

[Your Company Name]  
[Your Company Address]  
[City, State, ZIP Code]  
[Email Address]  
[Phone Number]  
[Date]

[Recipient's Name]  
[Recipient's Address]  
[City, State, ZIP Code]

Subject: Hypothecation Agreement

Dear [Recipient's Name],

This Hypothecation Agreement ("Agreement") is made and entered into on this [Date] by and between [Your Company Name] ("Lender") and [Recipient's Name] ("Borrower").

1. **\*\*Definitions\*\***

- a) "Collateral" refers to [describe the assets being hypothecated].
- b) "Loan" refers to the sum of [amount of loan] provided by Lender to Borrower.

2. **\*\*Hypothecation of Collateral\*\***

Borrower hereby hypothecates and pledges the Collateral to Lender as security for the Loan.

3. **\*\*Representations and Warranties\*\***

Borrower represents and warrants that:

- a) The Collateral is free from any liens or encumbrances.
- b) Borrower has full authority to pledge the Collateral.

4. **\*\*Covenants\*\***

Borrower agrees to:

- a) Maintain the Collateral in good condition.
- b) Provide Lender with access to the Collateral upon request.

5. **\*\*Default\*\***

In the event of default, Lender shall have the right to:

- a) Take possession of the Collateral.
- b) Sell the Collateral to satisfy the Loan.

6. **\*\*Governing Law\*\***

This Agreement shall be governed by the laws of [State].

7. **\*\*Entire Agreement\*\***

This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof.

Please sign and return a copy of this Agreement to indicate your acceptance of its terms.

Sincerely,

[Your Name]  
[Your Title]  
[Your Company Name]

Acknowledged and Agreed:

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[Recipient's Name]

Date: \_\_\_\_\_