

during the term of the loan. The prime rate shall be deemed to be the highest interest rate charged the most credit worthy borrowers for commercial loans as established by reference to the rates charged from time to time for such loans by Hartford National Bank and Trust Company, Hartford, Connecticut. Interest shall be computed on a daily basis on the basis of a 360 day year. In the event that a commitment for a permanent loan on the premises issued by a bona fide lending institution shall be issued to and accepted by Borrower, and approved by HNC, and a three-party agreement relating thereto shall be entered into, such rate shall be reduced to 4% above the Prime Rate. In any event, the interest payable shall not exceed the rate permitted by law.

With respect to prepayment privilege, this note may not be repaid in whole or in part except as follows: during the second loan year, the principal balance may be paid in full, only, and subject to Borrower giving ninety (90) days written notice of its intention to do so, and further subject to payment of an additional sum equal to one (1%) per cent of the amount then prepaid; after the second loan year, said principal balance may be paid in full, only, without the payment of any additional sum, provided the same written notice is given; if the loan shall be prepaid at any time by reason of acceleration by HNC, there shall also be due and payable a sum equal to two (2%) per cent of the amount thus prepaid. For purposes of this paragraph, a loan year shall be deemed to be any 12 month period beginning on the date of this Note or any anniversary thereof.

The Borrower shall pay to HNC at HNC's option, together with and in addition to the other sums mentioned herein, on the