**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

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Attention: [ 　 　 ]

**ACCOMMODATION DEED OF TRUST WITH ASSIGNMENT OF RENTS**

This ACCOMMODATION DEED OF TRUST (this “**Deed of Trust**”), made as of this **●金消契約日○％ｄ●** day of **●金消契約日○％Ｂ　％Ｙ●**, by

**●担保物件所有者名ローマ字●**,

herein called TRUSTOR, whose address is **●担保物件所有者住所ローマ字●**, in favor of

Chicago Title Insurance Company, herein called TRUSTEE, for the benefit of

**IBNet Co., Ltd.**,

herein called BENEFICIARY.

Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale that property described as follows:

*See Exhibit A attached hereto and made a part hereof*

Together with all improvements and accessories located thereon; and

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

FOR THE PURPOSE OF SECURING (1) payment of the sum of **●貸付元本額（￥）●** in Japanese Yen; or its equivalent in United States Dollars based upon the Bank of Japan Central Rate exchange rate in effect at the time of conversion, with interest thereon according to the terms of a promissory note or notes of even date herewith (the “**Note**”) made by **●顧客名ローマ字●●法人ローマ字●** (herein called BORROWER], payable to order of BENEFICIARY, and extensions, renewals or modifications thereof; (2) the performance of each agreement of BORROWER incorporated by reference or reciting it is so secured, including, without limitation, the agreements set forth in that certain Loan Agreement of even date herewith, by and between Borrower and Beneficiary, as may be modified from time to time; (3) the performance of each agreement of TRUSTOR contained herein; (4) payment of additional sums and interest thereon which may hereafter be loaned to Borrower, or his or her successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

With respect to the amounts secured under clause (1) above, based upon the most recent Japanese Yen-to-United States Dollars Bank of Japan Central Rate exchange rate appearing in [The Wall Street Journal] (the “Yen-to-Dollar Exchange Rate”) published on the date of this Deed of Trust, the United States Dollar equivalent of such principal amount shall be considered, as of the date of this Deed of Trust, to be **●ＵＳＤ借入希望金額●** in United States Dollars.

1. To protect the security of this Deed of Trust, and with respect to the property above described, Trustor agrees:
   1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of the law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
   2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
   3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney’s fees in a reasonable sum, in any action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
   4. To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Deed of Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

* 1. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby, any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.
  2. **TRUSTOR FURTHER AGREES THAT UPON THE SALE, ENCUMBRANCE OR TRANSFER (WHETHER VOLUNTARY OR INVOLUNTARY) OF ALL OR ANY PORTION OF THE PROPERTY DESCRIBED HEREIN, ANY AND ALL OBLIGATIONS ARISING UNDER THE NOTE SHALL BECOME IMMEDIATELY DUE AND PAYABLE.[[1]](#footnote-1)**

1. It is mutually agreed:
   1. That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him or her in the same manner and with the same effect as above provided for disposition or proceeds of fire or other insurance.
   2. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his or her right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
   3. That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said Note for endorsement, and without affecting the personal liability or any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
   4. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as “the person or persons legally entitled thereto.”
   5. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his or her own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney’s fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
   6. That upon default by Trustor or Borrower in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, said Note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Deed of Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

In the event of any foreclosure proceedings under or with respect to this Deed of Trust, for purposes of determining the amounts secured at any time under this Deed of Trust, any and all amounts due under or pursuant to the promissory note or notes secured hereby shall be denominated, and payable, in the United States Dollar equivalent amount, as follows: (i) in the case of a judicial foreclosure, such United States Dollar equivalent amount shall be calculated using the most recent Yen-to-Dollar Exchange Rate published on the latest date practicable prior to the date of sale; and (ii) in the case of a trustee’s sale, such United States Dollar equivalent amount: (x) for purposes of the amount of Trustor’s liability as shown in any written notice of default recorded by the Trustee, shall be calculated using the most recent Yen-to-Dollar Exchange Rate published on the last date on which Beneficiary provides to Trustee the information required by Trustee for purposes of completing the relevant notice of default; and (y) for purposes of the amount due Beneficiary under or pursuant to any notice of sale, shall be calculated using the most recent Yen-to-Dollar Exchange Rate published on the date of preparation of such notice of sale. Notwithstanding any such conversion for such purposes, Trustor shall not be required to pay all or any portion of the amounts due under the promissory note or notes secured hereby in any currency other than Japanese Yen; provided however, that any payments made by Trustor in any judicial foreclosure proceeding or through the Trustee in any trustee’s foreclosure proceeding shall be made in United States Dollars.

* 1. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.
  2. That this Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the Note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.
  3. The Trustee accepts this Deed of Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obliged to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge thereof does not exceed the maximum allowed by laws.

Trustor is hereby notified that Section 2955.5(a) of the California Civil Code provides, in relevant part, as follows: “No lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.”[[2]](#footnote-2)

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him or her at his or her address hereinbefore set forth.

**Accommodation Provisions**. Trustor has executed and delivered this Deed of Trust as an accommodation instrument with the intent of subjecting its interest in the Property to the security, title and interest granted by this Deed of Trust as security for the obligations secured hereby in order to induce Beneficiary to make the loans evidenced by the Note. Trustor hereby agrees, to the fullest extent permitted by law, not to assert or take advantage of:

(a) Any right to require Beneficiary to proceed against Borrower, as the maker of the Note, or any other person or to proceed against or exhaust any other security held by Beneficiary at any time or to pursue any other remedy in Beneficiary’s power before exercising any right or remedy under this Deed of Trust.

