

Seller/Lender Company Name:

Address:

Phone Number/Contact Name:

SECURITY AGREEMENT

This Security Agreement is entered into this _____ day of _____, 20____, by _____ (Property Owner), and as an inducement to Seller to extend credit to _____ (Debtor), the undersigned hereby grants to _____ (Seller) a Security Interest in the property described below (the "Property"), together with all parts, accessories, repairs, improvements, and accessions to the Property, and all proceeds and products from the Property:

___ Inventory All inventory wherever it is located which I own now or may own in the future, which I shall sell or lease, or which has been or will be supplied under contracts of service, or which are raw materials, work in process, or materials used or consumed in my business, including but not limited to: _____

___ Equipment All equipment which I own now or may own in the future including, but not limited to, all machinery, vehicles, furniture, fixtures, manufacturing equipment, farm machinery and equipment, shop equipment, office and record keeping equipment, and parts and tools, including but not limited to: _____

___ Accounts Receivables All rights which I have now or may have in the future to the payment of money, payments for goods sold or leased or for services rendered whether or not now earned or due, rights to payment arising out of all present and future debt instruments, loans and obligations receivable, including but not limited to: _____

Other Property described as follows: _____

___ Real Estate

THIS IS A CREDIT LINE DEED OF TRUST OR MORTGAGE in the maximum aggregate amount of \$_____, with _____ of _____ (County)_____ (State) as Trustee.

A mortgage or deed of trust on any and all real estate owned by me in this or any other state, together with all reasonable rights Debtor may grant to a creditor with respect to such real estate collateral pursuant to the law of such state, including but not limited to the following real estate: _____

I further agree as follows:

1. This Security Agreement secures any debt Debtor or I now or later may have to Seller and will continue in effect until discharged in writing by Seller.
2. I represent that I own the Property. I will keep the Property in my possession at its present location and will keep the same in good repair. Seller may examine and inspect the Property at any reasonable time. I will not sell or transfer the Property without first obtaining written consent of the Seller, unless the property is inventory. I agree to keep the Property insured against risk and casualty in an amount equal to its value.
3. That Seller has the following rights with respect to this agreement:
 - a. Seller may notify any account receivable of Seller’s interest in the Property and tell the account receivable to make payment directly to Seller. Seller may endorse on my behalf any checks received from my account receivables.
 - b. Seller may in my name demand, collect, endorse, receive and give a receipt for, compromise, settle and handle suits or other proceedings involving the Property.
 - c. Seller may take any action it feels is necessary in order to take possession of Property, including performing any part of a contract or endorsing it in my name.
 - d. Seller may take action or pay money, on my behalf, to preserve or protect the Property. Seller may treat such payments made or the reasonable value of services performed as advances to be added to the principal amount due from debtor and secured by this agreement.
 - e. Seller may prepare and file and UCC-1 Financing Statement and sign the same on my behalf if necessary to provide public notice of this Security Agreement.
4. I will be in default on this Security Agreement if Debtor or I am in default on any note, credit agreement or guaranty this agreement secures or if I fail to keep any promise contained herein. If I default, Seller shall have all the rights and remedies provided in the credit agreement, guaranty, Uniform Commercial Code, and any statutory provisions concerning real property security. Seller may require me to make the Property available at a reasonably convenient place and time and may take possession of the Property and sell it as provided by law. I agree that any and all costs incurred by Seller in enforcing this agreement, including reasonable attorney’s fees, shall be treated as an advance and shall constitute additional indebtedness secured by this agreement.

IN WITNESS WHEREOF, the undersigned have signed and sealed this Security Agreement this day of _____, 20_____.

Customer/Debtor Company Name:

Address:

Phone Number/Contact Name:

Signature of Debtor

FOR CORPORATIONS:

STATE OF

CITY/COUNTY OF _____: to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, _____ of _____, a _____ corporation, on behalf of the corporation.

Notary Public

My Commission Expires: _____

FOR INDIVIDUALS:

STATE OF

CITY/COUNTY OF _____: to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____.

Notary Public

My Commission Expires: _____

Owner of Security Property
(if different from Customer/Debtor)

Name:

Address:

Phone Number:

Signature of Owner of Property
(if other than Debtor)

FOR CORPORATIONS:

STATE OF _____
CITY/COUNTY OF _____: to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____ of _____, a _____ corporation, on behalf of the corporation.

Notary Public

My Commission Expires: _____

FOR INDIVIDUALS:

STATE OF _____
CITY/COUNTY OF _____: to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____.

Notary Public

My Commission Expires: _____