

Property of Cook County Clerk's Office

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT -- CHANCERY DIVISION

NORTH COMMUNITY BANK,)

Plaintiff,)

vs.)

No. 96 CH 12045

JEROME RAPPIN, SUSAN C. RAPPIN,)
SUCCESS NATIONAL BANK, SAVE-A-TUB,)
INC., UNKNOWN OWNERS AND NONRECORD)
CLAIMANTS, THE PEOPLES GAS LIGHT AND)
COKE COMPANY,)

Defendants.)

and)

BARBARA KRETSKE,)
Intervenor.)

NOTICE OF EMERGENCY PETITION TO INTERVENE
AND TO VACATE THE JUDGMENT OF FORECLOSURE
AND SALE (LIS PENDENS)

The undersigned certifies that a Petition to Intervene and to Vacate The Judgment of Foreclosure and Sale (the "Petition") regarding the above-entitled mortgage foreclosure action was filed on August 21, 1997 and is now pending.

- (i) The name of Plaintiff and the case number are identified above.
- (ii) The name of Defendants are identified above.

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- (iii) The Court in which said Petition was brought is identified above. (A true and correct copy of the Petition is attached hereto as Exhibit A.)
- (iv) A legal description of the real estate sufficient to identify it with reasonable certainty is as follows:

LOT 6 IN COLBY MICHAELSON SUBDIVISION BEING A RESUBDIVISION OF PART OF LOT 9 IN COUNTY CLERK'S DIVISION OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 10-16-403-008-0000

- (v) A common address or description of the location of the real estate is as follows:

9124 North Lawler, Skokie, IL 60077

- (vi) An identification of the Mortgage relative to the above action is as follows:

Name of Mortgagor: JEROME RAPPIN

Name of Mortgagee: NORTH COMMUNITY BANK

Date of Mortgage: September 30, 1994

Date of Recording: October 4, 1994

County where recorded: Cook County, Illinois

Recording Document Identification: Doc. No. 94856858

Dated: August 21, 1997


James A. Chantz

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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT -- CHANCERY DIVISION

NORTH COMMUNITY BANK,)
)
Plaintiff,)

vs.)

No. 96 CH 12045

JEROME RAPPIN, SUSAN C. RAPPIN,)
SUCCESS NATIONAL BANK, SAVE-A-TUB,)
INC., UNKNOWN OWNERS AND NONRECORD)
CLAIMANTS, THE PEOPLES GAS LIGHT AND)
COKE COMPANY)

Defendants,

and

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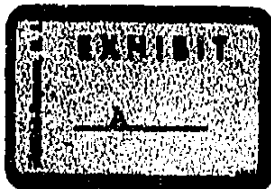
BARBARA KRETSKE,)
Intervenor.)

EMERGENCY PETITION TO INTERVENE AND TO VACATE THE JUDGMENT OF FORECLOSURE AND SALE

Now comes the Applicant, Barbara Kretske ("Kretske"), by and through her attorneys, Kamensky & Rubinstein, and as and for her Petition to Intervene, pursuant to 735 ILCS 5/15-1501(e) and 735 ILCS 5/2-408(a)(2) and (3) states as follows:

1. In or about September of 1990, Joe Seiden and his wife Miriam Seiden, as joint tenants, conveyed the property located at 9124 North Lawler, Skokie, Illinois 60077 (the "Property") to Joe Seiden, as the trustee of the Joe Seiden Declaration of Trust dated July 20, 1990 (the "Seiden Trust"), by way of a deed of trust (the "Deed"). The Deed was recorded in Cook County on November 26, 1990 as document number 90574463.

2. Joe Seiden passed away on June 8, 1995.



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3. The Seiden Trust required that if his wife, Miriam Seiden survived him, the trustee of the Seiden Trust should create a marital trust designated as Trust A for Miriam Seiden and that the balance of the Trust should be held as a separate trust which is designated as Trust B. Seiden Trust, ¶ 3.1(a).

4. Miriam Seiden passed away on December 10, 1996.

5. The Seiden Trust provided that upon Miriam Seiden's death any part of Trust A which was not distributed in a manner otherwise provided by the Seiden Trust should pour over into Trust B. Seiden Trust, ¶ 4.1(d).

6. The Seiden Trust further provided:

On the death of the last to die of my spouse and me, the trustee shall allocate Trust B per stirpes to my then living descendants, and each share allocated to a descendant of mine shall be retained in trust as a separate trust designated by the name of the descendant.

7. Joe Seiden's living descendants at the time that Miriam Seiden passed away were Susan Rappin and Kretske, his daughters.

8. Thus, pursuant to the Seiden Trust, Kretske is entitled to a fifty percent (50%) beneficial interest in the Property.

9. Despite the fact that the Property was owned by the Seiden Trust, on September 23, 1994, Joe Seiden, individually, and not as the trustee of the Seiden Trust, allegedly conveyed the Property by quitclaim deed (the "Quitclaim Deed") to Jerome Rappin, Joe Seiden's son-in-law, for the sum of ten thousand dollars (\$10,000.00). This Quitclaim Deed was recorded in Cook County on October 4, 1994 as document number 94856856.

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10. On September 30, 1994, Jerome Rappin allegedly executed a promissory note payable to North Community Bank ("North Community") in the principal sum of \$678,750.00. As security for the promissory note, Jerome Rappin allegedly mortgaged the Property to North Community for the same sum of money (the "Mortgage"). The Mortgage was recorded in Cook County on October 4, 1994 as document number 94856858. The Mortgage was additional collateral for a loan which was unrelated to the Property.

11. North Community filed a Complaint to Foreclose Mortgage on the Property. Kretske was not named as a party to this action.

12. On May 22, 1997, a Judgment of Foreclosure and Sale (the "Judgment") was entered by this Court for \$812,580.35.

13. The redemption period on the Property will expire on August 22, 1997.

14. North Community's Notice of Sale provides that, pursuant to the Judgment, the Intercounty Judicial Sales Corporation is scheduled to sell the Property at 11:00 a.m. on August 28, 1997.

15. As set forth in the Affidavit of Barbara Kretske, a copy of which is attached hereto as Exhibit 1, in or about June of 1997, Kretske first became aware of the Judgment.

16. Thereafter, Kretske diligently sought legal advice to protect her interest in the Property.

17. 735 ILCS 5/2-408. Intervention, states in pertinent part:

"...(a) Upon timely application anyone shall be permitted as of right to intervene in an action:...(2) when the representation of the applicant's interest by existing parties is or may be inadequate and the applicant will or may be bound by an order or judgment in the action; or, (3) when the applicant is so situated as to be adversely

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affected by a distribution or other disposition of property in the custody or subject to the control or disposition of the court or a court officer.

