

Security Agreement

THIS AGREEMENT between the undersigned _____ of _____ (Address) _____ (City) ____ (State) _____ (Zip), hereinafter (Debtor or First Party) , and _____ of _____ (Address) _____ (City) ____ (State) _____ (Zip), hereinafter (Creditor or Secured Party), is entered into on the ____ day of _____, 20____, for the collateral of and security in the specific property stated in this Agreement in exchange for \$_____ consideration and agree to the following:

1. Prior Agreements Superseded: This Agreement constitutes the sole and only Agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties unless there is an accompanying promissory note respecting the subject matter of this Agreement.

2. Creation of Security Interest: The Creditor shall secure the payment and performance of Debtor promissory note in the principal amount of \$_____ and the payment and performance of all other liabilities and obligations of Debtor to Creditor of every kind and description, direct or indirect, absolute or contingent, due or to become due now existing or hereafter arising.

3. Collateral: In addition, Debtor hereby grants to Creditor a security interest in the below-collateral described as and located at the following:

Name of Property	Serial ID	Description	Location Address
Additional Property Attached <input type="checkbox"/> Yes <input type="checkbox"/> No			

4. Warrants and Covenants: Debtor hereby warrants and covenants that the Debtor shall pay to Creditor the sum or sums evidenced by the promissory note or notes executed pursuant to this Agreement in accordance with the terms of the note or notes. The collateral will not be removed from the premises other than in the ordinary course of business. The Debtor will immediately notify Creditor in writing of any change in Debtor's address. The Debtor will not sell, dispose, or otherwise transfer the collateral or any interest therein without the prior written consent of the Creditor, and the Debtor shall keep the collateral free from unpaid charges, taxes, and liens. The Debtor shall maintain insurance at all times with respect to all collateral against risks of fire, theft, and other such risks and in such amounts as Creditor may require. The Debtor shall make all repairs, replacements, additions, and improvements necessary to maintain any collateral in good working order and condition.

5. Default: The Debtor shall be considered to be in default whenever there exists: (a) failure to pay either interest or principal when same is due; (b) death of the Debtor; (c) failure by the Debtor to comply with any provisions of this Agreement including the pledging of items listed as security in this Agreement to any other party; (d) insolvency or business failure by the Debtor; (e) any assignments for the benefits of other creditors or the filing of bankruptcy by the Debtor; (f) any attachments, liens or acquisitions which, in any way, affect property offered in this Agreement as security or collateral; (g) any untrue statements, misrepresentations or misstatements made by Debtor; or (h) any occurrence of default or breach of any agreements by Debtor which may relate to this Agreement or the security offered.

5a. Default and Delivery of Property: In the event of default and at the specific request of the Creditor, the Debtor must deliver and make available the above-stated collateral to the Creditor at the Creditor's address listed above and in the same condition in which Debtor described the property or collateral to the Creditor.

6. Inspection: The Creditor may inspect, copy and review the Debtor's books and records at any reasonable time related to the above-stated collateral.

7. Notices: Any notices required to be given under this Agreement by either party to the other may be affected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested. Notice shall be deemed communicated as of the time of delivery if personally delivered, or as of the time of mailing. The address of the Debtor for the purpose of receiving the notice shall be _____ . The address of the Creditor for this purpose shall be _____. Either party may change its' address for the purpose of receiving notice by giving the other party written notice of the change.

8. Law Applicable: The law of the State of _____ shall apply to this Agreement. Failure at any time to exercise certain options available to the Creditor under this control shall not be deemed a waiver of any rights provided under _____ law on this Agreement by the Creditor or as a waiver of any other default of the same on a future point in time. The Creditor may exercise its' rights and options under this Agreement at a time later than the date when any sums may come due and the Creditor may make demand for payment at any time after such payments fall due.

9. Attorneys' Fees: If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled.

10. Parties Bound: This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their respective heirs, executors, administrators, legal representatives, successors and assigns as permitted by this Agreement.

11. Legal Construction: In the event, any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceable language shall not affect any other provision. This Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.

12. Amendments: This Agreement may be amended by the parties only by a written agreement.

13. Signatures:

Dated on the ___ day of _____, 20___, at _____.

Debtor (First Party)

Creditor (Secured Party)

Title:_____

Title:_____

Phone Number:_____

Phone Number:_____

NOTARY Yes No

STATE OF _____)
)ss
COUNTY OF _____)

On this _____ day of _____, 20_____, the persons identified above, _____ and _____, signed before me, a Notary Public, their signatures when they personally appeared to declare the above-voluntary act and deed.

NOTARY PUBLIC