(b) Any defense that may arise by reason of:

(i) Beneficiary’s failure to proceed against Borrower’s property, or any other party against whom Beneficiary might assert a claim, before proceeding against Trustor under this Deed of Trust; or

(ii) The release, suspension, discharge or impairment of any of Beneficiary’s rights against Borrower or any other party against whom Beneficiary might assert a claim, whether such release, suspension, discharge or impairment is explicit, tacit or inadvertent; or

(iii) Beneficiary’s failure to pursue any other remedies available to Beneficiary that would reduce the burden of the indebtedness secured hereby on Trustor’s interests in the Property; or

(iv) Any extension of the time for the payment or performance of any of any Borrower’s obligations under the Note, this Deed of Trust or any of the other documents evidencing, securing or otherwise pertaining to the loan evidenced by the Note (herein called LOAN DOCUMENTS); or

(v) Any amendment of this Deed of Trust, the Note or any of the other Loan Documents, whether or not such amendment materially affects the risk that Trustor has assumed by executing this Deed of Trust; or

(vi) The incapacity or lack of authority of any Borrower or any person or persons; or

(vii) The failure of Beneficiary to file or enforce a claim against the estate (in either administration, bankruptcy or any other proceedings) of any partner or member of any Borrower or any other person or persons.

(c) Except for notices Beneficiary has specifically agreed to give to Trustor under the Note or the Loan Documents, demand, protest and notice of any kind, including, without limitation, the following notices:

(i) Notice of the evidence, creation or incurring of any new or additional indebtedness or obligation (provided that such indebtedness or obligation is not secured by this Deed of Trust); or

(ii) Notice of any action or non-action on the part of Borrower or Beneficiary in connection with any obligation or evidence of indebtedness held by Beneficiary as collateral;

(iii) Notice of payment or non-payment by Borrower of the indebtedness secured by this Deed of Trust; or

(iv) Notice of dishonor.

(d) Any right to assert against Beneficiary any defense arising by reason of any claim or defense based upon an election of remedies by Beneficiary to foreclose this Deed of Trust which in any manner impairs, reduces, releases, destroys or extinguishes Trustor’s subrogation rights, rights to proceed against any Borrower for reimbursement, or any other rights of Trustor to proceed against any other person or security. Trustor waives all rights and defenses to enforcement of all or any part of the indebtedness secured hereby which defenses are based on an election of remedies by Beneficiary, even though the election of remedies may destroy Trustor’s rights of subrogation, reimbursement and indemnification against Borrower by operation of applicable law (including any of the foregoing that results from the direct or indirect application of California Code of Civil Procedure Sections 580a, 580b, 580c, 580d and 726). Trustor understands that absent the waiver set forth herein, Trustor might have a defense to its obligations hereunder with respect to a deficiency following a judicial foreclosure in which the Beneficiary waived its right to a deficiency judgment against Borrower and that by granting this waiver, Trustor is waiving this defense which Trustor would have against Beneficiary.

(e) Any rights arising because of Trustor’s payment or satisfaction of the indebtedness secured hereby (i) against Borrower, by way of subrogation to the rights of Beneficiary or otherwise, or (ii) against any other guarantor or any other party obligated to pay any of the indebtedness secured hereby, by way of contribution, reimbursement, indemnification or otherwise.

The waivers by Trustor of its rights of subrogation, contribution, reimbursement or otherwise against Borrower shall remain in full force and effect until the indefeasible payment in full to Beneficiary of all amounts due under the Note.

(f) Except for Beneficiary’s obligation, if any, under the Note or the Loan Documents to provide notice of a default under the Note or the Loan Documents to Trustor, any duty on the part of Beneficiary to disclose to Trustor any default by any Borrower under the Note or any other Loan Document.

(g) Any duty on the part of Beneficiary to disclose to Trustor any facts Beneficiary may now know or may hereafter know about Borrower or any successors in interest (if any) regardless of whether Beneficiary (i) has reason to believe that any such facts materially increase the risk beyond the risk which Trustor intend to assume by executing this Deed of Trust, (ii) has reason to believe that these facts are unknown to Trustor, or (iii) has a reasonable opportunity to communicate such facts to Trustor, it being understood and agreed that Trustor is fully responsible for being and keeping informed of the financial condition of Borrower or any successor in interest of Borrower and of all circumstances bearing on the risk of non-payment of any indebtedness of Borrower to Beneficiary that is secured hereby.

Trustor further agrees that, with respect to any obligation secured hereby, Beneficiary may, in such manner and upon such terms and at such times as Beneficiary deems best and without demand or notice to or consent of Trustor (i) release any party now or hereafter liable for the performance of any such obligation, (ii) extend the time for the performance of any such obligation, (iii) accept additional security therefor, and (iv) alter, substitute or release any property securing such performance.

Before executing this Deed of Trust, Trustor has made such independent legal and factual inquiries and investigations as Trustor deemed necessary or desirable with respect to the ability of Borrower to honor all of such Borrower’s covenants and agreements with Beneficiary, and Trustor has relied solely on said independent inquiries and investigations preparatory to entering into this Deed of Trust.

[Signature page follows]

*[Signature page to Accommodation Deed of Trust With Assignment of Rents]*

TRUSTOR

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**●担保物件所有者名ローマ字●●担保物件所有者法人役職＋代表者名ローマ字●**

1. **[Note: This provision should also be added to the promissory note so that Borrower agrees that if the Property is sold without Beneficiary’s consent, the loan would become fully due and payable]** [↑](#footnote-ref-1)
2. **[Note: good practice to add this provision to the Note as well so that Borrower has knowledge of this provision].**  [↑](#footnote-ref-2)