest or other notice of any kind, including but not limited to notice of intent to accelerate and notice of acceleration. No notice to or demand on Borrower in any case shall, of itself, entitle Borrower to any other or future notice or demand in similar or other circumstances.

7.4 Lender shall in no event be responsible or liable to any Person other than Borrower for the disbursement of or failure to disburse any part of the Loan. No portion thereof shall be assignable by Borrower or subject to the process of any court upon legal action by or against Borrower or by or against anyone, other than Lender, claiming under or through Borrower.

7.5 No modification, consent, amendment or waiver of any provision of this Agreement, nor consent to any departure by Borrower therefrom, shall be effective unless the same shall be in writing and signed by Lender, and then shall be effective only in the specified instance and for the purpose for which given.

7.6 All agreements, covenants, representations and warranties of the parties made in this Agreement shall survive settlement of this Agreement, and this Agreement shall continue to be in full force and effect until the Obligations shall have been paid in full.

7.7 This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Borrower and Lender may not assign their rights or obligations hereunder without the prior written consent of the other party. Any assignment by the Borrower or Lender of its rights and/or obligations under this Agreement without the prior written consent of the other party will be null and void. No permitted assignment shall relieve the assigning party of any of its obligations hereunder.

7.8 This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

7.9 In the event, any provision of this Agreement shall be determined to be invalid or unenforceable by any court of competent jurisdiction, the remaining provisions hereof shall nevertheless continue in full force and effect.

7.10 This Agreement may be modified, changed or amended only in writing executed by the parties.

7.11 In case one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions contained herein shall remain effective and binding on the parties hereto and shall not be affected or impaired thereby.

7.12 BORROWER AND LENDER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH BORROWER, OBLIGOR AND/OR LENDER MAY BE PARTIES, ARISING OUT OF OR IN ANY WAY PERTAINING TO THIS

AGREEMENT AND/OR ANY OF THE OTHER LOAN DOCUMENTS. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, WILLINGLY, AND VOLUNTARILY MADE BY BORROWER AND LENDER, AND EACH HEREBY REPRESENTS TO THE OTHER THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. BORROWER AND LENDER HEREBY FURTHER REPRESENT TO THE OTHER THAT IT HAS HAD THE OPPORTUNITY TO BE REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY LEGAL COUNSEL, SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal effective as of the day and year first above written.

WITNESS:

_____

BORROWER:
TOC Facilities LLC

_____(SEAL)
Name:
Title:

WITNESS:

_____

LENDER:

_____(SEAL)
[LENDER NAME]