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257/0084 49 001 Page 1 of 10

POWER HOUSE MORTGAGE

2001-04-02 14:33:18

Cook County Recorder

75.50



Variable Rate - WSJ Prime

THIS MORTGAGE dated MARCH 26, 2001, XXX is between

not personally, but as Trustee under a Trust Agreement dated 19, and known as Trust No. (JOSEPH GIO AND JANICE GIO, HUSBAND AND WIFE. ("Mortgagor") and the Lakeside Bank, 141 West Jackson Boulevard, Chicago, Illinois ("Mortgagee").

WITNESSETH:

Mortgagor has executed a Term Note (the Note) dated as of the same date of this Mortgage, payable to the order of the mortgagee, in the principal amount of FIFTY FIVE THOUSAND Dollars (\$ 55,000.00) (the "Principal"), plus interest at the per annum rate equal to [the Variable Rate Index (defined below)]**. Interest on the Note shall begin to accrue on the date of the first disbursement of Principal and shall continue to accrue on the disbursed Principal balance remaining from time to time unpaid. Interest on the Note shall be due and payable monthly. Monthly interest payments shall begin on the twentieth (20th) day of the month following the month of the first disbursement of Principal and shall continue on the twentieth (20th) day of each successive month thereafter until maturity. The total amount of the disbursed and unpaid Principal balance and unpaid interest shall be due and payable on APRIL 20, 2008 (the "Maturity Date"). Interest shall accrue at the rate of four (4%) percent per annum in excess of the Variable Rate Index, after the Maturity Date or upon an Event of Default, whichever of these events occurs earlier, until all Liabilities are paid. "Variable Rate Index" means that interest rate reported as the "Prime Rate" (or the highest rate if more than one rate is reported as the "Prime Rate") in the "Money Rates" column of the Wall Street Journal. If the Wall Street Journal discontinues the report of the "Prime Rate," the Variable Rate Index will become the rate of interest announced by The First National Bank of Chicago, its successors and assigns, as its prime interest rate. The maximum rate of interest on the Note will not exceed 18.0 % per annum and the minimum rate of interest on the Note will not be less than N/A % per annum.

To secure payment of the indebtedness evidenced by the Note and the hereinafter defined Liabilities, including any and all renewals and extensions of the Note, Mortgagor does by these presents CONVEY, MORTGAGE and WARRANT unto Mortgagee and Mortgagee's successors and assigns, all of Mortgagor's estate, right, title and interest in the real-estate situated, lying and being in the County of COOK, and State of Illinois, legally described as follows: SEE ATTACHED EXHIBIT "A"

MAIL/RETURN TO: LAKE SIDE BANK ATTN: DONNA REINKE 1112 S. WABASH AVE, CHICAGO, IL 60605

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The above-described real estate is referred to herein as the "Premises," together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, minerals, easements located in, on, over or under the Premises, and all types and kinds of fixtures, apparatus, machinery and equipment, including without limitation, all of the foregoing used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation (whether single units or centrally controlled) and all screens, window shades, storm doors and windows, floor coverings, awnings, stoves and water heaters, whether now on the Premises or hereafter erected, installed or placed on or in the Premises, or whether or not physically attached to the Premises. The foregoing items are and shall be deemed a part of the Premises and a portion of the security for the Liabilities as between the parties hereto and all persons claiming by, through or under them. Non-purchase money security interests in household goods are excluded from the security interest granted herein. The Permanent Index Number of the Premises is 17-28-426-028

Mortgagor does hereby pledge and assign to Mortgagee, all leases, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for and recover the same when due or payable. Mortgagee by acceptance of this Mortgage agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to anyone other than Mortgagor, that until a Default, as hereinafter defined, shall occur or an event shall occur, which under the terms hereof shall give to Mortgagees the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such avails.

Further, Mortgagor does hereby expressly waive and release all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois.

This Mortgage secures a line of credit, which is available to Mortgagor. Subject to the terms of the Note, Mortgagor may from time to time borrow, repay and reborrow portions of Principal, provided the aggregate outstanding Principal balance of the Note shall not exceed the stated Principal amount of the Note. This Mortgage secures each and every disbursement of Principal or advance made under the Note, this Mortgage or any other loan documents delivered in connection with the Note and this Mortgage ("Loan Documents") or as permitted by law, but not to exceed at any time outstanding the maximum amount of the Liabilities, which are secured by this Mortgage. This Mortgage also secures the obligation of Mortgagee under the Loan Documents to advance funds from time to time as therein provided. The lien of this Mortgage shall remain in full force and effect as security for the obligation of Mortgagee to advance funds from time to time, as provided in the Loan Documents, until this Mortgage is duly released by Mortgagee. Each new advance of the proceeds of this Mortgage shall relate back to the date of recording of this Mortgage. Each advance of the proceeds of this Mortgage shall be entitled to equal parity with respect to the lien of this Mortgage and shall relate back to the date of the recording of this Mortgage irrespective of any payments applied toward this Mortgage, which reduce this Mortgage lien pro tanto or pay off the Liabilities. Each advance by Mortgagee of the proceeds of this Mortgage shall be deemed a re-delivery of this Mortgage by Mortgagor to Mortgagee as

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security for such advance. Each disbursement of the proceeds of this Mortgage shall be made to Mortgagor, or any of them, or a person or party designated by Mortgagor.

