

LAND COURT

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL TO:
Lexington National Insurance Corporation
P.O. Box 6098
Lutherville, Maryland 21094

MORTGAGE

**Mortgagee: Lexington National
Insurance Corporation**

TMK:

**Mortgagee's address: P.O. Box 6098
Lutherville, Maryland 21094**

No. of Pages: _____

Mortgagor:

Mortgagor's address:

Amount Secured: \$ _____

1. WORDS OFTEN USED IN THIS DOCUMENT

1.1 **"Mortgage"**: This document, which is dated _____, 20_____, will be called the "Mortgage."

1.2 **"Mortgagor"**: will sometimes be simply "I" or "me, and such phrase shall refer to me individually, collectively, jointly, and severally.

1.3 **"Mortgagee"**: Lexington National Insurance Corporation, a Florida Corporation, will sometimes be called "Mortgagee" or sometimes simply "you" or "your". Mortgagee's address is P.O. Box 6098, Lutherville, Maryland 21094.

1.4 **"Property"**: The property that is described below in the section titled "Description of the Property," will be called the "Property."

This Mortgage is for the purpose of securing performance of each agreement of Mortgagor herein contained and securing payment to Mortgagee of (a) all monies due to Mortgagee pursuant to the Bail Bond Application and Agreement and the Indemnitor Application and Agreement, executed and delivered by Mortgagor on or about the date of this Mortgage (individually or collectively, the **"Agreements"**), (b) all losses, damages, attorneys' fees, investigation fees, forfeitures, judgments, court assessments, and liabilities suffered, sustained, or incurred by Mortgagee arising out of or relating to one or more bail bonds posted on behalf of defendant _____ in the amount of \$ _____ in the case of _____ v. _____ (**"Action"**), Power Number(s) (if known) _____, and (c) on account of or related to the execution of any other bail bond executed or posted by or for Mortgagee in connection with or related to the Action or Agreements (all of the foregoing items described in clauses (a) through (c) above sometimes referred to collectively in this Mortgage as the **"Obligations"**).

2. MORTGAGOR'S MORTGAGE AND TRANSFER TO MORTGAGEE OF RIGHTS IN THE PROPERTY

I mortgage, grant, and convey the Property to you subject to the terms of this Mortgage. This means that, by signing this Mortgage, I am giving you those rights that are stated in this Mortgage and also those rights that the law gives to lenders who hold mortgages on real property. I am giving you these rights to protect you from possible losses that might result if I fail to: (a) pay all the amounts that you are owed under the Obligations when you demand payment; (b) pay, with interest, any amounts that you spend under this Mortgage, to protect the value of the Property and your rights in the Property; (c) keep all of our other promises and agreements under this Mortgage; or (d) keep all of the promises made in the Agreements, which the Mortgage secures.

3. DESCRIPTION OF THE PROPERTY

I give you rights in the Property described below:

3.1 The property that is described as follows:

Property Legal Description:

3.2 All buildings and other improvements that are located on the property described in Section 3.1;

3.3 All rights in other property that I have as owner of the property described above. These rights are known as "easements, right and appurtenances attached to the property;

3.4 All rents or royalties from the property described above;

3.5 All mineral, oil and gas rights and profits, water, water rights and water stock that are part of the property described above;

3.6 All rights that I have in the land which lies in the streets or roads in front of, or next to, the property described above;

3.7 All fixtures that are now or in the future will be on the property described above, and all replacements of and additions to those fixtures, except for those fixtures, replacements or additions that under the law are "consumer goods" and that I acquire more than 10 days after the date of this Mortgage. Usually, fixtures are items that are physically attached to buildings, such as hot water heaters;

3.8 All of the rights and property described in Paragraphs 3.2 through 3.7 above that I acquire in the future;

3.9 All replacements of or additions to the property described in Paragraphs 3.2 through 3.7 above; and

3.10 All of the amounts that you pay to protect your security under Section 8.3 below.

4. MORTGAGOR'S RIGHT TO MORTGAGE THE PROPERTY AND MORTGAGOR'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

4.1 I promise that except for the claims and charges against the Property of record as of the date hereof: (a) I lawfully own the Property; (b) I have the right to mortgage, grant, and convey the Property to Mortgagee; (c) there are no outstanding claims or charges against the Property; and (d) any lease included in the Property is in good standing.

