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SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement"), dated as of January 5, 1990, is entered into by and between Swift Eckrich, Inc. ("Swift"), and the E.W. Kneip Company ("Kneip").

WITNESSETH:

WHEREAS, Kneip and Swift have agreed to resolve certain disputes which have arisen between them;

WHEREAS, Swift has heretofore agreed to subordinate any and all indebtedness owed by Kneip to Swift to a certain Loan not exceeding Four Million Two Hundred Fifty Thousand (\$4,250,000.00) Dollars, less principal payments made from time to time on the Term Note, made by Marine Bank Chicago to Kneip as provided for in a certain "Intercreditor and Subordination Agreement" dated February 29, 1988;

WHEREAS, the parties hereto have agreed that Kneip needs to obtain additional loans to successfully operate its business and have agreed that Swift will subordinate any and all indebtedness owed by Kneip to Swift to additional financing to be obtained by Kneip up to an additional One Million Five Hundred Thousand (\$1,500,000.00) Dollars;

WHEREAS, pursuant to new Loan Agreements, Kneip will enter into certain Loan Documents assigning and granting first security interests (subject to the liens of Marine Bank Chicago) and liens to the New Lender which will include without limitation, a Security Agreement covering Collateral, a Mortgage and Assignment of Rents covering the Premises and any Rents or Leases with respect thereto, a Collateral Assignment of Intellectual Property covering the Intellectual Property, a Collateral Assignment of Key Man Life Insurance Policy covering the Policies and a Collateral Assignment of Swift-Eckrich Custom Packer Agreement covering the Custom Packer Agreement [all of the collateral and other property which will secure the new Loans pursuant to the foregoing Loan Documents from the Borrower is the same property covered by the Marine Bank Chicago liens and the Swift liens and security interests (being the property originally acquired from Swift) hereinafter collectively referred to as the "New Lender Security"];

WHEREAS, Swift previously sold certain assets of its E.W. Kneip Division to Kneip pursuant to the terms of an Asset Purchase and Sale Agreement dated February 29, 1988 between Kneip and Swift (the "Purchase Agreement") and, in connection therewith, Kneip incurred certain indebtedness to Seller in the principal amount of \$1,500,000 and executed a promissory note on February 29, 1988 in such principal

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amount to evidence such indebtedness (the "Seller Note");

WHEREAS, pursuant to the Purchase Agreement, Kneip and Swift previously entered into a Security Agreement and Mortgage (collectively, the "Seller Security Documents"), and Kneip assigned and granted second security interests and second liens thereunder in certain of the assets to secure the Seller Note and any indebtedness of Kneip under the aforesaid Custom Packer Agreement, and New Lender and Kneip and Swift desire to subordinate up to an additional \$1,500,000 the Swift Security Documents and any liens and security interests of Swift in the real and personal property to the new Loan Documents and the new lender's liens and security interests in the said property and to set forth respective rights and understandings with respect thereto;

WHEREAS, by virtue of the Loans to be made to Kneip to be used for business purposes of Kneip, Swift will benefit from the Loans made by the New Lender to Kneip in accordance with the new Loan Agreements.

NOW, THEREFORE, in consideration of the foregoing premises, Swift hereby covenants and agrees with Kneip as follows:

1. Definitions of Swift and New Debt and Event of Default. "New Debt" shall hereinafter mean all indebtedness and obligations of Kneip to the New Lender (including, but not limited to, all indebtedness and obligations of Kneip to the New Lender arising under the new Loan Agreement, the new Notes, the new Mortgage, and new Loan Documents) the principal amount of which shall not exceed One Million Five Hundred Thousand Dollars (\$1,500,000.00) less principal payments made from time to time. The term "New Debt", as used herein, shall include, up to \$100,000 of all costs and expenses of enforcement or collection related to the New Debt. All indebtedness of Kneip to Swift under the Swift Note or otherwise now or hereafter existing is hereinafter called "Swift Debt".

2. Subordination. Swift hereby agrees not to contest the validity, attachment, perfection, priority or enforceability of New Lender's liens or security interests in the new lender security. Notwithstanding (1) the existence, time or order of any attachment or perfection of any security interest or lien of the New Lender and Swift hereto or of the filing or

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recording of any financing statement, mortgage, or collateral assignment therefor, (ii) any other priority provided by law, agreement or possession, (iii) any assignment for the benefit of creditors or any dissolution receivership, winding up, insolvency, bankruptcy, liquidation, readjustment, reorganization or other similar proceedings (collectively "Proceedings") instituted by or against Kneip or any of its properties, the priorities of Swift and the new lender hereto as to the New Lender Security shall be that the New Lender shall, at all times, be deemed to have a first priority and perfected security interest, lien or mortgage and any security interest, lien or mortgage therein of Swift shall be second, junior and subordinate thereto. The payment of Swift Debt from the Bank Security shall be subordinated and junior to the payment in full of the \$1,500,000 of New Debt, and no payments or other distributions from the New Lender Security in respect of the Swift Debt shall be made; provided, however, that notwithstanding anything contained herein to the contrary, on and after February 29, 1994, Swift shall be entitled to receive cash payments from the Borrower on the Swift debt. In the event that Swift receives any payments or distribution on the Swift Debt from the New Lender Security (other than as permitted above), such payments or distributions shall be received in trust for the new Lender and promptly turned over by Swift to the New Lender as set forth below.

