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THIS DOCUMENT WAS PREPARED BY,
AND UPON RECORDATION SHOULD BE RETURNED TO:
THOMAS S. EISNER
930 WEST 175TH STREET
HOMewood, IL 60430

DEPT-01 RECORDINGS \$75.00
T81111 TRAN 2529 12/31/91 11:18:00
#159 : A * - 91 - 693635
COOK COUNTY RECORDER

LOAN MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT is made this 31 day of December, 1991, by and among JAGDISH PATEL, VIJAY PATEL, GHANSHYAM PATEL and PRAVIN PATEL (collectively, "Borrowers"); PATEL AUTO SERVICES, INC., an Illinois corporation; V & J AUTO SERVICES, INC., an Illinois corporation; and PATEL BROTHERS AUTO SERVICES, INC., an Indiana corporation (collectively, "Guarantors"); and, SOUTH SHORE BANK OF CHICAGO ("Lender"),

91693635

WITNESSETH:

WHEREAS, Borrowers, July 30, 1991, borrowed the sum of Three Hundred Sixty Thousand Dollars (\$360,000.00) from Lender pursuant to a Collateral Promissory Note (the "Note"), a copy of which is attached hereto as Exhibit "A", the proceeds of which were used for the acquisition and renovation of those premises commonly known as 7600 South Stony Island Avenue, Chicago, Illinois (the "Premises"), and legally described on Exhibit "B" attached hereto; and,

WHEREAS, the costs of acquisition and renovation of the Premises will exceed Borrowers' anticipated costs therefor; and,

WHEREAS, Borrowers desire to borrow from Lender the additional principal sum of Seventy-Five Thousand Dollars (\$75,000.00) and Lender is willing to lend such sum to Borrowers, pursuant to the terms and provisions contained herein; and,

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WHEREAS, the Note and all obligations of Borrowers contained therein are presently secured and collateralized by the following:

a.) security agreements in inventory and accounts receivable dated July 30, 1991, executed by Guarantors in favor of Lender;

b.) security agreements in machinery, equipment, furniture and fixtures dated July 30, 1991, executed by Guarantors in favor of Lender;

c.) Uniform Commercial Code--Financing Statements--forms UCC-1 and UCC-2, executed by Guarantors in favor of Lender;

d.) guarantees of Guarantors, dated July 30, 1991, executed by Guarantors in favor of Lender, guaranteeing payment thereto of the Note;

e.) powers to hypothecate dated July 30, 1991 executed by Guarantors in favor of Lender;

f.) first mortgage (the "Mortgage") dated July 30, 1991, executed by East Side Bank and Trust Company, as trustee under trust agreement dated June 13, 1991, trust no. 1612 (the "Trust") in favor of Lender, granting a security interest in Lender in the Premises. Borrowers constitute all beneficiaries of the trust, and JAGDISH PATEL is the holder of the Trust power of direction;

g.) security agreement (assignment of beneficial interest as collateral) dated July 30, 1991, executed by Borrowers in favor of Lender; and,

h.) pledge agreement dated July 30, 1991, executed by VIJAY PATEL in favor of Lender.

Copies of those documents hereinabove enumerated in paragraphs a.) through h.) are attached hereto as Group Exhibit "C" and are collectively referred to herein as the "Existing Collateral";

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

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1.) INCORPORATION OF RECITALS.

The preambles and recitals set forth above are incorporated by reference as though fully set forth herein.

2.) AMENDMENT OF INSTALLMENT NOTE.

The Note is hereby amended as follows:

a.) the principal sum of the Note is hereby increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) the amount of the monthly payment of principal and interest provided for in the Note is increased from Three Thousand Nine Hundred Twenty-Five Dollars (\$3,925.00) to Four Thousand Seven Hundred Twenty-Five Dollars (\$4,725.00), commencing with the monthly payment due December 30, 1991, and continuing for each and every monthly payment pursuant to the Note;

c.) all other terms and conditions of the Note remain in full force and effect in accordance with their original tenor.

3.) AMENDMENT OF SECURITY AGREEMENTS.

The security agreements in inventory and accounts receivable, and in machinery, equipment, furniture and fixtures hereinabove described, are hereby amended as follows:

a.) the principal amount of the Note which they secure is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the security agreements remain in full force and effect in accordance with their original tenor.

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4.) AMENDMENT OF POWERS TO HYPOTHECATE.

The Powers to Hypothecate hereinabove described are hereby amended as follows:

a.) the principal amount of the Note for which Guarantors' assets are hypothecated is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the Powers to Hypothecate remain in full force and effect in accordance with their original tenor.

5.) AMENDMENT OF MORTGAGE.

The Mortgage hereinabove described is hereby amended as follows:

a.) the principal amount of the Note referred to in the Mortgage is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the Mortgage remain in full force and effect according to their original tenor.

6.) AMENDMENT OF GUARANTEES.

The Guarantees hereinabove described are hereby amended as follows:

a.) the amount of the Guarantees to which Lender's right of recovery is limited is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the Guarantees remain in full force and effect according to their original tenor.

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7.) AMENDMENT OF SECURITY AGREEMENT (ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL).

The Security Agreement (Assignment of Beneficial Interest as Collateral) is hereby amended as follows:

a.) the principal amount of the Note referred to in the Security Agreement (Assignment of Beneficial Interest as Collateral) is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the Security Agreement (Assignment of Beneficial Interest as Collateral) remain in full force according to their original tenor.

8.) AMENDMENT OF PLEDGE AGREEMENT.

The Pledge Agreement is hereby amended as follows:

a.) the principal amount of the Note referred to in the Pledge Agreement is increased from Three Hundred Sixty Thousand Dollars (\$360,000.00) to Four Hundred Thirty-Five Thousand Dollars (\$435,000.00);

b.) all other terms and conditions of the Pledge Agreement remain in full force and effect accordingly to their original tenor.

9.) MODIFICATION OF MONTHLY NOTE PAYMENT AMOUNT

Borrowers and Guarantors acknowledge that, in addition to the amendment of the Existing Collateral documents as hereinabove described, the amount of the monthly principal and interest installment payment due pursuant to the Note has been increased from Three Thousand Nine Hundred Twenty-Five Dollars (\$3,925.00) to Four Thousand Seven Hundred Twenty-Five Dollars (\$4,725.00). Borrowers and Guarantors, and each of them, consent to such increase in the monthly principal and interest payment due pursuant to the Note, and agree that the Existing Collateral documents are still valid and binding and in full force and effect, as modified and amended herein.

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10.) REPRESENTATIONS AND WARRANTIES.

Borrowers and Guarantors each represent and warrant as follows:

a.) Borrowers and Guarantors have good and merchantable title to the Premises and the other property in which security interests have heretofore been granted to Lender, subject only to such exceptions as may be accepted by Lender in writing;

b.) The loan to Borrowers contemplated herein is a business loan within the purview of Illinois Rev. Stat. Ch. 17, S. 6404(1), transacted solely for the purpose of carrying on the business of Borrowers;

c.) Borrowers and Guarantors have good, right and lawful authority to execute and deliver this Agreement and any other documents and instruments required by Lender; have taken all action necessary to authorize the execution and delivery of such documents and instruments; have authority to and are capable of complying with this Agreement in accordance with its terms; and, acknowledge that this Agreement and such other instruments and documents as are executed and delivered by Borrowers and Guarantors to Lender are valid and binding and enforceable in accordance with their terms;

d.) The financial statements heretofore submitted to Lender are true and accurate and have been prepared in accordance with generally accepted accounting principles, and present fairly the financial condition of Borrowers and Guarantors, and, since the date of the latest submitted financial statements, there has been no adverse material change in the financial condition of Borrowers or Guarantors, or any of them;

e.) No conditions, events or circumstances exist, or are forthcoming, to the knowledge of Borrowers, which would prevent Borrowers or Guarantors from performing their obligations under this Agreement;

f.) Neither Borrowers nor Guarantors, or any of their property, are affected by, involved in or threatened by any judgment, claim, action or proceeding. No actions, suits, proceedings or investigations are pending or threatened by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality;

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g.) Borrowers and Guarantors are not in default or delinquent in the payment of any indebtedness, nor is there any borrowing, financing, taxes or any other material indebtedness which has not been disclosed to Lender;

h.) The execution, delivery and performance of this Agreement, and any other documents delivered to Lender in connection herewith, will not result in any breach, constitute a default under, or result in the creation of any lien, charge or encumbrance upon any property of Borrowers or Guarantors under any indenture, mortgage, deed of trust, or other agreement or instrument to which Borrowers or Guarantors, or any of them, is a party or by which they are bound; and,

i.) All sales, use, income, unemployment, social security, personal property and excise taxes for the current and prior fiscal years levied, assessed or imposed upon or due from Borrowers and Guarantors to the United States or any state or any subdivision thereof have been paid, and all tax reports and/or returns required by law to be filed have been duly filed by Borrowers and Guarantors.

11.) BORROWERS' AND GUARANTORS' AFFIRMATIVE COVENANTS.

Borrowers and Guarantors agree with Lender that, until their obligations under this agreement are performed in full:

a.) Borrowers and Guarantors will pay and discharge when due all taxes, assessments, governmental levies, claims, debts, bills, liabilities, obligations and expenses of every kind, type and description, during the term hereof;

b.) Borrowers and Guarantors shall execute and deliver to Lender at any time or times hereafter requested by Lender all financing statements, renewal financing statements, security agreements, affidavits, notices and all other agreements, instruments and documents that Lender may request, in form satisfactory to Lender, to perfect and maintain the security interests granted herein to Lender, and in order to fully consummate all of the transactions contemplated herein and under any other agreement, instrument or document now or at any time or times hereafter executed by Borrowers and Guarantors and delivered to Lender; and,

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c.) Borrowers and Guarantors shall, promptly upon request therefor, furnish to Lender statements of profit and loss and financial condition of Guarantors, and personal financial statements of Borrowers. The statements of Guarantors shall be prepared in accordance with generally accepted accounting principles consistently applied, and shall be signed by the president of each Guarantor. The personal financial statements of Borrowers shall each be true, complete and correct and shall be signed by the appropriate Borrower.

12.) BORROWERS' AND GUARANTORS' NEGATIVE COVENANTS.

From the date of this Agreement and thereafter until the liabilities hereunder of Borrowers are paid in full, Borrowers and Guarantors shall not permit, without the prior written consent of Lender, any of the following:

a.) the creation of other mortgages, liens, charges, encumbrances or restrictions in the title to the Premises, or other property and assets of Guarantors, or other indebtedness, except those debts and charges incurred in the normal course of business and not constituting a general lien upon the business assets;

b.) the purchase or redemption of any shares of Guarantors' capital stock or declaration and payment of dividends on such shares;

c.) the participation in the creation of any partnership, joint venture or corporation with any other person, firm or corporation.

13.) GENERAL PROVISIONS.

a.) Guarantors will not amend, alter, modify or change the nature of their business, defined as those activities relative to the on-going operation of Guarantors as evidenced on the date of this Agreement. Future changes in the nature of Guarantors' business must have prior approval of Lender;

b.) At its option, Lender may discharge any tax, lien, security interest or other encumbrance at any time levied or placed upon the Premises and collateral herein; may place and pay for insurance on the Premises and collateral herein upon failure of Borrowers (after

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having been requested to do so) to provide insurance satisfactory to Lender; and may pay for the maintenance, repair and preservation of the Premises and collateral. To the extent permitted by applicable law, Borrowers agree to reimburse Lender upon demand for any payment made or any expense incurred by Lender pursuant to the foregoing authorization. Until default, Borrowers and Guarantors may have possession of the Premises and collateral and use it in any lawful manner not inconsistent with the provisions of any insurance policy thereon;

c.) The discharge of any lien, levy, tax or encumbrance by Lender as provided above shall be solely for the protection of Lender's collateral interest. Lender retains no responsibility for the management of Borrowers' or Guarantors' business. The payment by Lender of any one (1) tax, lien, levy or encumbrance upon the property of Borrowers or Guarantors shall not constitute liability on Lender's part for the payment of other unpaid taxes, liens, levies or encumbrances upon the property of Borrowers or Guarantors;

d.) The provisions of this Agreement shall be for the benefit of and shall apply to and bind the parties hereto and their respective successors and assigns;

e.) Notices hereunder, if required, shall be deemed given if in writing and served personally or sent by registered or certified mail to the addresses set forth below:

if to Borrowers c/o Mr. Jagdish Patel
or Guarantors: 10035 Red Bud Road
 Munster, IN 46321

if to Lender: South Shore Bank of Chicago
 7054 South Jeffery Boulevard
 Chicago, IL 60649
 attn: Mr. David Shryock

f.) Borrowers and Guarantors acknowledge and agree that the covenants, representations and warranties, and the rights and remedies of Lender, contained in this Agreement are in addition to any covenants, representations, warranties, rights and remedies contained in the Note and the Existing Collateral documents;

g.) Borrowers and Guarantors agree to pay all taxes, assessments, recording, filing and registration fees, title insurance premiums, and other related charges of the title company, search fees, appraisal fees, attorney fees, including Lender's attorney's

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fees, and all other charges and costs incurred by Lender in connection with this Agreement;

h.) In addition to those events of default enumerated in the Note and Existing Collateral documents, as amended herein, it shall be deemed a default, and Lender shall be entitled to exercise all rights and remedies provided for in the Note and Existing Collateral documents, as amended herein, if there is a material adverse change in the financial condition of Borrowers or Guarantors, or any of them;

i.) This Agreement, together with the Note and Existing Collateral documents, as amended herein, and other agreements dated on or about this same date, constitute the entire agreement between Borrowers and Guarantors, and Lender, and shall not be modified except by written agreement executed by all parties. All documents required to be submitted to Lender under this Agreement shall be in a form acceptable to Lender. The applicable law under which this Agreement and other documents are to be construed and governed is the law of the State of Illinois. Invalidation of any clause or provision of this Agreement shall not affect the validity or applicability of other clauses or provisions. Time is of the essence under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, or caused it to be executed by their duly authorized officers, all as of the date and year first above written.

