

\*\*\*\*\* SECURITY AGREEMENT \*\*\*\*\*

ORIGINAL: To Secured party (Credit Union)  
COPY: To Debtor (Borrower)

DATED: \_\_\_\_\_

MEANINGS: In this agreement, the words I, me also mean we, us, and our, and refer to the Debtor(s).  
Borrower(s)  
The words you, refer to the Secured Party (Credit Union).

PARTIES: Debtor(s) Address(s):

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

SECURED PARTY: BUREAU OF PAROLE EMPLOYEES CREDIT UNION

PO BOX 4160

ADDRESS: TRENTON, NJ 08610

**SECURITY INTEREST:** I agree to give you a Security Interest in my property described below, and in all replacements of addition to my property. This security interest also includes the money received from a sale of the property.

**COLLATERAL:** The property listed below is referred to as "collateral."

**Motor vehicle**

MAKE: \_\_\_\_\_ NEW/USED: \_\_\_\_\_ YEAR: \_\_\_\_\_ MODEL: \_\_\_\_\_ BODY: \_\_\_\_\_ MOTOR#: \_\_\_\_\_ SERIAL#: \_\_\_\_\_

**OTHER PROPERTY:** (Describe Specifically) \_\_\_\_\_

**USE:** The collateral described in this agreement will be used primarily for household \_\_\_ business \_\_\_ or farming \_\_\_ purposes. As long as I owe you any part of my loan. I promise:

- (1) To use the collateral carefully and to keep it in good repair.
- (2) Not to make any major alterations or changes without written permission.
- (3) Not to change my address or the place where the collateral is kept, without telling you in advance.
- (4) Not to use, or let anyone else use, the collateral for unlawful acts.
- (5) To do everything legally necessary to help you protect your rights.
- (6) To let you inspect the collateral at any reasonable time.

**NOTE**

**OBLIGATION:** I am making this agreement to secure payment of a Note in the amount of \$ \_\_\_\_\_

Dated: \_\_\_\_\_

**OWNERSHIP:** I own the collateral given as security. There are no security interests or liens other than that which I am giving you. I will defend the collateral against any claim made by any other person.

**FINANCIAL STATEMENT:** There is no Financing Statement covering the collateral or any proceeds from a sale of it. If you ask me to give you a Financial Statement, I will.

**SALE OR TRANSFER:** I will keep the collateral insured to its full value against any loss or damage caused by collision, fire, theft, vandalism or accident. The policy will say that you are to be paid if there is a loss or damage. You can use the insurance money to replace or repair the collateral or to repay any balances I still owe you. I will pay all taxes if I don't, you can insure the collateral, or pay the taxes and fees (although you don't have to). You may add the amounts to the balance due on my loan which I will pay, with interest, as set forth in the note.

**EVENTS OF DEFAULT:** I understand and agree that I will be in default if:

- (1) I fail to make any payment on my loan when due.
- (2) I break any promise made in this agreement or the note.
- (3) I become insolvent or bankrupt.
- (4) The collateral is misused or loses its value too quickly.
- (5) I do anything that affects my ability to repay.
- (6) I become incompetent or die.
- (7) My insurance on the collateral is cancelled.

**RESPOSSESSION:** I agree if I break any promise I have made, I will be in default and I will deliver the collateral to you upon request. If I don't, or if you prefer, you may take possession of the collateral, without notice to me. If you take the collateral, I agree that you will not be responsible for any of my personal property, which I may have left inside the collateral.

**SELLING THE COLLATERAL:** If you take possession of the collateral, you may sell it after giving me ten days notice prior to the public or private sale. All of the expenses in taking possession and selling the collateral, including attorney's fees may be deductible from the sale proceeds. If the sale amount is not enough to pay what I owe you, I will have to pay the difference.

**STATUTORY RIGHTS:** I understand that you have all the rights and remedies permitted by the Uniform Commercial Code, a New Jersey statute. I understand that if you excuse any one default of mine, it does not mean that a later default will be excused.

**BUREAU OF PAROLE EMPLOYEES CREDIT UNION (Secured Party) DEBTOR:** \_\_\_\_\_

**BY:** \_\_\_\_\_ **DEBTOR:** \_\_\_\_\_

I acknowledge receiving a copy of this agreement and state that I have read both sides of it.

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_