18. 735 ILCS 5/15-1501(e)(2). Time of Intervention, states in pertinent part: After the right to intervene expires and prior to the sale in accordance with the judgment, the court may permit a person who has or claims an interest in the mortgaged real estate to appear and become a party on such terms as the court may deem just.

19. Kretske's interests are currently inadequately represented herein as she has no representation whatsoever in the instant case. Moreover, Kretske would most certainly be adversely affected by any sale of the Property, which would purport to divest her of her beneficial interest in the Property pursuant to the terms of the Seiden Trust.

20. This intervention will not unduly delay or prejudice the adjudication of the rights of the original parties. North Community's interests are protected because the Property is currently being maintained by the Susan Rappin, one of the beneficiaries, and the expenses of the Property are being paid. On the other hand, Kretske is threatened with the loss of her beneficial interest in the Property. Under these circumstances, the equities require that Kretske be given an opportunity to present her meritorious claims.

21. Accordingly, this Court should vacate the Judgment and allow Kretske to pursue her claims.

22. Pursuant to 735 ILCS 5/2-408(e), a copy of Kretske's Counterclaim to Quiet Title, to be filed herein, is attached hereto and is incorporated herein by reference as Exhibit 2.

WHEREFORE, for the reasons set forth herein and in the Counterclaim to Quiet Title incorporated herein by reference Petitioner Barbara Kretske respectfully requests that this Court

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grant her Emergency Petition to Intervene and to Vacate the Judgment of Foreclosure and Sale, vacate the Judgment of Foreclosure and Sale, set this matter for further proceedings on her Counterclaim to Quiet Title, and grant such other and further relief as the Court deems just and proper.

Dated: August 21, 1997.

Respectfully submitted,

BARBARA KRETSKE

By: 

One of her Attorneys

James Chatz, Esq.
Stuart Gimbel, Esq.
Naomi F. Katz, Esq.
KAMENSKY & RUBINSTEIN
7250 North Cicero Avenue, Suite 200
Lincolnwood, Illinois 60646
(847) 982-1776
Attorney Code: 26388
{f:naomikretske.m}

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VERIFICATION

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this document are true and correct, except as to matters therein stated to be on information and belief, and as to such matters, the undersigned certifies as aforesaid that she verily believes the same to be true.

Barbara Krutke

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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT -- CHANCERY DIVISION

NORTH COMMUNITY BANK,)

Plaintiff,)

vs.)

No. 96 CH 12045

JEROME RAPPIN, SUSAN C. RAPPIN,)
SUCCESS NATIONAL BANK, SAVE-A-TUB,)
INC., UNKNOWN OWNERS AND NONRECORD)
CLAIMANTS, THE PEOPLES GAS LIGHT AND)
COKE COMPANY,)

Defendants)

and)

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BARBARA KRETSKE,)
Intervenor.)

AFFIDAVIT OF BARBARA KRETSKE

State of Illinois)

) ss.:

County of Cook)

1, Barbara Kretske, being first duly sworn and on oath, state as follows:

1. I am over the age of 21 and if called to testify, would testify to the matters set forth in this affidavit based on my personal knowledge.
2. I am the daughter of Joe Seiden and Miriam Seiden.
3. I am the sister of Susan Rappin.
4. My father passed away on June 8, 1995.
5. I saw a copy of my father's trust, the Joe Seiden Declaration of Trust dated July 20, 1990 (the "Seiden Trust") when he signed it on July 20, 1990.
6. My father's trust provided that if my mother survived him, the trustee of the



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Seiden Trust should create a marital trust designated as Trust A for my mother and that the balance of the Trust should be held as a separate trust which is designated as Trust B.

7. My mother passed away on December 10, 1996.

8. The Seiden Trust provided that upon my mother's death, any part of Trust A which was not distributed in a manner otherwise provided by the Seiden Trust should pour over into Trust B.

9. The Seiden Trust further provided that upon the death of both my father and my mother, Trust B should be allocated to my father's descendants per stirpes and that each share which is allocated to a descendant should be retained in a separate trust.

10. At the time of my mother's death, my sister and I were my father's only living descendants.

11. My father's estate was represented by the law firm of Much, Shelist, Freed, Denenberg, and Ament.

12. My father's Estate Tax Return was filed in or about June of 1996.

13. In or about July of 1996, I saw a copy of my father's Estate Tax Return at my mother's home.

14. The Estate Tax Return listed the property located at 9124 North Lawler, Skokie, Illinois 60077 (the "Property") as part of my father's estate at the time of his death.

15. The Property was listed as an asset which was not encumbered by any mortgage.

16. Based on the provisions of my father's trust, when my mother passed away, I thought that the Property belonged to my sister and I.

17. I never received a Complaint to Foreclose Mortgage on the Property.

18. In or about May of 1997, my sister informed me that an Order of Default had been

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entered against her in litigation commenced by North Community Bank and that North Community Bank was requesting that a Judgment of Foreclosure and Sale be entered on the Property.

19. I discussed this matter with my sister and my brother-in-law, Jerome Rappin.

20. My sister told me that her son, Craig Rappin would handle this matter.

21. During later May of 1997, my sister informed me that Craig Rappin had appeared in court concerning this matter and that the Property would not be foreclosed upon. Craig Rappin told her that she would receive the necessary papers within seven to ten days.

22. By early June of 1997, my sister had not received any papers pertaining to this matter. Therefore, I offered to have the daughter of one of our tenants, Linda Green, investigate the status of this case.

23. Subsequently, Linda Green informed me that a Judgment of Foreclosure had been entered against the Property because no one had responded to North Community Bank's claims.

24. In early July of 1997, my sister, brother-in-law and I contacted an attorney, Robert A. Mintz, to discuss the foreclosure. He obtained copies of all of the deeds pertaining to the Property and conducted a title search and informed me, for the first time, that my brother-in-law, Jerome Rappin, owned the Property and that the Property was encumbered by a mortgage. I believe that the deed purporting to transfer the Property to my brother-in-law was forged and that one or more other documents in the record were forged.

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25. We immediately retained litigation counsel to take legal action to protect our interest in the Property.

FURTHER AFFIANT SAYETH NAUGHT.

Barbara Kretzke
BARBARA KRETSKE

SUBSCRIBED and SWORN to before me this 20th day of August, 1997.

Scott B. Toban
NOTARY PUBLIC



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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT -- CHANCERY DIVISION

NORTH COMMUNITY BANK,)

Plaintiff,)

vs.)