Further, Mortgagor covenants and agrees as follows:

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and except for this Mortgage, free from any encumbrances, mechanic's liens or other liens or claims for lien, unless otherwise permitted in advance in writing by Mortgagee; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon the Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) make no material alterations in the Premises, except as required by law or municipal ordinance, unless such alterations have been previously approved in writing by Mortgagee; and (g) refrain from impairing or diminishing the value of the Premises.

2. Mortgagor shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water charges, drainage charges, sewer service charges, and any other taxes, assessments or charges against the Premises. Mortgagor shall, upon written request, furnish to Mortgagee duplicate paid receipts for such taxes, assessments and charges. To prevent Default hereunder Mortgagor shall pay in full prior to such tax, assessment or charge becoming delinquent under protest, in the manner provided by statute, any tax, assessment or charge which Mortgagor may desire to contest.

3. Upon the request of Mortgagee, Mortgagor shall deliver to Mortgagee all original leases of all or any portion of the Premises, together with assignments of such leases from Mortgagor to Mortgagee, which assignments shall be in form and substance satisfactory to Mortgagee; Mortgagor shall not procure, permit or accept any prepayment of any rent nor release any tenant from any obligation, at any time while the indebtedness secured hereby remains unpaid; without Mortgagee's prior written consent.

4. Any awards of damages resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises for public use are hereby transferred, assigned and shall be paid to Mortgagee and the proceeds or any part thereof may be applied by Mortgagee, after the payment of all of Mortgagee's expenses, including costs and attorneys' fees, to the reduction of the indebtedness secured hereby and Mortgagee is hereby authorized, on behalf and in the name of Mortgagor, to execute and deliver valid acquittances and to appeal from any such award.

5. No remedy or right of Mortgagee hereunder shall be exclusive. Each right and remedy of Mortgagee with respect to this Mortgage, the Liabilities or the Premises shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Mortgagee in exercising, or omitting to exercise, any remedy or right accruing on Default shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, nor shall it affect any subsequent Default of the

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same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

6. Mortgagor shall keep the Premises and all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm, vandalism and such other hazards as may from time to time be designated by Mortgagee, including without limitation, flood damage, where Mortgagee is required by law to have the loan evidenced by the Note so insured. Each insurance policy shall be for an amount sufficient to pay in full the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the Principal amount of the Note. All policies shall be issued by companies satisfactory to Mortgagee. Each insurance policy shall be payable, in case of loss or damage, to Mortgagee. Each insurance policy shall contain a lender's loss payable clause or endorsement, in form and substance satisfactory to Mortgagee. Mortgagor shall deliver all insurance policies, including additional and renewal policies, to Mortgagee. In case of insurance about to expire, Mortgagor shall deliver to Mortgagee renewal policies not less than ten days prior to the respective dates of expiration.

7. Upon Default by Mortgagor hereunder, Mortgagee may, but need not, make any payment or perform any act required of Mortgagor hereunder in any form and manner deemed expedient by Mortgagee, and Mortgagee may, but need not, make full or partial payments of principal and/or interest on any encumbrances affecting the Premises and Mortgagee may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the Premises or the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at a per annum rate equivalent to the post maturity rate set forth in the Note. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to Mortgagee on account of any Default hereunder on the part of Mortgagor.

8. If Mortgagee makes any payment authorized by this Mortgage relating to taxes, assessments, charges or encumbrances, Mortgagee may do so according to any bill, statement or estimate received from the appropriate public office without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of any tax, encumbrance, assessment, sale, forfeiture, tax lien or title or claim thereof.

9. Upon Default, and when the Default becomes known to an elected or appointed officer of Mortgagee, at the sole option of Mortgagee, the Note and any other Liabilities shall become immediately due and payable and Mortgagor shall pay all expenses of Mortgagee including attorneys' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Mortgagee's rights in the Premises and other costs incurred in connection with the disposition of the Premises. The term "Default" when used in this Mortgage means any one or more of the events, conditions or acts defined as an Event of Default in the Note. A Default under the Note shall be a

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Default under this Mortgage. Mortgagor can obtain advances of the proceeds of this Mortgage by submitting drafts for payment to Mortgagee. Subject to the terms of the Note, this Mortgage and the Loan Documents, Mortgagee has an obligation to honor any draft secured by this Mortgage, which obligation shall continue in full force and effect until a Default has occurred and is actually known to an elected or appointed officer of Mortgagee. The date and time when an elected or appointed officer of Mortgagee obtains actual knowledge of the Default shall be noted in writing on Mortgagee's records.

NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS MORTGAGE, THE NOTE OR ANY DOCUMENTS WHICH SECURE OR ARE DELIVERED IN CONNECTION WITH THE NOTE, UPON THE OCCURRENCE OF A DEFAULT AND AT ANY TIME AFTER THE OCCURRENCE OF A DEFAULT, MORTGAGEE SHALL REFUSE TO HONOR ANY DRAFTS OR REQUESTS TO OBTAIN DISBURSEMENTS OF PRINCIPAL. IF MORTGAGOR CURES THE DEFAULT WITHIN TWENTY (20) DAYS OF RECEIPT BY AN ELECTED OR APPOINTED OFFICER OF MORTGAGEE OF KNOWLEDGE OF THE OCCURRENCE OF THE DEFAULT, MORTGAGEE SHALL HONOR SUBSEQUENT DRAFTS OR REQUESTS TO OBTAIN DISBURSEMENTS OF PRINCIPAL, PROVIDED: (1) MORTGAGEE HAS RECEIVED AN ENDORSEMENT TO THE TITLE INSURANCE POLICY INSURING THIS MORTGAGE, WHICH INSURES THAT NO LIENS, ENCUMBRANCES OR OTHER ADVERSE MATTERS AFFECTING TITLE TO THE PREMISES HAVE INTERVENED SINCE THE RECORDING OF THIS MORTGAGE, (2) MORTGAGOR COMPLIES WITH ANY REQUIREMENTS, INCLUDING BUT NOT LIMITED TO EXECUTION AND RECORDING OF ADDITIONAL DOCUMENTS, THAT THE TITLE COMPANY SHALL REQUIRE IN ORDER FOR THE TITLE COMPANY TO CONTINUE TO INSURE THE PRIORITY OF THE LIEN OF THIS MORTGAGE WITH RESPECT TO THE PRINCIPAL DISBURSED AND ALL SUBSEQUENT DISBURSEMENTS, AND (3) PRIOR TO MORTGAGEE MAKING ANY SUBSEQUENT DISBURSEMENTS AFTER THE DEFAULT HAS BEEN CURED, MORTGAGOR HAS PAID MORTGAGEE FOR THE COST OF THE ENDORSEMENT TO THE TITLE POLICY, PLUS A \$100.00 REINSTATEMENT FEE AND ALL OTHER COSTS AND EXPENSES, INCLUDING ATTORNEYS' FEES, ASSOCIATED WITH MORTGAGEE'S OBTAINING AND APPROVING THE ENDORSEMENT AND CONTINUATION OF INSURANCE UNDER THE TITLE POLICY.

10. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Mortgagor of an encumbrance of any kind, conveyance, contract to sell, or transfer of the Premises, or any part thereof, or transfer of occupancy or possession of the Premises or any part thereof, or transfer of ownership of any beneficial interest or power of direction in a land trust which holds title to the Premises, shall be made without the prior written consent of Mortgagee.

11. "Liabilities" means all obligations of Mortgagor to Mortgagee for payment of any and all amounts due under the Note and of any indebtedness, or contractual duty of every kind and nature of Mortgagor or any guarantor of the Note to Mortgagee, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, joint or several, now or hereafter existing, including renewals and extensions of the Note and any other indebtedness, due or to become due and howsoever owned, held or acquired, whether through discount, overdraft, purchase, direct loan or as collateral, or otherwise.

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"Liabilities" includes all of the indebtedness or contractual duties of partnerships to Mortgagee created or arising while Mortgagor or any guarantor of the Note may have been or may be a member of those partnerships. The terms "Liabilities" includes a special debt of \$10.00, which represents the initial debt secured by this Mortgage. Except as provided herein, no payments of the Liabilities nor credits from Mortgagee to Mortgagor shall in any way be applied to this special debt of \$10.00. This special debt of \$10.00 shall bear no interest. This special debt of \$10.00 can only be extinguished by execution and delivery by Mortgagee to Mortgagor of a formal release or satisfaction of this Mortgage. Among other things, this special debt of \$10.00 shall keep the lien of this Mortgage effective at all times until such a release is executed and delivered by Mortgagee. In the event that an error (clerical, computer or otherwise) in Mortgagee's records reflects the outstanding balance of this Mortgage to be zero, then such error shall be without legal effect and the aforesaid special debt of \$10.00 shall remain until a formal release or satisfaction of this Mortgage is executed and delivered by Mortgagee. Notwithstanding the foregoing, in no event shall the lien of this Mortgage secure Liabilities outstanding at any time in excess of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00), including the Note and all sums due under this Mortgage.