3. Application of Payments. All proceeds, payments and distributions received by New Lender in respect of the New Lender Security (whether from Swift or otherwise) may be applied by the New Lender first to the payment of any and all expenses (including attorneys' fees and legal expenses) paid or incurred by the New Lender in enforcing the loan Documents or in endeavoring to collect or realize upon any of the New Lender Security and any balance thereof, shall be applied by the New Lender Security in such order of application as the New Lender Security may from time to time select, toward the payment of New Debt remaining unpaid.

4. Waiver. Swift hereby waives: (a) notice of the existence, creation, or amendment of all or any of the New Debt; (b) all diligence in collection or protection of or realization upon the New Debt or any security therefor; (c) all rights to require New Lender to marshal assets or other security for the Obligations prior to foreclosing or realizing on the New Lender security; (d) all rights, if any, to require New Lender to share with Swift any proceeds of New Lender Security up to the amount of the New Debt; and (e) any liability of or rights against New Lender for any loss (other than loss from New Lender's gross negligence or willful misconduct) arising out of New Lender's care, custody or disposition of any New Lender Security. New Lender shall notify Swift within 15 days of the date of any uncured default on the New Debt. New Lender shall give Swift 15 days prior notice of the sale of any assets and shall dispose of any assets in a commercially reasonable manner.

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5. Continuing Agreement. This Agreement shall in all respects be a continuing agreement and all of the respective agreements and obligations of Swift under this Agreement shall remain in full force and effect until the earlier of the date on which (i) all Marine and New Lender Debt (including any extensions or renewals thereof, subject to paragraphs 1 and 2 above, and all related interest and expenses) shall have been paid in full and Marine and New Lender shall no longer have any commitment to make any of the Loans under the Loan Agreement or (ii) the payment of the Swift Debt in full, at which time this Agreement shall terminate.

6. Rights of New Lender and Swift. Nothing in this Agreement shall prohibit Swift's right to sue to collect the Swift Debt when due or to foreclose or realize on the Swift Security documents or any collateral or other security thereunder when the Swift Debt is due. The New Lender may, from time to time, whether before or after any discontinuance of this Agreement, at its sole discretion and without notice to Swift, take any or all of the following actions: (a) retain or obtain a security interest or lien in any property of Kneip or any other property or assets to secure any of the New Debt, (b) retain or obtain the primary or secondary obligation of any other obligor or obligors with respect to any of the New Debt, (c) extend or renew for one or more periods (whether or not longer than the original period), alter, amend or exchange any of the New Debt, or release or compromise any obligation of any nature of any obligor with respect to any of the New Debt, and (d) release its security interest in, or surrender, property securing any of the New Debt, or extend or renew for one or more periods (whether longer than the original period) or release, compromise, alter, amend or exchange any obligations relating to the New Debt of any nature of any obligor with respect to any such property; provided, however, that notwithstanding the foregoing, with respect to any New Security also securing the Swift debt under the Swift Security Documents, the New Lender's security interest or lien shall not secure more than the New Debt. The New Lender shall not be prejudiced in its rights under this Agreement by any act or failure to act of Kneip or Swift or any non-compliance of Kneip or Swift with any agreement or obligation, regardless of any knowledge thereof which the New Lender may have or with which the New Lender may be charged; and no action of the New Lender permitted hereunder shall in any way affect or impair the rights of the New Lender and the Obligations of Swift under the Agreement. No delay on the part of the New Lender in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the New Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy; nor shall any modification or waiver of any of the provisions

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of the Agreement be binding upon the New Lender except as expressly set forth in a writing duly signed and delivered on behalf of the New Lender. For the purposes of this Agreement, New Lender shall include all indebtedness and Obligations of Kneip to the New Lender under the Loan Agreement and the Notes, up to the maximum principal amount specified above, notwithstanding any right or power of Kneip or anyone else to assert any claim or defense as to the invalidity or unenforceability of any such obligation, and no such claim or defense shall affect or impair the agreements and obligations of New Lender hereunder. This agreement shall be in full force and effect for loans made by the New Lender, its successors, assignees or any lender making any loan in replacement of the New Debt referred to herein, but in no event shall Swift be subordinated to more than the Marine Debt in the original agreement and the One Million Five Hundred Thousand (\$1,500,000.00) referred to herein.

