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36473607

28-0031

SEVENTH MODIFICATION AGREEMENT

THIS SEVENTH MODIFICATION AGREEMENT (this "Agreement"), dated as of June 17, 1996, is by and among LaSalle National Bank, a national banking association, not personally but solely as Trustee under a Trust Agreement dated May 17, 1988 and known as Trust No. 113252 (the "Trustee"), M. P. Associates Limited Partnership, an Illinois limited partnership (the "Borrower"), James M. Arnold and Michael S. Schwendener (the "Individual Guarantors"), and The Northern Trust Company, an Illinois banking corporation (the "Bank");

W I T N E S S E T H:

WHEREAS, certain of the Trustee, the Borrower, the Individual Guarantors and the Bank heretofore entered into the following documents:

(i) Construction Loan Agreement dated as of July 1, 1988, by and among the Trustee, the Borrower and the Bank (as amended and in effect on the date hereof, the "Construction Loan Agreement");

(ii) Construction Loan Mortgage Note dated July 1, 1988, from the Trustee to the Bank, which note was Amended and Restated as of April 1, 1994 (as so amended and restated, the "Note");

(iii) Construction Loan Mortgage and Security Agreement dated as of July 1, 1988, from the Trustee to the Bank, recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Office of the Recorder") on August 16, 1988 as Document No. 88371058;

(iv) Construction Loan Assignment of Rents and Leases dated as of July 1, 1988, from the Trustee and the Borrower to the Bank, recorded in the Office of the Recorder on August 16, 1988 as Document No. 88371059;

(v) Construction Loan Security Agreement dated as of July 1, 1988, from the Borrower to the Bank;

(vi) Construction Loan Collateral Assignment of Beneficial Interest dated as of July 1, 1988, from the Borrower to the Bank; and

(vii) Construction Loan Guaranty of Payment and Performance dated as of July 1, 1988, from the Borrower and the Individual Guarantors in favor of the Bank;

LAWYERS TITLE INSURANCE CORPORATION

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MK
P 13600

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20001396

Lawyers Title Insurance Corporation

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COOK COUNTY CLERK'S OFFICE
100 N. LAUREL ST. CHICAGO, IL 60602
TEL: 312.603.1000 FAX: 312.603.1001
WWW.COOKCOUNTYCLERK.COM

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(sometimes referred to herein collectively as the "Original Documents"; terms used herein but not otherwise defined herein or amended hereby shall have the meanings assigned such terms in the Construction Loan Agreement); and

WHEREAS, certain of the Original Documents were previously modified and amended pursuant to the First Modification Agreement, dated as of December 1, 1989 and recorded in the Office of the Recorder on January 31, 1990 as Document No. 90054300, the Second Modification Agreement, dated as of June 1, 1990 and recorded in the Office of the Recorder on November 1, 1990 as Document No. 90534865, the Third Modification, dated as of December 1, 1990 and recorded in the Office of the Recorder on March 18, 1991 as Document No. 91121173, the Fourth Modification Agreement, dated as of April 1, 1991 and recorded in the Office of the Recorder on July 11, 1991 as Document No. 91345999, the Fifth Modification Agreement, dated as of July 1, 1992 and recorded in the Office of the Recorder on November 19, 1992 as Document No. 92871481, the Sixth Modification Agreement, dated as of April 1, 1994 and recorded in the Office of the Recorder on May 24, 1994 as Document No. 94462876 (sometimes referred to herein collectively as the "Previous Modifications"; the Original Documents as modified and amended by the Previous Modifications, together with the other Loan Documents, each as previously modified and amended and in effect on the date hereof, sometimes referred to herein collectively as the "Documents").

WHEREAS, the Documents encumber the real estate described in Exhibit A attached hereto and the personal property located thereon (the "Premises"); and

WHEREAS, the parties desire to make certain modifications and amendments to the Documents as more fully provided herein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Section 1. Recitals Part of Agreement. The foregoing recitals are hereby incorporated into and made a part hereof, and each of the parties hereto confirms that such recitals are complete and correct in their entirety.

Section 2. Extension of Maturity. The stated maturity date of the loan which is evidenced and secured by the Documents is further extended to June 15, 1998, and all of the Documents are hereby modified and amended accordingly. Without limiting the generality of the foregoing, the date "April 15, 1995" is

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hereby changed to "the Stated Maturity Date" each time it appears in the Documents. The term "Stated Maturity Date" shall mean the later of

(a) June 15, 1998 and

(b) June 15, 1999, but only if (1) the Borrower has requested an extension of the June 15, 1998 maturity date in a writing delivered to the Bank no more than 150 days nor less than 90 days prior to June 15, 1998, (2) there is no pending event of default under any Loan Document on the date of such request or on the date such extension is granted and the Borrower has provided certificates to that effect to the Bank as of such dates, (3) the Bank, in its sole and absolute discretion, elects to grant such request, and (4) the Borrower, within three business days after such request is granted by the Bank, pays to the Bank a fee equal to 1% of the outstanding principal balance of the Loan.

Such definition of "Stated Maturity Date" shall be added to each of the documents in which such term appears.

Section 3. Reduction of Loan Amount. As of June 13, 1996, the outstanding principal balance of the Loan was \$3,354,803. As more specifically described in Section 17(d) below, immediately prior to the execution and delivery of this Agreement, the Borrower made a principal reduction in the amount of the Loan of \$550,000. After such payment, the principal amount of the Loan will be \$2,804,803.

Section 4. Interest Rate. From and after the date of this Agreement and before maturity of the Loans, whether by acceleration or otherwise, the unpaid principal amount of the Loans from time to time outstanding hereunder shall bear interest at a variable rate equal to the Bank's Prime Rate from time to time in effect while the Note is outstanding, and all of the Documents are hereby modified and amended accordingly.

Section 5. Monthly Payments: Payment of Principal. From and after the date of this Agreement, interest is payable on the Note in arrears on the first day of each month, and all of the unpaid principal of and accrued interest on the Note shall be due and payable on the date the Loan is due and payable, whether by acceleration or otherwise, and all of the Documents are hereby modified and amended accordingly.

Section 6. Bank Accounts. The Borrower shall maintain all of its bank accounts (including the Operating Account) at the Bank, and shall maintain with the Bank a lockbox with a lockbox agreement substantially in the form of Exhibit B hereto. 98073607

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Section 7. Definitions. Any reference in any of the Documents to any of the following terms shall be deemed a reference to such terms as defined below, and all of the Documents are hereby modified and amended accordingly:

(a) "Individual Guarantors" means James M. Arnold and Michael S. Schwendener.

(b) "Leases" means the lease or leases described in Exhibit C attached hereto.

Section 8. Fretter Lease Provision. In accordance with the second paragraph of Article 18 of the Lease, bearing a submission date of March 11, 1988 and executed by the Landlord as of April 8, 1988, between Horizon Development I, Inc. or its assignee, as Landlord, and Fretter, Inc., as Tenant, and only for so long as and to the extent that such paragraph is in effect, is valid and is enforceable against the landlord thereunder, the following new Section 8.18 shall be added to the Construction Loan Agreement:

Section 8.18 Fretter, Inc. Lease. Reference is hereby made to the Lease, bearing a submission date of March 11, 1988 and executed by the Landlord as of April 8, 1988, between Horizon Development I, Inc. or its assignee, as Landlord (the "Fretter Landlord"), and Fretter, Inc., as Tenant, as in effect on June 17, 1996 without further amendment or modification unless such amendment or modification is specifically agreed to in writing by the Bank (the "Fretter Lease"). So long as Fretter, Inc. continues timely to pay the rent required to be paid under the terms of the Fretter Lease and is not otherwise in default thereunder, (a) Fretter, Inc.'s right to possession under the Fretter Lease shall not be disturbed by the Bank in the event of termination of the Fretter Landlord's interest in the premises that is the subject of such Fretter Lease (the "Fretter Premises"), by foreclosure, operation of law, voluntary surrender to the Bank, or any other means; (b) Fretter, Inc.'s right of option under the Fretter Lease is hereby recognized by the Bank, and such rights shall survive the termination (by whatever cause) of the Fretter Landlord's interest in the Fretter Premises; and (c) the Fretter Premises shall be released from the Mortgage for a sum specified not to exceed the option price schedules set forth in paragraph 2 of the Rider to the Fretter Lease, which Rider shall not be amended or otherwise modified without the express written consent of the Bank. In addition to the limitations contained in the foregoing, the preceding sentence (i) shall apply only during the

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time that Fretter, Inc. is the tenant under the Fretter Lease, and shall not apply to any other entity acting as tenant or subtenant thereunder (whether by assignment of the Fretter Lease or Fretter, Inc.'s interest therein, termination thereof or otherwise), (ii) shall apply only for so long as and to the extent that the second paragraph of Section 18 of the Fretter Lease is in effect, is valid and is enforceable against the Fretter Landlord, and (iii) the obligations of the Bank pursuant to such sentence shall terminate upon the termination of the Fretter Lease. In the event of a default by Borrower under the Construction Loan Agreement, the Bank shall have the right to enforce the terms of the Fretter Lease on behalf of the Fretter Landlord, and the Bank is hereby appointed the Fretter Landlord's attorney in fact to do all acts and things which the Bank may deem necessary or advisable with respect to the lease with Fretter, Inc. in the event of and subject to the occurrence of such default by Borrower.

Section 9. Reference to Documents. Any reference in any Document to any other Document shall be deemed to mean such Document as previously modified and amended by the Previous Modifications and as further modified and amended by this Agreement.

