**Installment Note – Bank Deposit as Collateral**

This document is an instalment Note with Bank Deposit as Collateral (the "Note") is made and effective the [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Maker"), a company organised and existing under the laws of the [COUNTRY], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [INSTITUTION NAME]** (the "Institution"), a company organised and existing under the laws of the [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

1. **Terms of Note**

The Maker recites and promises to pay to the order of Financial Institution the principal sum of [AMOUNT] with interest thereon at [%] per year in installment as follows:

[NUMBER] monthly instalments of [AMOUNT] each, beginning on [DATE], and on the same date of each month thereafter, ending on [DATE].

1. **BANK DEPOSIT COLLATERAL**

Maker shall furnish collateral security for the indebtedness evidenced by this note by depositing with Institution on [DATE], [AMOUNT] for credit to the loan account number, in this note referred to as a loan account, and an equal amount is to be deposited at regular [MONTHLY] intervals thereafter, until the total sum equal to the face amount of this note is deposited.

1. **DEFAULT IN DEPOSITS**

If Maker fails to deposit money as agreed in Section 2, Maker shall pay to Institution, as liquidated damages, [CENTS] for each Rand not deposited.

1. **PERSONAL LOAN ACCOUNT AS PAYMENT OF NOTE**

When this note matures, by acceleration or any other manner, Institution may apply the amount on deposit in the personal loan account against the amount owing on this note. However, Maker shall still be liable for any indebtedness represented by this note that remains unpaid after this application.

1. **SECURITY INTEREST IN OTHER PROPERTY IN POSSESSION OF INSTITUTION**

As security for the payment of this note and for the payment of all other debt of Maker to Institution, including debt of every kind and description, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and regardless of how the debt is evidenced, Maker grants to bank a continuing lien on all instruments, documents of title, policies of insurance, deposits, monies, or any other property now or hereafter owned by Maker now or hereafter in the possession or under the control of Institution.

1. **ACCELERATION ON DEFAULT**

This note shall become immediately due at the option of Institution or other holder of this note without demand or notice on the occurrence of any of the following events: (a) failure to deposit the appropriate amount in the loan account as specified in Section 2; (b) the death of, dissolution of, or beginning of any action to dissolve Maker or any endorser of this note; (c) commencement of any proceeding by or against any Maker or any endorser under the federal Bankruptcy Act or any other present or future state or federal insolvency laws; (d) failure of Maker to furnish on request of Institution additional security satisfactory to Institution for this note within [NUMBER] days after demand by Institution for such additional security; or (e) failure to pay any other obligation now or hereafter owing to Institution or any other holder of this note by Maker or by any endorser.

1. **WAIVER OF PRESENTMENT, PROTEST, AND NOTICE OF DISHONOR**

Maker and each endorser of this note waive presentment, protest, and notice of dishonour and any other notice that may be required.

1. **POWERS OF INSTITUTION IN DEALING WITH NOTE**

Maker and each endorser authorise Institution to do the following without giving notice and without affecting the liability of any maker or endorser: (a) date this note; (b) fill in any blank spaces in this note according to the terms on which Institution grants the loan; (c) correct patent errors; (d) cause the signature of one or more additional Maker or endorsers to be added to this note at any time; (e) extend the time of payment of this note in whole or in part; (f) sell, exchange, surrender, or otherwise deal with the property now or hereafter securing this note; (g) assign this note or any security therefore to any other person.

1. **CHOICE OF LAWS**

This note shall be governed by and construed in accordance with the laws of the [Country] of [COUNTRY] in all respects, including matters of construction, validity, and performance.

1. **JOINT AND SEVERAL LIABILITY**

The Maker and endorsers of this note shall be jointly and severally liable.

1. **CONFESSION OF JUDGMENT**

Maker and each endorser of this note authorise any attorney at law to appear in any court of record in [COUNTRY] or any other state or territory of [COUNTRY] after this note becomes due, by acceleration, or otherwise, and admit the maturity of this note, waive the issuing and service of process, and confess judgement  against each maker or endorser in favour of Institution or any other holder of this note for the amount then appearing due and the costs of collection, including reasonable attorney fees and legal costs. Each maker and each endorser shall also waive all errors, rights of appeal, and stays of execution. This is a joint and several warrants of attorney.

IN WITNESS WHEREOF, the parties have caused this Guarantee to be duly executed as of the day and year written below.

MAKER INSTITUTION

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title