Secured bank promissory note

(city and state)

(*date*)

1. On \_ (due date of the note), for value received, I the undersigned Borrower promise to pay to (name of Bank) or order, \_ (written amount of the note) Dollars at its office in

(city and state), with interest thereon from date until maturity at % per annum, payable (payment of interest, i.e., monthly, quarterly, etc.). After maturity, this note shall bear interest at the highest rate permitted by law until paid.

1. All parties waive presentment for payment, demand, protest, notice of non-payment, protest of non-payment, and consent to any and all renewals, extensions and modifications which may be granted by the holder from time to time.
2. To secure the payment of this note and all other indebtedness or liability, direct or indirect, joint or several, absolute or contingent, now existing or hereafter acquired or contracted, of Borrower to Bank (hereinafter collectively designated “Obligations”), whether such Obligations are created directly or acquired by Bank by assignment or otherwise, Borrower hereby pledges to Bank and grants to Bank a security interest under the Uniform Commercial Code in the following described property (hereinafter

collectively designated “Collateral”): [describe collateral]

and all property listed on the back hereof and all other property now or hereafter in the possession or control of Bank, Borrower agrees to deliver to holder, immediately upon demand, additional Collateral should the holder deem itself insecure.

1. At the option of the holder, all Obligations shall become immediately due and payable without notice of demand upon the occurrence of any of the following events of default:

(a) failure of Borrower to deliver additional security as above agreed; (b) default in the payment or performance of any liability or obligation of Borrower, or of any maker, endorser, or guarantor of any liability or obligation of Borrower, to the holder; (c) failure to pay when due any premium on any life insurance policy held as collateral here for; (d) death, dissolution, termination of existence, insolvency of, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy of insolvency laws by or against, any maker, endorser, or guaranty hereof. Upon the occurrence of any such event of default, and at any time thereafter, the holder shall have the remedies of a secured party under the Uniform Commercial Code or otherwise provided by law. Unless the

Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the holder will give the undersigned reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or other intended disposition is to be made. The requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to Borrower at the address given below, or if none is given then at Borrower’s last address as shown by the Bank’s records, at least five days before the time of the sale or disposition.

1. With respect to any Collateral held hereunder, right is expressly granted to the holder at its option, before default if the holder deems itself insecure or after default, to sell the same at public or private sale, with or without notice; to transfer or cause to be transferred to its own name ownership thereof; to receive the income therefrom and hold the same as security hereof, or apply it on the principal or interest due on any obligation of the Borrower.
2. Any deposits or other sums at any time credited by or due from the holder to any maker, endorser, or guarantor hereof and any securities or other property of the holder may at all times be held and treated as collateral security for he payment of the Obligations. The holder may apply or set off such deposits or other sums against said liability at any time in the case of makers, but only with respect to matured liabilities in the case of endorsers or guarantors.
3. The holder may at its option, whether or not this note is due, demand, sue for, collect, or make any compromise or settlement it deems desirable with reference to Collateral held hereunder. The holder shall not be bound to take any steps necessary to preserve any rights in the Collateral against prior parties, which the undersigned hereby assumes to do.
4. No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this note. A waiver on any one occasion shall not, be construed as a bar to or waiver of any such right/or remedy on any future occasion.
5. The undersigned will pay on demand all costs of collection and attorneys fees incurred or paid by the holder in enforcing this note on default.
6. As herein used the word “holder” shall mean the payee or other endorsee of this note, who is in possession of it, or the bearer hereof, if this note is at the time payable to bearer.
7. Liability of the undersigned, if more than one, shall be joint and several.

/s/ (signature of maker(s))