**Installment NOTE –**

 **BANK DEPOSIT AS COLLATERAL**

This 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 [STATE/PROVINCE] of [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 [STATE/PROVINCE] of [COUNTRY], with its head office located at:

 [COMPLETE ADDRESS]

1. **TERMS OF NOTE**

For value received, the Maker promises to pay to the order of the Financial Institution the principal sum of [AMOUNT] with interest thereon at [%] per year in instalment 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**

The Maker will 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 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 the Maker fails to deposit money as agreed in Section 2, the Maker will pay to the 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, the Institution may apply the amount on deposit in the personal loan account against the amount owing on this note. However, the Maker will 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 the Maker to the 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, the Maker grants to the bank a continuing lien on all instruments, documents of title, policies of insurance, deposits, monies, or any other property now or hereafter owned by the Maker now or hereafter in the possession or under the control of the Institution.

1. **ACCELERATION ON DEFAULT**

This note will become immediately due at the option of the 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 the Maker or any endorser of this note; (c) commencement of any proceeding by or against any Maker or any endorser under the national Bankruptcy Act or any other present or future state or national insolvency laws; (d) failure of the Maker to furnish on request of the Institution additional security satisfactory to the Institution for this note within [NUMBER] days after demand by the Institution for such additional security; or (e) failure to pay any other obligation now or hereafter owing to the Institution or any other holder of this note by the Maker or by any endorser.

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

The 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**

The Maker and each endorser authorise the 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 the 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 will be governed by and construed in accordance with the laws of the [STATE/PROVINCE] of [STATE/PROVINCE] in all respects, including validity, matters of construction, and performance.

1. **JOINT AND SEVERAL LIABILITY**

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

1. **CONFESSION OF JUDGMENT**

The Maker and each endorser of this note authorise any attorney at law to appear in any court of record in [STATE/PROVINCE] or any other [STATE/PROVINCE] 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 the 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 will also waive all errors, stays of execution , and rights of appeal. This is a joint and several warrant of attorney.

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

MAKER INSTITUTION

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title