4.2 I give a general warranty of title to Mortgagee. This means that I will be fully responsible for any losses that you suffer because someone other than myself has some of the rights in the Property that I promise that I have. I promise that I will defend my ownership of the Property against any claims of those rights.

5. PROMISES

I promise and I agree with you as follows:

5.1 I will promptly pay you or anyone you name, all amounts due under the Obligations.

5.2 I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property. I will also make payments due under my lease if I am a tenant on the Property and I will pay lease rents (if any) due on the Property.

5.3 Any claim, demand, or charge that is made against property because an obligation has not been fulfilled is known as a "lien." I will promptly pay or satisfy all liens against the Property. However, this Mortgage does not require me to satisfy a lien if I agree, in writing, to pay the obligation that gave rise to the lien and you approve the way in which I agree to pay that obligation.

5.4 If the Property includes an apartment unit in a Condominium Project or in a PUD, I will promptly pay, when they are due, all assessments imposed by the owners' association or other organization that governs the Condominium Project or PUD. That association or organization will be called the "Owners' Association."

5.5 Unless the law requires otherwise, Mortgagee will apply each of my payments under the Agreements in the following order and for the following purposes: (a) to pay any amounts then due to Mortgagee under Section 8.3 below; and (b) next, to pay amounts then due under the Agreements or any of the other Obligations.

5.6 I will keep the property in good repair. I will not destroy, damage, or change the Property, and I will not allow the Property to deteriorate.

6. INSURANCE

6.1 I will obtain hazard insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance

policies, and other hazards for which you require coverage. The insurance must be in the amounts and for the periods of time required by you.

6.2 All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect you. The form of all policies and the form of all renewals must be acceptable to you. You will have the right to hold the policies and renewals.

6.3 I will pay the premiums on the insurance policies, and if you require, I will promptly give you all receipts of the premiums and all renewal notices that I receive.

6.4 If there is a loss or damage to the Property, I will promptly notify you and the insurance company. If I do not promptly prove to the insurance company that the loss or damage occurred, then you may do so.

6.5 The amount paid by the insurance company is called "proceeds." The proceeds will be used to repair or to restore the damaged property unless: (a) the use of the proceeds for that purpose would lessen the protection give you by this Mortgage; or (b) you and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically possible or if it would lessen your protection under this Mortgage, then the proceeds will be used to reduce the amount that I owe to you under the Obligations and under this Mortgage. If any of the proceeds remain after the amount that I owe to you has been paid in full, the remaining proceeds will be paid to me.

6.6 If I abandon the Property, or if I do not answer, within 30 days, a notice from you stating that the insurance company has offered to settle a claim for insurance benefits, then you have the authority to collect the proceeds. You may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to you under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

6.7 If you acquire the Property after foreclosure, all of my rights in the insurance policies will belong to you. All of my rights in any proceeds that are paid because of damage that occurred before the Property is acquired by you or sold will belong to you. However, your rights in those proceeds will not be greater than the amount that I owe to you under the Obligations and under this Mortgage immediately before the Property is acquired by you or sold.

7. CONDOMINIUMS AND PUDs

7.1 If the Property includes an apartment unit in a Condominium Project, the Owner's Association may maintain a hazard insurance policy that covers the entire Condominium Project. That project will be called the "master policy." If the master policy insures my apartment unit as well as the common elements of the Condominium Project, so long as the master policy remains in effect and meets the requirements stated in this Section: (a) my obligation to obtain and to keep hazard insurance on the Property is satisfied; and (b) if there is a conflict, concerning the use of proceeds, between (i) the terms of this Section, and (ii) the law or terms of the declaration, bylaws, regulations, or other documents creating or governing the Condominium Project, then that law or terms of those documents will govern the use of proceeds. I will promptly give you notice if the master policy is interrupted or terminated. During any time that the master policy is not in effect the terms of clauses (a) and (b) of this subparagraph will not apply.

7.2 If the Property includes a unit in a Condominium Project, it is possible that proceeds will be paid to me instead of being used to repair or to restore the Property. I give you my rights to those proceeds. If the Property includes a unit in a PUD, it is possible that proceeds will be paid to me instead of being used to repair or to restore the common areas or facilities of the PUD. I give you my rights to those proceeds.

7.3 I will fulfill my obligations under any lease that is part of the Property. I will not change or agree to any change in any Lease that is a part of the Property. I will fulfill by obligations in any mortgage on the Property that exists as of the date hereof. I will not change or agree to any change in any such mortgage.