No. 96 CH 12045)

JEROME RAPPIN, SUSAN C. RAPPIN,)
SUCCESS NATIONAL BANK, SAVE-A-TUB,)
INC., UNKNOWN OWNERS AND NONRECORD)
CLAIMANTS, THE PEOPLES GAS LIGHT AND)
COKE COMPANY,)

Defendants)

and)

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BARBARA KRETSKE,)

Intervenor.)

BARBARA KRETSKE'S COUNTERCLAIM TO QUIET TITLE

Now comes Barbara Kretske ("Kretske"), by her attorneys, Kamensky & Rubinstein, hereby and complains of the Plaintiff, North Community Bank, the Defendants, Jerome Rappin, Success National Bank, Save a-Tub, The Peoples Gas Light and Coke Company, Nonrecord Claimants and UNKNOWN OWNERS as follows:

1. That Kretske is a resident of the County of Cook and State of Illinois and that the following described real estate is located therein:

LOT 6 IN COLBY MICHAELSON SUBDIVISION BEING A
RESUBDIVISION OF PART OF LOT 9 IN COUNTY CLERK'S
DIVISION OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 13
EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,
ILLINOIS.

2. That said real estate is a two story, three unit apartment building with a two car detached garage located at 9124 North Lawler, Skokie, Illinois.



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3. That by deed dated September, 1990 and recorded in the office of the Recorder of Deeds of Cook County, Illinois on November 26, 1990 as Document No. 90574463, fee simple title in said real estate was conveyed to Joe Seiden, as trustee of the Joe Seiden Declaration of Trust dated July 20, 1990 (the "Seiden Trust"). A copy of the September, 1990 deed is attached hereto as Exhibit A. Under the terms of Article 6 of the Seiden Trust, a copy of which is attached hereto as Exhibit B, upon the death of both Joe Seiden and his wife, the res of the Seiden Trust which included the said real estate would be allocated per stirpes to Joe Seiden's then-living descendants. At the time of the death of the last of Joe Seiden and his wife, Kretske was one of only two of Joe Seiden's then living descendants.

4. That the Plaintiff, North Community Bank, Defendants, Jerome Rappin, Success National Bank, Save a-Tub, The Peoples Gas Light and Coke Company, Nonrecord Claimants and UNKNOWN OWNERS have or may claim a right, title, interest or lien in or to said real estate and their said purported claim is a cloud on the title of Plaintiff, null and void, and of no force and effect. In particular, North Community Bank, asserts a mortgage lien on the real estate pursuant to a mortgage allegedly executed by Jerome Rappin on or about September 30, 1994 (the "Mortgage"), a copy of which is attached hereto as Exhibit C.

5. Kretske avers that in addition to persons designated by name herein, there are or may be other persons who are interested in this action and who have or claim some right, title, interest or lien in, to or upon the real estate, or some part thereof, in this count described; that the name of each of such other persons is unknown to Plaintiff and on diligent inquiry cannot be ascertained, and all such persons are therefore made parties defendant to this action by the name and description of Unknown Owners.

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6. Joe Seiden, as trustee of the Seiden Trust, is the legal owner of the above described real estate, pursuant to the provisions of Illinois law, in that the Seiden Trust's title was acquired by a deed dated September, 1990 from Joe Seiden and Miriam Seiden, his wife, grantors, to Joe Seiden, as trustee of the Seiden Trust, grantee, which deed was recorded in the office of the Recorder of Deeds of Cook County, Illinois on November 26, 1990 as Document No. 90574463 as hereinabove alleged; and the Seiden Trust thereby obtained in good faith, color of title to said real estate.

7. The Mortgage is not a valid lien on the real estate and is a cloud on Kretske's title. Jerome Rappin, who allegedly executed the Mortgage, never possessed title to the real estate. Although a deed allegedly executed by Joe Seiden, individually, on September 23, 1994, purported to transfer title to Jerome Rappin, Joe Seiden did not possess title to the real estate at that time and the alleged conveyance was a nullity. (Kretske also disputes that said deed was ever executed by Joe Seiden.) A copy of the September 23, 1994 deed is attached hereto as Exhibit D.

WHEREFORE, Barbara Kretske respectfully requests that a decree be entered here finding and confirming title in the name of Joe Seiden, as trustee of the Seiden Trust, in fee simple, free and clear of the purported claims of interest of the Plaintiff, North Community Bank, the Defendants, Jerome Rappin, Success National Bank, Save a-Tub, The Peoples Gas Light and Coke Company, Nonrecord Claimants and UNKNOWN OWNERS; and that a decree be entered

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further finding for the Plaintiff such other and further relief as equity may require.

Dated: August 21, 1997.

Respectfully submitted,

BARBARA KRETSKE

By: _____

One of her Attorneys

James Chatz, Esq.
Stuart Gimbel, Esq.
Naomi F. Katz, Esq.
KAMENSKY & RUBINSTEIN
7250 North Cicero Avenue, Suite 200
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Attorney Code: 26388
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VERIFICATION

Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this document are true and correct, except as to matters therein stated to be on information and belief, and as to such matters, the undersigned certifies as aforesaid that she verily believes the same to be true.

Barbara Kretzke

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JOE SEIDEN

DECLARATION OF TRUST

As of the date last written below, I hereby transfer property to myself as trustee and declare that I am to hold the property, including all substitutions therefor and additions thereto, and the income arising therefrom, hereinafter referred to as the trust estate, in one or more trusts upon the conditions hereinafter set forth.

SECTION I

1.1. During my life the trustee shall distribute the income and principal of the trust estate as I shall direct, except that if I am unable to act in the management of my affairs the trustee shall distribute any part or all of the income and principal of the trust estate as the trustee believes desirable from time to time for the best interests of myself and my spouse, adding any excess income to principal.

1.2. I shall have the right to revoke or amend this Agreement in whole or in part at any time or times by written notice to the trustee, except that an amendment shall not be effective to change the responsibilities of the trustee without its consent. The power to amend or revoke this Agreement is personal to me and may not be exercised by my legal representative, attorney-in-fact, or others.

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1.3. The following shall apply to the payment of my debts, and other payments due at or on account of my death:

(a) If I have no probate estate, or to the extent that the cash and readily marketable assets in my probate estate are insufficient, the trustee shall pay from the principal of the trust estate all funeral expenses, claims properly chargeable against my estate, costs of administration including ancillary administration, and estate and inheritance taxes assessed by reason of my death. Payments shall not be made from property otherwise excludable from my estate for Federal Estate Tax purposes, and life insurance proceeds shall be used for these payments only if, and to the extent that, other assets are not available. The trustee may make any part or all of these payments directly or to the legal representative of my estate, as the trustee deems advisable. I waive all rights of reimbursement for any payments made pursuant to this subparagraph.

