

# UNOFFICIAL COPY

This instrument prepared /  
by and after recording /  
return to: /  
Kelly Boggs /  
American National Bank /  
33 N. LaSalle Street /  
2nd Floor-Collateral /  
Chicago, IL 60690 /



97058145

#1593 # B.J. #-97-058145  
COOK COUNTY RECORDER

American National Bank  
and Trust Company of Chicago

## CROSS-COLLATERALIZATION AND CROSS-DEFAULT AGREEMENT

This Cross-Collateralization and Cross-Default Agreement is made this 19th day of July, 1996, by and among American National Bank and Trust Company of Chicago Trust No. 114461-01 a/t/u/t/a dated 8/28/91, Gary E. and Vicky S. Harper (collectively referred to as "Borrower") and Galaxy Transport, Inc. ("Company")(sometimes collectively referred to as "Borrowers"), and American National Bank and Trust Company of Chicago ("Bank").

WHEREAS, on July 19, 1996, Borrower executed in favor of Bank that certain Installment Note (Secured) in the principal sum of SIX HUNDRED SEVENTY THOUSAND AND 00/100 DOLLARS (\$670,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by a Security Agreement and Security Assignment Under Land Trust and Assignment of Rents and Leases as evidenced by that certain Security Agreement and Security Assignment Under Land Trust and Assignment of Rents and Leases, respectively, dated of even date herewith;

WHEREAS, on January 25, 1990, Company executed in favor of Bank that certain Promissory/Demand Note (Secured) in the principal sum of FOUR HUNDRED THOUSAND AND 00/100 DOLLARS (\$400,000.00) (including any and all amendments, modifications, renewals, replacements and substitutions therefor). Such Note is secured by Accounts Receivable as evidenced by that certain Accounts Receivable Loan and Security Agreement dated January 25, 1990, as amended;

WHEREAS, each Borrower desires to induce Bank to extend financial accommodation to the other Borrower named herein, and each Borrower represents to Bank that it is engaged in the business as a corporate affiliate or subsidiary of the other Borrower and/or is engaged in selling, marketing, using or otherwise dealing goods supplied to by the other Borrower, or

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supplies the other Borrower goods sold, marketed, used or otherwise disposed of by the other Borrower, and/or expects to derive advantage to assist the other Borrower in procuring financial assistance from the Bank; or is an individual or partnership desiring to induce Bank at its option to extend financial accommodation to the other Borrower;

WHEREAS, it is and has been the intention of Borrower and Company and Bank to cross-collateralize and cross-default the loans and obligations of Borrower and Company owing to the Bank; and.

NOW, THEREFORE, in consideration of the foregoing premises and the promises contained herein and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties mutually agree as follows:

1. All of the collateral granted to Bank by Borrower pursuant to that certain Security Agreement and Security Assignment Under Land Trust and Assignment of Rents and Leases of even date herewith (including any amendments thereto) is hereby pledged to secure all past, present and future obligations of Company to Bank.
2. All of the collateral granted to Bank by Company pursuant to that certain Accounts Receivable Loan and Security Agreement dated January 25, 1990, (including any amendments thereto) is hereby pledged to secure all past, present and future obligations of Borrower to Bank.
3. Any default under the obligations of Borrower owed to Bank shall constitute an Event of Default under the obligations of Company owed to Bank; and any default under the obligations of Company owed to Bank shall constitute an Event of Default under the obligations of Borrower owed to Bank.
4. The Borrowers agree that all provisions, stipulations powers and covenants in the Notes and other agreements referenced above shall remain in full force and effect.
5. This Agreement shall be construed in accordance with the internal laws of the State of Illinois.

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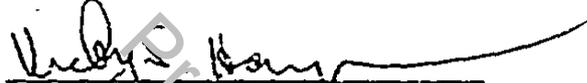
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6. This Agreement shall inure to the benefit of the Bank's successors and assigns, and shall be binding upon the Borrowers' successors and assigns.

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

BORROWER:



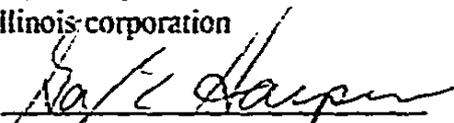
Vicky S. Harper, Individually



Gary E. Harper, Individually

COMPANY:

Galaxy Transport, Inc.,  
an Illinois corporation

BY: 

Gary E. Harper, President

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. It is further understood and agreed that the Trustee merely holds title to the property herein described and has no agents, employees or control over the management of the property and no knowledge of other factual matters except as represented to it by the beneficiary(ies) of the Trust. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument, all such liability being expressly waived by every person now or hereafter claiming any right or security hereunder; and the owner of any indebtedness or cause of action for breach of any warranty, indemnity, representation, covenant,

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undertaking or agreement accruing hereunder shall look solely to the Trust estate for the payment thereof.

IN WITNESS WHEREOF, American National Bank and Trust Company of Chicago, not personally but as Trustee as aforesaid, has caused these presents to be signed by one of its Officers, and its corporate seal to be hereunto affixed the day and year first above written.

BY: [Signature]

ITS: \_\_\_\_\_

ANITA LUTAKS  
TRUST OFFICER

"BANK":

AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO

BY: [Signature]

TITLE: Commercial Banking Officer

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