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2001-03-26 09:27:14
Cook County Recorder 35.50

RECORDATION REQUESTED BY:
HERITAGE BANK
Chicago Heights Banking
Center
195 West Joe Orr Road
Chicago Heights, IL 60411



WHEN RECORDED MAIL TO:
HERITAGE BANK
Chicago Heights Banking
Center
195 West Joe Orr Road
Chicago Heights, IL 60411

SEND TAX NOTICES TO:
HERITAGE BANK
Chicago Heights Banking
Center
195 West Joe Orr Road
Chicago Heights, IL 60411

FOR RECORDER'S USE ONLY

This Assignment of Rents prepared by:

HERITAGE BANK
20201 SOUTH LAGRANGE ROAD
FRANKFORT, IL 60423

REI TITLE SERVICES # R905763
2 OF 2

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS dated March 13, 2001, is made and executed between STANLEY PACOCHA, JR., whose address is 3028 GREEN STREET, STEGER, IL 60475 (referred to below as "Grantor") and HERITAGE BANK, whose address is 195 West Joe Orr Road, Chicago Heights, IL 60411 (referred to below as "Lender").

Assignment. For valuable consideration, Grantor hereby assigns, grants a continuing security interest in, and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in COOK County, State of Illinois:

LOTS 1 AND 2 IN BLOCK 2 IN SUNNYSIDE ADDITION TO CHICAGO HEIGHTS, BEING A SUBDIVISION OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 35 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Property or its address is commonly known as 208 WEST 15TH STREET, CHICAGO HEIGHTS, IL 60411. The Property tax identification number is 32-20-309-013 & 014.

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Documents, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to

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APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Illinois and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

LENDER'S RIGHT TO RECEIVE AND COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Assignment.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

Right to Assign. Grantor has the full right, power and authority to enter into this Assignment and to assign and convey the Rents to Lender.

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that:

collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law.

REINSTATEMENT OF SECURITY INTEREST. If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Assignment and this Assignment shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Assignment or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Assignment.

LENDER'S EXPENDITURES. If Grantor fails (A) to keep the Property free of all taxes, liens, security interests, encumbrances, and other claims, (B) to provide any required insurance on the Property, or (C) to make repairs to the Property then Lender may do so. If any action or proceeding is commenced that would materially affect Lender's interests in the Property, then Lender on Grantor's behalf may, but is not required to, take any action that Lender believes to be appropriate to protect Lender's interests. All expenses incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of any default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

DEFAULT. At Lender's option, Grantor will be in default under this Assignment if any of the following happen:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Break Other Promises. Grantor breaks any promise made to Lender or fails to perform promptly at the time and strictly in the manner provided in this Assignment or in any agreement related to this Assignment.

Default on Other Payments. Failure of Grantor within the time required by this Assignment to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

False Statements. Any representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Assignment, the Note, or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

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Election of Remedies. All of Lender's rights and remedies will be cumulative and may be exercised alone or together. An election by Lender to choose any one remedy will not bar Lender from using any other remedy. If Lender decides to spend money or to perform any of Grantor's obligations under this Assignment, after

law.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by

amount. Employment by Lender shall not disqualify a person from serving as a receiver. receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgagee the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a

under this subparagraph either in person, by agent, or through a receiver. payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights tenants or other users to Lender in response to Lender's demand and shall satisfy the obligations for which the payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in for in the Lender's Right to Receive and Collect Rents Section, above. If the Rents are collected by Lender, Lender's costs, against the indebtedness. In furtherance of this right, Lender shall have all the rights provided collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above **Collect Rents.** Lender shall have the right, without notice to Grantor, to take possession of the Property and

required to pay.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be

remedies provided by law:

Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or **RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of any Event of Default and at any time thereafter,

sufficient to produce compliance as soon as reasonably practical. sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more cured (and no event of default will have occurred) if Grantor, after receiving written notice from Lender notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be **Cure Provisions.** If any default, other than a default in payment is curable and if Grantor has not been given a

Insecurity. Lender in good faith believes itself insecure.

satisfactory to Lender, and, in doing so, cure any Event of Default. permit the grantor's estate to assume unconditionally the obligations arising under the guaranty in a manner Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or **Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser,

Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

then this default provision will not apply.

notice of the claim and furnishes Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, claim on which the taking of the Property is based is valid or reasonable, and if Grantor gives Lender written accounts, including deposit accounts, with Lender. However, if Grantor disputes in good faith whether the Grantor's property in which Lender has a lien. This includes taking of, garnishing of or levying on Grantor's **Taking of the Property.** Any creditor or governmental agency tries to take any of the Property or any other of

Grantor's failure to do so, that decision by Lender will not affect Lender's right to declare Grantor in default and to exercise Lender's remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. What is written in this Assignment and in the Related Documents is Grantor's entire agreement with Lender concerning the matters covered by this Assignment. To be effective, any change or amendment to this Assignment must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

Caption Headings. Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Assignment.

Governing Law. ~~This Assignment will be governed by and interpreted in accordance with federal law and the laws of the State of Illinois. This Assignment has been accepted by Lender in the State of Illinois.~~

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Cook County, State of Illinois.

Merger. There shall be no merger of the interest or estate created by this assignment with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Amendments and Interpretation. (1) What is written in this Assignment is my entire agreement with Lender concerning the Property. This Assignment may not be changed except by another written agreement between us. (2) If more than one person signs below, our obligations are joint and several. This means that the words "I," "me," and "my" mean each and every person or entity signing this Assignment, and that, if Lender brings a lawsuit, Lender may sue any one or more of us. I also understand Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the provisions of this Assignment. (4) I agree that this Assignment is the best evidence of my agreements with Lender.