(b) Interest and penalties relating to any tax shall be paid and charged in the same manner as the tax.

SECTION II

2.1. On my death, if my spouse does not survive me, the trustee shall distribute the amount of Five Thousand Dollars (\$5,000) per capita to each of my then-living grandchildren and great-grandchildren.

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SECTION III

3.1. The following shall apply upon the date of my death:

(a) After making or providing for the payments contemplated by the preceding provisions of this Agreement, the trustee shall allocate the trust estate, including property added to the trust estate by my will or from any other source, as provided in this paragraph. If my spouse survives me, then the trustee shall set aside out of the trust estate, as a separate trust designated as Trust A (undiminished to the extent possible by any estate or inheritance taxes or other charges), the smallest pecuniary amount which, if allowed as a Federal Estate Tax marital deduction, would result in the least possible Federal Estate Tax being payable by reason of my death. In determining the pecuniary amount, the trustee shall consider the credit for state death taxes only to the extent that state death taxes are not thereby incurred or increased and shall assume that all payments and legacies provided for above will have been made or satisfied in full. The balance of the trust estate, or all thereof if my spouse predeceases me, shall be held as a separate trust designated as Trust B.

(b) In the administration of Trust B, my spouse shall not be deemed to have predeceased me by reason of having disclaimed any part or all of Trust A.

(c) The trustee shall select and allocate the cash, securities and other property, including real estate and

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interest therein, which shall constitute Trust A, employing for the purpose values current at the time or times of allocation. The trustee shall not allocate to Trust A (1) any asset or proceeds of sale of any asset as to which a marital deduction is not allowable, or (2) any insurance policy on the life of my spouse. The selections and all allocations made by the trustee pursuant to this paragraph shall not be subject to question by any beneficiary.

(d) If my estate depreciates in value after the applicable Federal Estate Tax valuation date, and as a result is insufficient to satisfy in full all pecuniary legacies, these legacies shall abate proportionately.

(e) Unproductive property may be held as an asset of Trust A unless my spouse directs otherwise in writing.

SECTION IV

4.1. The following shall apply to Trust A:

(a) Commencing at my death, the trustee shall pay the income of Trust A to my spouse during my spouse's life. The trustee shall also pay to my spouse any part or all of the principal of Trust A as it believes desirable from time to time for the medical care and support of my spouse, considering the income of my spouse known to the trustee.

(b) In addition, my spouse may withdraw any part or all of the principal of Trust A at any time or times.

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(c) On the death of my spouse, the principal and any accrued or undistributed income of Trust A shall be distributed to or in trust for any appointee or appointees, including my spouse's estate, in the manner and proportions as my spouse may appoint by will, making specific reference to this power.

(d) On the death of my spouse, any part of Trust A not distributed pursuant to the above provisions of this Agreement shall be added to Trust B, except that, unless my spouse directs otherwise by will, the trustee shall first pay from the principal of that portion of Trust A which is includable in my spouse's estate for Federal Estate Tax purposes, directly or to the legal representative of my spouse's estate as the trustee deems advisable, the amount by which the estate and inheritance taxes assessed by reason of the death of my spouse shall be increased as a result of the inclusion of Trust A in my spouse's estate for tax purposes. The trustee's selection of the assets to be sold to pay such amount, and the tax effect thereof, shall not be subject to question by any beneficiary.

SECTION V

5.1. During the life of my spouse, the following shall apply to Trust B:

(a) The trustee shall pay to my spouse all of the income of Trust B.

(b) The trustee shall pay to my spouse any part or

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all of the principal of Trust B as the trustee believes desirable for the medical care and support of my spouse in my spouse's accustomed manner of living. In making payment under this subparagraph, the trustee shall take into account the income and resources of my spouse known to the trustee and the interest of my spouse in Trust A.

(c) On the death of my spouse, any part of Trust B not distributed or allocated pursuant to the above provisions of this Agreement shall be distributed to or in trust for any one or more of my descendants in the manner and proportions as my spouse shall appoint by will, making specific reference to this power.

SECTION VI

6.1. On the death of the last to die of my spouse and me, the trustee shall allocate Trust B per stirpes to my then living descendants, and each share allocated to a descendant of mine shall be retained in trust as a separate trust designated by the name of the descendant.

SECTION VII

7.1. The trusts created pursuant to the Sections immediately preceding and succeeding this Section shall be administered as follows:

(a) The trustee shall pay to a beneficiary the income of the trust named for the beneficiary until the first to

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occur of the distribution of the trust or the death of the beneficiary, except that while the beneficiary is under age twenty-one years, the trustee shall pay to the beneficiary any part or all of the income as the trustee believes desirable for the medical care, education and support of the beneficiary, adding any excess income to principal. The trustee shall pay to a beneficiary any part or all of the principal of the trust named for the beneficiary as the trustee believes desirable, from time to time, for the medical care, education and support of the beneficiary in the beneficiary's accustomed manner of living, considering the income and resources of the beneficiary known to the trustee.

(b) When a beneficiary has reached age twenty-five years, the trustee shall distribute to the beneficiary one-half in value of the principal of the trust named for the beneficiary; and when a beneficiary has reached age thirty years, the trustee shall distribute to the beneficiary the remaining principal of the trust named for the beneficiary.

(c) On the death of a beneficiary, any part of the trust named for the beneficiary not distributed or allocated pursuant to the above provisions of this paragraph shall be distributed to or in trust for any appointee or appointees, including the beneficiary's estate in the manner and proportions as the beneficiary shall appoint by will, making specific reference to this power.

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SECTION VIII

8.1. Any part of a trust not distributed, allocated or effectively appointed pursuant to the above provisions of this Agreement shall be allocated on the death of the beneficiary for whom the trust is named, per stirpes among the then living descendants of the beneficiary, or if none, per stirpes among the then living descendants of the nearest lineal ancestor of the beneficiary who also is a descendant of mine and of whom one or more descendants then are living, or if none, per stirpes among my then living descendants. Each share allocated to a beneficiary for whom a trust then held under this Agreement is named shall be added to that trust and each share allocated to any other beneficiary shall be retained in trust as a separate trust named for the beneficiary and administered as provided in this Section and the Section immediately preceding this Section.

