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East Side Bk & Trust Co
10635 S Ewing Ave
Chgo, Ill 60617
Attn: Ruth Sharkey

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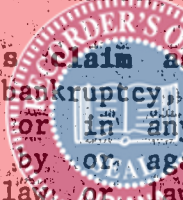
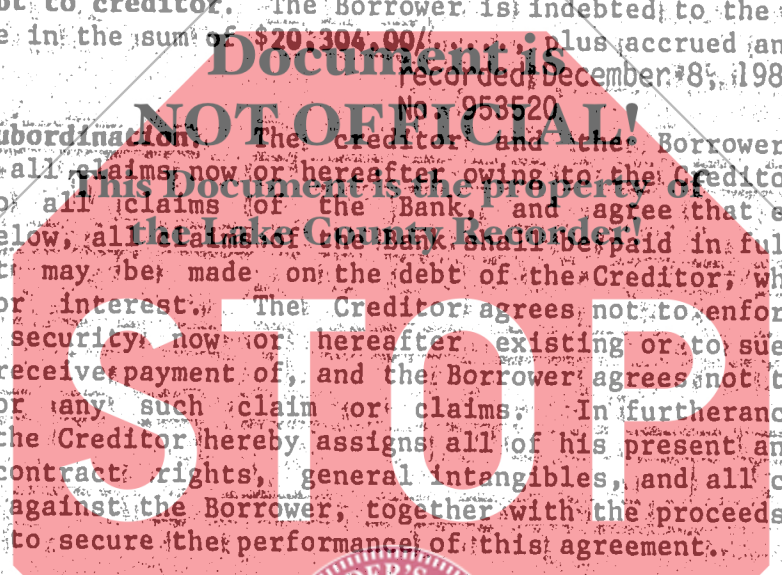
SUBORDINATION AGREEMENT

AGREEMENT of subordination made .. March 15, 1990 .., between City of Hammond/Redevelopment Commission (the "Creditor"); and Marko and Koviljka Ivetic (the "Borrower"), to induce the East Side Bank and Trust Company.. of Chicago, Illinois (the "Bank"); to make or continue loans from time to time. In consideration of loans made or to be made or continued by the Bank to the Borrower, the Borrower and Creditor hereby agree with the Bank as follows:

1. Debt to creditor. The Borrower is indebted to the Creditor at this time in the sum of \$20,304.00, plus accrued and unpaid interest.. recorded December 8, 1987, as Document No. 953520

2. Subordination. The creditor and the Borrower hereby subordinate all claims now or hereafter owing to the Creditor by the Borrower to all claims of the Bank, and agree that except as provided below, all claims of the Bank shall be paid in full before any payment may be made on the debt of the Creditor, whether of principal or interest. The Creditor agrees not to enforce or to apply any security now or hereafter existing or to sue upon or collect or receive payment of, and the Borrower agrees not to pay to the Creditor any such claim or claims. In furtherance of the foregoing, the Creditor hereby assigns all of his present and future accounts, contract rights, general intangibles, and all claims of any nature against the Borrower, together with the proceeds thereof to the Bank to secure the performance of this agreement.

3. Primacy of bank's claim as against creditor. In any insolvency, receivership, bankruptcy, dissolution, liquidation, or reorganization proceeding, or in any other proceeding, whether voluntary or involuntary, by or against the Borrower under any bankruptcy or insolvency law or laws relating to the relief of debtors, to compositions, extensions, or readjustment of indebtedness, the Bank's claim against the assets of the Borrower shall be paid in full at the expense of the Creditor before any payment is made to the Creditor, whether such payment is in kind or in cash. The fund out of which the Creditor's claim is to be paid shall be subject to a security interest in the Bank's favor to secure this agreement of subordination, and the Creditor and the Borrower agree that the Bank may collect the Creditor's claim directly from the trustee in such proceeding. The Creditor agrees to furnish all assignments, powers, or other documents requested by the Bank to facilitate such direct collection by the Bank. The Bank may file a claim in any such proceeding on the Creditor's behalf or may compel the Creditor to file such claim and in no event shall the Creditor waive, forgive, or cancel any claim it may now or hereafter



CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION

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STATE OF INDIANA/S.S. NO.
LAKE COUNTY
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have against the Borrower. In any such proceeding or at any meeting of creditors, the Creditor hereby grants to the Bank an irrevocable proxy to vote its claim and agrees to execute all further documents requested by the Bank to facilitate exercise of this proxy.