SOUTH SHORE BANK OF CHICAGO

BY: _____

PATEL AUTO SERVICES, INC.,
an Illinois corporation

BY: _____

ATTEST: _____

V & J AUTO SERVICES, INC.,
an Illinois corporation

BY: _____

ATTEST: _____

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PATEL BROTHERS
AUTO SERVICES, INC.,
an Indiana corporation

BY: _____

ATTEST: _____

JAGDISH PATEL

VIJAY PATEL

GHANSHYAM PATEL

PRAVIN PATEL

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Amount \$ 300,000.00
Maturity October 30, 2006
Account No.
Date July 3, 1991

COLLATERAL PROMISSORY NOTE
BUSINESS LOAN ONLY

PROCEEDS OF LOAN APPLIED TO:
1. RENEWAL of _____
2. CR. ACCT. NO. _____
3. CHECK NO.(s) _____
PAYEE _____
PAYEE _____
BY _____
BY _____
Signature of Debtor

FOR VALUE RECEIVED, the undersigned Debtors (hereinafter called Debtor or Debtors), jointly and severally, promise to pay to the order of

THE SOUTH SHORE BANK OF CHICAGO at its office in CHICAGO, ILLINOIS

in lawful money of the United States, not later than the maturity date, in immediately available funds, the sum of \$ 300,000.00 with interest thereon at the rate of: _____ per cent per annum from _____ until maturity, payable _____ and after maturity at the rate of _____ % per annum until paid in full, annual interest calculated on a 360 day year.

at 1 3/4 % per annum above the Prime Rate of The South Shore Bank of Chicago from time to time in effect (hereinafter "Prime Rate"), which rate shall be adjusted daily when and as the Prime Rate changes. The term "Prime Rate" means the rate of interest, as defined by the Bank from time to time, charged by The South Shore Bank of Chicago for short term commercial borrowings at its banking house in Chicago. Accrued interest shall be payable monthly.

If this Note is not paid on _____ the Debtor hereafter will pay interest at the rate of _____ % per annum _____ the Prime Rate which shall be adjusted periodically as aforesaid. Accrued interest will be calculated on a 360 day year.

Payments of \$3,925.00 each plus interest (including interest) shall be due (monthly) (quarterly) beginning 11-30-91 with a final payment of all principal and interest due on 10-30-06. Payments are applied first to accrued interest and the remainder, if any, to the principal balance. Payments received more than 30 days after due date shall incur a late charge of 5% of the payment amount, or \$100.00, whichever is less.

This loan is a line of credit. Payments of principal balance may be made earlier than Maturity (or Demand) in accordance with the terms and conditions of Debtor's Loan and Security Agreement with South Shore Bank dated on or about this same date.

To secure payment of this Note and all other liabilities of Debtor to Holder (the term "Holder" includes the Bank and any subsequent holders of this Note), howsoever created, whether now existing or hereafter arising, whether direct or indirect, whether absolute or contingent, and whether due or to become due on this Note and all other liabilities, whenever incurred and whenever due, of the Debtor to Holder hereafter called the "Obligations", the Debtor pledges to Holder and grants to Holder a security interest in all property and interests therein of the Debtor of any kind, now or at any time hereafter assigned, transferred or delivered to or left in the possession of Holder by or for the account of the Debtor including, but without limitation, all property described in security agreements executed by the Debtor from time to time, receipts for collateral from time to time issued by the Debtor to or for the account of the Debtor and the following described property: Security agreements in all accounts; contract rights; chattel; papers; documents; instruments; general intangibles; inventory; equipment; fixtures; machinery and office furniture now owned or hereafter acquired by Patel Auto Services, Inc.; & Auto Services, Inc.; and Patel Brothers Auto Services, Inc.; mortgage

together with all additions, accessions, substitutions, exchanges, proceeds, products, offspring, rents, profits, and all proceeds of any of the foregoing, all of which are hereinafter called the "Collateral". In addition, a security interest in any and all after acquired collateral of any category referred to herein, together with all additions, accessions, substitutions, exchanges, proceeds, products, offspring, rents, profits, and all proceeds of any of the foregoing shall secure all Obligations hereunder and constitute "Collateral" herein. Further, the Debtor acknowledges and agrees that Holder has a right of set-off or lien on any deposit or sums now or hereafter owed by Holder to the Debtor. This Security Agreement will secure future or other indebtedness of the Debtor to Holder whether or not the same shall be similar or dissimilar or related or unrelated to the indebtedness created hereby.

To further secure the payment of said amount, the Debtor authorizes and empowers any attorney or attorneys of any Court of Record to appear for the Debtor in such court at any time after default, in term time or vacation, and to confess judgment without process against them, or any one or more of them, jointly or severally, in favor of the Holder of this Note, for such sums as may appear to be unpaid and owing hereon, together with interest and costs, including reasonable attorney's fees; and to waive and release all errors which may intervene in such proceeding, and consent to immediate execution upon such judgment or judgments, hereby ratifying and confirming all that said attorney or attorneys may do by virtue hereof, and further agree that the confession of any such judgment against any one or more, but less than all, of the makers shall not preclude the confession of judgment against any other of the makers.

THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREIN. FURTHER, THE DEBTOR HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE BANK HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL. PROVISION FINALLY, THE DEBTOR ACKNOWLEDGES THAT THE BANK HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER PROVISIONS, THE PROVISIONS OF THIS SECTION.

NOTICE: See other side for important information. (Additional Terms and Provisions continued on reverse side.)

SECURITY INTEREST: The Holder has a security interest for the payment of all obligations due it in all property and assets of Debtor and Guarantors (if any), which are in the possession or control of Holder and a right of set-off or lien on any deposits or sums now or hereafter owed by Holder to Debtor and Guarantors (if any). This security interest will cover after acquired property.

DEFAULT: Default is described in the "Additional Terms and Provisions" on reverse side hereof, and in a loan agreement, if any, executed in connection with this Note. Debtor is obligated to pay court costs and reasonable attorney's fees incurred by Holder in the collection or enforcement of the debt after default. In the event of any default hereunder, the entire balance may be declared due and payable.

PREPAYMENT: Interest shall cease to accrue on the amount of any prepayment. Any unearned interest thereon collected will be computed proportionately and rebated when the loan is paid in full. Minimum charge for prepayment is \$100.00, less interest actually paid.

I (We) Herby Warrant and Certify that the proceeds of this loan will be used solely for business purposes only as follows:

for purchase and renovation of premises known as 7600 S. Stony Island Avenue, Chicago, IL

By: Pravin Patel
Signature Pravin Patel
BY: Pravin Patel
Signature Pravin Patel

By executing this instrument, the undersigned agrees to all its terms and provisions and acknowledges the receipt of a completely filled in copy prior to execution hereof.

Phone (312) 224-4500 Soc. Sec. No. / Tax No. 337-64-6722
c/o Rajay Patel
Address 8700 North Cote Avenue
(STREET)
Munster IN 46321
(CITY) (STATE) (ZIP CODE)

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NOTICE: See other side for important information. Notwithstanding anything to the contrary contained herein, debtors acknowledge and agree that they shall, on the 30th day of August, September and October, 1991, pay to holder, accrued interest then due and owing at the Prime Rate, as hereinafter defined, on the principal balance from time to time due and owing herein.

The term Prime Rate, as used herein, is hereby defined to mean the highest "prime rate" of interest quoted, from time to time, by The Wall Street Journal as the "base rate on corporate loans at large U.S. money center commercial banks"; provided, however, that in the event the Wall Street Journal ceases quoting a "prime rate" of the type described, Prime Rate shall be the highest per annum rate of interest quoted as the "bank prime loan" rate for "this week" in Statistical Release H.15 (519) published from time to time by the Board of Governors of the Federal Reserve System; and further provided, the interest rate herein shall never be less than 8% per annum, nor more than 12% per annum.

ADDITIONAL TERMS AND PROVISIONS

If the holder should at any time be of the opinion that the collateral security is insufficient, or has declined in value or should the holder deem hazardous, then the holder may call for additional security satisfactory to the holder, and the debtor promises to furnish such additional security forthwith. The call for additional security may be oral or by telegram or by United States mail addressed to the last address for the debtor shown on the holder's records.

If, in the opinion of the holder, the collateral security is insufficient, the debtor shall procure and maintain insurance on the collateral for the full term of this Note against the risks of fire, theft, and such other risks as the holder may require (including, but not limited to, the risk of collision if the collateral is a motor vehicle or water craft) in the amount of the full replacement value thereof which such insurance shall be maintained until the date of execution of this Note, a fully paid-up insurance policy covering the collateral and containing a lender's loss payable clause in favor of the holder. The policy shall also contain a provision pursuant to which the holder shall receive notice of cancellation or expiration of the policy in the event the debtor shall fail, for any reason, to insure the collateral at the time and in the manner hereinafter provided, or if the debtor or any assignee shall be cancelled or not renewed upon expiration. The holder, at its option, may treat such failure to insure, cancellation or non-renewal of insurance as an Event of Default and the debtor shall be deemed to have given notice of such failure to insure, cancellation or non-renewal of insurance upon the occurrence of any such event. The holder shall have the right to demand that the debtor, at its option, immediately pay to the holder, in full, the amount of any such event, the cost of the holder's legal expenses in connection with the enforcement of this Note, and all other costs of collection, legal expenses and reasonable attorney's fees incurred or paid by the holder in collecting this Note. Each of the debtor agrees to pay all costs of collection, legal expenses and reasonable attorney's fees incurred or paid by the holder in collecting this Note. In the event of an Event of Default, the holder is authorized to pay at any time and in any amount and all of such expenses, and the amount of such payment to the amount of the indebtedness, and to charge interest thereon at the rate specified herein with respect to the principal amount of this Note.

Upon the occurrence of any such Event of Default, and at any time thereafter, the holder shall have the rights and remedies of a secured party under the Uniform Commercial Code, including without limitation the right to sell or otherwise dispose of any or all of the collateral and, further, the right to demand that the debtor, at its option, immediately pay to the holder, in full, the amount of any such event, the cost of the holder's legal expenses in connection with the enforcement of this Note, and all other costs of collection, legal expenses and reasonable attorney's fees incurred or paid by the holder in collecting this Note. Each of the debtor agrees to pay all costs of collection, legal expenses and reasonable attorney's fees incurred or paid by the holder in collecting this Note. In the event of an Event of Default, the holder is authorized to pay at any time and in any amount and all of such expenses, and the amount of such payment to the amount of the indebtedness, and to charge interest thereon at the rate specified herein with respect to the principal amount of this Note.

The rights are expressly granted to the holder at its option to transfer at any time to itself or to its nominee any collateral pledged hereunder and to receive the proceeds thereof and to hold the same as security or to apply it on the principal or interest due hereon or due on any liability secured hereby. The holder shall use its best efforts to insure that the collateral, including the physical custody of any collateral, but shall bear no responsibility for its protection, collection or enforcement.

The holder may, at its option, whether or not this Note is due, demand, sue for, collect or make any compromise or settlement it deems desirable with reference to the collateral held hereunder. The holder shall not be bound to take any steps necessary to preserve any rights in the collateral against prior parties, which the debtor hereby assumes to do.

No right or remedy granted to the holder hereunder shall be affected or diminished by any security agreement executed by one or more of the debtors relating to any collateral security, including this Note.

All of the debtors agree that they are each primarily and jointly and severally liable hereon and that the receipt of this Note or any other security by any one of the debtors shall constitute the receipt thereof by all of the debtors; and agrees that no release of one or more makers of this Note or any other security for this Note shall release any other maker. Each of the debtors consents to any and all renewals or extensions of this Note.

No delay or omission on the part of the holder in exercising any power or right hereunder shall constitute a waiver by the holder of any other default or of the same default on a future occasion.

Every legal holder of this Note shall have and may exercise all the rights and powers given to the lender in this Note and every notice to or act committed by any one of the debtors shall constitute a notice to or act committed by all of the debtors.

If this note is guaranteed, a separate guaranty has been or is being executed by the guarantors.

Whenever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited or invalid under such law, then such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

Involvement of the remainder of such provision or the remaining provisions of this Note.

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EXHIBIT "B"

legal description of Premises:

PARCEL 1:

Lots 1 to 10, both inclusive, in Block 1 in Oakland Subdivision of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 26, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois

PARCEL 2:

Lots 1 to 5, both inclusive, in Block 2 in Oakland Subdivision of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 26, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois

permanent index number: 20-26-415-027;
20-26-415-028;
20-26-415-029;
20-26-415-030;
20-26-415-031;
20-26-415-032;
20-26-415-033;
20-26-415-034; and,
20-26-415-038

street address of premises: 7600 South Stony Island Avenue
Chicago, Illinois 60649

91693635

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GROUP EXHIBIT "C"

P L E D G E A G R E E M E N T

THIS PLEDGE AGREEMENT dated as of July 30, 1991, by and between VIJAY PATEL (the "Pledgor") and the SOUTH SHORE BANK OF CHICAGO (the "Pledgee"),

W I T N E S S E T H :

WHEREAS, JAGDISH PATEL, VIJAY PATEL, GHANSHYAM PATEL and PRAVIN PATEL (collectively the "Borrower") have executed and delivered the Pledgee's Loan Agreement dated July 30, 1991 (the "Loan Agreement"), a Collateral Promissory Note dated July 30, 1991, in favor of the Pledgee in the principal amount of Three Hundred Sixty Thousand Dollars (\$360,000.00 (the "Note"), and various other collateral and ancillary documents pursuant to the Loan Agreement and the Note; and,

WHEREAS, as an inducement to the Pledgee to make the loan hereinabove described, the Pledgor has agreed to execute this Agreement and, pursuant thereto, to pledge the Pledged Stock, as defined in this Agreement, as security for the prompt satisfaction of all of Pledgor's obligations to Pledgee,

NOW, THEREFORE, in consideration of the foregoing, and intending to be legally bound hereby, the parties agree as follows:

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1.) The term "Pledged Stock" shall mean the shares described on Schedule I hereto, together with all certificates, options, rights or other distributions issued as an addition to, in substitution or in exchange for, or on account of, any such shares, and all proceeds of all of the foregoing, now or hereafter owned or acquired by the Pledgor.

