

4011682

I, Charles E. Levin, the duly authorized and acting Assistant Secretary of BARCLAY MARINE DISTRIBUTOR CORPORATION, an Illinois corporation, having its principal office at 2323 West Fulton Street, Chicago, Illinois, hereby CERTIFY that by unanimous written consent of the Board of Directors of said corporation on July 11, 1990, the resolutions annexed hereto as Exhibit A were adopted and have been recorded in the minute books of said corporation and do not contravene any provision of the corporate charter or by-laws of the corporation and are now in full force and effect without revocation or change;

AND, I further CERTIFY that annexed hereto as Exhibit B is a true and complete copy of the By-Laws of said corporation as in effect on the date hereof;

AND, I further CERTIFY that, from my examination of the minute books and other pertinent records of said corporation, now in my possession, and of my knowledge, the following named persons are officers of said corporation, presently serving as such, and that following each name is a true signature of each such officer:



CERTIFIED RESOLUTIONS AND INCUMBENCY

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Charles E. Levin
Assistant Secretary

Charles E. Levin

19th day of September, 1991.

IN WITNESS WHEREOF, I have hereunto set my hand this

Chairman of the Board
President
Secretary
Treasurer
Assistant Secretary

Frances M. Arenberg
Paul M. Arenberg
Ann L. Arenberg
David Miller
Charles E. Levin

Frances M. Arenberg
Paul M. Arenberg
Ann L. Arenberg
David Miller
Charles E. Levin

Office Name Signature

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Charles E. Levin
 Ann L. Arenberg
 Paul M. Arenberg

DATED: July 11, 1990

FURTHER RESOLVED, that the proper officers of the corporation including, but not limited to Paul M. Arenberg, the President, and J. Kelly Burton, the Assistant Secretary of the corporation, are hereby authorized and directed in the name and on behalf of the corporation, to execute and deliver the Loan Documents and any other documents or instruments ancillary thereto; and to take any and all actions; and to do any and all acts deemed necessary or desirable to effect entrance by the corporation into the loan.

FURTHER RESOLVED, that J. Kelly Burton is hereby elected to the office of Assistant Secretary of the corporation for the sole purpose of executing and delivering, as required, any and all documents in connection with the loan.

RESOLVED, that the corporation borrow the principal amount of \$450,000.00 from American National Bank and Trust Company of Chicago with such terms and conditions as the officers of the corporation deem appropriate or advisable (the "Loan"); said loan to be used for the construction of additional space to the warehouse located at 2323 W. Fulton Avenue, Chicago, Illinois.

The undersigned, being all of the directors of BARCLAY MARINE DISTRIBUTOR CORPORATION, an Illinois corporation (the "corporation"), in lieu of holding a special meeting, hereby adopt the following resolutions by unanimous written consent pursuant to Section 8.45 of the Business Corporation Act of 1983:

CONSENT IN LIEU OF A SPECIAL MEETING OF
 THE BOARD OF DIRECTORS OF
 BARCLAY MARINE DISTRIBUTOR CORPORATION

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SECTION 3. PLACE OF MEETING. The board of directors may designate any place, either within or without the State of Illinois, as the place of meeting for any annual meeting or for any special meeting called by the board of directors. A waiver

SECTION 2. SPECIAL MEETINGS. Special meetings of the directors or by the holders of not less than one-fifth of all the outstanding shares of the corporation.

SECTION 1. ANNUAL MEETING. The annual meeting of the shareholders shall be held on the first Tuesday in May in each year, beginning with the year 1963, at the hour of 2:00 P.M., for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the board of directors shall cause the election to be held at a meeting of the shareholders as soon thereafter as conveniently may be.

SHAREHOLDERS

ARTICLE II

The registered office of the corporation required by the Business Corporation Act to be maintained in the State of Illinois may be, but need not be, identical with the principal office in the State of Illinois, and the address of the registered office may be changed from time to time by the board of directors.

The principal office of the corporation in the State of Illinois shall be located in the City of Cook and County of Cook. The corporation may have such other offices, either within or without the State of Illinois, as the business of the corporation may require from time to time.