SECTION IX

9.1. Notwithstanding the above provisions of this Agreement, no part of the trust estate shall be retained in trust for more than twenty-one years after the death of the last to die of my spouse, me, and my descendants living at the date of the first to die of my spouse and me; and each trust named for a beneficiary still retained in trust at the end of that period

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shall be distributed to the beneficiary for whom the trust is named.

SECTION X

10.1. Notwithstanding the above provisions of this Agreement, the trustee may, but need not, terminate and distribute a trust held under this Agreement after my death to the persons named below, who are then living, under the conditions stated below:

(a) to my spouse, if my spouse is sole trustee hereunder and the trust is of an aggregate principal value of Twenty Thousand Dollars (\$20,000) or less as determined by the trustee;

(b) to my spouse, if my spouse is co-trustee hereunder and the combined value of the trust and the gross estate of my spouse for Federal Estate Tax purposes, presuming my spouse had died immediately following the distribution of the trust to my spouse, is not sufficient in amount to cause there to be a Federal Estate Tax to the estate of my spouse as determined by the co-trustee other than my spouse;

(c) to my spouse, if my spouse is a co-trustee hereunder and the trust is of an aggregate principal value of Fifty Thousand Dollars (\$50,000) or less as determined by the co-trustee other than my spouse;

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(d) to my spouse, if my spouse is not a trustee hereunder and the trust is of an aggregate principal value of Fifty Thousand Dollars (\$50,000) or less as determined by the trustee;

(e) to my spouse, if my spouse is not a trustee hereunder and the combined value of the trust and the gross estate of my spouse for Federal Estate Tax purposes, presuming my spouse had died immediately following the distribution of the trust to my spouse, is not sufficient in amount to cause there to be a Federal Estate Tax to the estate of my spouse as determined by the trustee;

(f) to the beneficiary for whom a trust is named if the aggregate principal value of the trust named for the beneficiary is Seventy-five Thousand Dollars (\$75,000) or less as determined by the trustee.

10.2. The trustee may rely upon information delivered to the trustee by my spouse in making a determination of my spouse's gross estate for Federal Estate Tax purposes as if my spouse had then died.

SECTION XI

11.1. My spouse shall be deemed to have survived me only if my spouse is living on the 178th day following my death.

11.2. My spouse's name is MIRIAM SEIDEN, and she is referred to in this Agreement as my spouse.

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11.3. I have two children now living whose names are:

SUSAN RAPPIN

BARBARA KRETSKE

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SECTION XII

12.1. The following shall apply to each trust created under this Agreement:

(a) Except as otherwise provided, income payments shall be made at least as often as quarter-annually and income accrued or undistributed at the termination of any trust shall be paid as income:

(1) to the beneficiaries next succeeding in interest in the proportion in which each takes that interest, if the termination of the trust is not caused by the death of my spouse; or

(2) except with respect to Trust B, to the estate of my spouse if the termination of the trust is caused by the death of my spouse.

(b) If any amount of the trust estate becomes payable to a minor under the law of his state of residence or to a person under legal disability or to a person not adjudicated incompetent or disabled but who, by reason of mental or physical illness is, in the opinion of the trustee, unable to manage his affairs, then such amount shall be vested in him and paid in any

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one or more of the following ways as are applicable and as the trustee deems advisable:

- (1) to the beneficiary directly;
- (2) to the legally appointed guardian, conservator or other legal representative of the beneficiary;
- (3) to a custodian under the Uniform Transfers to Minors Act or any similar statute of the state in which a minor beneficiary resides;
- (4) to a relative or friend of the beneficiary to be used for the support, medical care and welfare of the beneficiary; or
- (5) by retaining the property in a separate trust designated by the name of the beneficiary until the beneficiary, in the opinion of the trustee, is able to manage his affairs, at which time the property shall be distributed to the beneficiary. The trustee may pay to the beneficiary any part or all of the income and principal of the trust named for the beneficiary as the trustee believes desirable for the best interests and welfare of the beneficiary, adding any excess income to principal; provided, however, if the beneficiary is my spouse, the trustee shall pay or apply for my spouse's benefit all income of the said trust.

(c) The interests of the beneficiaries in the trust estate may not be voluntarily or involuntarily transferred, alienated or encumbered and shall not be subject to legal

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process, or to claims of (1) creditors, (2) any spouse for alimony or support, or (3) others, except that this subparagraph shall not affect the exercise of any power of appointment created by this Agreement.

(d) Persons dealing with the trustee need not inquire into the terms of the trust nor see to the application of money or property delivered to the trustee.

(e) The exercise in good faith by the trustee of its powers and discretions shall be conclusive on all persons.

(f) The trustee may decide to make or not to make such elections under the law applicable to any trust created hereunder as the trustee, in his sole discretion, shall determine. Any such decision shall not be subject to question by any beneficiary or any other person, and the trustee shall not be liable in any way to any beneficiary or any other person by reason of any such decision. No compensating adjustments between principal and income or with respect to any distribution shall be made even though the decision so made may affect the interests of the beneficiaries.

(g) The trustee may rely on a will admitted to probate in any jurisdiction as the last will of a beneficiary or if the trustee has no notice of the actual existence of a will within six months after the death of the beneficiary, the trustee may assume the beneficiary died intestate and make distribution

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of property subject to a power of appointment by the beneficiary, without liability.

(h) Whenever my spouse is acting as a trustee of a trust created hereunder, the trustee may, but shall not be required to, render an accounting of such trust. However, if my spouse is not so acting, or at the request of my spouse when my spouse is so acting, the trustee shall render an accounting of such trust at least annually. Accountings shall be distributed only to those beneficiaries of a trust to whom the trustee is required to distribute income. However, when the distribution of income of a trust is subject to the discretion of the trustee, accountings shall be distributed to my spouse, if my spouse is a beneficiary of such trust, and may be distributed to one or more of the beneficiaries to whom the trustee is permitted to distribute income as the trustee shall determine in the trustee's sole discretion.

(i) A majority in number of the income beneficiaries of a trust may approve the final accounts of the trustee of such trust and give a full release and discharge to such trustee. Any such approval, release and discharge shall be binding upon all beneficiaries, past, present or future of said trust, and shall constitute a complete bar to any action by any beneficiary to question any transaction for the period covered by the accounts so approved and a valid and effective release with respect to such transaction with all the force and effect of a decree of a

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court of competent jurisdiction judicially settling such accounts and discharging such trustee from any and all liability with respect to such transaction.