2.) a.) As security for the prompt satisfaction of the liabilities, the Pledgor hereby pledges to the Pledgee the Pledged stock and grants the Pledgee a lien on and security interest therein.

b.) If the Pledgor shall become entitled to receive or shall receive, in connection with any of the Pledged Stock, any:

i.) stock certificate, including, but without limitation, any certificate representing a stock dividend or in connection with any increase or reduction of capital, reclassification, merger, consolidation, sale of assets, combination of shares, stock split, spin-off or split-off;

ii.) option, warrant, or right, whether as an addition to or in substitution or in exchange for any of the Pledged Stock, or otherwise;

iii.) dividend or distribution payable in property, including securities issued by other than the issuer of any of the Pledged Stock; or,

iv.) dividends or distributions of any sort,

then, the Pledgor shall accept the same as the Pledgee's agent, in trust for the Pledgee, and shall deliver them forthwith to the Pledgee in the exact form received with, as applicable, the Pledgor's endorsement when necessary, or appropriate stock powers duly

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executed in blank, to be held by the Pledgee, subject to the terms hereof, as part of the Pledged Stock.

c.) At any time Pledgee, at its option, may have any or all of the Pledged Stock registered in its name or that of its nominee, and the Pledgor hereby covenants that, upon the Pledgee's request, the Pledgor will cause the issuer of the Pledged Stock to effect such registration. If that shall be done prior to the occurrence of an Event of Default under the Loan Agreement, the Note, or any other collateral or ancillary agreements executed by the Borrower or the Pledgor (an "Event of Default"), the Pledgor shall nevertheless retain all voting rights with respect to the Pledged Stock, and, for that purpose, the Pledgee shall execute and deliver to the Pledgor all necessary proxies. Immediately and without further notice, upon the occurrence of an Event of Default, whether or not the Pledged Stock shall have been registered in the name of the Pledgee or its nominee, the Pledgee or its nominee shall have, with respect to the Pledged Stock, the right to exercise all voting rights as to all shares issued by other than the Borrower and, as to all of the Pledged Stock, all other corporate rights and all conversion, exchange, subscription or other rights, privileges or options pertaining thereto as if it were the absolute owner thereof, including, without limitation, the right to exchange any or all of the Pledged Stock upon the merger, consolidation, reorganization, recapitalization or other readjustment of the issuer thereof, or upon the exercise by such issuer of any right, privilege, or option pertaining to any of the Pledged Stock, and, in connection therewith, to deliver any of the Pledged Stock to any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it

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may determine, all without liability except to account for property actually received by it; but the Pledgee shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing. In the event any or all of the Pledged Stock is being or has been purchased on margin, Pledgor shall, upon direction from Pledgee, have the Pledged Stock sold and deliver the proceeds thereof to Pledgee. Pledgor hereby designates Pledgee his attorney-in-fact to sell or direct the sale of any or all of the Pledged Stock in the event of the occurrence of an event of default, and to direct the payment of the proceeds received on any such sale.

d.) Unless an Event of Default shall have occurred and be continuing, the Pledgor shall be entitled, if not prohibited by the Loan Agreement, to receive for his own use cash dividends on the Pledged Stock paid out of earned surplus. Upon the occurrence of an Event of Default, the Pledgee may require any such cash dividends to be delivered to the Pledgee as additional security hereunder or applied toward the satisfaction of the Pledgor's obligations to Pledgee.

e.) Upon the occurrence of an Event of Default, the Pledgee may, without demand of performance or other demand, advertisement, or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Pledgor or any other person (all of which are, to the extent permitted by law, hereby expressly waived), forthwith realize upon the Pledged Stock or any part thereof, and may forthwith, or agree to, sell or otherwise dispose of and deliver the Pledged Stock or any part thereof or

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interest therein, in one or more parcels at public or private sale or sales, at any exchange, broker's board or at any of the Pledgee's offices or elsewhere, at such prices and on such terms (including, but without limitation, a requirement that any purchaser of all or any part of the Pledged Stock purchase the shares constituting the Pledged Stock for investment and without any intention to make a distribution thereof) as it may deem best, for cash or on credit, or for future delivery without assumption of any credit risk, with the right to the Pledgee or any purchaser to purchase upon any such sale the whole or any part of the Pledged Stock free of any right or equity of redemption in the Pledgor, which right or equity is hereby expressly waived and released.

f.) The proceeds of any such disposition or other action by the Pledgee shall be applied as follows:

i.) first, to the costs and expenses incurred in connection therewith or incidental thereto, or to the care or safekeeping of any of the Pledged Stock or in any way relating to the rights of the Pledgee hereunder, including reasonable attorneys' fees and legal expenses;

ii.) second, to the satisfaction of the Liabilities;

iii.) third, to the payment of any other amounts required by applicable law (including, without limitation, Section 9-504(1)(c) of the Uniform Commercial Code); and,

iv.) fourth, to the Pledgor to the extent of any surplus proceeds.

g.) The Pledgee need not give more than five (5) days' notice of the time and place of any public sale or of the time after which a private sale may take place, which notice the Pledgor hereby deems reasonable.

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3.) The Pledgor represents and warrants that:

a.) He has, and has duly exercised, all requisite power and authority to enter into this Agreement, to pledge the Pledged Stock for the purposes described herein, and to carry out the transactions contemplated by this Agreement;

b.) he is the legal and beneficial owner of all of the Pledged Stock;

c.) all of the shares of the Pledged Stock have been duly and validly issued, are fully paid and nonassessable, and are owned by the Pledgor free of any pledge, mortgage, hypothecation, lien, charge, encumbrance or security interest in such shares or the proceeds thereof, except for that granted hereunder; provided, however, the Pledged Shares are being purchased by Pledgor on margin;

d.) the execution and delivery of this Agreement, and the performance of its terms, will not violate or constitute a default under the terms of any agreement, indenture or other instrument, license, judgment, decree, order, law, statute, ordinance, or other governmental rule or regulation, applicable to the Pledgor or any of his property; and,

e.) Upon delivery of the Pledged Stock to the Pledgee or its agent, this Agreement shall create a valid first lien upon and perfected security interest in the Pledged Stock and the proceeds thereof, subject to no prior security interest, lien, charge or encumbrance, or agreement purporting to grant to any

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third party a security interest in the property or assets of the Pledgor which would include the Pledged Stock.

4.) a.) The Pledgor hereby covenants that, until all of the Liabilities have been satisfied in full, he will not:

i.) sell, convey or otherwise dispose of any of the Pledged Stock or any interest therein or create, incur, or permit to exist any pledge, mortgage, lien, charge, encumbrance or any security interest whatsoever in or with respect to any of the Pledged Stock or the proceeds thereof, other than that created hereby; or,

ii.) consent to or approve the issuance of any additional shares of any class of capital stock in the issuer of the Pledged Stock; or any securities convertible voluntarily by the holder thereof or automatically upon the occurrence or non-occurrence of any event or condition into, or exchangeable for, any such shares; or any warrants, options, rights or other commitments entitling any person to purchase or otherwise acquire any such shares.

b.) The Pledgor warrants and will, at his own expense, defend the Pledgee's right, title, special property and security interest in and to the Pledged Stock against the claims of any person, firm, corporation or other entity.

5.) The Pledgor recognizes that the Pledgee may be unable to effect a public sale of all or a part of the Pledged Stock and may be compelled to resort to one or more private sales to a purchaser or purchasers who will acquire the Pledged Stock for their own account, for investment and not with a view to the distribution or resale thereof. The Pledgor acknowledges that

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any such private sales may be at prices and on terms less favorable to the Pledgee than those of public sales, and agrees that such private sales shall be deemed to have been made in a commercially reasonable manner and that the Pledgee has no obligation to delay sale of any Pledged Stock to permit the issuer thereof to register it for public sale under any law or laws governing or regulating the sale of securities.

6.) The Pledgor will promptly deliver to the Pledgee all written notices, and will promptly give the Pledgee written notice of any other notices received by him with respect to the Pledged Stock, and the Pledgee will promptly give like notice to the Pledgor of any such notices received by it or its nominee.

7.) The Pledgor shall at any time, and from time to time, upon the written request of the Pledgee, execute and deliver such further documents and do such further acts and things as the Pledgee may reasonably request to effect the purposes of this Agreement, including, without limitation, delivering to the Pledgee upon the occurrence of an Event of Default irrevocable proxies with respect to the Pledged Stock in form satisfactory to the Pledgee. Until receipt thereof, this Agreement shall constitute the Pledgor's proxy to the Pledgee or its nominee to vote all shares of Pledged Stock (other than that issued by a Borrower) then registered in the Pledgor's name.

8.) Upon the satisfaction in full of all Liabilities and the satisfaction of all additional costs and expenses of the Pledgee as provided herein, this Agreement shall terminate and the Pledgee shall deliver to the Pledgor, at the Pledgor's expense, such of the Pledged Stock as shall not have been sold or otherwise applied pursuant to this Agreement.

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9.) a.) Beyond the exercise of reasonable care to assure the safe custody of the Pledged Stock while held hereunder, the Pledgee shall have no duty or liability to preserve rights pertaining thereto and shall be relieved of all responsibility for the Pledged Stock upon surrendering it or tendering surrender of it to the Pledgor.

b.) No course of dealing between the Pledgor and the Pledgee, nor any failure to exercise, nor any delay in exercising any right, power or privilege of the Pledgee hereunder or under any agreement or other document executed by the Borrower or the Pledgor shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

c.) The rights and remedies provided herein and in all other agreements and documents delivered pursuant to or in connection with the loan to the Borrower are cumulative and are in addition to and not exclusive of any rights or remedies provided by law, including, but without limitation, the rights and remedies of a secured party under the Uniform Commercial Code.

d.) The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision or part thereof in such jurisdiction and shall not in any manner affect such clause or provision in any other

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jurisdiction or any other clause or provision in this Agreement in any jurisdiction.


10.) Notwithstanding anything to the contrary contained herein, Pledgor and Pledgee acknowledge that the Pledged Stock, was purchased by Pledgor on margin and all rights granted to Pledgor herein are subject to such margin restrictions and requirements as are applicable thereto.

11.) Any notice required or permitted by this Pledge Agreement shall be effective if given in accordance with the provisions of the Loan Agreement.

12.) This Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the parties hereto.

13.) This Agreement shall be construed in accordance with the substantive law of the State of Illinois without regard to principles of conflicts of law.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date and year first above written.



VIJAY PATEL

SOUTH SHORE BANK OF CHICAGO

BY: 

ITS OFFICER

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<i>Equities</i>	<i>Symbol</i>	<i>Quantity</i>	<i>Price</i>	<i>Market value</i>
C AMERICAN STRATEGIC METALS INC COM NEW		100,000	-----	Unavailable
M AMES DEPT STORES INC COM	ADD	1,000	2.250	2,250.00
M BALLY MFG CORP	BLY	500	3.875	1,937.50
M BOLAR PHARMACEUTICAL	BLR	1,000	4.250	4,250.00
M CHASE MANHATTAN CORP	CMB	2,200	16.250	35,750.00
M CHEMICAL BKG CORP	CHL	500	21.375	10,687.50
M CHRYSLER CORP	C	2,516	14.250	35,853.00
M EASTMAN KODAK CO	EK	500	38.750	19,375.00
M EMERSON GERMAN FD INC	EG	1,000	7.500	7,500.00
M FUTURE GERMANY FD INC	FGF	1,000	11.750	11,750.00
M INTL BUSINESS MACH	IBM	200	97.125	19,425.00
M LAIDLAW INC CORP	LDWB	2,000	10.000	20,000.00
M PRIME MOTOR INNS INC	PDD	2,000	.750	1,500.00
M QUANTUM CHEMICAL CORP NFSC IS SPECIALIST IN THIS SECURITY	QLE	721	13.000	9,373.00
M SCUDDER NEW EUROPE FD INC	NEP	800	8.125	6,500.00
M STONE CONTAINER CORP DEL	STO	500	21.625	10,812.50
C STRATEGIC COMMUNCTNS LTD	86269	2,000	-----	Unavailable
M USG CORP NEW COM PAR 80.10	USG	6,600	1.750	11,550.00
M UNISYS CORP	UIS	2,000	3.750	7,500.00
Options				
M CALL HELPS. INT.	LEGO	6	-----	Unavailable
Fixed income				
C AMES DEPT STORES INC SUB DEB CONV 7.50% 10/01/2014		230,000	12.000	27,600.00
Total holdings				243,613.50

C = cash M = margin

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SECURITY AGREEMENT
(ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL)

Jagdish Patel, Vijay Patel, Ghanshyam Patel and Pravin Patel

herein called "Debtor"), to secure payment of Debtor's promissory note of even date herewith and all other indebtedness of Debtor payable under this Agreement, hereby assigns, conveys and grants to:

THE SOUTH SHORE BANK OF CHICAGO

herein called "Secured Party"), a security interest in all of the following herein called the "Collateral"):

All of Debtor's rights, powers, privileges and beneficial interests under the Trust Agreement dated the

13th day of June, 19 91, with

East Side Bank Trust Company

as Trustee and known as Trust No. 1612

The Security Interest granted to Secured Party shall secure:

- 1). The payment of Debtor's indebtedness evidenced by Debtor's promissory note of even date herewith in the principal sum of \$360,000.00 payable on or before the 30th day October, 2006, together with interest at the rate of Note.
- 2). The payment of any other note or evidence of indebtedness executed by the Debtor in renewal, substitution or extension of the indebtedness described in the above note or notes.
- 3). All future advances made by Secured Party to or for the account of the Debtor, including advances for loans, insurance, repairs to and maintenance of the Collateral, taxes and discharge of any other lien, security interest or encumbrance by Secured Party; and
- 4). All costs and expenses incurred in the collection of the same, including reasonable attorneys' fees and legal expenses.

