

SECURITY AGREEMENT

This SECURITY AGREEMENT is executed on this [DATE] **BETWEEN** [NAME OF SECURED PARTY], with registered address at [ADDRESS], hereinafter referred to as "Secured Party" **AND** [NAME OF THE BORROWER], with registered address at [ADDRESS], hereinafter referred to as the "Borrower".

WHEREAS The Secured Party has extended a loan to Borrower with original principal amount [AMOUNT] which is represented by a certain promissory note dated [DATE] executed by Borrower in favor of Secured Party.

WHEREAS The Secured Party has required Borrower to give certain collateral for the indebtedness evidenced by the Promissory Note in the form of the premises known as [NAME OF THE PROPERTY], located at [ADDRESS], (the "Premises")

WHEREAS The Borrower represents and warrants to the Secured Party that the Borrower is the sole and exclusive owner of the Premises and has full and unrestricted right, title and interest in and to said Premises.

NOW, THEREFORE, in consideration of the premises set forth herein, the Borrower agrees to grant Secured Party a security interest in and to the said collateral, as follows:

1) OBLIGATIONS

SECURED

The collateral shall serve as security for the prompt payment and performance of the Obligations which shall include any and all debts, obligations and liabilities that the Borrower may have to the Secured Party, including but not limited to all obligations set forth in the Promissory Note, including but not limited to principal payment, interest, penalties and periodic payments.

2) USE AND ENJOYMENT PRIOR TO DEFAULT

So long as Borrower does not commit an event of default or such does not otherwise occur, as per the Agreement, the Borrower shall maintain full use and enjoyment of the Premises.

3) WARRANTIES AND COVENANTS OF BORROWER

Borrower warrants and covenants that

- a) No other creditor has a security interest in the Collateral
- b) Borrower is the sole owner of the Premises, free from any adverse lien or encumbrance except this lien
- c) Borrower shall defend the Premises against all claims of any other persons.
- d) Borrower will immediately notify the Secured Party in writing of any change in name or address.
- e) Borrower will do all such things as Secured Party at any time or from time to time may reasonably request to establish and maintain a perfected security interest in the Collateral.
- f) Borrower will pay the cost of drawing this agreement in all public offices where recording is necessary or desirable
- g) Borrower will not transfer or encumber the Collateral without the prior written consent of Secured Party.
- h) Borrower will keep the Collateral insured against risk of loss or damage as reasonably required.

4) EVENTS OF DEFAULT

The Borrower shall be in default under this Agreement upon the occurrence of any of the following events or conditions

- a) the failure to repay the principle amount as set by the Promissory Note
- b) the failure to perform any of the Obligations under this Agreement
- c) the loss, theft, transfer, encumbrance, substantial damage, destruction etc of the Collateral
- d) the making of any levy, seizure or attachment upon the Collateral
- e) the filing by Borrower or by any third party against Borrower of any application for bankruptcy, the appointment of a receiver of any part of the premises, or any assignment by Borrower for the benefit of creditors.

5) REMEDIES

Upon default and at any time thereafter, the Secured Party may declare all obligations immediately due and payable and shall have the remedies of a secured party under the [governing law].

6) NOTICES

Any notice or demand upon any party shall be in writing and shall be deemed to have been received when personally delivered or when mailed through the Registered Post to the party at the registered address as mentioned in the Agreement

7) NO

WAIVER

No delay on the part of the Secured Party in exercising any of its rights, remedies, powers and privileges hereunder or under applicable law, shall imply a waiver thereof. None of the terms and conditions of this Security Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by both the parties.

IN WITNESS WHEREOF, Borrower has caused this document to be executed under seal of the day and year as written above.

SECURED PARTY

BORROWER