7.4 If the Property is a unit in a Condominium Project or in a PUD, I will fulfill all of my obligations under the declaration, bylaws, regulations, and other documents that create or govern the Condominium Project or PUD. Also, I will not divide the Property into smaller parts that may be owned separately (known as "partition or subdivision"). I will not consent to certain actions unless I have first given you notice and obtained your consent in writing. Those actions are: (a) the abandonment or termination of the Condominium Project or PUD, unless, in the case of a condominium, the abandonment or termination is required by law; (b) any change to the declaration, bylaws, or regulations of the Owners' Association, trust agreement, articles of incorporation, or other documents that create or govern the Condominium Project or PUD, including, for example, a change in the percentage of ownership rights held by unit owners in the Condominium Project or in the common areas or facilities of the PUD; (c) a decision by the Owners' Association to terminate professional management and to begin self-management of the Condominium Project or PUD; and (d) the transfer, release, creation of liens, partition or subdivision of all or part of the common areas and facilities of the PUD. (However, this provision does not apply to the transfer by the Owners' Association of rights to use those common areas and facilities for utilities and other similar or related purposes.)

8. DEFAULT

8.1 If: (a) I do not keep my promises and agreements made in this Mortgage, or (b) someone, including me, begins a legal proceeding that may affect your rights in the Property (such as, for example, a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or regulations), then you may pay for whatever you believe is necessary to protect the value of the Property and your rights in the Property. Your actions under this Section may include, for example, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. You need not give me notice before taking any of these actions.

8.2 You may tell me I am in default if and when any of the following happens: (a) I fail to keep any promise or agreement made in the Mortgage, including the promise to pay when demanded the amounts you are owed under the Obligations or under this Mortgage; (b) someone, including me, begins a legal proceeding that may affect your right in the Property (such as for example, a legal proceeding in bankruptcy, in probate, for condemnation or to enforce laws or regulations); (c) I fail to keep any promise or agreement made in any lease that is part of the Property; (d) I fail to keep any promise or agreement made in any Mortgage affecting the Property; (e) I fail to keep any promise or agreement in the Agreements; or (f) I sell or agree to sell, assign or transfer the Property.

8.3 If: (a) I do not keep my promises and agreements made in this Mortgage, or (b) someone, including me, begins a legal proceeding that may affect your rights in the Property (such as, for example, a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or regulations), then you may do a pay for whatever you believe is necessary to protect the value of the Property and your rights in the Property. Your actions under this Paragraph may include, for example, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. You need not give me notice before taking any of these actions. I will pay to you any amounts that you spend under this Section together with simple interest at the lesser of the rate of ten percent (10%) per annum or the maximum rate permitted by applicable law. This Mortgage will protect you in case I do not keep this promise to pay those amounts with interest. I will pay those amounts to you when you send me a notice requesting that I do so. Interest on each amount will begin on the date that the amount is spent by you.

8.4 If you tell me I am in default, you may require that I pay the amount due under the Agreements immediately. This will be called "**Immediate Payment in Full.**" You may require Immediate Payment in Full without making any demand for payment.

8.5 If you tell me I am in default, you may bring a lawsuit to take away all of my remaining rights in the Property and to have the Property sold. At this sale, you or another person may acquire the Property. This is known as "foreclosure and sale." Mortgagee may foreclose under power of sale in compliance with Chapter 667 of the Hawaii Revised Statutes.

In any lawsuit for foreclosure and sale, you will have the right to collect all costs allowed by law, including reasonable attorneys' fees. You will have the right to foreclose judicially, and by power of sale as provided in Section 667-5, Hawaii Revised Statutes.

8.6 If the money you receive from the sale of the Property is not enough to pay everything that you are owed, you can collect the rest from me.

8.7 In addition to having a foreclosure and sale, you may take any other actions allowed by law.

8.8 As additional protection for Mortgage, I give to you all of my rights to any rental payments from the Property. However, until you require Immediate Payment In Full under Section 8.4 above, or until I abandon the Property, I have the right to collect and keep those rental payments as they become due. I have not given any of my rights to rental payments from the Property to anyone else, and I will not do so without your consent in writing.