OFFICES

ARTICLE I

BARCLAY MARINE DISTRIBUTOR CORPORATION

OF

BY-LAWS

EXHIBIT B

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SECTION 6. CLOSING OF TRANSFER BOOKS OR FIXING OF RECORD DATE. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, or share- holders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the board of directors of the corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, forty days. If the stock transfer books shall be closed for at least ten days or in the case of a merger or consolidation, at least twenty days, immediately preceding such meeting. In lieu of closing the stock transfer books, the board of directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than forty days and, for a meeting of shareholders, not less than ten days, or in the case of a merger or consolidation not less than twenty days, immediately preceding such meeting. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders, the date on which notice of the meeting is mailed or the date on

SECTION 5. MEETING OF ALL SHAREHOLDERS. If all of the shareholders shall meet at any time and place, either within or without the State of Illinois, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

SECTION 4. NOTICE OF MEETINGS. Written or printed notice stating the place, day and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than forty days before the date of the meeting, or in the case of a merger or consolidation not less than twenty nor more than forty days before the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the records of the corporation, with postage thereon prepaid.

of notice signed by all shareholders may designate any place, either within or without the State of Illinois, as the place, for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois, except as otherwise provided in Section 5 of this article.

SECTION 11. VOTING OF SHARES BY CERTAIN HOLDERS. Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent, or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provision, as the board of directors of such corporation may determine.

SECTION 10. VOTING OF SHARES. Subject to the provisions of Section 12 of this article, each outstanding share, regardless of class, shall be entitled to one vote upon each matter submitted to vote at a meeting of shareholders.

SECTION 9. PROXIES. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

SECTION 8. QUORUM. A majority of the outstanding shares of the corporation, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders; provided, that if less than a majority of the outstanding shares are represented at said meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by the Business Corporation Act, the articles of incorporation or these by-laws.

SECTION 7. VOTING LISTS. The officer or agent having charge of the transfer books for shares of the corporation shall make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in this State, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of shareholders.

which the resolution of the board of directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders.

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Each report of an inspector shall be in writing and signed by him or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Such inspectors shall ascertain and report the number of shares represented at the meeting, based upon their determination of the validity and effect of proxies; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the shareholders.

SECTION 13. INSPECTORS. At any meeting of shareholders, the chairman of the meeting may, or upon the request of any shareholder shall, appoint one or more persons as inspectors for such meeting.

SECTION 12. CUMULATIVE VOTING. In all elections for directors, every shareholder shall have the right to vote, in person or by proxy, the number of shares owned by him, for as many persons as there are directors to be elected, or to cumulate said shares, and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or to distribute them on the same principle among as many candidates as he shall see fit.

Shares of its own stock belonging to this corporation shall not be voted, directly or indirectly, at any meeting and shall not be counted in determining the total number of outstanding shares at any given time, but shares of its own stock held by it in a fiduciary capacity may be voted and shall be counted in determining the total number of outstanding shares at any given time.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

appointed.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

Shares standing in the name of a deceased person may be voted by his administrator or executor, either in person or by proxy. Shares standing in the name of a guardian, conservator, or trustee may be voted by such fiduciary, either in person or by proxy, but no guardian, conservator, or trustee shall be entitled, as such fiduciary, to vote shares held by him without a transfer of such shares into his name.

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SECTION 5. NOTICE. Notice of any special meeting shall be given at least two days previous thereto by written notice delivered personally or mailed to each director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the

SECTION 4. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board of directors may fix any place, either within or without the State of Illinois, as the place for holding any special meeting of the board of directors called by them.

SECTION 3. REGULAR MEETINGS. A regular meeting of the board of directors shall be held without other notice than this by-law, immediately after, and at the same place as, the annual meeting of shareholders. The board of directors may provide, by resolution, the time and place, either within or without the State of Illinois, for the holding of additional regular meetings without other notice than such resolution.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of directors of the corporation shall be four. Each director shall hold office until the next annual meeting of shareholders or until his successor shall have been elected and qualified. Directors need not be residents of Illinois or shareholders of the corporation.

SECTION 1. GENERAL POWERS. The business and affairs of the corporation shall be managed by its board of directors.

DIRECTORS

ARTICLE III

SECTION 15. VOTING BY BALLOT. Voting on any question or in any election may be viva voce unless the presiding officer shall order or any shareholder shall demand that voting be by ballot.

SECTION 14. INFORMAL ACTION BY SHAREHOLDERS. Any action required to be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

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SECTION 11. PRESUMPTION OF ASSENT. A director of the corporation who is present at a meeting of the board of directors at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 10. COMPENSATION. The board of directors, by the affirmative vote of a majority of directors then in office, and shall have authority to establish reasonable compensation of all directors for services to the corporation as directors, officers or otherwise. By resolution of the board of directors the directors may be paid their expenses, if any, of attendance at each meeting of the board.

SECTION 9. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the board of directors, or any other action which may be taken at a meeting of the board of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof.