Section 10. Real Estate Taxes. All real estate taxes that are due and payable shall be paid in full, and evidence satisfactory to the Bank of such payment in full shall be provided to the Bank, within 15 days of the date hereof.

Section 11. Effectiveness. This Agreement shall become effective on the date (the "Effective Date") that each of the following conditions precedent hereto shall have been satisfied:

(a) the Bank shall have received each of the following:

(1) counterparts hereof executed by each of the parties hereto;

(2) counterparts of a Reaffirmation of Guaranty substantially in the form of Exhibit D hereto, dated on or prior to the date hereof, duly executed by each of the Borrower and James M. Arnold and Michael S. Schwendener as Individual Guarantors;

(3) current financial statements of each of the Borrower and James M. Arnold and Michael S. Schwendener

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as Individual Guarantors in form and substance, and demonstrating a net worth for each such entity, acceptable to the Bank and duly certified by the relevant entity;

(4) counterparts of the Release in form and substance acceptable to the Bank, duly executed by each of the parties thereto;

(5) counterparts of the Subordination Agreement in form and substance acceptable to the Bank, duly executed by each of the parties thereto;

(6) counterparts of the closing certificate in form and substance acceptable to the Bank, duly executed by the Borrower and the Individual Guarantors;

(7) counterparts of the Release from the Bank releasing Jamie P. Childs, Peter T. Childs and Stuart B. Lenhoff from their obligations under the Guaranty, duly acknowledged by the Borrower and James M. Arnold and Michael S. Schwendener as Individual Guarantors;

(8) a date down endorsement of the Title Policy or a new title policy in form and substance acceptable to the Bank;

(9) a copy of the Trust Agreement, together with all amendments and assignments as of the date hereof, certified by the Trustee;

(10) a copy of the Letter of Direction to the Trustee executed by Borrower as beneficiary under the Trust, certified by the Trustee;

(11) a certificate, dated on the date hereof, of the Secretary or Assistant Secretary of the general partner of the Borrower, for itself and on behalf of the Borrower, as to (i) the limited partnership agreement of the Borrower then in full force and effect (or a certificate of no change thereto), (ii) the articles of incorporation and bylaws of the general partner of the Borrower then in full force and effect (or a certificate of no change thereto), (iii) resolutions of the Board of Directors then in full force and effect authorizing the execution and delivery by the Borrower of this Agreement, the Restatement and Reaffirmation of Guaranty and each other document required to be executed by the Borrower, (iv) a statement that the general partner of the Borrower is the sole general partner of the Borrower, and (v) the

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incumbency and signatures of those officers authorized to execute and act with respect to such documents;

(12) a current certificate of limited partnership of the Borrower and a current certificate of good standing of the general partner of the Borrower from the Secretary of State of Illinois;

(13) all information, approvals, opinions, documents or other instruments as the Bank or its counsel may reasonably request, including an opinion of counsel to the Borrower, the general partner of the Borrower and the Individual Guarantors in form and substance acceptable to the Bank as to the corporate authority to execute and deliver, and the validity of, the documents to be delivered hereby or pursuant hereto;

(14) the Bank shall have received all fees and other amounts due pursuant to Section 17;

(b) the Bank shall have notified the Borrower of such Effective Date.

Section 12. Certifications; Representations and Warranties. In order to induce the Bank to enter into this Agreement, the Trustee hereby certifies and represents, and the Borrower and the Individual Guarantors hereby certify, represent and warrant, to the Bank that all certifications, representations and warranties contained in the Documents and in all certificates heretofore delivered to the Bank are true and correct as of the date hereof, and each such certification, representation and warranty is hereby remade and made to speak as of the date of this Agreement.

Section 13. Certain Additional Representations and Warranties. The Trustee represents, and each of the other parties hereto represents and warrants, that it has had the opportunity to obtain advice of counsel of its own choosing in the negotiations for and preparation of this Agreement, that it has read this Agreement, that it has had this Agreement fully explained to it by such counsel and that it is fully aware of its contents and legal effect. Each party hereto (other than the Trustee) hereby represents and warrants that it possesses full power and authority to execute and deliver this Agreement and each other document required to be executed and/or delivered hereby. The Trustee hereby represents, and the Borrower hereby represents and warrants, that the Trustee possesses full power and authority to execute and deliver this Agreement and each other document required to be executed and/or delivered hereby.

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Section 14. Motion to Dismiss Foreclosure Action.

Within three days after the Effective Date, the Bank shall file motions, substantially in the form of Exhibit E hereto, to dismiss the Foreclosure Action without prejudice (including the dismissal of the agreed order entered on March 15, 1996 pertaining, inter alia, to a certain lockbox arrangement), to dismiss the Guarantor Action as to the Jamie P. Childs, Peter T. Childs and Stuart B. Lenhoff with prejudice, and to dismiss the Guarantor Action as to the Borrower, James M. Arnold and Michael S. Schwendener without prejudice.

Section 15. Attachment to Note. The Bank may, and prior to any transfer by it of the Note shall, attach an executed copy of this Agreement to the Note and place an endorsement on the Note making reference to the fact that such attachment has been made.

Section 16. Documents to Remain in Effect:

Confirmation of Obligations. The Documents shall remain in full force and effect as originally executed and delivered by the parties, except as previously modified and amended by the Previous Modifications and as expressly modified and amended herein. Each of the Trustee, the Borrower and the Individual Guarantors hereby confirms and reaffirms all of its obligations under the Documents as so modified and amended. Without limiting the generality of the foregoing, each of the Trustee, the Borrower and the Individual Guarantors hereby confirms and reaffirms its obligations to reimburse the Bank for any expenses incurred with respect to the Loan as more particularly described in Section 6.1(i) of the Construction Loan Agreement, Section 4.3 of the Construction Loan Mortgage and Security Agreement and Section 3 of the Construction Loan Guaranty of Payment and Performance, among other references.

Section 17. Other Payments to Bank by Borrower. Upon the execution of the letter of intent, dated May 24, 1996, among the Bank, the Borrower and Michael S. Schwendener (the "Letter of Intent"), the Borrower made a payment totalling \$25,000 to the Bank. In addition, immediately prior to the execution and delivery of this Agreement, the Borrower made additional payments totalling \$684,811.81 to the Bank. Without limiting the generality of Section 16 above, such monies are to be allocated by the Bank as of the Effective Date as follows:

(a) First, to the payment of all fees and expenses (including legal fees and expenses) incurred by the Bank prior to the commencement of or otherwise in connection with (1) The Northern Trust Company v. LaSalle National Bank, as trustee under Trust Agreement dated May 17, 1988 and known as Trust N. 113252, M. P. Associates Limited Partnership, Fretter, Inc., J. L. Brundage II, Inc., Paul H. Schwendener Inc., John L. Brundage,

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Saleem Qamruddin, Unknown Owners and Non-Record Claimants, Case No. 96 CH 1123 (Circuit Court of Cook County, Illinois, County Department, Chancery Division) (the "Foreclosure Action"), and (2) The Northern Trust Company v. M. P. Associates Limited Partnership, Michael S. Schwendener, James M. Arnold, Peter T. Childs, Jamie P. Childs and Stuart Lenhoff, Case No. 96 L 1292 (Circuit Court of Cook County, Illinois, County Department, Law Division), including without limitation the counterclaim associated therewith (the "Guarantor Action"). Such fees and expenses approximate \$65,000.

(b) Second, to the payment of all fees and expenses (including legal fees and expenses) incurred by the Bank in connection with the negotiation, preparation and documentation of the Letter of Intent and the negotiation, preparation and documentation of the restructuring described therein, including this Agreement and the documents related hereto, and including expenses incurred in connection therewith after the Effective Date. Such fees and expenses approximate \$5,000.

(c) Third, to the payment of all accrued and unpaid interest on the Loan through and including the date hereof. Such accrued and unpaid interest amount is equal to \$89,811.81.

(d) Fourth, to the reduction of the outstanding principal balance of the Loan. Such reduction amount shall be equal to \$550,000.

If the Effective Date does not occur any such payments made to the Bank shall be allocated as provided in the Letter of Intent. No estimation or approximation of any amount in this Section 17 shall constitute in any manner a limitation on the Borrower's obligation to pay the entire actual amount pursuant to the Documents. If and to the extent the estimations and approximations in this Section 17 are greater than the actual amount incurred, the Bank shall reimburse the Borrower for such amount. If and to the extent any estimation or approximation in this Section 17 is less than the actual amount incurred, the Borrower shall reimburse the Bank for such amount in accordance with the Documents.

Section 18. Entire Agreement. This Agreement sets forth all of the covenants, provisions, agreements, conditions and understandings of the parties relating to the subject matter of this Agreement, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as are herein set forth. Without limiting the generality of the foregoing, the Letter of Intent is completely supplanted by this Agreement.

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Section 19. Successors. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors, assigns and legal representatives.

Section 20. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 21. Amendments, Changes and Modifications. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument executed by the parties hereto.

Section 22. Construction.

(a) The words "hereof", "herein", and "hereunder", and other words of a similar import refer to this Agreement as a whole and not to the individual Sections in which such terms are used.

(b) References to Sections and other subdivisions of this Agreement are to the designated Sections and other subdivisions of this Agreement as originally executed.

(c) The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

(d) Where the context so requires, words used in singular shall include the plural and vice versa, and words of one gender shall include all other genders.

(e) In the event that any date specified herein is a Saturday, Sunday or federal holiday, such date shall be deemed to occur on the first business day thereafter.

(f) Unless the context otherwise specifically requires, each reference to the word "including" shall mean "including without limitation".

Section 23. Execution of Counterparts; By Facsimile. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Agreement may be executed by facsimile, and each such executed facsimile transmission shall be deemed an original.