12.2. The trustee shall have the power to perform all acts which the trustee believes desirable for the proper administration of the trust and to do any and every act and thing, and to enter into and carry out any agreement in respect to any part or all of the trust estate. The powers conferred hereby shall include, but shall not be limited to the following, and, except to the extent inconsistent herewith, shall include those powers now or hereafter conferred by law:

(a) to receive property from any source;

(b) to retain any property (including stock of a corporate trustee or of a parent or affiliated company) originally constituting any part or all of the trust estate or subsequently added thereto by me or any member of my family, although not of a type, quality or diversification considered proper for trust investments;

(c) to invest or reinvest the trust estate in bonds, stocks of a corporation regardless of the class through "short sales" or by taking "long positions," equity or commodity options, common trust funds, commodity futures or index contracts, mortgages, notes, interests in trusts, undivided interests in real or personal property, and property of any kind whether real or personal, or any interests therein, wherever such

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property is located, and although such property is not of a type, quality or diversification considered proper for trust investments;

(d) to manage, lease for any period of time although commencing in the future or extending beyond the termination of the trust, grant easements, dedicate, improve and otherwise deal with real estate; to reimburse itself from the trust estate, and to the extent the trust estate is insufficient, I, or if I shall be deceased, my estate, shall reimburse the trustee for any liability, attorney's fee or other expense incurred by reason of the trustee holding title to real estate;

(e) to borrow money from any lender, including the trustee; to mortgage or pledge trust assets and extend or renew any indebtedness; to maintain margin accounts with brokerage houses of the trustee's own selection;

(f) to sell trust assets at public or private sale, including sales to trustees of trusts created under pension and profit sharing plans; to exchange trust assets for other property; to grant options to purchase trust assets; to determine the prices and terms of sales, exchanges and options;

(g) to employ attorneys and delegate duties and powers to agents, including the power to make withdrawals from checking and savings accounts, and certificates of deposit, and to have access to safe deposit boxes;

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(h) to hold trust assets in the name of a nominee, or in any other way without disclosure of a fiduciary relationship;

(i) to vote in person or by general or limited proxy, or refrain from voting, any corporate securities for any purpose; to exercise or sell any subscription or conversion rights; to consent to and join in or oppose any voting trusts, reorganizations, consolidations, mergers, foreclosures and liquidations and in connection therewith to deposit securities and accept and hold other securities or property received therefor;

(j) to compromise, contest, prosecute or otherwise deal with claims in favor of or against the trustee;

(k) to make temporary allocations to any trust created under this Agreement; to divide or distribute trust assets in undivided interests or wholly or partly in kind; to sell property for the purpose of making an allocation, division or distribution;

(l) to hold the assets of separate trusts created hereunder in one or more common accounts in which each trust shall have an undivided interest;

(m) to pay taxes and reasonable expenses, including compensation to the trustee and the agents and attorneys of the trustee;

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(n) to deal with, purchase assets from, or make loans to the fiduciary of any trust created by me or any member of my family or a trust or estate in which any beneficiary under this Agreement has an interest, even though a trustee hereunder is such fiduciary, and to retain any property so acquired;

(o) to purchase and keep in force appropriate insurance for protection of the trust estate;

(p) to transfer the situs of trust assets to another jurisdiction as often as the trustee believes desirable by appointing a person or qualified corporation as a substitute trustee; to delegate to a substitute trustee any part or all of the powers given to the trustee; to remove a substitute trustee and appoint another or reappoint itself as trustee;

(q) to appoint a person or qualified corporation at any time to act as trustee as respects property located outside my state of residence; to delegate to an appointed trustee, who shall act without bond or other security and shall not account to any court, any part or all of the powers given to the trustee; to remove an appointed trustee and appoint another if desirable;

(r) to act without bond or other security in any jurisdiction and without accounting to any court;

(s) to charge the compensation of the trustee, and agents and attorneys of the trustee, between income and principal as the trustee believes desirable for the proper administration of the trust estate, notwithstanding any rule of law to the

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contrary; provided that this subparagraph shall not apply to any trust qualifying for the marital deduction under Federal Estate Tax law;

(t) to execute and deliver necessary instruments and to give full receipts and discharges; and

(u) to determine whether receipts shall constitute principal or income and whether expenses are properly chargeable to principal or income; to establish out of income and credit to principal reasonable reserves for the depreciation of tangible property or the amortization or depletion of wasting assets, including, without limiting the foregoing, leaseholds, patents, copyrights, royalty rights (including all or any portion of royalty, overriding or limited royalty, or bonus, or from working, net profit, or any other interest in minerals, oil, gas, or other natural resources), and any rights to receive periodic payments under a contract or plan for the benefit of one or more of the employees of an employer.

SECTION XIII

13.1. Notwithstanding the powers of the trustee, as long as I am able to act in the management of my affairs, I shall direct the collection of income from and the payment of expenses pertaining to trust assets, and the management, control, retention, sale or purchase of trust assets, and the trustee shall not be liable for a loss that results from following a

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direction. I may at any time or times, with or without right of revocation, by a writing delivered to the trustee, delegate to any other person or to the trustee, or relinquish, any or all of the powers reserved to me hereunder. The statement of the trustee that it is acting according to this paragraph shall fully protect all persons dealing with the trustee. The trustee shall have no responsibility for any loss that may result from acting in accordance with this paragraph, nor shall the trustee be under any duty to make an investment review or consider the propriety of holding or selling any property in the trust.

SECTION XIV

14.1. As to life insurance policies payable to the trustee, the following shall apply:

(a) During my life the trustee shall have no duties as respects the payment of premiums or otherwise and I shall have all incidents of ownership including, but not limited to, the right to receive all benefits under the policies and to borrow from the trustee or any other lender using the policies as collateral.

(b) I shall have the right from time to time to withdraw life insurance policies deposited with the trustee and although the policies shall continue to be a part of the trust estate so long as the trustee is named beneficiary, the trustee shall have no duty to cause the policies to be returned.

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(c) On my death the trustee shall collect the net proceeds, but if legal action is necessary the trustee shall not be responsible for collection unless indemnified to its satisfaction.

(d) Notwithstanding the fact that policies are payable to the trustee, to establish that such policies are exempt from my debts and liabilities, the net proceeds shall be deemed to be payable to my spouse or to my child, my parent or other person dependent upon me to the extent such persons are beneficiaries of this trust.

SECTION XV

15.1. Notwithstanding any other provisions of this Agreement, the trustee may at any time merge the assets of any trust created hereunder with the assets of any other trust or trusts under which it is also acting as the trustee, created either by will or by agreement, which other trust or trusts, in the opinion of the trustee, are then and thereafter to be held, administered and distributed to or for the benefit of the same beneficiaries upon substantially the same trusts, terms and conditions as the trust created hereunder and which contain a provision permitting such merger. The merged assets may be held, administered and distributed by the trustee under the provisions of this Agreement or the instrument governing any one of such other trusts, and the

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trustee may terminate this trust as a separate entity if it merges this trust into any such other trust.