7. Assignment by Bank. The New Lender may, from time to time, whether before or after any discontinuance of this Agreement, without notice to Swift, assign or transfer any or all of the New Debt or any interest therein; and, notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, such New Debt shall be and remain New Debt for the purposes of the Agreement, and every immediate and successive assignee or transferee of the New Lender; provided, however, that, unless the New Lender shall otherwise consent in writing, the New Lender shall have an unimpaired right, prior and superior to that of any such assignee or transferee, to enforce this Agreement, for the benefit of the New Lender, as to the New Debt which the New Lender has not assigned or transferred.

8. No Assignment Swift warrants that it has not transferred, assigned pledged or otherwise encumbered its title to the \$1,500,000.00 mortgage, note, and other security agreement given by Kneip to Swift in conjunction with the original purchase. Swift will hold Kneip harmless from any claims, judgments, costs or fees incurred as a result of any other party claiming any right, title or interest in said mortgage, note and security documents claimed to be prior to the New Lender.

9. Execution of Documents Swift will execute any and all such documents as may be commercially reasonable to evidence the subordination of its liens to the New Debt referred to herein. A copy of this agreement shall be sufficient, however, to evidence said subordination between the parties hereto and the New Lender without such further documentation. A description of the real estate to which the various security agreements and mortgages refer to is attached as exhibit "A".

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10. Successors. This Agreement shall be binding upon Swift and upon the heirs, legal representatives, successors and assigns thereof and shall inure to the benefit of the Bank. All references herein to Kneip or Swift, respectively, shall be deemed to include any successor or successors, whether immediate or remote, thereto.

11. Governing Law and Severability. This Agreement shall be construed in accordance with and governed by the Laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable laws, but if any provision of this Agreement shall be prohibited by or invalid under such laws, such invalidity, without invalidating the remainder of such provision or the remaining provisions of the agreement.

12. Authorization. The undersigned hereby represent and warrant that all actions and consents necessary to authorize the execution and delivery of this Agreement by the respective officers signing on their behalf have been taken or received and, upon execution, this Agreement shall be the valid and binding obligation of the parties hereto, enforceable in accordance with its terms.

13. Notwithstanding anything to the contrary, the New Debt shall not exceed \$1,500,000. Any expenses, attorney's fees and costs actually incurred by the New Lender to which Swift shall be subordinate shall not exceed a maximum of \$100,000.00. Nothing in this Agreement will require Swift to be subordinated to more than the Marine Debt as set forth in the original February 29, 1988 Intercreditor and Subordination Agreement, \$1,500,000 of New Debt herein and a maximum of \$100,000 in New Lender's attorney's fees, expenses and costs relating to collection of the New Debt.

IN WITNESS WHEREOF, Swift and Kneip have caused this Agreement to be executed as of the date first above written.

ATTEST:

E.W. KNEIP COMPANY

By: Mark Reich

Mark Reich
Secretary

By: Kenneth R. Spence

Kenneth Spence
President

ATTEST:

SWIFT ECKRICH INC

By: Dennis C. Gott

Dennis C. Gott
SECRETARY

By: Elliott Sharpe

Elliott Sharpe
VICE PRESIDENT FINANCE

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STATE OF ILLINOIS)
)SS.
COUNTY OF DU PAGE)

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Kenneth Spence as President, and Mark Reich, as Secretary, appeared before me this day in person and acknowledged that as such officers of E.W. Kneip Company, a corporation, such officers signed and delivered the foregoing instrument pursuant to the authority given by the board of directors of the corporation as such officers free and voluntary act and as the free and voluntary act and deed on behalf of the corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 16th day of January 1990.

Stephanie G. Niehoff
Notary Public

" OFFICIAL SEAL "
STEPHANIE G. NIEHOFF
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 10/12/92

THIS INSTRUMENT PREPARED BY: Thompson & Thompson
P.O. Box 966
Libertyville, IL 60048

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EXHIBIT A (Legal Description)

The real and personal property located the premises commonly known as 550 West 14th Place, Chicago, Cook County, Illinois 60607 and legally describe as follows:

LOT "A" OF E. MEYER AND COMPANY, INCORPORATED CONSOLIDATION OF CERTAIN LOTS, VACATED ALLEYS AND VACATED STREET IN BLOCK 59 IN CANAL TRUSTEES NEW SUBDIVISION OF BLOCKS IN THE NORTH WEST 1/4 OF SECTION 21, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT BLOCKS 57 AND 58) ACCORDING TO THE PLAT RECORDED AS DOCUMENT 19520016, IN COOK COUNTY, ILLINOIS.

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