As additional evidence of the creation of the security interest conferred by this agreement upon the Secured Party, the Debtor has, simultaneously herewith, by a separate instrument of assignment, assigned, transferred and set forth to the Secured Party all of the Collateral hereinbefore described. The Secured Party is authorized to file the judgement of assignment with the trustee of the trust above described, and to register the assignment in the records of the trustee maintained for the trust. Notwithstanding the delivery of the instrument of assignment and the filing and registration thereof with the trustee, the Debtor, subject to the provisions of the agreement hereinafter expressed, and until default hereunder, shall exercise the rights, powers and privileges of the Collateral relating to the right to collect and retain the rents therefrom, but the power of direction, for all purposes, shall vest solely in the Secured Party.

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SECURITY AGREEMENT
(ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL)

(PAGE TWO)

WARRANTIES, COVENANTS AND AGREEMENTS OF DEBTOR

Debtor warrants, covenants and agrees as follows:

1. Debtor is the sole owner of the Collateral free from any lien, security interest or encumbrance, has the right to grant Secured Party a security interest therein and will defend the Collateral against the claims and demands of all persons.
2. Debtor shall not sell, encumber or grant any further security interest in the Collateral without the written consent of the Secured Party, and shall not use or permit the Collateral to be used in violation of any law or ordinance.
3. No financing statement covering the Collateral or any part thereof, is on file in any public office; and Debtor will, at the request of Secured Party, join with Secured Party in executing a financing statement pursuant to the Uniform Commercial Code and pay the fee for filing the same in all public offices where filing may be deemed necessary by Secured Party.
4. The trust above referred to is the owner of record of property described in the rider attached to this agreement; and are unencumbered except for mortgages and other liens shown on the said rider.
5. Debtor will furnish the Secured Party with satisfactory evidence that the Collateral has been adequately insured by companies acceptable to the secured party and that such insurance coverage will be maintained throughout the term of the loan secured hereby. Debtor will also purchase and maintain such other insurance coverage as the Secured Party may require.
6. Debtor shall pay any indebtedness which may be secured by a lien or charge upon the Collateral and upon request, exhibit satisfactory evidence of such payment to the Secured Party. Upon default of such payment the Secured Party may, but need not, make any payment required of the Debtor in the protection of the Collateral and purchase, discharge, compromise or settle any tax lien or other lien on title, or claim, or redeem from any tax sale or forfeiture affecting the Collateral or contest any tax or assessment. All money advanced by the Secured Party for any of the purposes stated in this agreement, or for the protection of the collateral or of the lien of the Secured Party therein (whether or not described in this agreement) and all expenses paid or incurred in connection therewith, including attorney's fees, shall be additional indebtedness secured by the security interest created by this agreement and become immediately due and payable without notice and with interest thereon at the rate of Note.

EVENTS OF DEFAULT

The occurrence of any of the following events or conditions shall, at the option of the Secured Party and without notice or demand on the Debtor, constitute an event of default hereunder:

1. Default in the payment or performance of Debtor's promissory note or any other indebtedness secured hereby; or
2. Failure of the Debtor to perform any covenant, or agreement made by Debtor herein; or
3. Breach of any warranty or falsity of any representation made by Debtor to Secured Party, herein; or
4. Attachment, seizure, foreclosure or forfeiture or levy upon the Collateral; or

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SECURITY AGREEMENT
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(ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL)

(PAGE THREE)

5. Institution of any proceeding by or against Debtor or Debtor's business under any bankruptcy or insolvency statute or an assignment by Debtor for benefit of creditors, or appointment of a receiver for Debtor or the Collateral, or filing of a tax lien notice by the United States or any State; or
6. The accrual of any lien or charge against the Collateral whether prior to or subsequent to the security interest of the Secured Party and the failure of the Debtor to discharge such lien upon demand.

REMEDIES

Upon the occurrence of any default, after five (5) days written notice Secured Party may declare all installments of Debtor's note and all other indebtedness secured hereby immediately due and payable and thereupon the rights, powers and privileges of the Debtor under the Collateral shall cease and terminate and the Secured Party may, without notice or demand take possession of the Collateral and exercise all rights of ownership, assume the management thereof, and collect the rents, issues and profits therefrom. Secured Party shall have all other rights and remedies of a Secured Party under the Uniform Commercial Code.

Secured Party may, either before or after taking possession of the Collateral and of the premises held in the trust:

- a. Sell the Collateral (the beneficial interest assigned as hereinbefore described), at public or private sale, with or without advertisement in accordance with the provisions of the Uniform Commercial Code. Debtor agrees that the requirements of the Uniform Commercial Code shall be met if notice is mailed to the Debtor at the address shown above not less than five (5) days prior to the sale or other disposition; or
- b. Institute a judicial proceeding in aid of the right of the Secured Party to exercise Debtor's rights, powers and privileges in the Collateral, to foreclose the security interest and lien conferred by this agreement and to effect a sale of the Collateral, the beneficial interest hereinbefore described.

The reasonable expense of the Secured Party in assuming possession of the Collateral and to exercise Debtor's rights, powers and privileges therein, including attorneys' fees, court costs, title searches and other legal expense shall be additional indebtedness which the Debtor agrees to pay upon demand.

GENERAL PROVISIONS

1. All the rights herein conferred upon the Secured Party are in addition to and not in derogation of, the rights conferred by law and all such rights and remedies herein or by law conferred, may be exercised at such time or times and in such order as the Secured Party may elect.
2. This Security Agreement shall be construed according to the laws of the State of Illinois. Waiver of any default shall not constitute waiver of any subsequent default. All rights of Secured Party shall inure to the benefit of its successors and assigns and all obligations of Debtor shall bind his heirs, executors, personal representatives, successors or assigns. If there is more than one debtor, their obligations hereunder shall be joint, and several. This agreement shall become effective when signed by the Debtor.

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SECURITY AGREEMENT
(ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL)

(PAGE FOUR)

3. Debtor acknowledges receipt of a completed copy of the Security Agreement.

Dated at Chicago, Illinois, this
30th day of July, 19 91.

Pravin Patel
(DEBTOR) Pravin Patel

Jagdish Patel
(DEBTOR) Jagdish Patel

Vijay Patel
(DEBTOR) Vijay Patel

Ghanshyam Patel
(DEBTOR) Ghanshyam Patel

THE SOUTH SHORE BANK OF CHICAGO
(SECURED PARTY)

BY: [Signature]
Vice President

TRUSTEE'S ENDORSEMENT

East Side Bank & Trust Company, as Trustee
under its Trust Number 1612, hereby acknowledges this
14th day of September, 19 91, receipt of
the foregoing assignment and agrees that it will not accept any further
assignments without first having received the written approval of South
Shore Bank.

East Side Bank & Trust Company
as Trustee, as aforesaid

BY: [Signature]
Trust Officer

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COPY

This instrument was prepared by:
Thomas S. Ejsner.....
(Name)
930 West 175th Street...
(Address)
Homewood, Illinois 60430

MORTGAGE

THIS MORTGAGE is made this 30th day of July 1991 between the Mortgagor, EAST SIDE BANK and TRUST COMPANY, as trustee under trust agreement dated 1-13-91, trust no. 1612 (herein "Borrower"), and the Mortgagee, THE SOUTH SHORE BANK OF CHICAGO, a corporation organized and existing under the laws of Illinois, whose address is 7034 Jeffrey Avenue - Chicago, Illinois 60649 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of Three Hundred Sixty Thousand and 00/100 (\$360,000.00) Dollars, which indebtedness is evidenced by Borrower's note dated July 30, 1991 (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on October 30, 2006;

To SECURE to Lender (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage and the performance of the covenants and agreements of Borrower herein contained, and (b) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 21 hereof (herein "Future Advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Cook, State of Illinois:

PARCEL 1:

Lots 1 to 10, both inclusive, in Block 1 in Oakland Subdivision of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 26, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 2:

Lots 1 to 5, both inclusive, in Block 2 in Oakland Subdivision of the Southeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 26, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

PERMANENT INDEX NUMBERS: 20-26-415-027; -028; -029; -030; -031; -032; -033; -034; and, -038

which has the address of 7400 S. Stony Island Avenue, Chicago, Illinois 60649 (herein "Property Address");

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, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are herein referred to as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Lender's interest in the Property.

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7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, involuntary, code enforcement, or arrangements involving a bankruptcy or decedent, then Lender at Lender's option, upon notice to Borrower, may make such arrangements, disburse sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and costs upon the Property to make repairs. If Lender required mortgage insurance as a condition of making the loan, secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property or portions thereof. Borrower shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and consistent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage. The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums for insurance policies shall be paid in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier.

4. Charges; Taxes. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may arise or be levied over this Mortgage, and lessor's payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraph 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower principal on any Future Advances, then to interest payable on the Note, then to the principal of the Note, and then to interest and principal on any Future Advances.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments which may be levied over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. The Funds shall be held in an institution of 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 said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said accounts, or verifying and compiling said assessments and bills, 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 at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such 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 Mortgage.

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any Future Advances secured by this Mortgage.

Upon payment of all of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 1B hereof the Property is sold or the Property is otherwise 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 Mortgage.

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prior to the date of a judgment... (a) Borrower cures all breaches... (b) Borrower cures all acceleration... (c) Borrower pays all reasonable expenses... (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 in full by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. Assignment of Rents; Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 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 18 hereof 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 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, the 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 Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

21. Future Advances. Upon request of Borrower, Lender, at Lender's option prior to release of this Mortgage, may make Future Advances to Borrower. Such Future Advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note plus US \$ 100,000.00.

22. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

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

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

This MORTGAGE is executed by EAST SIDE BANK AND TRUST COMPANY, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said EAST SIDE BANK AND TRUST COMPANY, hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said note contained shall be construed as creating any liability on the said First Party or on said EAST SIDE BANK AND TRUST COMPANY personally to pay the said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by Trustee and by every person now or hereafter claiming any right or security hereunder, and that so far as the First Party and its successors and said EAST SIDE BANK AND TRUST COMPANY personally are concerned, the legal holder or holders of said note and the lender or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof and the enforcement of the lien hereby created in the manner herein and in said note provided or by action to enforce the personal liability of the guarantor, if any.

IN WITNESS WHEREOF, East Side Bank and Trust Company, not personally but as Trustee as aforesaid, has caused these presents to be signed by its SR. V.P. & T.O. and its corporate seal to be hereunto affixed and attested by its SECRETARY the day and year first above written.

EAST SIDE BANK AND TRUST COMPANY

As Trustee as aforesaid, not personally.

By: S. J. Montella - Sr. V.P. & Trust Officer

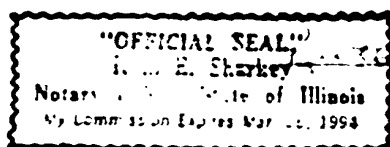
Attest: Leonard Szwajkowski - Vice President

STATE OF ILLINOIS } I, the undersigned, a Notary Public in and for said County,
COUNTY OF COOK } SS in the state aforesaid, DO HEREBY CERTIFY, that S. J. Montella, Senior

Vice President & T.O. of the EAST SIDE BANK AND TRUST COMPANY and Leonard Szwajkowski - V.P.

of said Bank, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as SR. V.P. & T.O. & V.P. and Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said secretary then and there acknowledged that said Secretary as a fiducian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as said Secretary's own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 29th day of July 1991.



Signature of Notary Public

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Lenders' written agreement under paragraph 2 hereof. Borrower shall pay the amount of all mortgage insurance premiums in the manner provided under paragraph 2 hereof. Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

10. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

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

12. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking. 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 such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

13. Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend to such installments.

14. Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate, in any manner, proceeding against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest, or forbearance by Lender of a Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

15. Remedies Cumulative. All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively. 13. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

14. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender in the manner designated herein for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

16. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recording hereof.

17. Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien of encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not constituting an option to purchase, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at a rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 17, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Borrower from all obligations under this Mortgage and the Note.

18. Lender exercises such option to accelerate. Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 18 hereof.

19. Acceleration; Remedies. Except as provided in paragraph 17 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceedings the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports.

20. 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 terminated by Lender to enforce this Mortgage discontinued at any time.

GROUP EXHIBIT "C"
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POWER TO HYPOTHECATE

TO: SOUTH SHORE BANK OF CHICAGO

The following collateral, namely: accounts; contract rights; chattel paper; documents; instruments; general intangibles; inventory; equipment; fixtures; machinery; and office furniture (the "Collateral") owned by PATEL BROTHERS AUTO SERVICES, INC. is hereby hypothecated to SOUTH SHORE BANK OF CHICAGO for indebtedness of JAGDISH PATEL, VIJAY PATEL, GHANSHYAM PATEL and PRAVIN PATEL evidenced by a collateral promissory note dated July 30, 1991, in the original principal amount of Three Hundred Sixty Thousand Dollars (\$360,000.00). The undersigned request that you give or continue to said Borrower credit in the form of loans or renewals or extensions as aforesaid, and in consideration of all or any credit so granted by you, the undersigned agrees that all or any property pledged as aforesaid shall be subject in your hands or those of your assignees, as pledgee or pledgees, to all powers which would apply thereto by contract or otherwise, if said property in fact when so pledged belonged to the Borrower and not to the undersigned.