15.2. Notwithstanding the foregoing, no merger of trusts shall be made pursuant to this paragraph which would disqualify any trust for any marital deduction under the Federal Estate Tax law in effect with respect to my estate.

SECTION XVI

16.1. The following shall apply to the office of the trustee of any trust created by this Agreement:

(a) A trustee may resign by written notice to all of the other trustees, if any, and by written notice to the person, or each person within a group of persons, who may appoint a successor trustee, as may be applicable.

(b) A person shall cease to be trustee if any of the following events occur:

(1) he is determined to be unable to act in the management of his affairs;

(2) he effectively resigns as trustee; or

(3) he is effectively removed as trustee.

(c) In the event of a vacancy in the office of trustee, then the successor trustee shall be appointed in the following manner:

(1) By the person, if any, having the power to appoint a trustee under subparagraph (k) of this paragraph,

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unless that person (A) gives written notice to the successor trustee named below, if any, that he declines to exercise the power, (B) fails to exercise the power within thirty days after the first day of the vacancy in the office of trustee, (C) is unable to act in the management of his affairs, or (D) fails to appoint the successor trustee within five days after a written demand to do so from (i) the successor trustee named below, or (ii) any person who is, or in the discretion of the trustee may be, then entitled to receive any part or all of the income of the trust estate (or from the conservator, parent or guardian of any such person who may be legally incompetent or disabled).

(2) If no person has the power to appoint a trustee, or if a person has the power but does not exercise the concomitant power to appoint a successor trustee, then the successor trustee shall be the first person, or group of persons, listed below who is willing and able to act as trustee and who has not previously been a trustee hereunder.

(A) my spouse;

(B) my daughter, SUSAN RAPPIN;

(C) my daughter, BARBARA KRETSKE;

(D) MY SON-IN-LAW - JEROME RAPPIN a

banking corporation.

(3) If no person has the power to appoint a trustee, or if the person with the power to appoint fails to exercise such power, and no person named as successor trustee is

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willing and able to act as successor trustee, then the successor trustee shall be appointed by the following person or a majority of persons within a group of persons, as may be applicable:

(A) me, if I am not legally incompetent or disabled;

(B) my conservator or guardian, if I am legally incompetent or disabled;

(C) all of the persons who are, or in the discretion of the trustee may be, then entitled to receive any part or all of the income of the trust, if I am deceased. If a person is legally incompetent or disabled, his conservator, parent or guardian, as the case may be, shall act or receive notice on his behalf.

(d) The following shall apply to a successor trustee:

(1) He shall have all of the rights, powers and duties which are granted or imposed on the predecessor trustee.

(2) He shall be under no duty to inquire into the acts or doings of a predecessor trustee, and shall not be liable for any act or failure to act of a predecessor trustee.

(3) With the approval of a majority of the persons who are, or in the discretion of the trustee may be, then entitled to receive any part or all of the income or principal of the trust and who are able to act in the management of their affairs, he may accept the account rendered and the property

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received as a full and complete discharge to the predecessor trustee, without incurring any liability for so doing. If no such person is able to act in the management of his affairs, then approval is not required.

(e) If the removal or resignation of a trustee causes a vacancy in the office of the trustee then the removal or resignation and appointment of the successor trustee shall be effective when the successor trustee signs a written acceptance of the office of trustee.

(f) A co-trustee may delegate to another co-trustee any part or all of the co-trustee's powers and duties for the time agreed to in writing by all of the co-trustees.

(g) The following shall apply if there are any co-trustees acting:

(1) An individual co-trustee shall not participate in the exercise of any discretion with respect to the distribution of the income or principal from a trust under any of the following circumstances:

(A) if the individual co-trustee has a legal obligation to support a person who is, or in the discretion of the trustee may be, then entitled to receive any part or all of the income or principal; or

(B) if the individual co-trustee is then entitled, or in the discretion of the trustee may be then

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entitled, to receive any part or all of the income or principal of the trust.

(2) If no co-trustee may participate in the exercise of the discretion described in subparagraph (g)(1) for a reason stated therein, then, notwithstanding subparagraph (g)(1), all of the co-trustees shall participate in the exercise of such discretion.

(f) If all of the trustees are individuals and no person has the power to appoint a successor trustee or co-trustee pursuant to any of the following provisions of this Agreement, then all of the trustees may appoint a corporate trustee to act with them for such period of time, but not longer than the trustees' term of office, as may be agreed to in writing by all of the trustees and the corporate trustee so appointed.

(i) The words trustee, trustees, co-trustee or co-trustees shall mean the person or persons acting as trustee or trustees from time to time.

(j) Following my death or during my inability to act in the management of my affairs, my spouse, if able to act in the management of her own affairs, shall have the power to remove any one or more of the trustees by written notice to all of the then acting trustees and to the applicable persons who may have the power to appoint a trustee in the event of a vacancy in the office of trustee but who do not have the power to remove a trustee.

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(k) During such period of time as a person has the power to remove a trustee, that person shall also have the following powers:

(1) to appoint any person or persons to be successor trustee or trustees in the event of a vacancy in the office of trustee;

(2) to appoint any person or persons as co-trustee or co-trustees to act with any trustee.

(1) Notwithstanding any statement in this Agreement to the contrary, if my spouse is acting as a co-trustee with any trustee and the trustees disagree with respect to any matter, the decision of my spouse shall control and the trustee other than my spouse shall not be liable for the acts or failure to act of my spouse.

(m) When a corporate trustee is acting, it shall have custody of all of the trust assets and maintain the trust books and records, unless all of the trustees agree otherwise.

(n) Any successor to the business of a corporate trustee by reorganization or otherwise shall become a trustee as though originally named trustee.

(o) As respects any insurance policies on the life of a co-trustee other than me, that co-trustee shall not participate in the exercise of any discretion of any nature whatsoever with respect to those policies.

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(p) Any successor corporate trustee must be a bank or trust company qualified to accept trusts and having a combined capital and surplus not less than Thirty Million Dollars.

SECTION XVII

17.1. The determination that an individual is unable to act in the management of his affairs shall be made in either of the following ways:

(a) by written certification of a physician licensed to practice medicine in the state in which the individual resides that the individual is unable to give prompt and intelligent consideration to financial matters by reason of a mental or physical impairment which can be expected to result in death or to be of long continued or indefinite duration; or

(b) by a determination of a court of competent jurisdiction that the individual is legally incompetent or disabled.