SECTION 8. VACANCIES. Any vacancy occurring in the board of directors and any directorship to be filled by reason of an increase in the number of directors, may be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose.

SECTION 7. MANNER OF ACTING. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

SECTION 6. QUORUM. A majority of the number of directors fixed by these by-laws shall constitute a quorum for transaction of business at any meeting of the board of directors, provided, that if less than a majority of such number of directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 5. SPECIAL MEETINGS. The notice or waiver of notice of such meeting, business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

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SECTION 1. NUMBER. The officers of the corporation shall be a president, one or more vice-presidents (the number thereof to be determined by the board of directors), a treasurer, and a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected or appointed by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

OFFICERS

ARTICLE IV

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the board of directors at the first meeting of the board of directors held after each annual meeting of shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new officers filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election or appointment of an officer or agent shall not of itself create contract rights.

SECTION 3. REMOVAL. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term.

SECTION 5. PRESIDENT. The president shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the shareholders and of the board of directors. He may sign, with the secretary or any other proper officer of the corporation, thereunto authorized by the board of directors, certificates for shares of the corporation, any deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these by-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

SECTION 9. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The assistant treasurers shall respectively, if required by the board of directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as

SECTION 8. THE SECRETARY. The secretary shall: (a) keep the minutes of the shareholders' and of the board of directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all certificates for shares prior to the issue thereof and to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; (d) keep a register of the post-office address of each shareholder which shall be furnished to the secretary by such shareholder; (e) sign with the president, or a vice-president, certificates for shares of the corporation, the issue of which shall have been authorized by resolution of the board of directors; (f) have general charge of the stock transfer books of the corporation; (g) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 7. THE TREASURER. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine. He shall: (a) have charge and custody of and be responsible for all funds and receipts of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these by-laws; (b) in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 6. THE VICE-PRESIDENTS. In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president may sign, with the secretary or an assistant secretary, certificates for shares of the corporation; and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

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SECTION 1. CERTIFICATES FOR SHARES. Certificates representing shares of the corporation shall be in such form

CERTIFICATES FOR SHARES AND THEIR TRANSFER

ARTICLE VI

SECTION 4. DEPOSITS. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositaries as the board of directors may select.

SECTION 3. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors.

SECTION 2. LOANS. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.

SECTION 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

CONTRACTS, LOANS, CHECKS AND DEPOSITS

ARTICLE V

SECTION 10. SALARIES. The salaries of the officers and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

The board of directors shall determine. The assistant secretary as therunto authorized by the board of directors may sign with the president or a vice-president certificates for shares of the corporation, the issue of which shall have been authorized by a resolution of the board of directors. The assistant treasurers and assistant secretaries, in general, shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the board of directors.

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The board of directors shall provide a corporate seal which shall be in the form of a circle and shall have in-

SEAL

ARTICLE IX

The board of directors may from time to time, declare, and the corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and its articles of incorporation.

DIVIDENDS

ARTICLE VIII

The fiscal year of the corporation shall begin on the first day of **May** in each year and end on the last day of **April** in each year.

FISCAL YEAR

ARTICLE VII

SECTION 2. TRANSFERS OF SHARES. Transfers of shares of the corporation shall be made only on the books of the corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the secretary of the corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the corporation shall be deemed the owner thereof for all purposes as regards the corporation.

As may be determined by the board of directors. Such certificates shall be signed by the president or a vice-president and by the secretary or an assistant secretary and shall be sealed with the seal of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the board of directors may prescribe.

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These by-laws may be altered amended or repealed and new by-laws may be adopted at any meeting of the board of directors of the corporation by a majority vote of the directors present at the meeting.

AMENDMENTS

ARTICLE XI

Whenever any notice whatever is required to be given under the provisions of these by-laws or under the provisions of the articles of incorporation or under the provisions of the Business Corporation Act of the State of Illinois, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

WAIVER OF NOTICE

ARTICLE X

scribed thereon the name of "the corporation and the words, "Corporate Seal, Illinois."

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The fiscal year of the corporation shall begin on the first day of October in each year and end on the last day of September in each year."

"Fiscal Year

FURTHER RESOLVED, that Article VII of the By-Laws of this corporation shall be and the same is hereby amended and, as so amended, shall be and read as follows:

"The annual meeting of the shareholders shall be held on the first Tuesday in October in each year, beginning with the year 1973, at the hour of 2:00 P.M., for the purpose of electing directors and for the transaction of such other business as may come before the meeting."