Section 24. Governing Law. This Agreement is prepared and entered into with the intention that the law of the State of Illinois (except the choice of law rules thereof) shall govern its construction, validity and enforcement in all respects.

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Section 25. Execution by Trustee. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein, made on the part of the Trustee, while in form purporting to be the representations, covenants, undertakings and agreements of the Trustee are nevertheless each and every one of them, made and intended not as personal representations, covenants, undertakings and agreements by LaSalle National Bank in its own right, but solely in the exercise of the powers conferred upon it as such trustee; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against LaSalle National Bank on account of this Agreement or on account of any representation, covenant, undertaking or agreement in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

1st. I HEREBY certify that the following is a True and Correct Copy to
LASALLE NATIONAL BANK, not personally but solely as Trustee under a Trust Agreement dated May 17, 1988 and known as Trust No. 113252

(SEAL)

By [Signature]
Its: TRUSTEE

Attest:

[Signature]
Title: ATTORNEY AT LAW

M. P. ASSOCIATES LIMITED
PARTNERSHIP

By: S. A. Associates, Inc., its
general partner

By [Signature]
Its: President


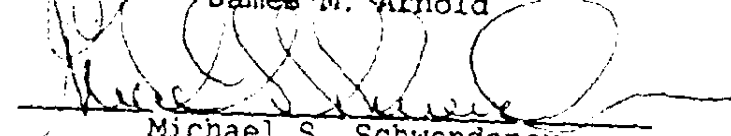
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James M. Arnold

Michael S. Schwendener

THE NORTHERN TRUST COMPANY

By 
Its: Second Vice President

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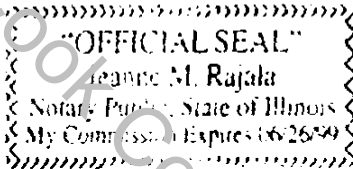
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Michael S. ..., personally known to me to be the ... of S. A. Associates, Inc., an Illinois corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14th day of June, 1996.

Jeane M. Rajala
Notary Public

My Commission expires: _____



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

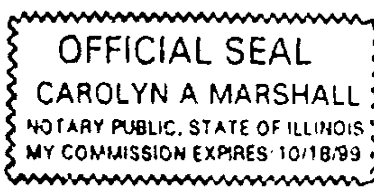
I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT James M. Arnold, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14th day of June, 1996.

Carolyn A. Marshall
Notary Public

My Commission expires: _____

10/18/99



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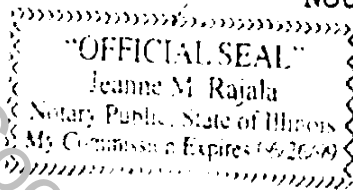
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT **Michael S. Schwendener**, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14th day of June, 1996.

Jeanne M. Rajala
Notary Public

My Commission expires:



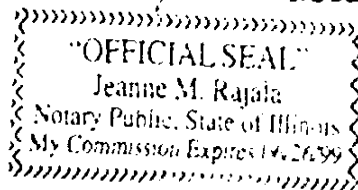
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT **David A. Gozdecki**, personally known to me to be the Second Vice President of **The Northern Trust Company**, an Illinois banking corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 14th day of June, 1996.

Jeanne M. Rajala
Notary Public

My Commission expires:



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EXHIBIT A Seventh Modification Agreement

LEGAL DESCRIPTION OF THE PREMISES

The East 297.46 feet of Lot 3 of the subdivision of the Southwest 1/4 of the Southeast 1/4 of Section 34, Township 40 North, Range 12 East of the Third Principal Meridian (except that part thereof lying North of a line 469.13 feet North of and parallel to the South line of said Section 34), and (except that part thereof taken for widening of North Avenue) and (except the East 25 feet falling in 15th Avenue) in Cook County, Illinois.

Permanent Tax Number: 12-34-403-013, Volume 71
Common Street Address: 1515 West North Avenue
Village of Melrose Park,
Illinois

PREPARED BY AND MAIL TO:
MAYER BROWN & PLATT
190 S. LaSalle St.
CHICAGO, IL 60603 - 3441
ATTN. JANE E. DANIEL



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EXHIBIT B
Seventh Modification Agreement

FORM OF LOCKBOX AGREEMENT

See attachment hereto.

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ACCOUNT TERMS AND CONDITIONS

THE NORTHERN TRUST COMPANY

90 173807

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ACCOUNT TERMS AND CONDITIONS

Introduction

We are pleased to have you as a client of The Northern Trust Company.

The Northern Trust Company has designed various accounts and services to meet your business requirements. This booklet contains valuable information about how we maintain these accounts and provide account-related services. Copies of any changes or supplements will be sent to you at your address shown on our records. You should circulate a copy of this booklet and any subsequent changes to all staff members who initiate transactions in your accounts or are involved in our relationship.

By continuing to use your Northern Trust account(s), you acknowledge your agreement to the terms and conditions contained in this booklet and any subsequent changes. The relationship between this agreement and any past or future agreements is described in the enclosed agreements. Please note the following, which apply to you regardless of any past agreement if you send or receive fund transfers:

1. We or another financial institution may rely on an identifying or account number, even if it identifies a person different from a named beneficiary or financial institution.
2. The rules of the funds-transfer system utilized in each transfer (which could be the automated clearing house, or ACH, system) apply to you. For example, ACH rules provide that: (A) credit to a receiver is provisional until the receiver's financial institution receives final settlement; (B) a receiver's financial institution that does not receive final settlement would be entitled to a refund from the receiver, in which case the originator would not be considered to have paid the receiver; (C) your rights and obligations regarding an ACH transfer are governed by New York law, except as between you and us where there is an agreement otherwise (e.g., Illinois law is agreed on in the Terms and Conditions); and (D) unless specifically agreed, the receiver's financial institution is not required to provide the receiver with notice of receipt.

Please let your Relationship Manager know if you need any additional information.

The Northern Trust Company

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IMPORTANT

TERMS FOR DEPOSIT ACCOUNTS AND BANKING SERVICES

Form No. 19111-10/95

THE NORTHERN TRUST COMPANY CHICAGO, ILLINOIS

Here are the general terms (these "Terms") which govern deposit accounts (each herein called an "Account") and services (each herein called a "Service"), other than extensions of credit, provided by The Northern Trust Company (the "Bank") to its commercial customers (each herein called the "Customer"). These Terms constitute an agreement between the Customer and the Bank.

These Terms are effective with respect to each of the Customer's Accounts and Services on the date (the "Effective Date") which is either (1) October 23, 1995, in the case of Accounts opened and Services begun on or after that date, or (2) March 31, 1996, in the case of pre-existing Accounts and Services, except any Account for which there is an effective signed account agreement or Service for which there is an effective signed operating agreement between the Customer and the Bank governing that Account or Service (an "Excluded Account" or "Excluded Service"). **MAINTENANCE OF AN ACCOUNT OR USE OF A SERVICE ON OR AFTER THE EFFECTIVE DATE WILL CONSTITUTE THE CUSTOMER'S ACCEPTANCE OF THESE TERMS**, except as to Excluded Accounts and Excluded Services, and except to the extent that an agreement entered into after the Effective Date by the Customer and the Bank expressly supersedes these Terms. These Terms amend, supersede and replace the Bank's prior Terms for Deposit Accounts and Banking Services. These Terms do not replace but are in addition to all other agreements between the Customer and the Bank that may now or hereafter apply to the Accounts or the Services. In the event of any inconsistency between these Terms and any existing or future agreement between the Customer and the Bank specifically relating to a particular Service, the terms of the specific agreement will prevail with respect to that Service. These Terms may be amended from time to time by the Bank, upon sending written notice of the amendment to the Customer at least 30 days in advance.

Procedures to be followed by the Customer and the Bank in the operation of Accounts and Services ("Procedures"), including but not limited to security procedures and names of authorized individuals, will be reflected in one or more procedural guide documents ("User's Manuals") and/or one or more procedural specification documents ("Specifications"). The Specifications will be prepared or approved by the Customer and accepted by the Bank, or prepared by the Bank based on communications with the Customer. The Bank will retain currently effective Specifications and will furnish copies of them to the Customer upon request. The User's Manuals will be prepared by the Bank and may be changed by the Bank from time to time. The Bank will provide a current User's Manual, if applicable, to the Customer with respect to each Service upon the Customer's initiation of the Service and will thereafter provide to the Customer, if applicable, any changes in the User's Manual.

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SECTION I. ACCOUNTS

1.1 Accounts and Subaccounts. The Account to which a transaction relates may be identified by the main account number assigned to the Account, or by an account number assigned to a subaccount of the Account. Debits and credits posted to a subaccount are automatically posted to, and affect the balance of, the applicable Account. The Customer authorizes the Bank to charge the Account for amounts due to the Bank from the Customer. If an Account at any time becomes overdrawn, the Customer is obligated immediately to repay the Bank the amount of the overdraft. If a subaccount of an Account is maintained in the name of an entity different from the entity maintaining the Account, (1) both entities are "Customers" for purposes of these Terms, (2) each such Customer authorizes debits and credits affecting the Account to be generated by either Customer, (3) each such Customer authorizes the Bank to charge the Account for amounts due to the Bank from either Customer, and (4) the Bank may regard the balance in the Account at any time as belonging to the Customer maintaining the Account.

1.2 Statements. The Bank will furnish to the Customer monthly Account statements, each covering a period of a calendar month, unless different statement periods have been established. The Customer will with reasonable promptness, not to exceed 30 days after the statement is made available, examine each statement and report any discrepancies to the Bank. The Customer will with reasonable promptness, not to exceed 14 days after the advice is made available, examine each advice of a money transfer from the Customer's Account, and report any discrepancies to the Bank.