SECTION XVIII

18.1. A child adopted by any person, and the descendants of the child by blood or adoption, shall be considered, for all purposes of this Agreement, as though the child and his descendants were related by blood to the adopting parent and to the lineal ancestors of the adopting parent.

SECTION XIX

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19.1. The laws of the state of my residence on the date of execution of this Agreement shall govern the provisions of this Agreement.

19.2. As used in this Agreement, "beneficiary" means a person entitled to receive distributions of income and/or principal from the trust estate including remaindermen.

19.3. As used in this Agreement, "the Code" means the Internal Revenue Code of 1986, as from time to time amended, and a reference to a particular Section of the Code shall be a reference to any amended or successor Section.

19.4. Whenever the context so requires, gender references shall be modified so that the provisions hereof shall apply to the masculine, feminine or neuter, wherever either the masculine, feminine or neuter is expressed; similarly, reference to the singular shall be modified to include the plural, or vice versa.

19.5. The Sections in this Agreement are divided into paragraphs and some of the paragraphs are divided into subparagraphs. Paragraphs and subparagraphs are defined and identified as follows:

(a) A paragraph, which includes the subparagraphs, if any, therein, is the portion of a Section identified by the syntax "real number, decimal point, real number" (e.g., 2.1 or 3.2).

(b) A subparagraph, which includes other subparagraphs, if any, therein, is the portion of a paragraph identified by the syntax "noncapitalized letter, real number, capital letter and roman numeral," each enclosed in parentheses (e.g., (a) (2) (C))

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(ii)). When a subparagraph is referred to, the reference includes the paragraph designation within which that subparagraph is included, and all subparagraph designations include other subparagraphs included within the subparagraph referred to (e.g., subparagraph 2.1(c)(3), which includes subparagraphs 2.1(c)(3)(A), 2.1(c)(3)(B) and 2.1(c)(3)(C)).

SECTION XX

This Agreement may be referred to as the JOE SEIDEN
DECLARATION OF TRUST.

I, JOE SEIDEN, of Skokie, Illinois, as grantor and as trustee,
now sign this Agreement this 15 day of July, 1990.

Joe Seiden
JOE SEIDEN, Grantor and Trustee

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RECORDATION REQUESTED BY:

NORTH COMMUNITY BANK
500 NORTH BROADWAY
CHICAGO, IL 60610

COOK COUNTY, ILLINOIS
FILED FLP 962000

1996 OCT -4 PM 2:27

9485685

WHEN RECORDED MAIL TO:

NORTH COMMUNITY BANK
500 NORTH BROADWAY
CHICAGO, IL 60610

9485685N

SEND ALL NOTICES TO:

NORTH COMMUNITY BANK
500 NORTH BROADWAY
CHICAGO, IL 60610

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IS ONLY

MORTGAGE

THIS MORTGAGE IS DATED SEPTEMBER 30, 1994, between Jerome Rappin, married to Susan C. Rappin, whose address is 3435 W. Fullerton, Chicago, IL 60618 (referred to below as "Grantor"); and NORTH COMMUNITY BANK, whose address is 500 NORTH BROADWAY, CHICAGO, IL 60610 (referred to below as "Lender").

GRANTOR OF MORTGAGE, for special consideration, of his mortgages, warrants, and conveyors to Lender of Grantor's right, title, and interest in and to the following described real property, together with all things or subsequently created or added buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, underground and other rights (including those in utility with such or in other rights) and all other things, real and personal, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Cook County, State of Illinois (the "Real Property"):

LOT 5 IN COLEY MICHAELSONS SUBDIVISION BEING A RESUBDIVISION OF PART OF LOT 5 IN COUNTY CLERK'S DIVISION OF SECTION 16, T17N R36E 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 8124 North Lawler, Skokie, Illinois 60077, Skokie, IL 60077. The Real Property has parcelation number 8 10-19-400-008.

Grantor grants to Lender a Uniform Commercial Code security interest in the Real Property and all Rights in the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Real Property and Rights.

DEFINITIONS. The following words shall have the following meanings when used in the Mortgage. Terms not otherwise defined in the Mortgage shall have the meanings ascribed to such terms in the Uniform Commercial Code. All references to "dollars" shall mean amounts in the lawful money of the United States of America.

Grantor. The word "Grantor" means Jerome Rappin. The Grantor is the mortgagor under the Mortgage.

Real Property. The word "Real Property" means and includes without limitation each and all of the guarantees, warranties, and accommodation duties in connection with the indebtedness.

Improvements. The word "Improvements" means and includes without limitation all existing and future buildings, improvements, fixtures, buildings, structures and all things attached to the Real Property, utilities, appurtenances and other construction of the Real Property.

Indebtedness. The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under the Mortgage, together with interest, costs and charges as provided in the Mortgage. (Initial Note: FDC(45811)) In addition to the Note, the word "Indebtedness" includes all interest, costs and charges, plus interest of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor arising out of or from the Note, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or involuntary, whether due or not due, absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be by or hereafter may become a part of any bankruptcy proceedings, and whether such indebtedness may be or hereafter may become a part of any bankruptcy proceedings, without limitation, this Mortgage secures a revolving line of credit and shall secure not only the amount borrowed by Grantor under the Note, but also any future amounts which Lender may advance to Grantor under the Note or under any other credit line provided by Lender to Grantor under the Note to the extent as if such future advances were made as of the date of the origination of the Mortgage. The principal and interest obligations of Grantor to Lender shall be as set forth in the Note and related documents. All references to "dollars" shall mean amounts in the lawful money of the United States of America. All references to "dollars" shall mean amounts in the lawful money of the United States of America.

Lender. The word "Lender" means NORTH COMMUNITY BANK, its successors and assigns. The Lender is the mortgagee under the Mortgage.

Mortgage. The word "Mortgage" means the Mortgage between Grantor and Lender, and includes without limitation all assignments and security interests provided in the Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note of which agreement dated September 30, 1994, in the original principal amount of \$678,700.00, from Grantor to Lender, together with all renewals of, extensions of, modifications of, replacements of, amendments of, and substitutions for the promissory note or agreement. The interest rate on the Note is a variable interest rate based upon an index. The index shall be the prime rate as published in the Wall Street Journal Eastern Edition, New York, New York, plus 2.00% per annum. The interest rate is to be applied to the unpaid principal balance of the Mortgage shall be at a rate of 2.00% (percentage points) over the index, resulting in an interest rate of 3.75% per annum. NOTICE: Under no circumstances shall the interest rate on the Mortgage be more than the maximum rate allowed by applicable law. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

EXHIBIT

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