RESOLVED, that the first sentence of Section 1 of Article II of the By-Laws of this corporation shall be and the same is hereby amended, and, as so amended, shall be and read as follows:

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RESOLVED, that the first sentence of section 2 of Article III of the By-Laws of this corporation shall be amended and the same is hereby amended to be and read as follows:

Section 2. The number of directors shall be not less than three nor more than five, as such number shall be fixed or changed by the Board of Directors by resolution from time to time."

FURTHER RESOLVED, that section 1 of Article IV of the By-Laws of this corporation be, and the same is hereby amended, so that said Section 1 of Article IV shall be and read as follows:

"ARTICLE IV

"OFFICERS

"Section 1. The officers of this corporation shall include a chairman of the Board, President, one or more Vice Presidents (if elected), a Secretary, one or more Assistant Secretaries (if elected), a Treasurer, and one or more Assistant Treasurers (if elected). Any of the aforesaid offices may be filled by the same person."

FURTHER RESOLVED, that section 5 of Article IV of the By-Laws of this corporation be amended by deletion therefrom of the second sentence thereof.

FURTHER RESOLVED, that the By-Laws of this corporation be amended by adding thereto a new section 5A of Article IV, to appear immediately following section 5 of Article IV, to be and read as follows:

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"Section 5A. The Chairman of the Board shall preside at all meetings of the shareholders and the Board of Directors. He or she shall counsel with and advise the President of the corporation on all matters pertaining to corporate planning and operations. He or she may sign, with the Secretary or with any other proper officer of the corporation or with any other properly authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed. In general, he or she shall perform all duties as may be directed by the Board of Directors from time to time, including and not in limitation of the foregoing, such special assignments in connection with marketing, financial and other matters as may be requested."

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EXHIBIT A

LEGAL DESCRIPTION

LOT 5 AND 6 (EXCEPT THAT PART DESCRIBED AS FOLLOWS:

POINT OF BEGINNING BEING ON SOUTH LINE OF LOT 6 AND 6.12 FEET WEST OF THE SOUTH EAST CORNER OF SAID LOT 6; THENCE NORTHERLY 126.38 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 6, BEING 6.16 FEET WEST OF THE NORTH EAST CORNER OF SAID LOT 6; THENCE EASTERLY 6.16 FEET ALONG THE NORTH LINE OF SAID LOT 6; THENCE SOUTHERLY 126.38 FEET ALONG THE EAST LINE OF SAID LOT 6; THENCE WESTERLY 6.12 FEET ALONG THE SOUTH LINE OF SAID LOT 6 TO THE POINT OF BEGINNING, IN SUBDIVISION OF LOT 3 AND 4 IN BLOCK 41 IN CANAL TRUSTEE'S SUBDIVISION OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Address of Property:

2324-2328 W. Walnut, Chicago, Illinois

Permanent Real Estate Tax Index No.: 17-07-308-052-0000

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MORTGAGE

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ASSIGNMENT OF RENTS AND LEASES

THIS INDENTURE, made September 19, 1991, between Barclay Marine Distributor Corporation, an Illinois corporation, herein referred to as "Mortgagor" and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, doing business in Chicago, Illinois, herein referred to as "Mortgagee."

WITNESSETH:

THAT, WHEREAS the Mortgagor are justly indebted to the legal holders of the Installment Note hereinafter described, said legal holder or holders being herein referred to as Holders of the Note, in the principal sum of Four Hundred Fifty Thousand Dollars (\$450,000.00), evidenced by one certain Installment Note ("Note") of the Mortgagor of even date herewith, made payable to THE ORDER OF American National Bank and Trust Company of Chicago and delivered, in and by which said Note the Mortgagor promise to pay the interest from the date of the first disbursement on the balance of the principal remaining from time to time unpaid at the rate in installments specified in said Note. All such payments on account of the indebtedness evidenced by said Note to be first applied to interest on the unpaid principal balance and the remainder to principal; and all of said principal and interest being made payable at such banking house or trust company in Chicago, Illinois, as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of American National Bank and Trust Company of Chicago, 33 North LaSalle Street, Chicago, Illinois.