8.9 If you require Immediate Payment In Full, or if I abandon the Property, then you, persons authorized by you, or a receiver appointed by a court at your request may: (a) collect the rental payments, including overdue rental payments, directly from the tenants; (b) enter on and take possession of the Property; (c) manage the Property; and (d) sign, cancel and change leases. I agree that if you notify the tenants that you have the right to collect rental payments directly from them under this Section, the tenants may make those rental payments to you without having to ask whether I have failed to keep my promises and agreements under this Mortgage.

8.10 Although you may take action under this Paragraph, you do not have to do so.

8.11 You and others authorized by you may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times.

9. CONDEMNATION

9.1 A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to you my right: (a) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (b) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to you and will be used to reduce the amount owed to you under the Obligations and under this Mortgage. If any of the proceeds remain after the amount that I owe to you has been paid in full, the remaining proceeds will be paid to me.

9.2 If I abandon the Property, or if I do not answer, within 30 days, a notice from you stating that a governmental authority has offered to make a payment or to settle a claim for damages, then you have the authority to collect the proceeds. You may then use the proceeds to repair or restore the Property or to reduce the amount owed to you under the Obligations and under this Mortgage. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered.

9.3 If the Property includes a unit in a PUD, the promises and agreements in this Section will apply to a condemnation, or sale to avoid condemnation, of the PUD's common areas and facilities as well as of the Property.

10. MISCELLANEOUS

10.1 Even if you do not exercise or enforce any of your rights under this Mortgage or under the law, you will still have all of those rights and may exercise and enforce them in the future. Even if you obtain insurance, pay taxes, pay lease rents or pay other claims, charges, or liens against the Property, you will still have the right, under Section below, to demand that I make Immediate Payment In Full of the amount that you are owed under the Obligations and under this Mortgage.

10.2 Each of your rights under this Mortgage is separate. You may exercise and enforce one or more of those rights, as well as any of your other rights under the law, one at a time or all at once.

10.3 If more than one person signs this Mortgage as Mortgagor, each of us is fully obligated to keep all of Mortgagor's promises and obligations contained in the Mortgage.

10.4 Unless the law requires otherwise, any notice that must be given to me under this Mortgage will be given by delivering it or by mailing it addressed to me at the address stated in Section 1. A notice will be delivered or mailed to me at a different address if I give you a notice of my different address. Any notice that must be given to you under this Mortgage will be given by mailing it to your address stated in Section 1. A notice will be mailed to you at a different address if you give me a notice of the different address. A notice required by this Mortgage is given when it is mailed or when it is delivered according to the requirements of this Paragraph.

10.5 The law of the State of Hawaii will govern this Mortgage. If any term of this Mortgage or of the Agreements conflicts with the law, all other terms of this Mortgage and of the Agreements will still remain in effect if they can be given effect without the conflicting terms. This means that any terms of this Mortgage and of the Agreements that conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

10.6 I will be given a copy of this Mortgage. I will be given such copy either when I sign this Mortgage or after this Mortgage has been recorded in the proper official records.

10.7 This Mortgage can be changed only if Mortgagee and I sign a writing agreeing to the change.

10.8 The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original and such counterparts shall together constitute one and the same agreement binding all of the parties hereto notwithstanding all of the parties are not signatory to the original or the same counterparts. For all purposes, including, without limitation, recordation, filing and delivery of this instrument, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

By signing this Mortgage I agree to all of the above.

WITNESS our hands this _____ day of _____, 20_____.

MORTGAGOR(s)

[if Mortgagor is married, husband and wife must sign]

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20 ____ before me
_____ (notary public), personally appeared
_____, the _____ of
_____, who proved to me on the basis of satisfactory
evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he/she executed the same in his/her authorized capacity, and that by
his/her signature on the instrument the person, or the entity upon behalf of which the person
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Hawaii that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (NOTARY SEAL)

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20 ____ before me
_____ (notary public), personally appeared
_____, the _____ of
_____, who proved to me on the basis of satisfactory
evidence to be the person whose name is subscribed to the within instrument and
acknowledged to me that he/she executed the same in his/her authorized capacity, and that by
his/her signature on the instrument the person, or the entity upon behalf of which the person
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Hawaii that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (NOTARY SEAL)

ATTENTION NOTARY: The information requested below is MANDATORY.

THIS CERTIFICATE **MUST** BE ATTACHED TO THE DOCUMENT DESCRIBED
BELOW.

Number of Pages _____ Date of Document _____
Notary Name: _____ Circuit: _____
Title of Document Type: _____

Name:
Notary Public, State of Hawaii
My commission expires: _____