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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on MARCH 30, 1990. The mortgagor is HENRY KOWALSKI, A BACHELOR ("Borrower"). This Security Instrument is given to First Deposit National Bank, a national association, which is organized and existing under the laws of the United States of America, and whose address is 219 Main Street, Tilton, New Hampshire 03276 ("Lender"). Borrower owes Lender the principal sum of FORTY THOUSAND AND NO/100

Dollars (U.S. \$ 40,000.00). This debt is evidenced by Borrower's Select Equity Account Agreement dated the same date as this Security Instrument ("Agreement"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on MARCH 30, 2005. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Agreement, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Agreement. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in COOK County, Illinois, which has the address of 2843 N. WASHTEAW AVE., CHICAGO.

[street] [city] Illinois 60618 ("Property Address"); and is more particularly [zip code] described on Exhibit "A" attached hereto and by reference incorporated herein;

INITIALS
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TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Agreement and any prepayment and late charges due

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under the Agreement.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Agreement, until the Agreement is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items". Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Agreement; second, to prepayment charges due under the Agreement; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which

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Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Agreement rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of

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the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.

The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Agreement: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without that Borrower's consent.

12. Loan Charges. If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Agreement.

13. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provision of the Agreement or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice of Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. Governing Law; Severability. This Security Instrument shall be

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governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.

16. Borrower's Copy. Borrower shall be given one conformed copy of the Agreement and of this Security Instrument.

17. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Agreement had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorney's fees and costs of title evidence.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent

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or judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Security Instrument.

21. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

22. Waiver of Homestead. Borrower waives all right of homestead exemption in the Property.

23. Riders of this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)]

INITIALS
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Select Equity Account Rider
 Other(s) [specify]

Condominium Rider
 Planned Unit Development Rider

2-4 Family Rider

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Henry Kowalski (Seal)
HENRY KOWALSKI Borrower

____ (Seal)
Borrower

----- [Space Below This Line For Acknowledgment] -----

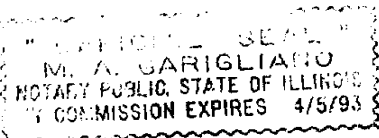
State of Illinois Cook County SS:

I, M. A. Garigliano, a Notary Public in and for said county and state, do hereby certify that Henry Kowalski, a bachelor personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his free voluntary act, for the uses and purposes therein set forth.

Given my hand and official seal, this 11th day of April, 1990.

My commission expires:

M. A. Garigliano
Notary Public



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The land referred to in this Commitment is described as follows:
LOT 18 IN BLOCK 6 IN MICHEAL BAUERLE'S ADDITION TO MAPLEWOOD, A
SUBDIVISION OF PART OF LOTS 4 AND 6 IN RICHON AND BAUERMEISTER
SUBDIVISION OF THE WEST 1/2 OF THE NORTH EAST 1/4 OF SECTION 25,
TOWNSHIP 48 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN
COOK COUNTY, ILLINOIS.

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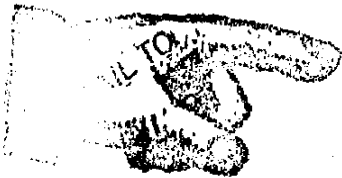


DEPT-01 RECORDING \$22.50
TR#2222 TRAN 3468 04/20/90 16:01:00
#8617 # *-90-181562
COOK COUNTY RECORDER

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TRW REAL ESTATE
LOAN SERVICES
SUITE #1015
100 N. LaSALLE
CHICAGO, IL 60602

EXHIBIT "A"



1st Deposit Nat. Bank
88 Kearny, 9th Floor
San Francisco, CA
94108

22 MAIL

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CHICAGO, IL 60602
TOM M. LASALLE
SOLE AGENT
LOAN SERVICES
TRM REAL ESTATE

888.444.1100

FIRST DEPOSIT NATIONAL BANK
RIDER TO MORTGAGE
SELECT EQUITY ACCOUNT

Loan Number _____

Date MARCH 30, 1990

FOR VALUE RECEIVED, the undersigned ("Borrower(s)") agree that the following provisions shall be incorporated into the Mortgage of even date to which this Rider is attached, including any other riders which might amend said Mortgage (hereinafter collectively the "Security Instrument").

So long as this Rider shall remain in effect, to the extent that its provisions are inconsistent with the provisions of the Security Instrument or the Select Equity Account Agreement (the "Agreement"), the provisions of this Rider shall prevail and shall supercede such inconsistent provisions. While the Agreement or any part of the indebtedness evidenced by the Agreement is held by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, or their successors, the provisions of this Rider shall be of no force or effect during the period of time that the Agreement, or any part of the indebtedness evidenced by the Agreement, is so held.