PATEL BROTHERS AUTO SERVICES,
INC., an Indiana corporation

ATTEST: 

VIJAY PATEL, Secretary

BY: 

JAGDISH PATEL, President

DATED: 7-30, 1991

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GROUP EXHIBIT "C"

POWER TO HYPOTHECATE

TO: SOUTH SHORE BANK OF CHICAGO

The following collateral, namely: accounts; contract rights; chattel paper; documents; instruments; general intangibles; inventory; equipment; fixtures; machinery; and office furniture (the "Collateral") owned by V & J AUTO SERVICES, INC. is hereby hypothecated to SOUTH SHORE BANK OF CHICAGO for indebtedness of JAGDISH PATEL, VIJAY PATEL, GHANSHYAM PATEL and PRAVIN PATEL evidenced by a collateral promissory note dated July 30, 1991, in the original principal amount of Three Hundred Sixty Thousand Dollars (\$360,000.00). The undersigned request that you give or continue to said Borrower credit in the form of loans or renewals or extensions as aforesaid, and in consideration of all or any credit so granted by you, the undersigned agrees that all or any property pledged as aforesaid shall be subject in your hands or those of your assignees, as pledgee or pledgees, to all powers which would apply thereto by contract or otherwise, if said property in fact when so pledged belonged to the Borrower and not to the undersigned.

V & J AUTO SERVICES, INC.,
an Illinois corporation

ATTEST: 
VIJAY PATEL, Secretary

By: 
JAGDISH PATEL, President

DATED: 7-30, 1991

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GROUP EXHIBIT "C"

POWER TO HYPOTHECATE

TO: SOUTH SHORE BANK OF CHICAGO

The following collateral, namely: accounts; contract rights; chattel paper; documents; instruments; general intangibles; inventory; equipment; fixtures; machinery; and office furniture (the "Collateral") owned by PATEL AUTO SERVICES, INC. is hereby hypothecated to SOUTH SHORE BANK OF CHICAGO for indebtedness of JAGDISH PATEL, VIJAY PATEL, GHANSHYAM PATEL and PRAVIN PATEL evidenced by a collateral promissory note dated July 30, 1991, in the original principal amount of Three Hundred Sixty Thousand Dollars (\$360,000.00). The undersigned request that you give or continue to said Borrower credit in the form of loans or renewals or extensions as aforesaid, and in consideration of all or any credit so granted by you, the undersigned agrees that all or any property pledged as aforesaid shall be subject in your hands or those of your assignees, as pledgee or pledgees, to all powers which would apply thereto by contract or otherwise, if said property in fact when so pledged belonged to the Borrower and not to the undersigned.

PATEL AUTO SERVICES, INC.
an Illinois corporation

ATTEST: 
VIJAY PATEL, Secretary

By: 
JAGDISH PATEL, President

DATED: 7-30, 1991

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For Value Received

and in consideration of advances made or to be made, or credit given or to be given, or other financial accommodations afforded or to be afforded to Vijay Patel, Ghanshyam Patel and Pra. in Patel hereinafter called "debtor") by SOUTH SHORE BANK hereinafter called "Bank").

the undersigned hereby jointly and severally unconditionally guarantee the full and prompt payment to said Bank, of principal and interest and each and every installment thereof, when and as such payments respectively become due and payable, of any and all indebtedness, obligations and liabilities of every kind and nature of said Debtor to said Bank whether now existing or hereafter created or arising, whether direct or indirect, absolute or contingent, joint or several, howsoever owned, held or acquired, whether through discount, overdraft, purchase, direct loan, or as collateral, or otherwise, and the undersigned further agree to pay any costs, charges and expenses, including court costs, attorney's fees, master's fees and foreclosure costs) paid or incurred by said Bank in endeavoring to collect such indebtedness, obligations or liabilities, or any part thereof, and in enforcing this guarantee.

The right of recovery against the undersigned herein is limited to \$ 360,000.00 * plus interest on all loans and advances to said Debtor and all expenses hereinabove mentioned. The undersigned waive any notice of the incurring by the Debtor at any time of any liabilities, and waive any and all presentment, demand, protest, notice of dishonor, notice of protest, nonpayment, or other default with respect to any liabilities and any obligation of the above named Debtor and of any party at any time liable on the collateral if any given to secure such liabilities. The undersigned hereby grants to Bank full power, in its uncontrolled discretion and without notice to the undersigned, to deal in any manner with the liability or liabilities and the collateral.

The obligations of the undersigned hereunder shall not be released, discharged or in any way affected, nor shall the undersigned have any rights or recourse against Bank, by reason of any action Bank may take or omit to take.

In case Debtor shall fail to pay all or any part of such liabilities when due, whether by acceleration or otherwise, according to the terms of any note, contract, agreement or commitment (whether written or otherwise), given or made, to evidence or in respect of any such liability or liabilities, the undersigned, will immediately upon the written demand of Bank, pay to Bank the amount due and unpaid by the Debtor in like manner as if such amount constituted the direct and primary obligation of the undersigned. Bank shall not be required, prior to any such demand on, or payment by, the undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any such liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The undersigned shall have no right of subrogation whatsoever with respect to the liabilities or the collateral unless and until Bank shall have received full payment of all such liabilities.

The obligations of the undersigned hereunder, and the rights of Bank in the collateral, shall not be released, discharged, or in any way affected, nor shall the undersigned have any rights against Bank by reason of the fact that any of the collateral may be in default at the time of acceptance thereof by Bank or later; nor by reason of the fact that a valid lien on any of the collateral may not be conveyed to, or created in favor of, Bank; nor by reason of the fact that any of the collateral may be subject to equities or defenses or claims in favor of others or may be invalid or defective in any way; nor by reason of the fact that any of the liabilities may be invalid for any reason whatsoever; nor by reason of the fact that the value of any of the collateral, or the financial condition of the Debtor or of any obligor under, or guarantor of, any of the collateral, may not have been correctly estimated or may have changed or may hereafter change; nor by reason of any deterioration, waste, or loss by fire, theft, or otherwise of any of the collateral unless such deterioration, waste, or loss be caused by the willful act or willful failure to act of the Bank.

The undersigned hereby expressly consent and agree to any extension of the time for the payment of any such liabilities or any installment thereof and to the modification or change of any note contract, agreement, or commitment given to evidence or in respect of any such liabilities and to the substitution and substitution of any collateral said Bank may see fit to grant or make, without notice of any kind to the undersigned or any of them.

This guarantee to be continuing in substance and in effect and to remain in full force until revoked in writing, such revocation to be effective with said Bank only in the event all indebtedness covered herein has been repaid in full.

Any indebtedness owing from said Bank or the legal holder hereof to the undersigned may be appropriated and applied by said Bank or legal holder on account hereof at any time hereafter without demand or notice to anyone and any property belonging to the undersigned in the custody or under the control of said Bank or the holder hereof may be sequestered and held or sold at public or private sale without notice and after deducting the necessary costs and expenses of such sale the proceeds of such sale may be applied toward the payment hereof and the balance if any paid to the undersigned.

The term "undersigned" as used in this agreement shall mean the signers of this agreement and such signors shall be jointly and severally liable hereunder. The undersigned further agree that all liability hereunder shall continue notwithstanding the incapacity, lack of authority, death, or disability of any one or more of the undersigned, and that any failure by Bank or its assigns to file or enforce a claim against the estate of any of the undersigned shall not operate to release any other of the undersigned from liability hereunder. The failure of any other person to sign this guaranty shall not release or affect the liability of any signer hereof.

"THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREIN. FURTHER, THE DEBTOR HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE BANK HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHTS TO A TRIAL BY JURY. THE DEBTOR KNOWS AND UNDERSTANDS THAT THE BANK HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER PROVISIONS, THE PROVISIONS OF THIS SECTION."

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and affixed their seals at Chicago, Illinois, this 30th day of July, A.D. 19 91.

*The undersigned agree that this guaranty to Bank is one of several guaranties which are in effect between the undersigned and the Bank. All other guaranties may vary in dollar amount from time to time depending on the remaining guaranteed balances outstanding. All of these guaranties remain in effect together and shall be considered the total amount outstanding that is guaranteed by the undersigned to the Bank for loans to the Debtor.

Attest: [Signature]
Vijay Patel, Secretary

PATEL BROTHERS AUTO SERVICES, INC.,
an Indiana corporation
By: [Signature]
Jagsish Patel, President

11/11/91

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V & J AUTO SERVICES, INC., an Illinois corporation

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30th day of July A.D. 1991

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and affixed their seals at Chicago, Illinois, this SECTION

OF MIGHT TO BE ENFORCED BY THE BANK OR ITS AGENTS OR ATTORNEYS. THE BANK HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY AMONG OTHER PROVISIONS, THE PROVISIONS OF THIS SECTION. THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR THE TRANSACTIONS CONTAINED HEREIN, FURTHER, THE DEBTOR HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE BANK HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT IN THE EVENT OF SUCH LITIGATION, FILE A MOTION FOR A WRIT OF HABEAS CORPUS TO ENFORCE THIS AGREEMENT.

The term "undersigned" as used in this agreement shall mean the signers of this agreement, and such signers shall be jointly and severally liable hereunder. The undersigned further agree that all liability hereunder shall continue notwithstanding the incapacity, lack of authority, death, or disability of any one or more of the undersigned, and that any failure by Bank or its assigns to file or enforce a claim against the estate of any of the undersigned shall not operate to release any other of the undersigned from liability hereunder. The failure of any other person to sign this guaranty shall not release or affect the liability of any indebtedness owing from said Bank or the legal holder hereof to the undersigned may be appropriated and applied by said Bank or legal holder on account hereof at any time hereafter without demand or notice to anyone and any property belonging to the undersigned in the custody or under the control of said Bank or the holder hereof may be requested and held or sold at public or private sale without notice and after deducting the necessary costs and expenses of such sale the proceeds of such sale may be applied toward the payment hereof and the balance if any paid to the undersigned.

This guaranty to be continuing in substance and in effect and to remain in full force until revoked in writing, such revocation to be effective with said Bank only in the event all indebtedness covered herein has been returned in full. Any indebtedness owing from said Bank or the legal holder hereof to the undersigned may be appropriated and applied by said Bank or legal holder on account hereof at any time hereafter without demand or notice to anyone and any property belonging to the undersigned in the custody or under the control of said Bank or the holder hereof may be requested and held or sold at public or private sale without notice and after deducting the necessary costs and expenses of such sale the proceeds of such sale may be applied toward the payment hereof and the balance if any paid to the undersigned.

The undersigned hereby expressly consent and agree to any extension of the time for the payment of any such liabilities or any installment thereof and to the modification or change of any note contract, agreement, or commitment given to or by grant or make, without notice of any kind to the undersigned or any of them. The undersigned hereby agree to the substitution of any collateral, said Bank may see fit to depend on in respect of any such liabilities and to the substitution and reassignment of any collateral, said Bank may see fit to depend on in respect of any such liabilities. The obligations of the undersigned hereunder, and the rights of Bank in the collateral, shall not be released, discharged, or in any way affected, nor shall the undersigned have any right against Bank by reason of the fact that any of the collateral may be in default at the time of acceptance thereof by Bank or later; nor by reason of the fact that a valid lien on any of the collateral may not be conveyed to, or created in favor of, Bank; nor by reason of the fact that any of the collateral may be subject to equities or defenses or claims in favor of others or may be invalid or defective in any way; nor by reason of the fact that any of the liabilities may be invalid for any reason whatsoever; nor by reason of the fact that the value of any of the collateral, or of the financial condition of the Debtor or of any obligor under, or guarantor of, any of the collateral, may not have been correctly estimated or may have changed or may be altered or may be changed; nor by reason of any deterioration, waste, or loss by fire, theft, or otherwise of any of the collateral unless such deterioration, waste, or loss be caused by the willful act or willful failure to act of the Bank.

The obligations of the undersigned hereunder shall not be released, discharged, or in any way affected, nor shall the undersigned have any right or recourse against Bank, by reason of any action Bank may take or omit to take. In case Debtor shall fail to pay all or any part of such liabilities when due, whether by acceleration or otherwise, according to the terms of any note, contract, agreement or commitment (whether written or otherwise), given or made to evidence or in respect of any such liability or liabilities, the undersigned, will immediately upon the written demand of Bank pay to Bank the amount due and unpaid by the Debtor in the manner as if such amount constituted the direct and primary obligation of the undersigned. Bank shall not be required, prior to any such demand on, or payment by, the undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any such liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The undersigned shall have no right of subrogation whatsoever with respect to the liabilities or the collateral until Bank shall have received full payment of all such liabilities.

The obligations of the undersigned hereunder shall not be released, discharged, or in any way affected, nor shall the undersigned have any right or recourse against Bank, by reason of any action Bank may take or omit to take. In case Debtor shall fail to pay all or any part of such liabilities when due, whether by acceleration or otherwise, according to the terms of any note, contract, agreement or commitment (whether written or otherwise), given or made to evidence or in respect of any such liability or liabilities, the undersigned, will immediately upon the written demand of Bank pay to Bank the amount due and unpaid by the Debtor in the manner as if such amount constituted the direct and primary obligation of the undersigned. Bank shall not be required, prior to any such demand on, or payment by, the undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any such liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The undersigned shall have no right of subrogation whatsoever with respect to the liabilities or the collateral until Bank shall have received full payment of all such liabilities.

The right of recovery against the undersigned hereunder is limited to \$360,000.00 plus interest on all loans and advances to said Debtor and all expenses hereinafter mentioned. The undersigned waive any notice of the incurrence by the Debtor at any time of any liability, and waive any and all presentment, demand, protest, notice of dishonor, notice of protest, nonpayment, or other default with respect to any liabilities and any obligation of the above named Debtor and of any party at any time liable on the collateral if any given to secure such liabilities. The undersigned hereby grants to Bank full power, in its uncontrolled discretion and without notice to the undersigned, to deal in any manner with the liability or liabilities and the collateral or to incur by said Bank in endeavoring to collect such indebtedness, obligations or liabilities, or any part thereof, and in enforcing this guaranty.