1.3 Paid Items. The Bank will send to or otherwise make available to the Customer the originals of the items paid from the Customer's Account or will retain the items for a period of at least one year or such other period as may be provided in the Procedures. The Bank will maintain the capacity to furnish to the Customer either the original items or copies of the items for seven years after receipt of the items.

1.4 Deposited Items. Credits posted to the Customer's Account for deposited items, automated clearing house ("ACH") entries or other transactions are provisional. If an item is not finally paid, or if the transaction otherwise does not become final, the Bank has the right to receive from the Customer the amount of the credit posted to the Account, and the Bank may charge back such amount to the Account at any time. It is understood that the Bank generally will not know whether or when an item has been finally paid; in communications with the Bank, "cleared" or "collected" with respect to an item, deposit, credit or balance will be understood to refer to its availability for withdrawal, and "available" will be understood to refer to its status under the Bank's availability schedules (primarily used for account analysis purposes). Without limiting the foregoing, the Customer agrees to be bound by the provisions of the Operating Rules of the National Automated Clearing House Association ("NACHA") which state that credit given by the Bank to the Customer with respect to certain ACH credit entries is provisional until the Bank receives final settlement for such entries. The NACHA rules do not require the Bank to provide notice of receipt of ACH credit entries. The Customer will keep the area reserved for financial institution use on the back of each item (i.e., the area more than 1-1/2 inches from the trailing edge of the item, which is the left-hand edge of the item when viewed from the front) clear of any obstructions or markings. If a deposited item is returned to the Bank, the Bank may attempt to re-present the item, without notice to the Customer.

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1.5 Issuance of Items. The Customer will ensure that each item issued against the Customer's Account will be MICR-encoded, including the check number, and printed in conformity with the Procedures. The Customer will send sample voided items to the Bank after each printing for MICR testing. The Customer will keep the area reserved for financial institution use on the back of each item (i.e., the area more than 1-1/2 inches from the trailing edge of the item, which is the left-hand edge of the item when viewed from the front) clear of any obstructions or markings. Unless otherwise prearranged by the Customer and the Bank with respect to an Account, the Customer will issue items against an Account only if they are ordinary checks drawn on the Bank which are not post-dated. The Bank need not examine or comply with the date of an item or any condition, restriction or legend appearing on an item.

1.6 Stop Payment Requests. In order to stop payment of an item, the Customer will transmit its request (telephonically, electronically or in writing) directly to the Stop Payment Unit of the Bank. The Customer's request will contain at least the following information: MICR-encoded account number; MICR-encoded check number; amount (stated exactly to the penny, or stated to be unknown if that is the case); and payee. **THE BANK WILL HAVE NO RESPONSIBILITY FOR STOPPING PAYMENT ON ANY ITEM IF ANY OF THE REQUIRED INFORMATION IS NOT REPORTED CORRECTLY.** The Customer will request stop payment promptly with respect to any item or unused item stock which is lost or stolen. Stop payments are effective for a period of six months, unless otherwise agreed. After a written or telephonic stop payment has been placed, the Bank will provide a confirmation to the Customer. The Customer will examine the confirmation and promptly report any discrepancies to the Bank.

1.7 Fraud Prevention. The Bank's Positive Payment Service and Dollar Authorized Payment Service are available to the Customer. It is understood that failure to use these Services, especially the Positive Payment Service, may substantially contribute to an alteration of an item or to the making of a forged signature on an item. If the Customer does not use these Services, then the Customer takes responsibility for, and authorizes the Bank to honor and charge the Customer for, any item purportedly issued against the Customer's Account; provided, that if payment of the item is unauthorized apart from this sentence, and if failure by the Bank to exercise ordinary care in paying the item substantially contributes to loss to the Customer (up to the face amount of the item) which would have been avoided had the item not been paid, the loss will be allocated between the Bank and the Customer according to the extent to which the Bank's failure to exercise ordinary care, on the one hand, and the Customer's failure to use the aforementioned Services and otherwise to exercise ordinary care, on the other hand, contribute to the loss.

1.8 Adjustments. If the Bank at any time determines that there is an inaccuracy in an Account, or that an entry previously posted to the Account was revoked or did not become final, or that compensation is owed with respect to an Account or Service, the Bank may make an adjustment to the Account, without prior notice to the Customer. The Customer will notify the Bank of any request for an adjustment to the Customer's Account within at most 60 days after an account statement covering the date of the transaction in question is made available to the Customer. In any such case, the Customer will furnish the Bank with all relevant information concerning the entries to the Account, the underlying transaction, and any loss to the Customer and will assist the Bank in reconstruction efforts. The

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Customer authorizes the Bank to disclose information concerning the transaction to third parties in order to investigate and attempt to resolve the situation. The Bank will not be obligated to comply with the adjustment request while the matter is under investigation or if it is disputed by a third party.

Nevertheless, the Customer's request will be deemed to be a representation that the Customer is entitled to the adjustment, on which the Bank will be entitled to rely; the Bank may modify or reverse any previously given adjustment if the Bank determines that the Customer's right to the adjustment was not established. If the Customer requests an adjustment more than 60 days and within one year after the applicable Account statement is made available, the Bank will research the matter, but to the extent permitted by law, the Customer agrees that the Bank need not make the requested adjustment if it would result in an unreimbursed loss to the Bank or if relevant information (from third parties or otherwise) is unavailable. The Bank need not investigate or respond to an adjustment request received more than one year after the applicable Account statement is made available. In any case, to the extent permitted by law, if the Customer has failed to comply with Section 1.2 of these Terms or otherwise with its obligations under agreement or applicable law, the Bank need not make a requested adjustment if it would result in a loss to the Bank that would have been prevented if the Customer had complied.

1.9 Electronic Receipts. The Customer authorizes the Bank to make the Customer's capabilities for receiving payments and/or remittance information at the Bank via electronic methods known to others who might cause or facilitate payments to the Customer to be originated via these methods.

1.10 Time Deposits, Etc. Certain Accounts, such as Time Deposits, Savings Accounts, Money Market Deposit Accounts, Balance Management Accounts or Negotiable Order of Withdrawal (NOW) Accounts, have particular terms applicable to such Accounts, which may include eligibility requirements, withdrawal and transfer limitations, deposit restrictions and/or early withdrawal penalties, among other things. The Customer represents and warrants to the Bank that it is eligible to maintain each of its Accounts, and agrees to comply with the terms of such Accounts.

1.11 Depository Transfer Checks. The Customer may request the Bank to create and to deposit to the Customer's Account checks drawn on behalf of the Customer on other banks having relationships with the Customer ("Depository Transfer Checks"). The Bank will have no duty to comply with any particular request for a Depository Transfer Check; if the Bank determines not to comply with a particular request, the Bank will promptly notify the Customer. The Customer will not request any Depository Transfer Check unless the Customer has made and maintained appropriate prior arrangements with the other bank. The Customer will maintain sufficient collected balances with the other bank to pay each Depository Transfer Check.

1.12 Pre-Authorized Checks. The Customer may request the Bank to create and to deposit to the Customer's Account checks drawn on behalf of the Customer on behalf of third parties on other banks having relationships with the third parties ("Pre-Authorized Checks"). The Bank will have no duty to comply with any particular request for a Pre-Authorized Check; if the Bank determines not to comply with a particular request, the Bank will promptly notify the Customer. The Customer will not request any Pre-Authorized Check unless the Customer has obtained the written authorization of the third party to do so. The Customer will retain the original or a copy of each such authorization for two years after the authorization is revoked or terminated. The Customer, upon the Bank's request, will furnish the Bank with the original or a copy of the authorization.

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SECTION 2. AUXILIARY CHECK PAYING SERVICES

2.1 Positive Payment Service. For Accounts (or subaccounts) which are set up for the Positive Payment Service, the Customer will provide to the Bank, in accordance with the Procedures, a file containing the item number and dollar amount of all items issued. Each such file constitutes an authorization from the Customer to the Bank to pay, and to charge the Customer for, the items included in any such file. If a presented item specifying an applicable Account (or subaccount) does not appear on any such file, the Bank will call a telephone number designated in the Procedures in order to so notify the Customer by an agreed-upon time on the first banking day following the banking day of presentment; the failure by the Customer by an agreed-upon time on the same day to request the Bank to return such item will constitute an authorization by the Customer to the Bank to pay, and to charge the Customer for, such item. To the extent that the Bank pays any unauthorized item which does not appear on any such file, because the Bank either failed to notify the Customer by the required time or failed to follow a return request from the Customer received by the required time, the Bank will reimburse the Customer for the amount (up to the face amount of the item) of any loss to the Customer caused by the payment of the item which would have been avoided had the item not been paid. The Customer will cause each file to be received by the Bank no later than an agreed-upon time on the banking day of issuance of the listed items. If the Bank notifies the Customer after the required time, the Customer will nevertheless exercise good faith to attempt to provide a response as soon as practicable. If the Customer submits a return request to the Bank after the required time, the Bank will nevertheless exercise good faith to attempt to prevent the payment of unauthorized items. It is understood that (a) the foregoing procedure does not invalidate the payment authorization represented by the Customer's authorized signature on an item, unless the Bank actually receives a timely request under this Service to return the item or has on a previous day received an effective stop payment request for the item, (b) the foregoing procedure might not have an effect on items cashed, paid or agreed to be paid by the Bank on or before the day of presentment, such as items cashed over the counter or certified checks, and (c) the foregoing procedure does not alter the relative rights and responsibilities of the Customer and the Bank with respect to unauthorized duplicate items which bear the same item number and dollar amount as those of outstanding authorized items, or with respect to unauthorized alterations (other than alterations of the item number or dollar amount) of outstanding authorized items.