NOW, THEREFORE, the Mortgagor, to secure the payment of said principal sum of money and said interest in accordance with the terms, provisions and limitations of this trust deed, and the performance of the covenants and agreements herein contained, by the Mortgagor to be performed, and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt whereof is hereby acknowledged, do by these presents CONVEY and WARRANT unto Mortgagee, its successors and assigns, the following described Real Estate and all of their estate, right, title and interest therein, situate, lying and being in the City of Chicago, COUNTY OF COOK AND STATE OF ILLINOIS, to wit:

Legal Description attached hereto as Exhibit A

which, with the property hereinafter described, is referred to herein as the "premises,"

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily), all leasehold estate, right, title interest of Mortgagor in and to all leases or subleases covering the premises or any position thereof now or hereinafter existing or entered into and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, indoor beds, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the mortgagors or their

THIS INSTRUMENT PREPARED BY:

J. KELLY BUFTON
33 NORTH LA SALLE STREET
CHICAGO, IL 60602
320-2078

Doc
72 2629 02
NOTE IDENTIFIED
Copy Resolution attached
12/10/84
Stoken 12/10/84
Due property on City 1266395
and other pp 47
11/18/91

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successors or assigns shall be considered as constituting part of the real estate.

TO HAVE AND TO HOLD the premises unto the said Mortgagee, its successors and assigns, forever, for the purposes, and upon the uses and trusts herein set forth, free from all rights and benefits under and by virtue of the Homestead Exemption Laws of the State of Illinois, which said rights and benefits the Mortgagor do hereby expressly release and waive.

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or be destroyed; (b) keep said premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien hereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee or to holders of the Note; (d) complete within a reasonable time any building or buildings now or at any time in process of erection upon said premises; (e) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof;

2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges; and other charges against the premises when due, and shall upon written request, furnish to Mortgagee or to holders of the Note duplicate receipts therefor. To prevent default hereunder Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest.

3. Mortgagor shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by fire, lightning or windstorm (and flood damage, where the lender is required by law to have its loan so insured) under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the holders of the Note, under insurance policies payable, in case of loss or damage, to Mortgagee or the holders of the note, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the holders of the Note, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.

4. In case of default therein, Mortgagee or the holders of the Note may, but need not, make any payment or perform any act hereinbefore required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee or the holders of the Note to protect the mortgaged premises and the lien hereof, plus reasonable compensation to Mortgagee for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at a rate equivalent to the post maturity rate set forth in the Note securing this Mortgage, if any, otherwise the prematurity rate set forth therein. Inaction of Mortgagee or holders of the Note

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shall never be considered as a waiver of any right accruing on them on account of any default hereunder on the part of Mortgagor.

5. The Mortgagee or the holders of the Note hereby secured making any payments hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

6. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of the holders of the Note, and without further notice to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable (a) five days after written notice to Mortgagor in the case of default in making payment of any instalment of principal or interest on the Note, or (b) when default shall occur and continue for 30 days in the performance of any other agreement of the Mortgagor herein contained. No delay by Mortgagee in notifying Mortgagor of any default hereunder shall result in a waiver of any of Mortgagee's rights hereunder or affect Mortgagee's right to accelerate the unpaid indebtedness secured by this Mortgage for such default or any other default upon the giving of proper notice by Mortgagee as provided hereunder.

7. When the indebtedness hereby secured shall become due whether by acceleration under any provision of the Note of this Mortgage or otherwise, holders of the Note or Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee or holders of the Note for attorneys' fees, Mortgagee's fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee or holders of the Note may deem to be reasonably necessary either to prosecute such suit or to evidence to bidder at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at a rate equivalent to the post maturity rate set forth in the Note securing this Mortgage, if any, otherwise the prematurity rate set forth therein, when paid or incurred by Mortgagee or holders of the Note in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which either of them shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense of any threatened suit or proceeding which might affect the premises or the security hereof, whether or not actually commenced.

8. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with

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interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, their heirs, legal representatives or assigns, as their rights may appear.

9. Upon, or at any time after the filing of a bill to foreclose this Mortgage, the court in which such bill is filed may appoint a receiver of said premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and the Mortgagee hereunder may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The Court from time to time may authorize the receiver to apply the net income in his hands and payment in whole or part of: (a) The indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

10. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the note hereby secured.

11. Mortgagee or the holders of the Note shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

12. Mortgagee has no duty to examine the title, location, existence or condition of the premises, or to inquire into the validity of the signatures or the identity, capacity, or authority of the signatories on the Note or Mortgage, nor shall Mortgagee be obligated to record this Mortgage or to exercise any power herein given unless expressly obligated by the terms hereof, nor be liable for any acts or omissions hereunder, except in the case of its own gross negligence or misconduct or that of the agents or employees of Mortgagee, and it may require indemnities satisfactory to it before exercising any power herein given.