The undersigned hereby jointly and severally unconditionally guarantee the full and prompt payment to said Bank of principal and interest and each and every installment thereof, when and as such payments respectively become due and payable of any and all indebtedness, obligations and liabilities of every kind and nature of said Debtor to said Bank whether now existing or hereafter created or arising, whether direct or indirect, absolute or contingent, joint or several, howsoever owned, held or incurred, whether through direct or indirect means, including court costs, attorney's fees, master's fees and foreclosure costs paid or incurred by said Bank in endeavoring to collect such indebtedness, obligations or liabilities, or any part thereof, and in enforcing this guaranty.

Patel and Pravin Patel (hereinafter called "debtor") by SOUTH SHORE BANK (hereinafter called "Bank")

and in consideration of adv. made or to be made or credit given or to be given, or other financial accommodation afforded or to be afforded to Jagdish Patel, Vijay Patel, Ghanshya

REC-0010

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

ATTEST

PATEL AUTO SERVICES, INC. an Illinois corporation

The undersigned agrees that this Guaranty to Bank is one of several Guaranties which are in effect between the undersigned and the Bank. All other Guaranties may vary in dollar amount from time to time depending on the remaining guaranteed balances outstanding. All of these Guaranties remain in effect together and shall be considered the total amount of outstanding that is guaranteed by the undersigned to the Bank for its loans to the Debtor.

30th day of July A.D. 19 91

IN WITNESS WHEREOF the undersigned have hereunto set their hands and affixed their seals at Chicago, Illinois, this SECTION 1

THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF EITHER OR IN CONNECTION WITH THIS AGREEMENT, OR THE TRANS ACTIONS CONTEMPLATED HEREIN, FURTHER, THE DEBTOR HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE BANK HAS REPRESENTED, EXPRESSLY OR OTHER WISE, THAT THE BANK WOULD NOT IN THE EVENT OF SUCH LITIGATION SEEK TO ENFORCE THIS AGREEMENT OF RIGHT TO THE FULL EXTENT OF THE BANK'S RIGHTS UNDER THE PROVISIONS OF THIS AGREEMENT. THE BANK HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER PROVISIONS, THE PROVISIONS OF THIS

The term "undebtedness" as used in this agreement shall mean the signers of this agreement shall be jointly and severally liable hereunder. The undersigned further agree that all liability hereunder shall continue notwithstanding the death, disability, lack of authority, lack of assets, or otherwise of any one or more of the undersigned, and that any failure by Bank or its assigns to file or enforce a claim against the estate of any of the undersigned shall not operate to release any other of the undersigned from liability hereunder. The failure of any other person to sign this Guaranty shall not release or affect the liability of any signer hereof.

Any indebtedness owing from said Bank or the legal holder hereof to the undersigned may be appropriated and applied by said Bank or legal holder on account hereof at any time hereafter without demand or notice to anyone and any proceeds of such sale may be applied toward the payment hereof and the balance if any paid to the undersigned held or sold at public or private sale without notice and after deducting the necessary costs and expenses of such sale the proceeds of such sale may be applied toward the payment hereof and the balance if any paid to the undersigned. The undersigned agrees that all liability hereunder shall continue notwithstanding the death, disability, lack of authority, lack of assets, or otherwise of any one or more of the undersigned, and that any failure by Bank or its assigns to file or enforce a claim against the estate of any of the undersigned shall not operate to release any other of the undersigned from liability hereunder. The failure of any other person to sign this Guaranty shall not release or affect the liability of any signer hereof.

The obligations of the undersigned hereunder shall not be released, discharged or in any way affected, nor shall the undersigned have any rights or recourse against Bank, by reason of any action Bank may take or omit to take. In case Debtor shall fail to pay all or any part of such liabilities when due, whether by acceleration or otherwise, according to the terms of any note, contract, agreement or commitment (whether written or otherwise), given or made, to evidence or in respect of any such liability or liability, the undersigned, shall immediately upon the written demand of Bank, pay to Bank the amount due and unpaid by the Debtor in like manner as if such amount constituted the direct and primary obligation of the undersigned. Bank shall not be required, prior to any such demand on, or payment by, the undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any such liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The undersigned shall have no right of subrogation whatsoever with respect to the liabilities or the collateral unless and until Bank shall have received full payment of all such liabilities.

The right of recovery against the undersigned hereunder shall not be released, discharged or in any way affected, nor shall the undersigned have any rights or recourse against Bank, by reason of any action Bank may take or omit to take. In case Debtor shall fail to pay all or any part of such liabilities when due, whether by acceleration or otherwise, according to the terms of any note, contract, agreement or commitment (whether written or otherwise), given or made, to evidence or in respect of any such liability or liability, the undersigned, shall immediately upon the written demand of Bank, pay to Bank the amount due and unpaid by the Debtor in like manner as if such amount constituted the direct and primary obligation of the undersigned. Bank shall not be required, prior to any such demand on, or payment by, the undersigned, to make any demand upon or pursue or exhaust any of its rights or remedies against the Debtor or others with respect to the payment of any such liabilities, or to pursue or exhaust any of its rights or remedies with respect to any part of the collateral. The undersigned shall have no right of subrogation whatsoever with respect to the liabilities or the collateral unless and until Bank shall have received full payment of all such liabilities.

the undersigned hereby jointly and severally unconditionally guarantee the full and prompt payment to said Bank of principal and interest and each and every installment thereof, when and as such payments respectively become due and payable of any and all indebtedness, obligations and liabilities of every kind and nature of said Debtor to said Bank whether now existing or hereafter created or arising, whether direct or indirect, absolute or contingent, joint or several, however shared, held or required, whether through discount, overdraft, advance, direct loan or as collateral, or otherwise, and whether or not such indebtedness or liability was incurred by said Debtor, and in endeavoring to collect such indebtedness, obligations or liabilities, or any part thereof, and in agreeing to pay all interest, principal and other charges, including court costs, attorney's fees, master's fees and recording costs, paid or incurred by said Bank in endeavoring to collect such indebtedness, obligations or liabilities, or any part thereof, and in enforcing this guarantee.

to be given, or other financial accommodation afforded or to be afforded to JADISH Patel, VIKAV Patel, SHANSHYA Patel and FRAYIN Patel, hereinafter called "Debtors", by SOUTH SHORE BANK, hereinafter called "Bank".

MADE OR TO BE MADE, OR CREDIT GIVEN OR RECEIVED IN CONSIDERATION OF ADVANCEMENT BY SAID BANK. WITNESSED AND SIGNED BY THE DEBTORS AND BY THE UNDERSIGNED AT CHICAGO, ILLINOIS, THIS 30TH DAY OF JULY, 1991.

UNOFFICIAL COPY

Property of Cook County Clerk's Office

GROUP EXHIBIT "C"
UNOFFICIAL COPY
STATE OF INDIANA

UNIFORM COMMERCIAL CODE - FINANCING STATEMENT - FORM UCC-2

INSTRUCTIONS:

1. PLEASE TYPE this form. Fold only along perforation for mailing.
2. Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.
3. If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the Secured Party.

A STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

For Filing Officer (Date, Time, Number, and Filing Office)

Debtor(s) (Last Name) and address(es)	Secured Party(ies) and address(es)
PATEL BROTHERS AUTO SERVICES, INC. 747 W. 65th Street Schererville, IN 46375	SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd. Chicago, Illinois 60649

This financing statement covers the following types (or items) of property:
All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.

ASSIGNEE OF SECURED PARTY

(If collateral is crops) The above described crops are growing or are to be grown on: (Describe Real Estate)

(If applicable) The above goods are to become fixtures on (The above timber is standing on ...) (The above minerals or the like (including oil and gas) accounts will be financed at the wellhead or minehead of the well or mine located on ...) (Strike what is inapplicable) (Describe Real Estate)

and this financing statement is to be filed in the real estate records (if the debtor does not have an interest of record) The name of a record owner is

Products of Collateral are also covered.

Additional sheets presented _____
 Filed with Recorder's Office of Lake County, Indiana
By: PATEL BROTHERS AUTO SERVICES, INC. an Indiana corporation
Signature of (Debtor)
By: Jagdish Patel (Secured Party) President

*Signature of Debtor Required in Most Cases;
Signature of Secured Party in Cases Covered By UCC 9-402 (2)

Filing Officer Copy-Alphabetical

This form of financing statement is approved by the Secretary of State.

Received

6 UCC 1
3 UCC 2

NETIC

by Richard Wason

7/30/91

91092635

UNOFFICIAL COPY

Property of Cook County Clerk's Office

STATE OF ILLINOIS
UNIFORM COMMERCIAL CODE FINANCING STATEMENT FORM UCC-2

INSTRUCTIONS:

1. PLEASE TYPE this form. Fold only along perforation for mailing.
2. Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.
3. If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the Secured Party.

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code		For Filing Officer (Date, Time, Number, and Filing Office)
Debtor(s) (Last Name) and address(es) PATEL AUTO SERVICES, INC. 14739 S. Greenwood Ave. Bolton, IL 60419	Secured Party(ies) and address(es) SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd Chicago, Illinois 60649	

This financing statement covers the following types (or items) of property: All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.	ASSIGNEE OF SECURED PARTY
---	---------------------------

2. (If collateral is crops) The above described crops are growing or are to be grown on: (Describe Real Estate)
3. (If applicable) The above goods are to become fixtures on [The above timber is standing on ...] [The above minerals or the like (including oil and gas) accounts will be financed at the wellhead or mouth of the well or mine located on ...] (Strike what is inapplicable) (Describe Real Estate) and this financing statement is to be filed in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is
4. Products of Collateral are also covered.

Additional sheets presented _____ Filed with Recorder's Office of <u>Cook</u> County, Illinois	PATEL AUTO SERVICES, INC., an Illinois corporation Signature of (Debtor) By: <u>Prakash Patil</u> Prakash Patil (Secured Party) - President
---	---

Filing Officer Copy-Alphabetical

Signature of Debtor Required in Most Cases;
 Signature of Secured Party in Cases Covered By UCC (9-402 (2))

This form of financing statement is approved by the Secretary of State.

91002635

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Property of Cook County Clerk's Office

STATE OF ILLINOIS
 UNIFORM COMMERCIAL CODE FINANCING STATEMENT - FORM UCC-2

UNOFFICIAL COPY

INSTRUCTIONS:

1. PLEASE TYPE this form. Fold only along perforation for mailing.
2. Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.
3. If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the Secured Party.

STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.		For Filing Officer (Date, Time, Number, and Filing Office)
Debtor(s) (Last Name) and address(es)	Secured Party(ies) and address(es)	
V & J AUTO SERVICES, INC. 590 Lincoln Highway Chicago Heights, IL 60411	SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd. Chicago, Illinois 60649	

This financing statement covers the following types (or items) of property: All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.	ASSIGNEE OF SECURED PARTY
---	---------------------------

If collateral is crops) The above described crops are growing or are to be grown on: (Describe Real Estate)

If applicable) The above goods are to become fixtures on [The above timber is standing on ...] [The above minerals or the like (including oil and gas) accounts will be financed at the wellhead or minehead of the well or mine located on ...] (Strike what is inapplicable) (Describe Real Estate)

and this financing statement is to be filed in the real estate records. (If the debtor does not have an interest of record) The name of a record owner is

Products of Collateral are also covered.

Additional sheets presented _____	V & J AUTO SERVICES, INC., an Illinois corporation
Filed with Recorder's Office of <u>COOK</u> County, Illinois.	Signature of (Debtor)
By: <u>Paul Judith</u>	Paul Judith (Secured Party)* President

Filing Officer Copy-Alphabetical

Signature of Debtor Required in Most Cases;
 Signature of Secured Party in Cases Covered By UCC (9-402 (2))

This form of financing statement is approved by the Secretary of State.

Clerk's Office

916931335

UNOFFICIAL COPY

Property of Cook County Clerk's Office

INSTRUCTIONS

- This form may be used for filings with the Secretary of State and also subject to the following filing with the County Recorder: consumer goods, farm equipment and farm products purchased under UCC 9-109 of this Act.
- Please type in a form. Fold only along perforation for mailing.
- Remove Secured Party and Debtor copies and send three copies with interleaved carbon paper to the filing officer. Enclose filing fee of \$4.00 plus an additional fee of \$1.00 for each of the following: (1) filing of an assignment on this form, and/or (2) each additional debtor's name over one. Form UCC-3 should be used for any subsequent assignments.
- If the space provided for any item is inadequate, the item may be continued on additional sheets, preferably 5" x 8". An additional fee of \$4.00 is due for oversized sheets.
- If the collateral is crops growing or to be grown, describe the collateral and also the real estate.
- The filing officer will return the third page of this form as an acknowledgment. Secured Party at a later time may use the third page as a Termination Statement by attaching a copy of the termination report to this page.

This Financing Statement is presented to Filing Officer for filing pursuant to the Uniform Commercial Code.

Number of additional sheets presented

Debtor(s) (Last Name First, and Address(es))
PATEL BROTHERS AUTO SERVICES, INC.
 747 W. 65th Street
 Schererville, IN 46375

Secured Party(ies) and Address(es)
SOUTH SHORE BANK OF CHICAGO
 7054 S. Jeffery Blvd.
 Chicago, IL 60649

For Filing Officer (Date, Time, Number, and Filing Office)

This Financing Statement covers the following types of items of property (include description of real estate when collateral is crops):

Name and Address of Assignee of Secured Party

All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.

Products of Collateral are also covered. (See IC 26-1-9-3'5)

Debtor is a transmitting utility as defined in IC 26-1-9-105.