2.2 Dollar Authorized Payment Service. For Accounts (or subaccounts) which are set up for the Dollar Authorized Payment Service, the Customer will establish with the Bank, in accordance with the Procedures, a maximum and/or minimum dollar amount for all items issued. The Customer authorizes the Bank to pay, and to charge the Customer for, all items within the established dollar range purportedly issued against the Customer's Account; provided, that if payment of an item is unauthorized apart from this sentence, and if failure by the Bank to exercise ordinary care in paying the item substantially contributes to loss to the Customer (up to the face amount of the item) which would have been avoided had the item not been paid, the loss will be allocated between the Bank and the Customer according to the extent to which the Bank's failure to exercise ordinary care, on the one hand, and the Customer's failure to use the Positive Payment Service and otherwise to exercise ordinary care, on the other hand, contribute to the loss. If the dollar amount of a presented item specifying an applicable Account (or subaccount) is outside the established dollar range, the Bank will call a telephone number designated in the Procedures in order to so notify the Customer by an agreed-upon time on the first

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4.7 Addresses. Communications and materials transmitted by the Bank to the Customer regarding Accounts or Services will be transmitted to an address or telephone number contained in the Procedures for the relevant Account or Service, or otherwise to the address of the Customer shown in the records of the Bank. Communications and materials transmitted by the Customer to the Bank regarding Accounts or Services will be addressed to the appropriate employee or unit of the Bank and transmitted to an address or telephone number contained in the Procedures for the relevant Account or Service, or otherwise to the appropriate address or telephone number as follows (or the substitute address or telephone number as may be specified by the Bank from time to time):

For Stop Payment Requests

The Northern Trust Company
Demand Account Services
Stop Payment Unit, C-4S
801 South Canal
Chicago, Illinois 60675
(Telephone: (312) 444-4454)

For Changes in Specifications for Positive Payment Service or Dollar Authorized Payment Service

The Northern Trust Company
Account Implementation Unit, C-5N
801 South Canal
Chicago, Illinois 60675
(Fax Number (312) 444-5045)
(Must be in writing)

For Other Communications

The Northern Trust Company
Client Services Unit, C-5N
801 South Canal
Chicago, Illinois 60675
(Telephone: (312) 444-2274)

4.8 Fees. The Customer agrees to pay the Bank the fees established by the Bank in connection with Accounts and Services. The fees, along with the effect of the Customer's maintenance of Account balances, may be reflected on the Customer's account analysis statement. The method of computation of the Customer's account analysis statement will be within the Bank's sole discretion and may be changed by the Bank from time to time. Fees are payable upon performance or accrual; the establishment of particular procedures or schedules for payment of fees will not limit the remedies available to the Bank.

4.9 Indemnification. The Customer will indemnify and, at the Bank's option, defend the Bank against all liabilities, claims, losses and expenses (excluding routine operating expenses), including attorneys' fees, incurred by the Bank as a result of the Bank's reliance upon or compliance with any information or instruction received by the Bank from the Customer or for which the Customer is responsible.

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4.10 Claims. Claims by the Customer against the Bank relating to the Customer's Account or Services will be deemed to be requests for adjustments to the Customer's Account and are subject to Section 1.8 of these Terms, as well as the other provisions of this Section 4.

4.11 Limitation of Liability. The Bank will be liable to the Customer under or in connection with these Terms or the Accounts or Services, to make an adjustment to the Customer's Account or to pay an amount beyond the final balance actually posted to the Account by the Bank, only to the extent of the Customer's losses and only to the extent such losses are caused by the Bank's willful misconduct or failure to exercise ordinary care; provided, however, (a) the Bank's liability expressly stated in Sections 2.1 and 2.2 of these Terms for payment of unauthorized items in connection with the Positive Payment Service or the Dollar Authorized Payment Service will not depend on the Bank's willful misconduct or failure to exercise ordinary care, (b) the Bank's refund obligation expressly stated in the Bank's Terms for Money Transfer Services in the event the Bank accepts a payment order of the Customer but the applicable funds transfer is not completed will not depend on the Bank's willful misconduct or failure to exercise ordinary care, (c) to the extent that there are warranties from third parties to the Bank protecting the Bank against loss under the circumstances (e.g., in the case of a forged endorsement or alteration of an item paid by the Bank), the absence of willful misconduct or failure to exercise ordinary care on the part of the Bank will not negate liability of the Bank to the Customer but will limit any liability of the Bank to the Customer to amounts recovered from the third parties, (d) to the extent that an amount is wrongly debited or misdirected from the Customer's Account and the Bank has not paid (and is not committed to pay) that amount to others, resulting in a windfall to the Bank, the Bank's liability will not depend on the Bank's willful misconduct or failure to exercise ordinary care, and (e) if the Bank makes an erroneous debit to the Customer's Account that does not result either from the Bank's attempt to pay any item or to perform any Service for the Customer or from any transaction purportedly involving the Customer or for which the Customer is responsible (e.g., in the case of a debit adjustment intended to apply to a third party's account with the Bank), the Bank's liability will not depend on the Bank's willful misconduct or failure to exercise ordinary care. The amount of the Bank's liability under or in connection with these Terms or the Accounts or Services, to make an adjustment to the Account or otherwise, will be limited to (1) the refund of any amount wrongly debited or misdirected by the Bank from the Customer's Account which the Customer was not obliged to pay, back-dated for account analysis purposes as of the date of the debit or misdirection (or at the Bank's election, without back-dating but with interest added, computed at the effective Federal Funds rate of the Bank in effect from time to time), and (2) the refund of fees paid by the Customer for Services to the extent that the Services were not properly performed by the Bank, and (3) after the Customer's Account is closed, payment of the balance posted to the Account. In no event will the Bank be liable for any special, incidental or consequential damages. In no event will the Bank be liable as a result of an act or omission if it is due to compliance with these Terms, with the Procedures or with applicable laws, regulations, operating circulars, clearing house rules or funds-transfer system rules, any act or omission by the Customer, any act or omission by any other bank, clearing house, funds-transfer system, agent or other person, mechanical failure of the Bank's equipment, power failure, strike or lock-out, fire or other casualty, riot or civil commotion, windstorm, earthquake, flood or other Act of God, delay in transportation, governmental regulation or interference, or any event beyond the control of the Bank.

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4.12 Data Communication and Reproduction. The Customer assumes the risk of failure of the telephone or other communications facility to transmit information accurately, timely, confidentially or at all between the Customer or its designees and the Bank. Any signed document or other written information relating to the Accounts or Services that has been transmitted or reproduced electronically or photographically, including but not limited to a fax transmission, photocopy or digitized image printout, will be admissible as an original as evidence in any judicial or administrative proceeding.

4.13 Nonwaiver. Any failure to exercise or any delay in exercising any right, power or privilege of the Bank or the Customer will not be deemed to be a waiver thereof and will not preclude any other or further exercise thereof or the exercise of any other right, power or privilege. This Section 4.13 will not be deemed to preserve any right to adjustments that would otherwise be lost as a result of the failure to examine and report discrepancies in statements, advices or confirmations furnished for the Accounts and Services, or to preserve any right to deny responsibility for the actions of persons that would otherwise be lost as a result of acquiescence in the actions of those persons.

4.14 Termination of Account or Service. Either the Customer or the Bank may terminate an Account or Service at any time upon notice to the other party (subject to the more particular terms governing Accounts, other than demand deposit accounts). The party terminating the Account or Service will give at least 30 days' prior written notice of termination to the other party (unless the party terminating the Account or Service determines in its sole discretion that the continued existence of the Account or Service during the 30-day period would expose it to risk of loss). After termination of an Account, subject to any other rights and duties of the Bank with respect to the balance in the Account, the Bank will mail the Customer a check for the balance, unless the parties have made alternative arrangements. Each party agrees thereafter to pay to the other the amounts required to settle for any subsequently posted adjustments, such as debits for returned items.

4.15 Governing Law. THESE TERMS, AND THE RIGHTS AND OBLIGATIONS BETWEEN THE CUSTOMER AND THE BANK WITH RESPECT TO ACCOUNTS AND SERVICES, WILL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS. If any provision of these Terms conflicts with any present or future provision of applicable law which by law may not be varied by agreement, then such provision of these Terms will be deemed to be modified to the minimum extent necessary to comply with such provision of applicable law.

4.16 Submission to Jurisdiction and Venue. The Customer irrevocably agrees that, subject to the Bank's sole and absolute election, all suits, actions or other proceedings in any way, manner or respect arising out of or from or related to these Terms, the Accounts or the Services shall be subject to litigation in courts having situs within Chicago, Illinois. The Customer consents and submits to the jurisdiction of any local, state or federal court located within said city and state. The Customer waives any right it may have to transfer or change the venue of any suit, action or other proceeding brought against the Customer by the Bank in accordance with this Section, or to claim that any such proceeding has been brought in an inconvenient forum. To the extent that the Customer would have or be able to claim sovereign immunity in any action, claim, suit or proceeding brought by the Bank (or its assignee), the Customer irrevocably waives and agrees not to claim such immunity.

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IMPORTANT

TERMS FOR MONEY TRANSFER SERVICES

Form No. 19112-10/95

THE NORTHERN TRUST COMPANY CHICAGO, ILLINOIS

Here are the terms (these "Terms") which govern Money Transfer Services provided by The Northern Trust Company (the "Bank") to its commercial customers (each herein called the "Customer"). These Terms constitute an agreement between the Customer and the Bank.