1. **EFFECTIVENESS OF PROVISIONS.** Except as otherwise provided in this Rider, all of the provisions of the Agreement and the Security Instrument shall remain in force and effect.
2. **OPEN-END CREDIT.** The Agreement provides that for the first 10 years after the date of the Agreement, the credit secured by the Property, as defined in the Security Instrument, is an open-end revolving line of credit. The maximum amount of all advances under the Agreement may not exceed the sum of FORTY THOUSAND AND NO/100 dollars (\$40,000.00) and interest thereon (the "Credit Limit"). At any particular time, the outstanding obligation of Borrower to Lender under the Agreement may be any sum equal to or less than the Credit Limit. Borrower's obligations under the Agreement, Security Instrument, and Rider shall not be released, even if all indebtedness under the Agreement is paid, unless and until Lender reconveys the Property to Borrower and such reconveyance is properly recorded.
3. **CONVERSION OF ACCOUNT.** At the end of 10 years from the date of the Security Instrument, any amounts owed and outstanding under the Agreement will convert to a adjustable rate, adjustable payment non-revolving five year term loan, as provided in the Agreement, with a maturity date of MARCH 30, 2005. All outstanding interest is due and payable no later than the conversion date. The Property will continue to secure payment of all sums owed under the terms of the Agreement.
4. **INBOUND ACCOUNTS.** So long as Borrower pays prior to delinquency all yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus all premiums for hazard insurance and mortgage insurance, if any, Lender waives the requirements of Covenant 2 of this Security Instrument. Said waiver is revoked if such payments are not timely made.
5. **NOTICE TO BORROWER.** Any notice to Borrower provided for in the Agreement, Security Instrument, or this Rider shall be deemed given when it is deposited in the United States mail, postage prepaid, addressed to Borrower at the address of Borrower as it appears in Lender's records pertaining to the loan evidenced by the Agreement at the time the notice is given.
6. **RELEASE.** The Mortgagee named in the Security Instrument, or any successor Mortgagee thereunder, may charge a reasonable release fee for each full or partial release of the Mortgage Instrument if permitted under applicable law at the time of any release.
7. **FEE FOR SERVICES.** Lender or Mortgagee may charge Borrower a reasonable fee for any services rendered to Borrower or on Borrower's behalf pursuant to the Security Instrument or the Agreement. Any such charge shall be secured by the Security Instrument, and Borrower agrees to pay the same upon demand, together with interest thereon from the date of such charges at the rate payable from time to time on outstanding principal under the Agreement.
8. **DEFAULT; ACCELERATION.** Covenant 19 of the Mortgage is deleted in its entirety and the following provision is substituted in lieu thereof:
 19. **DEFAULT; SUSPENSION OF CREDIT PRIVILEGES; ACCELERATION**
You understand and agree that if you take certain action(s), or fail to take certain action(s), in violation of this Mortgage, you will be in default under this Mortgage

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and the Agreement. If you are in default, we may either (1) refuse to make additional extensions of credit, reduce your Credit Limit, or both, or (2) terminate your Select Equity Account ("Account"), require you to pay us the entire outstanding balance in one payment, and charge you certain fees. Which of these course of action(s) we take will depend on the nature of your default.

We may refuse to make additional extensions of credit, reduce your Credit Limit, or both, if:

- The value of the Property declines significantly below its appraised value.
- We reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances.
- You are in default of a material obligation in the Mortgage, the Rider or the Agreement.
- Government action prevents us from imposing the annual percentage rate provided for or impairs our security interest such that the value of the interest is less than 120% of your credit limit.
- A regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice.
- The maximum annual percentage rate is reached.
- You breach any obligation of Section 20 of the Agreement.

We may terminate your Account, require you to pay us the entire outstanding balance in one payment, and charge you certain fees if:

- You fail to make any payment when due.
- You make any false or misleading statements on any application or financial statement provided to us in connection with your Select Equity Account.
- You die.
- Any action or inaction on your part impairs our security interest in the Property.
- Any change occurs in any laws, regulations or interpretations that would impair our security interest in the Property.
- The Property becomes subject to any other lien that adversely affects our security interest in the Property.
- Any action occurs that permits us, under this Mortgage, to, at our option, declare immediately due and payable all sums secured by this Mortgage if all or any part of the Property is sold or transferred by you without our written consent (the "Due-on-Sale Clause").
- You fail to maintain at all times proper insurance on the Property against fire, flood (if required), and other casualties in an amount and by an insurance company acceptable to us and naming First Deposit National Bank as loss payee.