Filed with:

Secretary of State

Recorder of _____

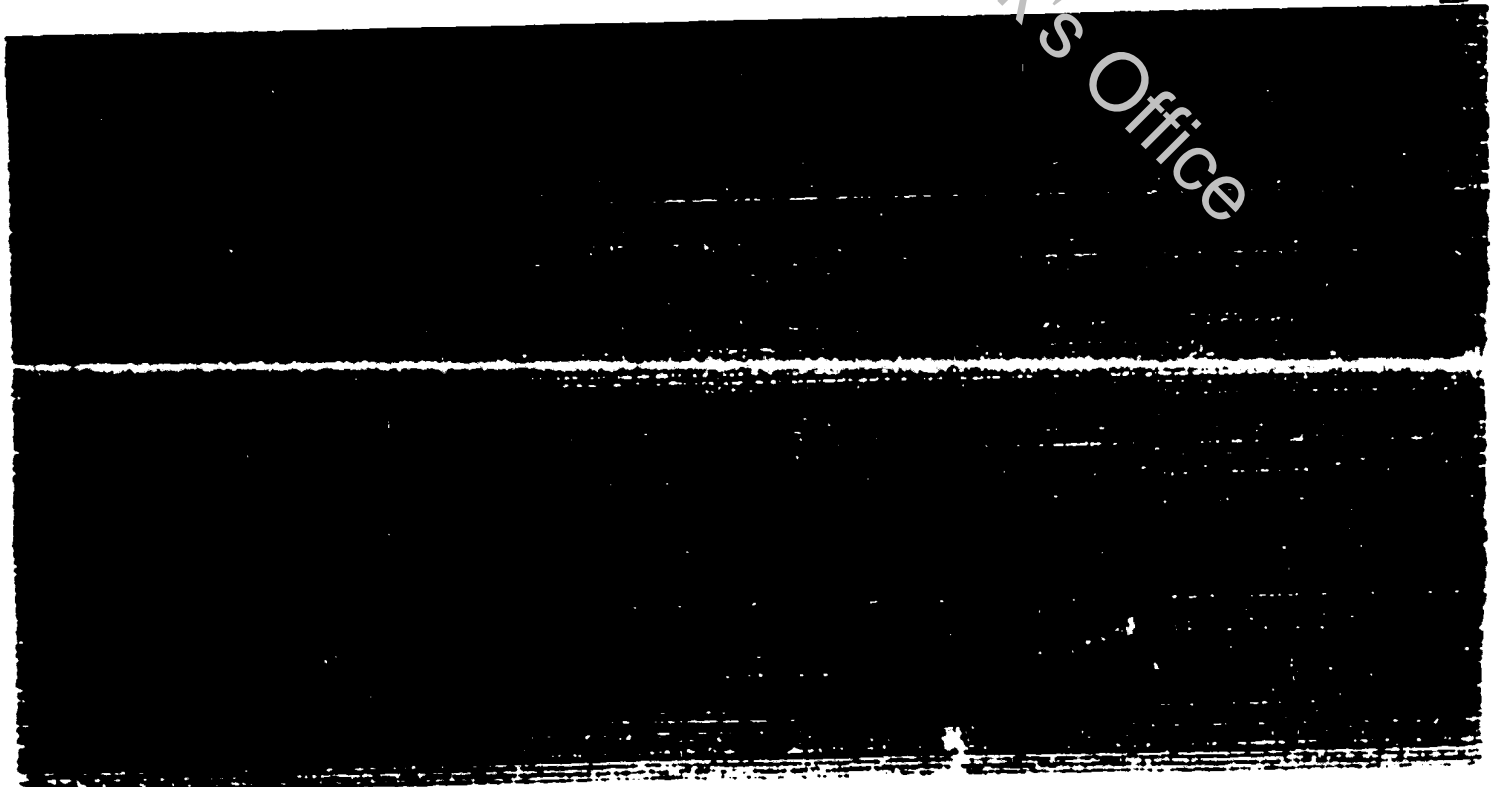
County

PATEL BROTHERS AUTO SERVICES, INC.,
an Indiana corporation

By: Patel Jagdish
Signature of Debtor (or Secured Party in cases covered by IC 26-1-9-403'21)
Jagdish Patel, President

- Collateral was brought into this state subject to a security interest in another jurisdiction or the Debtor's location has been changed to this state.
- In accordance with a security agreement signed by the Debtor authorizing the Secured Party to file this statement.

91693635



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Property of Cook County Clerk's Office

STATE OF ILLINOIS
 UNIFORM COMMERCIAL CODE - FINANCING STATEMENT - FORM UCC-1

UNOFFICIAL COPY

INSTRUCTIONS

PLEASE TYPE this form. Fold only along perforation for mailing.

Remove Secured Party and Debtor copies and send other 3 copies with interleafed carbon paper to the filing office. Enclose filing fee.

If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing office with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the secured party.

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code

For Filing Officer
 (Date, Time, Number, and Filing Office)

Debtor(s) (Last Name First) and address(es)

Secured Party(ies) and address(es)

PATEL AUTO SERVICES, INC.
 14739 S. Greenwood Ave.
 Dolton, IL 60419

SOUTH SHORE BANK OF CHICAGO
 7054 South Jeffery Blvd.
 Chicago, IL 60649

This financing statement covers the following type(s) for item(s) of property:

All accounts, contract rights, chattel paper, documents, instruments and general intangibles now or hereafter existing in favor of or owned or acquired by debtor and all goods hereafter sold by debtor, and thereafter returned to or repossessed by debtor. All inventory used in debtor's business including but not limited to all items offered for sale in the debtor's course of business, whether now in the possession of the debtor or hereafter acquired by way of replacement, substitution or addition, and any proceeds of all of the foregoing.

ASSIGNEE OF SECURED PARTY

Products of Collateral are also covered.

Additional sheets processed.

Filed with Office of Secretary of State of Illinois.

Debtor is a transmitting utility as defined in UCC §9-102.

PATEL AUTO SERVICES, INC.,
 an Illinois corporation

Patel Jagdish
 Signature of Debtor Jagdish Patel, Pres.
 (Secured Party)

*Signature of Debtor Required in Most Cases
 Signature of Secured Party in Cases Covered by UCC §9-402 (2)

(1) Filing Office Copy - Alphabetical

This form of financing statement is approved by the Secretary of State.

STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC-1 - REV. 1-75

91692625

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS
UNIFORM COMMERCIAL CODE - FINANCING STATEMENT - FORM UCC-1

INSTRUCTIONS

PLEASE TYPE this form. Fold only along perforation for mailing.

Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.

If space provided for information on the form is inadequate the item(s) should be continued on additional sheets, preferably 5" x 8" or 8" x 10". Only one copy of such additional sheets need be prepared. To the filing officer with a set of three copies of the financing statement, filing schedule, and other schedules, etc., may be on any size paper that is convenient for the secured party.

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code

For Filing Officer
(Date, Time, Number, and Filing Office)

Debtor (Last Name First) and address(es)

Secured Party(ies) and address(es)

V & J AUTO SERVICES, INC.
590 Lincoln Highway
Chicago Heights, IL 60411

SOUTH SHORE BANK OF CHICAGO
7054 South Jeffery Blvd.
Chicago, IL 60649

This financing statement covers the following type(s) of item(s) of property:

All accounts, contract rights, chattel paper, documents, instruments and general intangibles now or hereafter existing in favor of or owned or acquired by debtor and all goods hereafter sold by debtor, and thereafter returned to or repossessed by debtor. All inventory used in debtor's business including but not limited to all items offered for sale in the debtor's course of business, whether now in the possession of the debtor or hereafter acquired by way of replacement, substitution or addition, and any proceeds of all of the foregoing.

ASSIGNEE OF SECURED PARTY

Products of Consumer are also covered.

Additional sheets presented.

Filed with Office of Secretary of State of Illinois.

Debtor is a transmitting utility as defined in UCC §9-103.

V & J AUTO SERVICES, INC.,
an Illinois corporation

By: Pankaj Jyoti
Signature of Debtor Jagdish Patel, Pres.
(Secured Party)

*Signature of Debtor Required in Most Cases
Signature of Secured Party in Cases Covered by UCC §9-403 (2)

1) Filing Office: Copy - Alphabetical

This form of financing statement is approved by the Secretary of State.

STANDARD FORM - UNIFORM COMMERCIAL CODE - FORM UCC 1 - REV. 1-75

91693635

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

- 1. This form may be used for filings with the Secretary of State and is also suitable for the following filings:
 - a. Assignment and farm products pursuant to IC 26-1-9-101.
 - b. Assignment of accounts, contract rights, chattel paper, documents, instruments and general intangibles pursuant to IC 26-1-9-102.
- 2. Please type this form; fill only a single blank space for marking.
- 3. Remove Secured Party and Debtor codes and file copies with interested parties in paper to the filing office. Increase filing fee to \$4.00 plus an additional fee of \$1.00 for each of the following:
 - a. Filing of an assignment of this form.
 - b. Filing of an additional debtor's name over one Form UCC 3 should be used for any subsequent assignments.
- 4. If the space provided for any item is inadequate, the item may be continued on additional sheets, preferably 5" x 8". An additional fee of \$4.00 is due for oversized sheets.
- 5. If the collateral is crops growing or to be grown, describe the collateral and also the real estate.
- 6. The filing officer will return the third page of this form as an acknowledgment. Secured Party at a later time may use the third page as a Termination Statement by dating and signing the termination legend on that page.

This Financing Statement is presented to Filing Officer for filing pursuant to the Uniform Commercial Code. Number of additional sheets presented: _____

Debtor(s) (Last Name First) and Address(es): PATEL BROTHERS AUTO SERVICES, INC. 47 W. 65th Street Zionsville, IN 46375	Secured Party(ies) and Address(es): SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd. Chicago, IL 60649	For Filing Officer (Date, Time, Number, and Filing Office)
This Financing Statement covers the following types of property (include description of real estate when collateral is crops): All accounts, contract rights, chattel paper, documents, instruments and general intangibles now or hereafter existing in favor of or owned or acquired by debtor and all goods hereafter sold by debtor, and thereafter returned to or repossessed by debtor. All inventory used in debtor's business including but not limited to all items offered for sale in the debtor's course of business, whether acquired by replacement, substitution or addition. <input checked="" type="checkbox"/> Products of collateral are also covered (See IC 26-1-9-105) and any proceeds of all of the foregoing	Name and Address of Assignee of Secured Party	<input type="checkbox"/> Debtor is a transmitting utility as defined in IC 26-1-9-105.

Filed with: Secretary of State Recorder of _____ County

PATEL BROTHERS AUTO SERVICES, INC.,
 an Indiana corporation
 By: Patel Jyoti
 Signature of Debtor (or Secured Party in cases covered by IC 26-1-9-403.2)

Collateral was brought into this state subject to a security interest in another jurisdiction or the Debtor's location has been changed to this state.
 Filed in accordance with a security agreement signed by the Debtor authorizing the Secured Party to file this statement.

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STATE OF ILLINOIS UNIFORM COMMERCIAL CODE - FINANCING STATEMENT - FORM UCC-1

INSTRUCTIONS:

PLEASE TYPE this form. Fold only along perforation for mailing.
Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.
If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 8" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, addressees, etc., may be on any size paper that is convenient for the secured party.

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.		For Filing Officer (Date, Time, Number, and Filing Office)
Debtor(s) (Last Name, First and address(es))	Secured Party(ies) and address(es)	
V & J AUTO SERVICES, INC. 590 Lincoln Highway Chicago Heights, IL 60411	SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd. Chicago, Illinois 60649	
1. This financing statement covers the following type(s) (or items) of property: All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.		ASSIGNOR OF SECURED PARTY
2. <input checked="" type="checkbox"/> Products of Collateral are also covered.		
<input type="checkbox"/> Additional sheets presented.		V & J AUTO SERVICES, INC. by <u>Rajesh Patel</u> Signature of (Debtor) <u>RAJESH PATEL, Pres.</u> (Secured Party) *Signature of Debtor Required in Most Cases. Signature of Secured Party in Cases Covered by UCC §9-402 (D)
<input checked="" type="checkbox"/> Filed with Office of Secretary of State of Illinois.		
<input type="checkbox"/> Debtor is a transmitting utility as defined in UCC §9-103.		
Filing Officer Copy-Alphabetical	This form of financing statement is approved by the Secretary of State.	
STANDARD FORM-UNIFORM COMMERCIAL CODE-FORM UCC 1-REV. 8-75		

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STATE OF ILLINOIS
UNIFORM COMMERCIAL CODE - FINANCIAL STATEMENT - FORM UCC-1

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INSTRUCTIONS:

1. PLEASE TYPE this form. Fold only along perforation for mailing.
2. Remove Secured Party and Debtor copies and send either 3 copies with interlocked carbon paper to the filing officer. Enclose filing fee.
3. If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 8" x 8" or 8" x 10". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the secured party.

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.		For Filing Officer (Date, Time, Number, and Filing Office)
Debtor(s) (Last Name First) and address(es)	Secured Party(ies) and address(es)	
PATEL AUTO SERVICES, INC. 14739 S. Greenwood Ave. Dolton, IL 60619	SOUTH SHORE BANK OF CHICAGO 7054 S. Jeffery Blvd. Chicago, IL 60649	

1. This financing statement covers the following types (or items) of property:

All of the debtor's now owned and hereafter acquired equipment and fixtures used in the debtor's business including, but not limited to, all machinery, office furniture and all additions and accessions to all of the foregoing.

ASSIGNEE OF SECURED PARTY

2. Products of Collateral are also covered.

- ____ Additional sheets presented.
- Filed with Office of Secretary of State of Illinois.
- ____ Debtor is a transmitting utility as defined in UCC §9-105.

PATEL AUTO SERVICES, INC.
 by: Patel Jagdish
 Signature of (Debtor) Jagdish Patel, Pres.
 (Secured Party)*

*Signature of Debtor Required in Most Cases;
Signature of Secured Party in Cases Covered by UCC §9-408 (2)

Filing Officer Copy-Alphabetical This form of financing statement is approved by the Secretary of State.