These Terms are effective with respect to Money Transfer Services on the date (the "Effective Date") which is either (1) October 23, 1995, in the case of Money Transfer Services begun on or after that date, or (2) March 31, 1996, in the case of pre-existing Money Transfer Services, except any Service for which there is an effective signed operating agreement between the Customer and the Bank governing that Service (an "Excluded Service"). **USE OF THE BANK'S MONEY TRANSFER SERVICES ON OR AFTER THE EFFECTIVE DATE WILL CONSTITUTE THE CUSTOMER'S ACCEPTANCE OF THESE TERMS**, except as to Excluded Services, and except to the extent that an agreement entered into after the Effective Date by the Customer and the Bank expressly supersedes these Terms. These Terms amend, supersede and replace the Bank's prior Terms for Money Transfer Services. These Terms do not replace but are in addition to the Bank's Terms for Deposit Accounts and Banking Services (the "General Terms") and all other agreements between the Customer and the Bank that may now or hereafter govern the Customer's account(s) with the Bank. These Terms may be amended from time to time by the Bank, upon sending written notice of the amendment to the Customer at least 30 days in advance.

"Money Transfer Services" means the processing by the Bank of payment orders transmitted (orally, electronically or in writing) by the Customer to the Bank, including but not limited to domestic wire transfer services and international money transfer services. "Money Transfer Services" also includes the processing by the Bank of instructions from the Customer to transmit payment orders on behalf of the Customer to other banks having relationships with the Customer to make payment to the Bank for credit to the Customer ("Drawdowns"). "Money Transfer Services" does not, however, include the processing of instructions of a type designed to be executed via the Automated Clearing House system or any other funds-transfer system primarily used for transfers to or from consumers.

1. **Other Definitions.** Any terms used and not otherwise defined herein have the same meanings as in the General Terms.

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12. **Indemnification.** The Customer will indemnify and, at the Bank's option, defend the Bank against all liabilities, claims, losses and expenses (excluding routine operating expenses), including attorneys' fees, incurred by the Bank as a result of the Bank's reliance upon or compliance with any payment order, Drawdown instruction, cancellation or amendment request, or other information or instruction received by the Bank from the Customer (including but not limited to (i) those incurred in taking the actions described in Section 6 and (ii) penalties incurred by reason of foreign asset control regulations or other restrictions affecting a transaction).

13. **Governing Law.** THESE TERMS, AND THE RIGHTS AND OBLIGATIONS BETWEEN THE CUSTOMER AND THE BANK WITH RESPECT TO MONEY TRANSFER SERVICES, WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS. If any provision of these Terms conflicts with any present or future provision of applicable law which by law may not be varied by agreement, then such provision of these Terms will be deemed to be modified to the minimum extent necessary to comply with such provision of applicable law.

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IMPORTANT

TERMS FOR AUTOMATED CLEARING HOUSE SERVICES

Form No. 19113-10/95

THE NORTHERN TRUST COMPANY CHICAGO, ILLINOIS

Here are the terms (these "Terms") which govern Automated Clearing House Services provided by The Northern Trust Company (the "Bank") to its commercial customers (each herein called the "Customer"). These Terms constitute an agreement between the Customer and the Bank.

These Terms are effective with respect to Automated Clearing House Services on the date (the "Effective Date") which is either (1) October 23, 1995, in the case of Automated Clearing House Services begun on or after that date, or (2) March 31, 1996, in the case of pre-existing Automated Clearing House Services, except any Service for which there is an effective signed operating agreement between the Customer and the Bank governing that Service (an "Excluded Service"). **USE OF THE BANK'S AUTOMATED CLEARING HOUSE SERVICES ON OR AFTER THE EFFECTIVE DATE WILL CONSTITUTE THE CUSTOMER'S ACCEPTANCE OF THESE TERMS**, except as to Excluded Services, and except to the extent that an agreement entered into after the Effective Date by the Customer and the Bank expressly supersedes these Terms. These Terms amend, supersede and replace the Bank's prior Terms for Automated Clearing House Services. These Terms do not replace but are in addition to the Bank's Terms for Deposit Accounts and Banking Services (the "General Terms") and all other agreements between the Customer and the Bank that may now or hereafter govern the Customer's account(s) with the Bank. These Terms may be amended from time to time by the Bank, upon sending written notice of the amendment to the Customer at least 30 days in advance.

"Automated Clearing House Services" means the processing by the Bank of instructions of the Customer of a type designed to originate payments to or from the Customer's demand deposit account with the Bank (the "Account") from or to the account of an accountholder (the "Receiver") with a depository institution via electronic debit and/or credit entries (each, an "Entry") through the Automated Clearing House ("ACH") network.

1. **Operating Rules.** The rules (collectively, the "Rules") of the National Automated Clearing House Association ("NACHA") and the Midwest Automated Clearing House Association ("Midwest ACH") bind the Customer and the Bank. Among other things, the Customer must comply with the requirements of the Rules relating to authorizations from Receivers, prenotifications, reinitiation of returned Entries, and corrections and reversals of Entries. Pursuant to the Rules, credit given by the Receiver's depository institution to the Receiver with respect to certain credit Entries is provisional until the Receiver's depository institution receives final settlement for such Entries.

2. **Other Definitions.** Any terms used and not otherwise defined herein have the same meanings as in the General Terms, or if not defined therein, the same meanings as in the Rules.

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3. **Authorizations.** The Customer authorizes the Bank to process Entries pursuant to instructions transmitted by any person designated by the Customer as an authorized person or transmitted using the Customer's passwords or other security information, whether or not there are sufficient funds in the Customer's account(s) maintained with the Bank. The Customer will remain responsible for Entries generated pursuant to instructions transmitted by previously authorized persons or using previously authorized security information until the Customer has instructed the Bank to delete or change such persons or security information in accordance with the Procedures and the Bank has had a reasonable time to act on such deletion or change.

4. **Security Procedure.** The Customer and the Bank each acknowledges that it has chosen to use the security procedure reflected in the Procedures and that the security procedure is commercially reasonable in the Customer's circumstances. To the extent permitted by law, the Customer agrees to be bound by any payment order or other instruction, whether or not authorized, issued in its name and accepted by the Bank in compliance with the security procedure. The Customer and the Bank each will keep the security procedure and all passwords and other security information confidential.

5. **Duties of Bank.** The Bank will exercise ordinary care to perform the Automated Clearing House Services. The Bank's duties are limited to the exercise of ordinary care. The Bank will have no duty to accept instructions to process any particular Entry hereunder; if the Bank determines not to process a particular Entry, the Bank will promptly notify the Customer. The Bank is entitled to rely on any information or instruction provided by the Customer. If the Bank accepts an instruction to process an Entry, the Bank's duty is to exercise ordinary care to process the Entry through the ACH network, or via reasonably equivalent means of payment apart from the ACH network if deemed appropriate by the Bank.

6. **Funding of Account.** The Customer will maintain sufficient collected funds in the Account to settle all Entries. The Bank will credit to the Account amounts received (and may credit to the Account amounts scheduled to be received) in settlement of debit Entries. All credits are provisional, and the Customer will pay the Bank (and the Bank may charge the Account) for the amount of a debit Entry that is returned or rejected or for which the Bank does not receive final settlement. The Bank will debit to the Account amounts to be disbursed in settlement of credit Entries. The Bank may, in its sole discretion, upon written notice to the Customer, require the Customer to deposit sufficient collected funds in the Account to cover credit Entries by a specified number of banking days in advance of the Settlement Date for such Entries; the Bank may debit or freeze the amount of such funds prior to the Settlement Date.

7. **Receiver Authorizations.** The Customer will not initiate Entries with respect to a Receiver unless the Receiver has authorized the Customer to do so. The Customer will not initiate Entries with respect to Receivers who are individuals (hereinafter referred to collectively as "Consumers") or debit Entries with respect to other Receivers until the Customer has obtained the written authorization (hereinafter called the "Authorization") of such Receivers to do so. The Authorization must be readily identifiable as an authorization, must clearly and conspicuously state its terms and must provide that the Receiver may revoke the Authorization only by notifying the Customer in the manner specified in the Authorization. The Customer will retain the original or a copy of each Authorization received by the Customer for two years after the Authorization is revoked or terminated. The Customer, upon the Bank's request, will furnish the Bank with the original or a copy of the Authorization.

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8. **Consumer Regulations.** The Customer is solely responsible for complying with obligations owed to Consumers under laws and regulations governing Entries, including but not limited to the Electronic Fund Transfer Act of 1978 and Federal Reserve Regulation E, in particular Sections 205.10(b) ["*Preauthorized transfers from a consumer's account; written authorization*"] and 205.10(d) ["*Notice of transfers varying in amount*"], as then in effect.

9. **Deletion, Correction or Reversal of Entry.** No communication by the Customer purporting to delete or correct an Entry will be effective as a deletion or correction unless (1) the Bank agrees to the deletion or correction and (2) the Bank successfully implements the deletion or correction before transmitting the Entry to the Midwest ACH. Subject to the Rules, if the Bank receives a communication from the Customer seeking or purporting to delete, correct or reverse an Entry, seeking to recover or repay all or any part of the funds paid or received pursuant to an Entry, or to the effect that an Entry was erroneous or unauthorized, the Bank will be authorized (but not required) to do any one or more of the following: (a) to agree to the deletion or correction of the Entry; (b) to process a reversing Entry; (c) to attempt to recover from or repay to any other person any amount paid or received pursuant to the Entry; (d) to indemnify any other person for liabilities, claims, losses and expenses, including but not limited to attorneys' fees, incurred as a result of such deletion, correction, recovery, repayment or attempted deletion, correction, recovery or repayment; (e) to charge the Account for expenses (including but not limited to attorneys' fees) or to deduct such expenses from any amount recredited to the Account; and (f) to delay recrediting the Account or to freeze any amount recredited, for such period as the Bank determines to be appropriate for the Bank's protection.