No Waiver by Lender. Grantor understands Lender will not give up any of Lender's rights under this Assignment unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Grantor will not have to comply with the other provisions of this Assignment. Grantor also understands that if Lender does consent to a request, that does not mean that Grantor will not have to get Lender's consent again if the situation happens again. Grantor further understands that just because Lender consents to one or more of Grantor's requests, that does not mean Lender will be required to consent to any of Grantor's future requests. Grantor waives presentment, demand for payment, protest, and notice of dishonor.

Notices. Any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when

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Note. The word "Note" means the promissory note dated March 13, 2001, in the original principal amount of \$55,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index currently is 4.470% per annum. Payments on the Note are to be made in accordance with the following payment schedule: 12 monthly consecutive payments in the

Lender. The word "Lender" means HERITAGE BANK, its successors and assigns. The words "successors or assigns" mean any person or company that acquires any interest in the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Grantor. The word "Grantor" means STANLEY PACOCHA, JR..

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Assignment in the default section of this Assignment.

Borrower. The word "Borrower" means STANLEY PACOCHA, JR..

Assignment. The word "Assignment" means this Assignment of Rents, as this Assignment of Rents may be amended or modified from time to time, together with all exhibits and schedules attached to this Assignment of Rents from time to time.

DEFINITIONS. The following words shall have the following meanings when used in this Assignment:

WAIVER OF HOMESTEAD EXEMPTION. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Assignment.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Severability. If a court finds that any provision of this Assignment is not valid or should not be enforced, that fact by itself will not mean that the rest of this Assignment will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Assignment even if a provision of this Assignment may be found to be invalid or unenforceable.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security and may not be revoked by Grantor until such time as the same are renounced by Lender.

deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Assignment. Any person may change his or her address for notices under this Assignment by giving formal written notice to the other person or persons, specifying that the purpose of the notice is to change the person's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors. It will be Grantor's responsibility to tell the others of the notice from Lender.

ASSIGNMENT OF RENTS
(Continued)

Loan No: 22-2903144

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initial amount of \$444.47 each, beginning May 1, 2001, with interest calculated on the unpaid principal balances at an interest rate of 9.000% per annum; 347 monthly consecutive payments in the initial amount of \$367.65 each, beginning May 1, 2002, with interest calculated on the unpaid principal balances at an interest rate based on the One Year ARM rate (currently 4.470%), plus a margin of 2.500 percentage points, resulting in an initial interest rate of 6.970%; and one payment of \$368.94 on April 1, 2031, with interest calculated on the unpaid principal balances at an interest rate based on the One Year ARM rate (currently 4.470%), plus a margin of 2.500 percentage points, resulting in an initial interest rate of 6.970%. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the Index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Assignment. If the index increases, the payments tied to the index, and therefore the total amount secured hereunder, will increase. Any variable interest rate tied to the index shall be calculated as of, and shall begin on, the commencement date indicated for the applicable payment stream. Notwithstanding the foregoing, the variable interest rate or rates provided for in this Assignment shall be subject to the following maximum rate. **NOTICE:** Under no circumstances shall the interest rate on this Assignment be more than (except for any higher default rate shown below) the lesser of 10.470% per annum or the maximum rate allowed by applicable law. Payments on the Note are to be made in accordance with the following payment schedule: 12 monthly consecutive payments in the initial amount of \$444.47 each, beginning May 1, 2001, with interest calculated on the unpaid principal balances at an interest rate of 9.000% per annum; 347 monthly consecutive payments in the initial amount of \$367.65 each, beginning May 1, 2002, with interest calculated on the unpaid principal balances at an interest rate based on the One Year ARM rate (currently 4.470%), plus a margin of 2.500 percentage points, resulting in an initial interest rate of 6.970%; and one payment of \$368.94 on April 1, 2031, with interest calculated on the unpaid principal balances at an interest rate based on the One Year ARM rate (currently 4.470%), plus a margin of 2.500 percentage points, resulting in an initial interest rate of 6.970%. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the Index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Assignment.

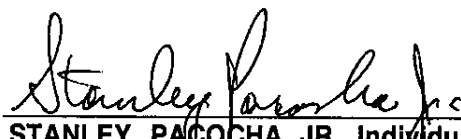
Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future lease, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.

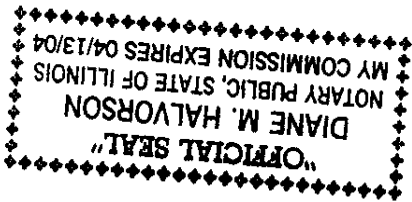
THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT. THIS DOCUMENT IS EXECUTED ON MARCH 13, 2001.

GRANTOR:

x 
 STANLEY PACOCHA, JR., Individually

Property of Cook County Clerk's Office

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My commission expires 4/13/04

Notary Public in and for the State of Illinois

By Diane M. Halvorson Residing at Bradley, IL

Given under my hand and official seal this 14th day of March, 20 01
On this day before me, the undersigned Notary Public, personally appeared **STANLEY PACOCHA, JR.**, to me known to be the individual described in and who executed the Assignment of Rents, and acknowledged that he or she signed the Assignment as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

COUNTY OF Kankakee

STATE OF Illinois

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) SS
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INDIVIDUAL ACKNOWLEDGMENT