

CABINET FOR WORKFORCE DEVELOPMENT
DEPARTMENT OF VOCATIONAL REHABILITATION
FINANCING STATEMENT - SECURITY AGREEMENT

1. DEBTOR(S) OR ASSIGNOR:

2. SECURED PARTY:
DEPARTMENT OF VOCATIONAL
REHABILITATION

3. FOR FILING OFFICER: (Date, time, number
and filing office)

4. Maturity Date of Obligation:: _____

5. THIS FINANCING STATEMENT COVERS THE FOLLOWING TYPES (OR ITEMS) OF PROPERTY (DESCRIBE) WHICH CONSTITUTE ALL OR PART OF THE EQUIPMENT AND/OR MOTOR VEHICLES PROVIDED BY THE DEPARTMENT OF VOCATIONAL REHABILITATION TO FULFILL THE MORTGAGOR'S/CLIENT'S VOCATIONAL PLAN (IWRP):

1. MORTGAGOR/CLIENT HEREBY AGREES AND WARRANTS:

- (A) THAT CLIENT IS TRUE AND LAWFUL OWNER OF LEGAL TITLE IN AND TO SAID EQUIPMENT AND THAT SAME IS FREE AND CLEAR OF ALL OTHER LIENS, ENCUMBRANCES, AND ADVERSE CLAIMS OF EVERY KIND AND CHARACTER WHATSOEVER.
 - (B) THAT CLIENT WILL KEEP SAID EQUIPMENT IN SAFE CUSTODY AND WILL NOT ABANDON SAME; THAT CLIENT WILL NOT USE NOR PERMIT USE OF SAID EQUIPMENT FOR ANY UNLAWFUL PURPOSE.
 - (C) THAT CLIENT WILL NOT SELL, ASSIGN, TRANSFER, CONVEY, MORTGAGE, PLEDGE OR OTHERWISE ENCUMBER, ALIENATE, OR DISPOSE OF SAID EQUIPMENT OR ANY PART THEREOF SO LONG AS ANY PORTION OF THE CONTRACTUAL OBLIGATION HEREBY DESCRIBED REMAINS UNDISCHARGED.
 - (D) THAT AT CLIENT'S OWN COST AND EXPENSE HE WILL KEEP AND MAINTAIN SAID EQUIPMENT IN GOOD CONDITION AND REPAIR, ORDINARY WEAR, TEAR, AND DETERIORATION ALONE EXCEPTED.
 - (E) THAT CLIENT WILL PROMPTLY PAY ALL TAXES LEVIED OR ASSESSED UPON OR AGAINST SAID EQUIPMENT AND PAY AND DISCHARGE ALL LIENS WHICH MAY ATTACH THERETO.
 - (F) THAT FOR ANY AND ALL MOTOR VEHICLES OR OTHER EQUIPMENT TO WHICH IT MAY BE APPLICABLE, CLIENT WILL, AT HIS OWN COST AND EXPENSE, EFFECT AND MAINTAIN IN SOME GOOD SOLVENT INSURANCE COMPANY SATISFACTORY TO THE MORTGAGEE A POLICY OR POLICIES OF INSURANCE HAVING THEREIN A STANDARD MORTGAGE CLAUSE IN FAVOR OF THE MORTGAGEE. SAID POLICY OR POLICIES SHALL BE COMPREHENSIVE IN ITS OR THEIR TERMS OF COVERAGE, SHALL INCLUDE, AS APPROPRIATE, FIRE, THEFT, COLLISION, UNINSURED MOTORIST AND LIABILITY INSURANCE SATISFACTORY IN FORM AND SUBSTANCE TO THE MORTGAGEE AND WILL PRESENT PROOF OF SUCH COVERAGE TO THE MORTGAGEE. PROCEEDS AND AVAILS REALIZED UPON ANY SUCH POLICY BY REASON OF ANY LOSS OR DAMAGE SHALL BE APPLIED AT THE MORTGAGEE'S OPTION AND ELECTION TO REPAIR OF SAID MOTOR VEHICLE.
 - (G) THAT SEIZURE OF SAID EQUIPMENT UNDER EXECUTION, ATTACHMENT OR LEGAL PROCESS, OR THE INSTITUTION OF BANKRUPTCY OR RECEIVERSHIP PROCEEDINGS BY OR AGAINST MORTGAGOR OR THE MAKING OF A GENERAL ASSIGNMENT FOR THE BENEFIT OF HIS CREDITORS SHALL CONSTITUTE A BREACH AND DEFAULT BY THE MORTGAGOR HEREUNDER.
2. SHOULD MORTGAGOR OMIT OR FAIL TO PROMPTLY AND FAITHFULLY KEEP, OBSERVE, AND PERFORM ANY AND ALL OF HIS PROMISES, AGREEMENTS, COVENANTS, AND WARRANTIES EVIDENCE HEREBY, THEN MORTGAGEE IMMEDIATELY MAY PROCEED TO ENFORCEMENT OF ITS RIGHTS AND REMEDIES HEREUNDER; AND IN ANY PROCEEDING MORTGAGEE SHALL BE ENTITLED TO THE APPOINTMENT OF A RECEIVER TO TAKE AND HOLD THE MORTGAGED PROPERTY.
3. THIS MORTGAGE SHALL APPLY TO AND BIND SAID MORTGAGOR, AND MORTGAGOR'S HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS, AND ASSIGNS AND TO THE BENEFIT OF SAID MORTGAGEE, SAID MORTGAGEE'S SUCCESSORS AND ASSIGNS.

Signature of Department of Vocational
Rehabilitation Agent (Mortgagee)

Signature of Mortgagor/Client