10. **Payment Based on Account Number.** It is understood that payment of a credit Entry originated by the Customer might be made by the Receiver's depository institution on the basis of an identifying or account number even if it identifies a person different from the named Receiver.

11. **Settlement Date.** The Settlement Date will be the Effective Entry Date specified by the Customer, except to the extent otherwise provided in the Procedures and the Rules. The Customer will transmit all relevant information to the Bank within the time limits in advance of the Effective Entry Date described in the Procedures. The Customer agrees that it will not withdraw funds represented by settlement credits for debit Entries before the Settlement Date.

12. **No Agency.** It is understood that no ACH Association, ACH Operator, transmission or communication facility, Receiver or Receiver's depository institution is an agent of the Bank in connection with the Automated Clearing House Services.

13. **Indemnification.** The Customer will indemnify and, at the Bank's option, defend the Bank against all liabilities, claims, losses and expenses (excluding routine operating expenses), including attorneys' fees, including but not limited to those resulting from the breach of any warranty or indemnification deemed to be given by the Bank with respect to an Entry or the failure of any depository institution to be bound by the Rules, incurred by the Bank as a result of (a) the Bank's reliance upon or compliance with any instruction of the Customer to process, delete, correct or reverse an Entry or any other information or instruction received by the Bank from the Customer or (b) any other act, omission or unfounded claim of any person other than the Bank.

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To qualify for next-day withdrawal, these items must be deposited in person to one of our employees using a special deposit slip available in our lobbies. Please note that availability of these items to compensate for services (i.e., the "available" balances identified in monthly Account Analysis statements) is determined strictly according to our availability schedule, and will not be affected by using these special deposit slips.

Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances: we believe a check you deposit will not be paid; you have overdrawn your account repeatedly in the last six months; or there is an emergency, such as a failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available for withdrawal. They will generally be available for withdrawal no later than the fifth business day after the day of your deposit.

Special Rules for New Commercial and Business Customers

If you are a new customer, the following special rules may apply during the first 30 days your account is open. Your Account officer will advise you if these rules apply to your account(s).

The first \$5,000 from a deposit of U.S. Treasury checks, Federal Reserve Bank checks, Federal Home Loan Bank checks, and Postal Money Orders payable to you as original payee will be available for withdrawal on the first business day after the day of your deposit. The excess over \$5,000 will be available for withdrawal on the fifth business day after the day of your deposit. Funds from wire transfers into your account will be available for withdrawal on the business day we receive the transfer.

Funds from deposits of cash and the first \$5,000 of a day's total deposit of Cashier's, certified, teller's, traveler's and State of Illinois checks and checks of units of general local government located in Illinois will be available for withdrawal on the first business day after the day of your deposit if the deposit meets certain conditions. For example, these checks must be payable to you as original payee, you must present the check or checks in person, and you must use a special deposit slip. The excess over \$5,000 will be available for withdrawal on the fifth business day after the day of your deposit. If you do not make the deposit in person to one of our employees, the first \$5,000 will not be available for withdrawal until the second business day after the day of your deposit.

If you deposit checks described in both of the preceding two paragraphs, only the first \$5,000 in aggregate will be available for withdrawal by you on the first business day after the day of your deposit.

Funds from all other deposited checks will be available on the fifth business day after the day of your deposit, unless delayed for a longer period as described under the section titled "Longer delays may apply."

Your Responsibility for Checks Deposited and Subsequently Returned Unpaid

In the event that a check you deposited is returned unpaid, we will charge it against your deposit balance. If the balance in your account is insufficient to cover this charge, you must promptly deposit funds to make up the deficiency.

Questions on a Specific Check or Checks

Should you have questions about when a particular check or checks will become available for withdrawal, please contact your Account officer.

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The Northern Trust Company



Lockbox Specification Sheet

Client Name: _____
Contact Name/Phone Number: _____
Northern Trust Implementation Coordinator: _____
Expected Live Date: _____
Lockbox Name: _____
Lockbox Number: _____
Account Number: _____
Expected Monthly Volume: _____
Peak Volume Periods: _____

Northern Trust
Use Only

1336836 001
1339984 001

PACKAGE ASSEMBLY

Attachment Size Limit: _____

Select One:

_____ Standard Stapling Matched
Photocopy stapled to all accompanying papers and remittance envelope.

1438359 000

_____ Standard Batched
Photocopies banded separately.
Accompanying papers stapled to remittance envelope.
Photos not stapled to papers.

1436785 000

Note: If your lockbox requires data entry for a Facsimile, Access Lockbox or Data Transmission, the accompanying papers will be laid flat.

ACCEPTABLE PAYEES

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Assumes the following reasonable variations:
The, Company or Co., Corporation or Corp., Incorporated or Inc.

If a check is received where the payee does not match the payee list on file, the check, accompanying papers and envelope will be returned as unbankable in the remittance package.

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The Northern Trust Company

Lockbox Specification Sheet

CHECK DATES

The date on a check cannot be more than 2 days in the future or more than 6 months old. Postdated and staledated checks are returned as unbankable in the remittance package.

If there is no date on the check, the check will be stamped with the current processing date.

DIFFERING CHECK AMOUNTS

The written and numeric amounts on a check must agree. Checks with differing amounts will be guaranteed if one of the amounts is found on the accompanying papers, otherwise, the check will be returned as unbankable in the remittance package.

RESTRICTIVE NOTATIONS

Checks bearing handwritten, typed or stamped restrictive notations on the front or back of the check will be returned as unbankable in the remittance package. Checks bearing these notations can be deposited only if endorsed by the lockbox client.

The Northern Trust considers the following restrictive notations: paid-in-full, invoice in full, balance in full, balance due in full, account in full, in full, final remittance, last payment, full payment, final payment, final installment, total payment, loan pay-off, complete balance, paid up and zero balance.

SIGNATURE

There must be a signature on each check. If there is no signature, the check will be stamped notifying the drawee bank to contact the maker for their signature.

INTERNATIONAL CHECKS

Canadian items in U.S. dollars will be processed through the lockbox. Canadian items in Canadian dollars and all other foreign items will be sent out for collection through our International Collections Department.

International advices will be included in the Lockbox remittance package.

REMITTANCE PACKAGE

Remittance packages mailed via First Class Mail will be mailed each day regardless of whether there were any deposits. The package will contain a Recap Report which lists zero deposits.

If a Courier or Messenger service is used the remittance package will be sent only on the day there were deposits. The zero Recap Reports and no check enclosed items will be held and sent on the day of next deposit.

Method (Select One)

- First Class Mail
- Federal Express (overnight courier)
- Airborne (overnight courier)
- Messenger pick up

Same Day Deposit Pick Up _____ for Delivery By _____
Prior Day Deposit Pick Up _____ for Delivery By _____

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The Northern Trust Company



Lockbox Specification Sheet

The costs for mailing of the remittance package will be reflected in the Account Analysis unless otherwise indicated

Nonstandard courier billing option: Client can be billed directly by the courier.

Indicate client's account number with the courier: _____

Mailing Address (if mailed via Federal Express or Airborne, a street address is required)

RETURN ITEM NOTIFICATION

Northern Trust will automatically redeposit return items one time for NSF and uncollected funds. The Bank will notify you of any returned check with a dollar amount of \$2,500.00 and greater. If the check is returned a second time your account will be debited for the dollar amount of that particular check. Return items are charged to the lockbox account on an item-by-item basis.

Returns Contact Name: _____

Phone Number: _____

Return advices should be mailed to the following address:

If standard procedures are not acceptable, please specify:

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The Northern Trust Company

Lockbox Specification Sheet

MISCELLANEOUS ADVICES

Miscellaneous adjustment advices will be mailed to the following address:

Northern Trust
Use Only

INFORMATION REPORTING

There are three notification options for receiving lockbox deposit information.

1505254 021
1327392 021

Vendor Notification to NDC

Notification time: _____

Information Reported: _____ Same day total lockbox deposits
_____ Same day total lockbox deposits net miscellaneous debits
and credits
_____ In addition to net miscellaneous debits and credits, net ACH
and Wire Transfer credits

Client will provide the Bank with vendor calling instructions which outline the phone number, user ID, location code, etc.

Company Notification Via Touchtone

Clients can access The Northern Trust's touchtone service for same day lockbox deposits.

Notification time: _____

Client Tax ID: _____

Information Required: _____ Same day total lockbox deposits
_____ Same day detail lockbox deposits

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The Northern Trust Company

Lockbox Specification Sheet

Northern Trust
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REMITTER INFORMATION VIA FACSIMILE

Contact Name: _____

Fax Number: _____

Alternate Fax Number: _____

Facsimile Time: _____

Suggested times: 10:00, 11:00, 12:00, 13:00, 14:00, 15:00, 16:00

Remittance information required (check all that apply):

____ Remitter name, indicate the number of positions _____

____ Invoice number, indicate the number of positions _____

Invoice numbers are: _____ numeric only
_____ alpha/numeric

____ Invoice amount

1480070 000
1467478 000

REMITTER INFORMATION VIA ACCESS LOCKBOX

ACCESS Lockbox offers detailed remittance information on a same day basis via your personal computer.

