

COLLATERAL SECURITY AGREEMENT

Location: _____ Date: _____

Parties:

Secured Party (Creditor): _____

Debtor: _____

Recitals:

WHEREAS, Debtor owes Secured Party certain obligations; and WHEREAS, Debtor desires to grant Secured Party a security interest in certain collateral to secure the payment and performance of Debtor's obligations under the terms set forth herein.

1. Grant of Security Interest

Debtor hereby grants to Secured Party a security interest in all of Debtor's right, title, and interest in the collateral described in Section 2 below, whether now owned or hereafter acquired, to secure the prompt payment and performance of Debtor's obligations to Secured Party.

2. Description of Collateral

The collateral subject to this Agreement includes, but is not limited to, the following: all inventory, equipment, accounts, instruments, chattel paper, general intangibles, and any proceeds thereof as described in any security agreement, financing statement, or other document executed in connection with this Agreement.

3. Obligations Secured

This security interest secures the payment and performance of all obligations of Debtor to Secured Party, including without limitation, all principal, interest, fees, expenses, and other amounts due under any promissory notes, loan agreements, or other agreements between the parties.

4. Debtor's Representations and Warranties

Debtor represents and warrants that: (a) Debtor owns the collateral free and clear of any liens or encumbrances except those created by this Agreement; (b) Debtor has full power and authority to grant the security interest; (c) all collateral is in Debtor's possession or control; and (d) the execution and delivery of this Agreement do not violate any law, agreement, or court order.

5. Secured Party's Rights and Remedies

Upon default by Debtor, Secured Party shall have all rights and remedies of a secured party under the Uniform Commercial Code as adopted in the applicable State, including, without limitation, the right to take possession of the collateral, sell or otherwise dispose of the collateral, and apply proceeds to the obligations secured hereby.

6. Default

Debtor shall be in default under this Agreement upon the occurrence of any of the following events: (a) failure to pay or perform any obligation when due; (b) insolvency or bankruptcy of Debtor; (c) material breach of any representation, warranty, or covenant in this Agreement; or (d) any other event defined as default in any related agreement.

7. Covenants of Debtor

Debtor agrees to: (a) keep the collateral in good condition and repair; (b) not sell, transfer, or encumber the collateral without Secured Party's prior written consent; (c) provide Secured Party with access to inspect the collateral upon request; and (d) execute and deliver any documents necessary to perfect or maintain Secured Party's security interest.

8. Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the State of _____, without regard to conflicts of law principles. The parties consent to the exclusive jurisdiction and venue of state and federal courts located in _____ County, _____ for the resolution of any disputes arising hereunder.

9. Notices

All notices, demands, or other communications required or permitted under this Agreement shall be in writing and shall be deemed duly given when delivered personally, sent by certified mail, return receipt requested, recognized overnight courier service, or by electronic transmission with confirmed receipt, to the addresses of the parties set forth above or such other address as either party may designate by notice.

10. Waiver of Jury Trial

TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT.

11. Severability

If any provision of this Agreement is held invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect, and the invalid provision shall be replaced with a valid provision reflecting the parties' original intent as closely as possible.

12. Entire Agreement and Amendments

This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings. Any amendments or modifications must be in writing and signed by both parties to be effective.

13. Counterparts and Electronic Signatures

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Signatures delivered by electronic means (e.g., PDF or email) shall be deemed effective and binding.

SECURED PARTY SIGNATURE

DEBTOR SIGNATURE

Signature: _____

Signature: _____

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