13. Mortgagee shall release this Mortgage and the lien thereof by proper instrument upon presentation of satisfactory evidence that all indebtedness secured by this Mortgage has been fully paid; and Mortgagee may execute and deliver a release hereof to and at the request of any person who shall, either before or after maturity thereof, produce and exhibit to Mortgagee the Note, representing that all indebtedness hereby secured has been paid, which representation Mortgagee may accept as true without inquiry. Where a release is requested of a successor Mortgagee, such successor Mortgagee may accept as the genuine note herein described any note which bears an identification number purporting to be placed thereon by a prior Mortgagee hereunder or which conforms in substance with the description herein contained of the Note and which purports to be executed by the persons herein designated as the makers thereof; and where the release is requested of the original Mortgagee and it has never placed its identification number on the Note described herein, it may accept as the genuine Note herein

13. Mortgagee shall release this mortgage and the lien thereon by proper instrument upon presentation of satisfactory evidence that all indebtedness secured by this mortgage has been fully paid; and mortgagee may execute and deliver a release hereon to and at the request of any person who shall, either before or after maturity thereof, produce and exhibit to mortgagee the Note, representing that all indebtedness hereby secured has been paid, which representation mortgagee may accept as true without inquiry. Where a release is requested of a successor mortgagee, such successor mortgagee may accept as the genuine note herein described any note which bears an identification number purporting to be placed thereon by a prior mortgagee hereunder or which conforms in substance with the description herein contained of the Note and which purports to be executed by the persons herein designated as the makers thereof; and where the release is requested of the original mortgagee and it has never placed its identification number on the Note described herein, it may accept as the genuine Note herein

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11. Mortgagee or the holders of the Note shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

10. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the note hereby secured.

9. Upon, or at any time after the filing of a bill to foreclose this mortgage, the court in which such bill is filed may appoint a receiver of said premises, without notice, without regard to the solvency or insolvency of Mortgagee at the time of application for such receiver and without regard to the then occupied value of the premises or whether the same shall be then occupied as a homestead or not and the mortgagee hereunder may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagee, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands and payment in whole or part of: (a) The indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagee, their heirs, legal representatives or assigns, as their rights may appear.

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described any Note which may be presented and which conforms in substance with the description herein contained of the Note and which purports to be executed by the persons herein designated as makers thereof.

14. This Mortgage and all provisions hereof shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Note" when used in this instrument shall be construed to mean "Notes" when more than one Note is used.

15. The words "Trust Deed" wherever used herein shall be deemed to mean "Mortgage" and the word "Trustee" shall be deemed to mean "Mortgagee".

16. Mortgagor and Mortgagee intend and believe that each provision in this Mortgage and the Note secured hereby (the "Note") comports with all applicable local, state, and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Mortgage or the Note is found by a court of law to be in violation of applicable local, state, or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Mortgage and the Note to be illegal, invalid, unlawful, void, or unenforceable as written, then it is the intent both of Mortgagor and Mortgagee that such portion, provision, or provisions shall be given force to the fullest possible extent that they are legal, valid, and enforceable, that the remainder of this Mortgage and the Note shall be construed as if such illegal, invalid, unlawful, void, or unenforceable portion, provision, or provisions were not contained therein, and the rights, obligations, and interest of Mortgagor and Mortgagee under the remainder of this Mortgage and the Note shall continue in full force and effect. All agreements herein and in the Note are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the proceeds hereof, acceleration of maturity of the unpaid principal balance of the Note or otherwise, shall the amount paid or agreed to be paid to the holders of the Note for the use, forbearance or detention of the money to be advanced hereunder exceed the highest lawful rate permissible under applicable usury laws. If, from any circumstances whatsoever, fulfillment of any provisions hereof or of the Note secured hereby, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent Jurisdiction may deem applicable hereto, then, the obligation to be fulfilled shall be reduced to the limit of such validity and if from any circumstance the holders of the Note shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due under the Note and not to the payment of interest.

17. This Mortgage and the Note shall be construed, interpreted and governed by the laws of the State of Illinois.

18. To the extent that the construction of any law requires the recitation of any limit on advances, payments or expenditures secured hereby, then this Mortgage shall not secure advances made by the holders of the Note in excess of \$450,000.00.

19. Any notice, demand, or other communication which Mortgagee or the holders of the Note shall want or be required to serve upon Mortgagor hereunder shall be delivered by registered or certified mail and such service shall be deemed complete on the third business day after the same is deposited in a United

States Post Office in a securely sealed envelope with postage prepared addressed to Mortgagor at Mortgagor's address at 2323 West Fulton Street, Chicago, Illinois 60612 or to such other address as Mortgagor may hereafter designate in writing. Any notice, demand or other communication which Mortgagor shall want or be required to serve upon Mortgagee hereunder shall be delivered by registered or certified mail and such service shall be deemed complete on the third business day after the same is deposited in a United States Post Office in a securely sealed envelope with postage prepared addressed to Mortgagee, 33 North LaSalle Street, Chicago, Illinois 60602 Attention: Guy Eisenhower, Vice President, or to such other address as the holder of the Note may hereafter designate in writing.