12. When the indebtedness secured hereby shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness, in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, tax and lien searches and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Mortgagee. All expenditures and expenses mentioned in this paragraph shall become additional indebtedness secured hereby and shall be immediately due and payable, with interest thereon at a rate equivalent to the post maturity interest rate set forth in the Note, when paid or incurred by Mortgagee. This paragraph shall also apply to any expenditures or expenses incurred or paid by Mortgagee or on behalf of Mortgagee in connection with (a) any proceeding, including without limitation, probate or bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness secured hereby; or (b) preparations for the commencement of any suit for the foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced; or (c) preparations for the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

13. The proceeds of any foreclosure sale shall be distributed and applied in the following order of priority; first, on account of all costs and expenses incident to the foreclosure proceedings, including all the items that are mentioned in the preceding paragraph; second, all other items which under the terms of this Mortgage constitute indebtedness secured by this Mortgage additional to that evidenced by the Note or the Liabilities, with interest thereon as herein provided; third, all principal and interest

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remaining unpaid on the Note and the Liabilities; fourth, any surplus to Mortgagor or Mortgagor's heirs, legal representatives, successors or assigns, as their rights may appear.

14. Upon, or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for the receiver and without regard to the then value of the Premises or whether the Premises shall then be occupied as a homestead or not. Mortgagee may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of the foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of the receiver, would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers which may be necessary or are usual for the protection, possession, control, management and operation of the Premises during the statutory redemption period. The court in which the foreclosure suit is filed may from time to time authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of the indebtedness secured hereby, or secured by any judgment foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of the judgment, or the deficiency judgment against Mortgagor or any guarantor of the Note in case of a foreclosure sale and deficiency.

15. No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

16. Mortgagee shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

17. Mortgagee shall release this Mortgage by a proper release upon written request of Mortgagor and upon payment in full of the Note and all Liabilities.

18. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor. The word "Mortgagor" when used herein shall also include all persons liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. Each Mortgagor shall be jointly and severally obligated hereunder. The singular shall include the plural, the plural shall mean the singular and the use of any gender shall be applicable to all genders. The word "Mortgagee" includes the successors and assigns of Mortgagee.

19. Mortgagor has the right to prepay the Note in whole or in part at any time, without penalty or premium.

20. In the event the Mortgagor is a land trustee, then this Mortgage is executed by the undersigned, not personally, but as trustee in the exercise of the power and authority conferred upon and vested in it as the trustee, and insofar as the trustee is concerned, is

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payable only out of the trust estate which in part is securing the payment hereof, and through enforcement of the provisions of the Note and any other collateral or guaranty from time to time securing payment hereof; no personal liability shall be asserted or be enforceable against the undersigned, as trustee, because or in respect of this Mortgage or the making issue or transfer thereof, all such personal liability of the trustee, if any, being expressly waived in any manner.

21. This Mortgage has been made, executed and delivered to Mortgagee in Chicago, Illinois, and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent of such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.

WITNESS the hand _____ and seal _____
of Mortgagee the day and year set forth above.

As Trustee Under A Trust Agreement
Dated _____, 19____ and
known as Trust No. _____
AND NOT PERSONALLY

Joseph S. Gio

JOSEPH S. GIO
Janice Gio

JANICE GIO

By: _____
Its: _____

By: _____
Its: _____

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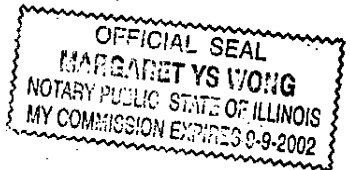
STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

I, Margaret YS Wong, a Notary Public in and for and residing in said County, in the State aforesaid, DO HEREBY CERTIFY THAT Joseph S. Gio + Janice Gio personally known to me to be the same persons S whose names S subscribed to the foregoing instrument, appeared before me this day in person acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 26th day of March,
to 2001.

[Signature]
NOTARY PUBLIC

My Commission Expires: 9-9-2001



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Property of Cook County Clerk's Office

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EXHIBIT 'A'

LOT 26 IN BLOCK 7 IN F.G. SHERMAN AND OTHERS SUBDIVISION OF
BLOCKS 3, 6 AND 7 IN SHERMAN AND OTHERS SUBDIVISION OF THE EAST ½
OF THE WEST ¼ OF THE SOUTHEAST ¼ OF SECTION 28, TOWNSHIP 39
NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 2926 SOUTH WELLS, CHICAGO, ILLINOIS 60616

P.I.N. 17-28-426-028

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