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BY: [Signature] (SECURED PARTY) SOUTH SHORE BANK OF CHICAGO
BY: Jagdish Patel (DEBTOR) V & J AUTO SERVICES, INC.
TITLE: COLLATERAL
Vijay Patel (NAME AND TITLE) Secretary

day of July, 1991
IN WITNESS WHEREOF, Debtor and Secured Party have caused this agreement to be executed this 30th day of July, 1991.

THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT...
1. Will pay the Secured Party all amounts payable on the note mentioned above and all other notes held by Secured Party as and when the same shall be due and payable, whether at maturity, by acceleration or otherwise, and will perform all terms of said notes and...

DEBTOR AGREES that the Collateral is being acquired by Debtor with the proceeds of the note, which will be used for no other purpose...
(d) and of the following is checked:

- X Business purposes and that the location specified above is Debtor's only place of business, with the exception of Farm purposes
Personal, family or household purposes
and price of the collateral bought for farm purposes (including credit for trade in, if any) was \$

DEBTOR WARRANTS: (a) Debtor is the owner of the Collateral clear of all liens and security interests except the security interest granted hereby; (b) Debtor has the right to make this agreement; (c) the collateral is used or bought for use primarily for the purpose checked below.

DESCRIPTION OF GOODS
All machinery, equipment, furniture, fixtures now owned or hereafter acquired and the proceeds thereof together with all increases, parts, fittings, accessories, equipment, special tools, renewals and replacements of all or any part thereof, and other goods of the same class whether now owned or hereafter acquired by Debtor (all hereinafter called "Collateral"), to secure (i) the payment of a note dated July 3, 1991

and assigns a security interest in the following goods located at 590 Lincoln Highway, Chicago Heights, IL 60411
Name: V & J AUTO SERVICES, INC., 590 Lincoln Highway, Chicago Heights, IL 60411
Street: Cook
City: ZIP: 60411

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Vijay Patel (NASH AND TILL) Secretary
Jagdish Patel (NASH AND TILL) President
DEBTOR

BY: [Signature] (SECURED PARTY)
SOUTH SHORE BANK OF CHICAGO

an Illinois corporation
PATEL AUTO SERVICES, INC.
day of July 1991

IN WITNESS WHEREOF, Debtor and Secured Party have caused this agreement to be executed this 30th day of July 1991.
BY, AMONG OTHER PROVISIONS, THE PROVISIONS OF THIS SECTION...

THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT...
All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns...

- 1. Will pay the Secured Party all amounts payable on the note mentioned above and all other notes held by Secured Party as and when the same shall be due and payable, whether at maturity, by acceleration or otherwise...
2. Will defend the collateral against the claims and demands of all persons...
3. Will insure the collateral against all hazards requested by Secured Party in form and amount satisfactory to Secured Party...

DEBTOR AGREES THAT:
The collateral is being acquired by Debtor with the proceeds of the note, which will be used for no other purpose...
(d) and of the following is checked:

Form with checkboxes:
[X] Business purposes and that the location specified above is Debtor's only place of business, with the exception of farm purposes.
[X] Farm purposes
[] Personal, family or household purposes and that the location specified above is Debtor's residence, and the purchase price of the collateral bought for farm purposes (including credit for trade in, if any) was \$

DEBTOR WARRANTS:
(a) Debtor is the owner of the collateral free of all liens and security interests except the security interest granted hereby;
(b) Debtor has the right to make this agreement;
(c) the collateral is used or bought for use primarily for the purpose checked below:

DESCRIPTION OF GOODS
All machinery, equipment, furniture, and fixtures now owned or hereafter acquired and the proceeds thereof together with all increases, parts, fittings, accessories, equipment, special tools, repairs and replacements of all or any part thereof, and other goods of the same class whether now owned or hereafter acquired by Debtor shall hereinafter be called "Collateral"...

PATEL AUTO SERVICES, INC., 14739 S. Greenwood Ave., Dolton, IL 60419
CITY STATE ZIP
14739 S. Greenwood Avenue, Dolton, IL 60419
and assigns a security interest in the following goods located at 14739 S. Greenwood Avenue, Dolton, IL 60419

GROUP EXHIBIT "C"

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SECURITY AGREEMENT GROUP EXHIBIT "C"
UNOFFICIAL COPY
(Inventory and Accounts Receivable)

THIS AGREEMENT, made this 30th day of July, 1991, between
SOUTH SHORE BANK OF CHICAGO (herein called the "Bank") CHICAGO, ILLINOIS

and Fatel Brothers Auto Services, Inc., an Indiana Corporation
747 W. 65th Street, Schererville, IN 46375 (herein called "Borrower");
Address

WITNESSETH.

WHEREAS, it is contemplated that Borrower may from time to time request loans or advances from the Bank and that the Bank may, at its election, comply with any such request, in whole or in part;

NOW, THEREFORE, for and in consideration of any loan or advance (including any loan or advance by renewal or extension) hereafter made to Borrower by the Bank, or any release hereafter made by the Bank of any balance in the Assignee Deposit Account (hereinafter defined), and for other good and valuable consideration, the parties hereto agree as follows:

1. **Definitions.** When used herein, the following terms shall have the following meanings:

"Note" shall mean any promissory note of Borrower evidencing any loan or advance made by the Bank to Borrower.

"Liabilities" shall mean all obligations of Borrower under any Note, all obligations of Borrower hereunder, and all other obligations of Borrower to the Bank, its successors and assigns, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due.

"Inventory" shall mean all goods held by Borrower for sale or lease, or furnished or to be furnished by Borrower under any contract of service, or held by Borrower as raw materials, work in process or materials used or consumed in a business.

"Account Receivable" shall mean any right of Borrower to payment for goods sold or leased or for services rendered.

"Contract Right" shall mean any right of Borrower to payment under a contract for the sale or lease of goods or the rendering of services, which right is at the time not yet earned by performance.

"Account Debtor" shall mean the party who is obligated on or under any Account Receivable or Contract Right.

"Eligible Inventory" shall mean any Inventory which meets each of the following requirements: (a) it is in first class condition; (b) in case of goods held for sale or lease, it is (except as the Bank may otherwise consent in writing) new and unused; and (c) it is owned by Borrower and is not subject to any lien or security interest whatsoever other than the security interest hereunder. Any Inventory which is at any time Eligible Inventory, but which subsequently fails to meet any of the foregoing requirements, shall forthwith cease to be Eligible Inventory.

"Eligible Account Receivable" shall mean an Account Receivable which meets each of the following requirements: (a) if it arises from the sale or lease of goods, such goods have been shipped or delivered to the Account Debtor under such Account Receivable; (b) it is a valid, legally enforceable obligation of the Account Debtor thereunder, and is not subject to any offset, counterclaim or other defense on the part of such Account Debtor or to any claim on the part of such Account Debtor denying liability thereunder in whole or in part; (c) it is not subject to any lien or security interest whatsoever other than the security interest hereunder; (d) it is evidenced by an invoice (dated not later than the date of shipment or performance and having payment terms acceptable to the Bank) rendered to such Account Debtor, and is not evidenced by any instrument or chattel paper; (e) it is not owing by any Account Debtor whose obligations the Bank, acting in its discretion, shall have notified the Borrower in writing are not deemed to constitute Eligible Accounts Receivable; and (f) it is not owing by an Account Debtor who shall have failed to pay in full any invoice evidencing any Account Receivable within a reasonable time after the due date of such invoice. An Account Receivable which is at any time an Eligible Account Receivable, but which subsequently fails to meet any of the foregoing requirements, shall forthwith cease to be an Eligible Account Receivable.

"Collateral" shall mean all property or rights in which a security interest is granted hereunder.

"Non-Inventory Collateral" shall mean all Collateral other than Inventory.

"Obligor" shall mean Borrower and each other party primarily or secondarily liable on any Note or any of the other Liabilities.

"Default" shall mean the occurrence of any of the following events: (a) nonpayment, when due, of any amount payable on any of the Liabilities or failure to perform any agreement of Borrower contained herein; (b) any warranty of Borrower herein is untrue in any material respect; (c) any Obligor becomes insolvent or unable to pay debts as they mature or makes an assignment for the benefit of creditors, or any proceeding is instituted by or against any Obligor alleging that such Obligor is insolvent or unable to pay debts as they mature; (d) entry of any judgment against any Obligor; (e) death of any Obligor who is a natural person, or of any partner of

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Adjustments and Return and Reassessment Goods by the Borrower obtains possession by return, possession

ment on or other proceeds of any of the Collateral

The Bank is authorized to endorse, in the name of Borrower, any item, however received by the Bank, representing the pay

obtained contemporaneously with or most recently prior to such loan or advance.

than by renewal or extension from the Bank to Borrower in which Collateral a perfected security interest hereunder shall have been

viously released Collateral shall have been deemed released, or by Collateral of equivalent value to any loan or advance

recently obtained, but only to the extent such other Collateral does not represent either (a) Collateral in exchange for which any proce

lateral of equivalent value in which a perfected security interest hereunder is being obtained contemporaneously or has been most re

shall be deemed thereby released from the security interest hereunder in exchange, as of the time of such release, for any other Coll

disposition by Borrower of any proceeds of Collateral, then such Collateral referred to in this paragraph as "released collateral"

however in kind, without limitation, rate of inventory or release of all or any balance in the Assignee Deposit Account or the

and to the extent that a perfected security interest hereunder in any Collateral shall cease to be perfected for any reason what

from time to time, in its discretion, release all or any of such balance to Borrower.

payment of the Liabilities, whether or not then due, in such order of application as the Bank may determine, and the Bank may,

than once in any week, apply all or any of the then balance, representing collected funds, in the Assignee Deposit Account, toward

Assignee Deposit Account. The Bank may, from time to time, in its discretion, and shall upon request of Borrower make not more

rower with the Bank, as security for payment of the Liabilities. Borrower shall have no right to withdraw any funds deposited in the

of any of the Collateral shall be deposited to the credit of a deposit account therein called the "Assignee Deposit Account" of Bor

All items or amounts which are delivered by Borrower to the Bank on account of partial or full payment or otherwise as proceeds

ply with the terms and conditions of any consent given by the Bank pursuant to the provisions of this paragraph.

and apart from its own funds or property and upon express trust for the Bank until delivery is made to the Bank. Borrower will com

items which may be received by Borrower will not be commingled with any other of its funds or property, but will be held separate

or partial payment or otherwise as proceeds of any of the Collateral. Except as the Bank may otherwise consent in writing, any such

endorsed, where required, so that such items may be collected by the Bank, which may be received by Borrower at any time in full

in the form received, all cash, checks, drafts, chattel paper and other instruments or writings for the payment of money, property

Borrower will (except as the Bank may otherwise consent in writing) forthwith, upon receipt, transmit and deliver to the Bank,

make payment to the Bank of any amounts due or to become due hereunder.

(Upon request of the Bank, Borrower will, at its own expense, notify any parties obligated on any of the Non-Inventor Collateral to

extend or renew for any period (whether or not longer than the original period) any indebtedness hereunder or evidenced thereby,

any of the Non-Inventor Collateral by suit or otherwise and surrender, release or exchange all or any part thereof, or compromise or

Non-Inventor Collateral to make payment to the Bank of any amounts due or to become due hereunder and enforce collection of

after any revocation of such power and authority or the maturity of any of the Liabilities, notify any parties obligated on any of the

sale or lease of which shall have given rise to such Non-Inventor Collateral. The Bank, however, may, at any time, whether before or

refund or allowance to which such party may be lawfully entitled, and may accept, in connection therewith, the return of goods, the

able, and (c) may grant, in the ordinary course of business, to any party obligated on any of the Non-Inventor Collateral, any rebate,

with respect to such collection. The Bank may reasonably request or, in the absence of such request, as Borrower may deem advis

to collect, as and when due, all amounts due with respect to any of the Non-Inventor Collateral, including the taking of such action

any raw materials, work in process or materials normally held by Borrower for such purpose, (b) will, at its own expense, endeavor

vice any of the Inventory normally held by Borrower for such purpose, and sue and consume, in the ordinary course of its business,

authority, Borrower (a) may, in the ordinary course of its business, at its own expense, sell, lease or furnish under contract of ser

4. *Processing, Sale, Collections, etc.* Until such time as the Bank shall notify Borrower of the revocation of such power and

Bank, is and will be true and correct as of the date furnished.

after furnished by Borrower to the Bank, and all other written information heretofore or hereafter furnished by Borrower to the

with respect to Collateral and Account Debtor set forth in any schedule, certificate or other writing at any time heretofore or here

and perform Borrower's obligations hereunder, and to subject the Collateral to the security interest hereunder, and all payments

all liens and claims whatsoever, other than the security interest hereunder, with full power and authority to execute this Agreement

Bank) covering any of the Collateral is on file in any public office; Borrower is and will be the lawful owner of all Collateral, free of

3. *Warranties.* Borrower warrants that no financing statement (other than any which may have been filed on behalf of the

proceeds of any of the foregoing, and all general intangibles now owned and hereafter acquired and the proceeds thereof.

the payment of or performance under, any Accounts Receivable, Contract Rights, or any such chattel paper or instruments, and all

Bank, set in any books the same, or any other documents, or any other instruments, or any other documents, or any other instruments, or any other

paper and instruments evidencing any obligation to Borrower for payment for goods sold or leased or services rendered, all interest of

Eligible (Inventory), Accounts Receivable (whether or not Eligible Accounts Receivable) and Contract Rights of Borrower, all chattel

the Bank a continuing security interest in the following, whether now or hereafter existing or acquired: all Inventory, whether or not

2. *Grant of Security Interest.* As security for the payment of all Liabilities, Borrower hereby assigns to the Bank and grants to the

Oblique which is a corporation or a partnership; or (y) the Bank feels insecure; or any other reason whatsoever.

any Oblique which is a partnership; (U) a division, merger or consolidation, or transfer of a substantial part of the property of any

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