20. Any failure by Mortgagee to insist upon the strict performance by Mortgagor of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Mortgagor of any and all of the terms and provisions hereof to be performed by Mortgagor. Acceleration of maturity once claimed hereunder by Mortgagee, may, at the option of Mortgagee, be rescinded by written acknowledgment to that effect by Mortgagee but tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration of maturity.

21. This Mortgage may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought.

22. Each right and remedy of Mortgagee under this Mortgage and the Note shall be in addition to every other right and remedy of Mortgagee and such rights and remedies may be enforced separately or in any combination.

23. In the event all or any part of the Premises are taken in condemnation proceedings, all of the expenses, including reasonable attorneys' fees, incurred therein by Mortgagee or the holders of the Note shall be paid by Mortgagor to the holders of the Note upon demand and the obligation to make such payment shall be secured by the lien of this Mortgage. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the premises by any public or quasi-public authority or corporation, Mortgagor shall continue to make all payments of principal and interest provided for herein. Any award therefor actually received and retained by Mortgagee or the holders of the Note shall be applied by Mortgagee against the Indebtedness, or Mortgagee, at its option may apply such proceeds to the prompt repair or restoration of the improvements. Mortgagee shall apply the proceeds to the repair or restoration of the improvements or shall reimburse the Mortgagor for costs paid by it in connection therewith upon receipt of a requisition acceptable to Mortgagee signed by the Mortgagor stating with respect to each payment to be made (1) the requisition number, (2) the name and address of the person, firm, or corporation to whom payment is due, (3) the amount to be paid, and (4) that each obligation mentioned therein has been properly incurred, is a proper charge against the proceeds, is unpaid, and has not been the basis of any previous withdrawal. Any balance of the proceeds remaining after that work has been completed shall be applied to reduce the indebtedness hereby secured and any remaining balance shall be paid to the Mortgagor. Notwithstanding anything to the contrary contained herein, the Mortgagor may direct the application of a maximum of \$100,000 of insurance proceeds to either the reduction of indebtedness or the restoration of the improvements damaged or destroyed. Mortgagor shall continue to pay interest at the rate specified in the Note in the entire Indebtedness until any such

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award shall have been actually received by Mortgagee or the holders of the Note, and any reduction in the Indebtedness resulting from the application by Mortgagee of such award shall be deemed to take effect only on the actual date of such receipt by Mortgagee or the holders of the Note.

24. Mortgagor shall reimburse Mortgagee or the holders of the Note upon demand for the amount of all costs and expenses, including without limitation reasonable attorneys' fees paid or incurred by Mortgagee or the holder of the note in connection with the collection of any sum in default hereunder or under the Note, or enforcement of any obligation with respect to which an event of default has occurred and continuing, or any foreclosure or partial foreclosure of this Mortgage, or the protection of Mortgagee's or the holder's of the Note's rights, liabilities or lien hereunder, and the obligation of Mortgagor to pay such amounts shall be secured by the lien of this Mortgage.

25. In the event the undersigned transfers the title or any part thereof or any interest therein, legal or equitable, or if the undersigned executes Articles of Agreement for Deed, or a Contract of Sale for the property described in this Mortgage, or upon assignment of the beneficial interest of the trust under which title to said property is or shall be held, to any person, corporation, or entity other than (i) an assignment to the undersigned, or a corporate land trustee holding title solely for the benefit of the undersigned, (ii) a transfer to an entity of a majority of the interests in which are owned or controlled now or hereafter by Paul M. Arenberg, or (iii) a transfer of up to 49% of the ownership interest in the property described in this Mortgage to members of the family of the undersigned or trusts for the benefit of the undersigned or their family members, the then balance of principal and interest remaining unpaid shall immediately become due and payable, and upon demand by the holder of the Note secured hereby, the undersigned promises to pay the same forthwith.

If at any time this Mortgage shall not be a first lien upon the Premises, then at Mortgagee's option the entire indebtedness secured by this Mortgage shall accelerate and shall be immediately due and payable.

