

## **TERMINATION AGREEMENT**

This Termination Agreement ("**Termination Agreement**"), is made \_\_\_\_\_, 2022 by and among the City of Carson, a municipal corporation ("**Lender**"), \_\_\_\_\_ ("**Borrower**") and \_\_\_\_\_ ("**Guarantor**").

### **RECITALS:**

**A.** As part of Lender's response to COVID-19, the worldwide pandemic that has severely hampered economies everywhere and has harmed small businesses due in large part to governmental lockdown orders, on April 21, 2020, Lender created and implemented a focused business assistance program for City of Carson businesses, with a special emphasis on the COVID-19 response and accessing funding through federal programs offered through the Small Business Administration.

**B.** In \_\_\_\_\_ 2020, in its effort to assist small businesses within its jurisdiction, Lender loaned Borrower the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) ("**Loan**") pursuant to that certain Loan Agreement dated \_\_\_\_\_, 2020 ("**Loan Agreement**"). The Loan was evidenced by that certain Promissory Note dated \_\_\_\_\_, 2020 ("**Note**"), and was secured by that certain Security Agreement dated \_\_\_\_\_, 2020 ("**Security Agreement**"), that certain UCC-1 filed with the Secretary of State's office on \_\_\_\_\_, 2022 as Filing No. \_\_\_\_\_ ("**UCC**"), and that certain Personal Guaranty dated \_\_\_\_\_ which was executed by Guarantor ("**Guaranty**").

**C.** On March 11, 2021, President Joe Biden signed the American Rescue Plan Act of 2021 ("**ARPA**"), which launched the Coronavirus State and Local Fiscal Recovery Funds to provide \$350 billion in emergency funding for state and local governments. The emergency economic stimulus bill provides fiscal aid to address the ongoing COVID-19 public health crisis, and of the \$350 billion economic stimulus bill, Lender will receive \$17,776,763 in direct one-time funding. On March 15, 2022, the Lender's City Council approved the disbursement of \$1,765,000 of the \$17,776,763 toward Lender's Small Business Loan Forgiveness and Loan Reimbursement program.

**D.** In light of the ARPA funding to be received by Lender, Lender has agreed to forgive the Loan and the parties wish to acknowledge that the obligations under the Loan Agreement, Note, Security Agreement, UCC and Guaranty (collectively "**Loan Documents**") will be terminated. Any amounts paid by Borrower pursuant to the Loan Agreement and Note shall be rebated back to Borrower.

NOW, THEREFORE, the parties agree as follows:

**1. Termination of Loan Documents.** Upon execution of this Termination Agreement by all parties, the parties, including Lender, hereby agree to terminate all the Loan Documents which will thereafter be of no further force and effect.

**2. Termination Documents.** Concurrently with this Termination Agreement, Lender shall (i) return the original Note to Borrower marked "cancelled" ("**Cancelled Note**") and Borrower acknowledges receipt of the Cancelled Note; (ii) promptly file with the Secretary of State's office a UCC-3 terminating the UCC and send a copy thereof to Borrower at

\_\_\_\_\_; and (iii) rebate to Borrower all amounts heretofore paid by Borrower under the Loan Agreement and Note.

**3. Counterparts.** This Termination Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each complete set of which, when so executed and delivered by all parties, shall be an original, whether the signatures are originals, electronic, facsimiles or digital but all such counterparts shall together constitute one and the same instrument.

**4. Miscellaneous.** No amendment, modification or supplement to this Termination Agreement, or waiver of any provision or right hereunder by any party hereto, shall be effective unless in writing and executed by the parties hereto. This Termination Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. The section headings in this Termination Agreement are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provision hereof.

**5. Governing Law.** This Termination Agreement shall be governed by and construed in accordance with the laws of the State of California.

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IN WITNESS WHEREOF, the parties hereto have caused this Termination Agreement to be executed on the date first above written.

**LENDER:**

City of Carson, a municipal corporation

\_\_\_\_\_  
David C. Roberts, Jr., City Manager

**ATTEST**

\_\_\_\_\_  
Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Sunny K. Soltani, City Attorney

**BORROWER:**

**GUARANTOR:**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.