Information & Instructions: Irrevocable Stock Power and Pledge of Shares Of Stock

1. A pledge of shares of stock may be used when the seller transfers stock in connection with the sale and is financing some of the sales price.

2. The security which the seller retains by virtue of the pledge allows the seller to regain control of the corporation (depending on the amount of shares pledged) if the buyer defaults in the payment for the business.

Form: Irrevocable Stock Power and Pledge of Shares Of Stock

EXHIBIT C
IRREVOCABLE STOCK POWER AND PLEDGE OF SHARES OF STOCK

For valued received, the undersigned [Person Pledging Stock] hereby deposits and pledges with [Corporation Officer], an officer of [Client Name] ("Pledgee") the following shares of stock, described as ___________________ shares of stock of [Client Name] ("Corporation"), being stock certificate no. [Certificate Numbers], as collateral security for the payment of a promissory note dated _____________________ in the principal amount of $___________________ made payable to [Who is Instrument Made Payable To ____________________].

It is understood and agreed between the parties of this agreement that:

1. Pledgee may assign or transfer this debt and the stock collateral pledged hereunder.

2. If there should be a stock dividend or further issue of stock in the Corporation to the undersigned, the undersigned will pledge such shares as additional collateral for the debt described above.

3. During the pendency of this pledge agreement, the undersigned shall have full rights to vote the shares described above and be entitled to all dividend income.

4. During the pendency of this agreement, the undersigned shall not issue any proxy or assignment of rights to the pledged shares.

5. The undersigned warrants and represents having good title to the shares being pledged, that they are free from other liens and encumbrances, and that the undersigned has full authority to transfer the shares as collateral security.

6. In the event of default of payment of the debt, or breach of this pledge agreement, the Pledgee or holder may foreclose on these pledged shares and exercise its rights cumulative with any other rights the Pledgee may have against the undersigned.

7. This agreement shall be governed by and construed under the laws of the State of Texas.
8. This agreement is irrevocable and binding upon the undersigned, and the heirs, personal representatives, successors, and assigns of Pledgor until the debt described above has been paid in full.

Signed on ______________________.

________________________
[Person Pledging Stock], Pledgor

State of Texas
County of ____________

This instrument was acknowledged before me on __________ by ________________________.

____________________________________
Signature of officer

____________________________________
Notary's typed or printed name

My commission expires:

____________________
[or Notary's Stamp]