We may, after employing the appropriate legal procedures required by law, sell the Property in accordance with the laws of the jurisdiction in which the Property is located. We will apply sale proceeds: first, to all reasonable costs; then to sums secured by the Agreement; and then to the persons legally entitled to it. "Costs" include attorneys' fees (including fees for attorneys employed by us or our agents); Mortgagee's fees, expenses of attempted collection, protecting the Property, providing insurable title to a purchaser, and other expenses we incur to enforce the Mortgage or the Agreement. If we have not acted under this section, we may be required to advance funds to cover your transactions even if you are in default.

9. **BORROWER'S RIGHT TO REINSTATE.** Covenant 18 of the Mortgage is deleted in its entirety and the following provision is substituted in lieu thereof:

18. BORROWER'S RIGHT TO REINSTATE

Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued within three (3) months following the filing of a notice of default if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, and the Agreement which it secures including all advances, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in Paragraph 19 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the

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obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

10. **INJURY TO PROPERTY.** All causes of action of Borrower, whether accrued before or after the date of the Security Instrument, for damage or injury to the Property described in the Security Instrument or any part hereof, or in connection with the transaction financed in whole or in part by the funds loaned to Borrower by Lender, or in connection with or affecting the Property or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of material fact are, at Lender's option, assigned to Lender, and the proceeds thereof shall be paid to Lender who, after deducting therefrom all its expenses, including reasonable attorneys' fees, may apply such proceeds to the sums secured by the Security Instrument or to any deficiency under the Security Instrument or may release any moneys so received by it or any part thereof, as Lender may elect. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement thereof. Borrower agrees to execute such further assignments and other instruments as from time to time may be necessary to effectuate the foregoing provisions and as Lender shall request.

11. **GOVERNING LAW; SEVERABILITY.** Covenant 15 of the Security Instrument is deleted in its entirety and the following is substituted in lieu thereof:

15. **GOVERNING LAW, SEVERABILITY.**

Subject to principles governing choice of law, the Agreement is made pursuant to and shall be construed and governed by the laws of the United States and the laws of the State of New Hampshire and the Mortgage is made pursuant to, and shall be construed and governed by the laws of the United States and the in rem rights, remedies and procedures of the State of Illinois and by the rules and regulations promulgated thereunder. If any paragraph, clause or provision of this Mortgage or the Agreement or any other obligations secured by this Mortgage is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of this Mortgage or the Agreement or other obligations secured by this Mortgage.

12. **SUBSTITUTION OF MORTGAGEE.** Lender may, from time to time, by instrument in writing, substitute a successor or successors to any Mortgagee named in the Security Instrument or acting thereunder, which instrument executed and acknowledged by Lender and recorded in the office of the recorder of the county or counties where the Property secured by the Security Instrument is situated shall be conclusive proof of the proper substitution of such successor Mortgagee or Mortgagees, who shall, without conveyance from the predecessor Mortgagee, succeed to all its title, estate, rights, powers and duties. The procedure herein provided for substitution of Mortgagees shall not be exclusive of other provisions for substitutions permitted by law.

13. **OFFSETS.** No indebtedness secured by the Security Instrument shall be deemed to have been offset or to be offset or compensated by all or part of any claim, cause of action, or counterclaim, whether liquidated or unliquidated, which Borrower now or hereafter may have or may claim to have against Lender.

14. **ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Covenant 20 of the Security Instrument is deleted in its entirety and the following provision is substituted in lieu thereof:

20. **GRANT OF LIEN ON RENTS IN POSSESSION.** As additional security hereunder, Borrower hereby grants a lien to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 19 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 19 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, any premium on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

Lender and the receiver shall be liable to account only for those rents actually received.

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IN WITNESS WHEREOF, Borrower has executed this Rider on this 11 day of April, 19 90.

Henry Kowalski
HENRY KOWALSKI Borrower

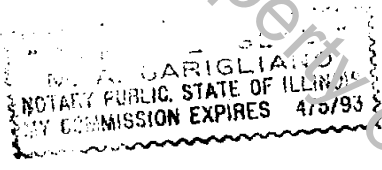
State of Illinois COOK County SS:

I, M. A. GARIGLIANO, a Notary Public in and for said county and state, do hereby certify that HENRY KOWALSKI, A BACHELOR personally known to me to be the same person(s) whose name(s) IS subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as HIS free voluntary act, for the uses and purposes therein set forth.

Given my hand and official seal, this 11th day of April, 1990.

My Commission expires:

M. A. Garigliano
Notary Public



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