Contact Name: _____

Phone Number: _____

Transmission time: _____

Select one of the three data capture methods:

____ MICR - The automatic capture of the check's MICR line, which identifies the specific customer and serves as sufficient information for cash application.

____ Data Entry - Key entered remittance information transmitted for direct application to your receivables system.

____ MICR/Plus - A combination of the automatic capture of each check's MICR line with customized key entered remittance information.

Remittance information required (check all that apply):

____ Remitter name, indicate the number of positions _____

____ Invoice number, indicate the number of positions _____

Invoice numbers are: _____ numeric only
_____ alpha/numeric

1024397 001
1018101 021
1020693 000

1025184 000

1025184 000

SECRET

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The Northern Trust Company

Lockbox Specification Sheet

____ Invoice amount
____ Other, Please describe:

Northern Trust
Use Only

REMITTER INFORMATION VIA DATA TRANSMISSION

Data Transmission allows your company to receive information every evening regarding the transactions for that same day.

Contact Name: _____

1186519 001

Phone Number: _____

1190454 021

Transmission time: _____

1188880 000

Transmission format: _____ Standard BAI Format

_____ ANSI 823 Format

_____ Other

Full file required: _____ Yes _____ No

CL required: _____ Yes _____ No

Select one of the three data capture methods:

____ MICR - The automatic capture of the check's MICR line, which identifies the specific customer and serves as sufficient information for cash application.

1352576 000

____ Data Entry - Key entered remittance information transmitted for direct application to your receivables system.

____ MICR/Plus - A combination of the automatic capture of each check's MICR line with customized key entered remittance information.

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Remittance information required (check all that apply):

____ Remitter name, indicate the number of positions _____

____ Invoice number, indicate the number of positions _____

Invoice numbers are: _____ numeric only

_____ alpha/numeric

____ Invoice amount

____ Other, Please describe:

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The Northern Trust Company

Lockbox Specification Sheet

ACH CREDIT TRANSACTIONS

Please indicate if ACH credits should be included with the following

Paper report included with lockbox remittance package

Paper report mailed separately to the following address:

Merge data with lockbox transmission

HOLIDAY PROCESSING

The Northern Trust observes the following holiday schedule:

- New Years Day
- Dr. Martin Luther King Day*
- Presidents Day*
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day*
- Veterans Day*
- Thanksgiving Day
- Christmas Day

*Denotes a Bank processing day, although it is still technically a Bank Holiday. We will continue to process, but deposits will not post to the lockbox account until the next business day.

Lockbox remittance packages and transmissions will be held until the next business day.

Completed By: _____ Date: 02/17/2007
Approved By: _____ Date: _____

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EXHIBIT C Seventh Modification Agreement

LEASES

	Lease Expires	Annual Base Rent
1. Bedding Experts	05/31/98	\$41,613
2. Blockbuster	03/31/99	\$98,239
3. Subway	03/04/97	\$23,400
4. TCB	03/31/97	\$32,754
5. Radio Shack	07/31/99	\$26,897
6. #1 Nails	10/14/98	\$19,872
7. Health Foods	11/30/96	\$15,600
8. Great Dragon NOTE: Space not yet occupied	08/31/01	\$22,320
9. Dr. Bobbe	01/31/04	\$16,167

There is also a lease to Fretter, formerly Silo, but these premises are vacant.

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EXHIBIT D
Seventh Modification Agreement

FORM OF REAFFIRMATION OF GUARANTY

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REAFFIRMATION OF GUARANTY

This Reaffirmation of Guaranty (this "Reaffirmation"), dated as of June 17, 1996, is by and among M. P. Associates Limited Partnership, an Illinois limited partnership (the "Beneficiary"), and James M. Arnold and Michael S. Schwendener (the "Individual Guarantors", the Beneficiary and the Individual Guarantors being sometimes referred to herein collectively as the "Guarantors") in favor of The Northern Trust Company, an Illinois banking corporation (the "Bank"), is made pursuant to that certain Seventh Modification Agreement (the "Seventh Modification Agreement"), dated of even date herewith, by and among LaSalle National Bank, not personally but solely as Trustee (the "Mortgagor") under the Trust Agreement dated May 17, 1988 and known as Trust No. 113252 (the "Trust Agreement"), the Beneficiary, the Individual Guarantors, and Jamie P. Childs, Peter T. Childs and Stuart B. Lenhoff (the "Former Guarantors"). All terms used herein but not otherwise defined herein shall have the meanings assigned them in the Seventh Modification Agreement.

W I T N E S S E T H:

WHEREAS, the Beneficiary is the sole beneficiary under the Trust Agreement;

WHEREAS, the Individual Guarantors are limited partners of the Beneficiary;

WHEREAS, the Guarantors requested, and the Bank agreed, to execute the Seventh Modification Agreement, which modifies and amends, among other things, that certain Construction Loan Agreement, dated July 1, 1988, by and among the Mortgagor, the Beneficiary and the Bank and that certain Construction Loan Mortgage Note, dated as of July 1, 1988, executed and delivered by the Trustee for the benefit of the Beneficiary and payable to the order of the Bank, each of which, among other documents, was modified and amended by the First Modification Agreement, dated as of December 1, 1989, the Second Modification Agreement, dated as of June 1, 1990, the Third Modification, dated as of December 1, 1990, the Fourth Modification Agreement, dated as of April 1, 1991, the Fifth Modification Agreement, dated as of July 1, 1992, the Sixth Modification Agreement, dated as of April 1, 1994 (which included an Amended and Restated Construction Loan Mortgage Note dated as of April 1, 1994) (together with the Seventh Modification Agreement, collectively, the "Modifications"), evidencing a construction loan being made by the Bank to the Mortgagor for the benefit of the Beneficiary for the purpose of financing the payoff of existing indebtedness on and development of a 45,344 square foot retail shopping center on

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the real estate commonly known as 1515 West North Avenue, in the Village of Melrose Park, Illinois (the "Premises");

WHEREAS, the Construction Loan Mortgage Note, as modified and amended, is secured by, among other things, that certain Construction Loan Guaranty of Payment and Performance, dated as of July 1, 1988, from the Borrower, the Individual Guarantors and the Former Guarantors, in favor of the Bank (as modified and amended by the Modifications, the "Guaranty");

WHEREAS, in connection with the Seventh Modification Agreement, the Guarantors requested, and the Bank agreed, that the Bank would enter into a modification of the guaranteed indebtedness, and would release each of the Former Guarantors as an individual guarantor under the Guaranty and would release the obligations of such Former Guarantors as guarantors thereunder;

WHEREAS, as a condition to the execution of the Seventh Modification Agreement and the release each of the Former Guarantors as an individual guarantor under the Guaranty and the release of the obligations of such Former Guarantors as guarantors thereunder, the Bank has required that the Mortgagor furnish, among other things, this Reaffirmation by the Guarantors; and

WHEREAS, each of the undersigned acknowledges a substantial continuing interest in the Premises and a substantial economic benefit therefrom and from the Seventh Modification Agreement, and further acknowledges that the Bank is releasing each of the Former Guarantors as an individual guarantor under the Guaranty and releasing of the obligations of such Former Guarantors as guarantors thereunder in reliance upon the undersigned's joint and several restatement and reaffirmation of their respective obligations under the Guaranty.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Guarantor hereby states as follows:

1. The foregoing recitals are hereby incorporated into and made a part of this Reaffirmation, and each of the undersigned confirms that such recitals are complete and correct.

2. Each Guarantor hereby acknowledges and consents to the execution of the Seventh Modification Agreement.

3. Each Guarantor hereby acknowledges and consents to the release by the Bank of each of the Former Guarantors as an individual guarantor under the Guaranty and to the release of the obligations of such parties as guarantors thereunder.

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4. Each Guarantor hereby jointly and severally reaffirms, ratifies and confirms in all respects the Guaranty, and each such Guarantor hereby acknowledges and agrees that the Guaranty is and remains in full force and effect in accordance with its terms, notwithstanding, without limitation, (i) the Bank's release of the Former Guarantors from their obligations as guarantors under the Guaranty and (ii) the Bank's agreement to the additional provision of the Seventh Modification Agreement relating to the Lease, bearing a submission date of March 11, 1988 and executed by the Landlord as of April 8, 1988, between Horizon Development I, Inc. or its assignee, as Landlord, and Fretter, Inc., as Tenant; and that none of the terms contained in the Seventh Modification Agreement or in the release of the Former Guarantors will limit, impair or otherwise adversely affect any of the agreements, undertakings or other obligations of such Guarantor under the Guaranty, and that such Guarantor is and remains jointly and severally bound thereby and has no offsets or defenses thereto.

5. Each Guarantor hereby jointly and severally acknowledges that the Bank, in agreeing so to release the Former Guarantors, in no manner releases, modifies or otherwise limits its claims, rights, powers or remedies against any such Guarantor or all of them, and that the Bank expressly reserves all such claims, rights, powers and remedies against any or all of them.

6. Each Guarantor hereby further acknowledges that this Reaffirmation will not require any similar or dissimilar restatement or reaffirmation for any future amendment, supplement or other modification of any Loan Document.

7. This Reaffirmation shall be deemed to be a contract made under and governed by the internal laws of the State of Illinois without regard to principles of conflicts of law and shall be construed in accordance with the terms of the Guaranty.

IN WITNESS WHEREOF, each of the parties hereto has caused this Reaffirmation to be executed by its officer thereunto duly authorized as of the day and year first written above

M. P. ASSOCIATES LIMITED PARTNERSHIP,
an Illinois limited partnership

By: S. A. Associates, Inc., its general
partner

By _____
Title: _____

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James M. Arnold

Michael S. Schwendener

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