4. **Collection of creditor's claims.** If the Bank so requests in writing, any or all claims of the Creditor against the Borrower shall be collected, enforced and received by the Creditor as trustee for the Bank and shall be paid over to the Bank on account of the claim or claims of the Bank against the Borrower. The Creditor agrees to pay over to the Bank on account of the claim or claims of the Bank against the Borrower all moneys or funds that may be received by the Creditor from the Borrower, or for or on behalf of the Borrower at any time when the Bank has any claim or claims against the Borrower. The Creditor further agrees not to sell, assign, transfer, or endorse its claim or claims, no matter how evidenced, to anyone except subject to the terms and conditions of this agreement, and not to join in any petition of bankruptcy or any assignment for the benefit of creditors, or any creditors' agreement, or to take any lien or security on any of the Borrower's property at any time when the Bank has any claim or claims against the Borrower.

5. **Reference on evidence of indebtedness.** The Borrower and the Creditor agree that any existing evidence of indebtedness of the Borrower to the Creditor or any subsequent evidence of any existing or future indebtedness shall contain or be stamped with a statement referring to the existence of this agreement.

6. **Continuance of agreement.** The agreement and the obligations of the Borrower and the Creditor and the rights and privileges of the Bank hereunder shall continue until payment in full of all claims of the Bank notwithstanding any action or non-action of the Bank with respect thereto or any collateral therefore or any guarantees thereof; and after such payment shall continue until the Creditor notifies the Bank in writing to the contrary. Such notice shall not affect any loans made by the Bank or claims arising in favor of the Bank prior to the Bank's receipt of such notice, but shall terminate this agreement only as to loans made or claims arising after the Bank's receipt of such notice.

7. **Waiver.** The Bank shall have uncontrolled power and discretion, without notice to the Creditor, to deal in any manner with any indebtedness, interest, costs and expenses payable by or liability of the Borrower to the Bank and any security and guarantees therefore included, but not by way of limitation release, surrender, extension, renewal, acceleration, compromise, or substitution. The Creditor hereby waives and agrees not to assert against the Bank any rights which a guarantor or surety could exercise; but nothing in this agreement shall constitute the Creditor a guarantor or surety.

8. **Insolvency.** The insolvency or bankruptcy of the Borrower shall not affect this agreement and it shall remain in full force and effect and constitute an assignment by the Creditor to the Bank of all funds or property payable to the Creditor from the Borrower's assets not previously assigned to the bank. Subject to the prior rights and interest, if any, of third parties, the Bank covenants to account for and pay over to the Creditor any excess thereof in its hands when its own claims have been paid in full.

9. **Binding effect.** This agreement shall extend to and bind the respective successors, assigns and administrators of the parties hereto. The covenants of the Creditor and the Borrower respecting subordination of the claims of the Creditor in favor of the Bank shall extend to, include, and be enforceable by any transferee or endorsee of the Bank of any of its claim or claims.

10. **Acceleration.** If the Borrower or the Creditor violates any provision of this agreement, or if any subordinated indebtedness is involuntarily accelerated, the Bank may elect by a notice in writing delivered to the Borrower and the Creditor to cause all indebtedness of the Borrower to the Bank to become immediately due and payable. The obligation of the Borrower and the Creditor hereunder shall continue irrespective of, and the Borrower and the Creditor hereby waive, so far as the law permits, any existing or future statute of limitations applicable thereto or applicable to the enforcement of indebtedness and liability of the Borrower, and any collateral therefore or guarantees thereof.

11. **Definitions.** The words "claim" and "indebtedness" are used herein and in their most comprehensive sense and include all advances, debts, obligations, and liabilities of the Borrower heretofore, now, or hereafter made, incurred, or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether the Borrower may be liable individually or jointly with others, or as principal or as surety or guarantor.

12. **Entire agreement.** This agreement supersedes all agreements previously made between the parties relating to its subject matter. There are no other understandings or agreements between them.

13. **Notices.** This Document is the property of the lender. Notices under this agreement shall be in writing and delivered personally or mailed by certified mail, postage prepaid, addressed to the parties at their last known addresses.

14. **Non-waiver.** No delay or failure by a party to exercise any right under this agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

15. **Headings.** Headings in this agreement are for convenience only and shall not be used to interpret or construe its provisions.

16. **Governing law.** This agreement shall be construed in accordance with and governed by the laws of the State of Illinois.

17. **Counterparts.** This agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

In witness whereof, this agreement has been executed by the parties
the day and year first above written.

City of Hammond/Redevelopment Commission

By: [Signature]

Its: Executive Director

Attest: [Signature]
Secretary

Document is
NOT OFFICIAL!

This Document is the property of
the Lake County [Signature]

[Signature]
Koviljka Ivetic

Attest: [Signature]

Accepted: East Side Bank and Trust Company

By: [Signature]

Its: SR. VICE-PRESIDENT

Attest: [Signature]
Secretary



Prepared by:

Subscribed and Sworn to Before me this 15th day of March,
1990

[Signature]
Notary Public