26. Mortgagor hereby assigns and transfers to Mortgagee all the rents, issues and profits of the premises, and hereby gives to and confers upon Mortgagee the right, power and authority to collect such rents, issues and profits. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact, at the option of Mortgagee at anytime and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Mortgagor or Mortgagee, for all such rents, issues and profits and apply the same to the indebtedness secured hereby provided, however, that Mortgagor shall have the right to collect such rents, issues and profits (but not more than two months in advance) prior to or any time there is not an Event of Default under the Note or Mortgage, subject to the cure provisions set forth in the Construction and Mortgage Loan Agreement of even date herewith by and between Mortgagor and Mortgagee ("Loan Agreement") which are hereby incorporated herein and made a part hereof. The assignment of rents, issues and profits of the premises in this paragraph is intended to be an absolute assignment from Mortgagor to Mortgagee and not merely the passing of a security interest. The rents, issues and profits are hereby assigned absolutely by Mortgagor to Mortgagee contingent only upon the occurrence of an Event of Default under the Note or Mortgage, subject to the cure provisions set forth in the Loan Agreement heretofore incorporated herein.

27. Upon any Event of Default under the Note or Mortgage, Mortgagee may, subject to the applicable cure provisions set

forth in the Note, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the premises, or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine. The collection of such rents, issues and profits, or the entering upon and taking possession of the premises, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

28. Mortgagor agrees to assign and transfer to Mortgagee as additional security for the payment of the indebtedness secured hereby, all present and future leases upon all or any part of the premises and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the premises as Mortgagee shall from time to time require. In the event Mortgagor, as such additional security, has sold, transferred and assigned, or may hereafter sell, transfer and assign, to Mortgagee, its successors and assigns, any interest of Mortgagor as lessor in any lease or leases, Mortgagor expressly covenants and agrees that Mortgagor, as lessor under said lease or leases so assigned shall fail to perform and fulfill any term, covenant, condition or provision in said lease or leases, or any of them, on its part to be performed or fulfilled, at the times and in the manner in said lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default by Mortgagor under the provisions of any such assignment of any lease or leases and such default shall continue for thirty (30) days after written notice to Mortgagor, then and in any such event, such breach or default shall constitute an Event of Default hereunder.

29. In any case in which under the provisions of this Mortgage Mortgagee has a right to institute foreclosure proceedings, whether before or after the whole principal sum secured hereby is declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the premises or any part thereof personally, or by its agent or attorneys, as for condition broken. In such event Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of said premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the premises relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns, may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power: (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same; (b) to elect to disaffirm any lease or sublease which is then subordinate to the lien hereof; (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of

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the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the premises as to it may seem judicious; (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof; and (f) to receive all of such avails, rents, issues and profits; hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligations, duty or liability under any leases. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases, except to the extent any such liability, loss, damage or claim is incurred by or asserted against Mortgagee as a result of mortgagee's negligence or willful misconduct. Should Mortgagee incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

30. Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it by Section 27 and Section 29 hereof shall have full power to use and apply the avails, rents, issues and profits of the premises to the payment of or on account of the following, in such order as Mortgagee may determine:

(a) to the payment of the operating expenses of said property, including costs of management and leasing thereof (which shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), established claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payment of taxes and special assessments now due or which may hereafter become due on the premises; and, if this is a leasehold mortgage, of all rents due or which may become hereafter due under the underlying lease;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the premises, including the cost from time to time of installing or replacing refrigeration and gas or electric stoves therein; and of placing the premises in such condition as well, in the judgment of Mortgagee, make it readily rentable;

(d) to the payment of any indebtedness secured hereby or any deficiency; which may result from any foreclosure sale.

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IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be executed and attested by its duly authorized representatives.

BARCLAY MARINE DISTRIBUTOR
CORPORATION

ATTEST:

By: *J. Kelly Blyth*
Its: *Barclay*

By: *Paul M. Crowley*
Its: *President*

Property of Cook County Clerk's Office

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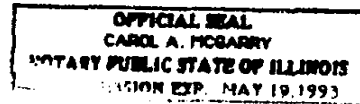
STATE OF ILLINOIS)
)
COUNTY OF C O O K)

I, Carol A. McGarry, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Paul M. Arenberg and T. Kelly Burton, respectively President and Asst. Secretary of Barclay Marine Distributors Corporation, an Illinois corporation, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Asst. Secretary, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary acts, and as the free and voluntary acts of said corporation and said partnership, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19TH day of SEPTEMBER, 1991.

Carol A. McGarry
Notary Public

My Commission Expires MAY 19, 1993



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JACK LAMBERT
CHICAGO TITLE INSURANCE CO.
210 N. LAUREL ST. CHICAGO, ILL. 60610

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G. J. DONELLI

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