RESOLUTION 2015-012      PASSED: FEBRUARY 23, 2015

AUTHORIZING THE EXECUTION OF AN AMENDMENT TO A CONSENT AGREEMENT RELATING TO VAC FUNDING AND DOWNSTATE TRANSPORTATION OPERATING ASSISTANCE GRANTS.

WHEREAS, the City of DeKalb is a home-rule municipal corporation; and

WHEREAS, the City has previously approved a certain Consent and Agreement dated February 6, 2014 relating to the provision of funding under a Downstate Transportation Operating Assistance Grant and has determined that amendment of said grant is required, and further finds that such action is necessary and appropriate, and aids in the protection of the public health, safety, welfare and morals; and,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DEKALB:

AGREEMENT AUTHORIZED:
The Mayor of the City of DeKalb is hereby authorized to sign an agreement on terms and conditions acceptable to him, substantially in the form attached hereto as Exhibit A, providing for the extension and amendment of the February 6, 2014 Consent and Agreement attached hereto as Exhibit B, through September 30, 2016 and providing for the processing of current and future Downstate Transportation Operating Assistance Grants applied for and received for the benefit of the Voluntary Action Center of DeKalb County in the format as contemplated therein.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a regular meeting thereof held on the 23rd day of February and approved by me as Mayor on the same day. Passed by Omnibus vote under the Consent Agenda by a roll call vote of 7-0-1. Aye: Jacobson, Finucane, Lash, Snow, Baker, O’Leary, Rey. Absent: Naylor.

ATTEST:

MARCIA E. SWEIGERT, City Clerk

JOHN A. REY, Mayor
Amendment to Consent and Agreement
(VAC Operating Assistance Grant)

WHEREAS, the City of DeKalb has previously entered into a certain agreement dated February 6, 2014 ("the Agreement"), by and between the City, the Voluntary Action Center of DeKalb County, an Illinois Not For Profit Corporation ("VAC") and First National Bank of Omaha ("Lender"); and,

WHEREAS, under the Agreement, Lender agreed to provide VAC with certain funding to assist with cash flow and operating expenses, which loan was secured in part by an Illinois Department of Transportation Downstate Transportation Operating Assistance Grant Agreement, Contract No. 4339, Grant No. OP-13-21-IL ("the Grant"); and,

WHEREAS, under the terms of the Agreement, the City did not incur any general obligation, but rather acknowledged the Lender's security interest in the proceeds of the Grant, and agreed that upon receipt of funds from the Grant, the City would issue checks payable to both VAC and the Lender; and,

WHEREAS, the City, VAC and the Lender wish to continue and extend their agreement with respect to similar Downstate Transportation Operating Assistance Grants, wish to memorialize that agreement herein, and wish to amend the Agreement to provide for the continuation of its benefits;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the adequacy and receipt of which are hereby acknowledged, the City, VAC and Lender agree as follows:

1) TERM: The Agreement, as amended herein, shall remain in full force and effect until September 30, 2016, and shall terminate on that date unless renewed or extended.

2) FUTURE GRANTS: The City, VAC and Lender agree and acknowledge that, VAC has continued to apply for and receive Downstate Transportation Operating Assistance Grants subsequent to the Grant identified above ("Subsequent VAC Grants"), and further acknowledge that the subsequent grants have been pledged by VAC to Lender as security for Lender's agreement to continue to extend operating loans to VAC. The City agrees and covenants that:

   a) During the Term of this Agreement (as amended);
   b) Should the City receive any funding from Subsequent VAC Grants;
   c) The City will process payments of such funding in the manner contemplated by the Agreement and otherwise treat the funds from the Subsequent VAC Grants in the same fashion as it committed to treating the funds from the Grant.
3) NOTICES: Notices to City or VAC shall be provided to the persons identified in the Agreement. Notices to Lender shall be provided to:

First National Bank of Omaha
Attn: Frank Roberts
141 W. Lincoln Highway
DeKalb, Illinois 60115

4) REMAINDER OF AGREEMENT: The Remainder of the Agreement shall remain in full force and effect, unless specifically amended by this Amendment.

First National Bank of Omaha

Frank Roberts

Voluntary Action Center of DeKalb County

Tom Zucker
Tom Zucker, Executive Director

City of DeKalb

John Rey, Mayor

ATTEST:

Marcia Swieigart, City Clerk
CONSENT AND AGREEMENT

THIS AGREEMENT is made and entered into this _6_ of February, 2014, by and between the City of DeKalb, a Municipal Corporation (hereinafter referred to as "the City"); Voluntary Action Center of DeKalb County, an Illinois Not-For-Profit Corporation (hereinafter referred to as "VAC"); and First National Bank of Omaha, a National Banking Association (hereinafter referred to as "Lender") WITNESSETH:

WHEREAS, VAC has requested a loan in the amount of $450,000.00 from the Lender to assist with cash flow and operating expenses which loan would be secured, in part, by payments due the City of DeKalb from the Illinois Department of Transportation pursuant to the terms of a Downstate Transportation Operating Assistance Grant Agreement, Contract number 4339, Grant number OP-13-21-IL (hereinafter referred to as "the Grant"), and

WHEREAS, VAC is a direct beneficiary in the Grant in that VAC provides the services described in the Grant and will, ultimately, receive those funds from the City of DeKalb after the City has received them from the Department of Transportation, and

WHEREAS, VAC is in need of the funds which it will ultimately receive from the Grant (through the City) immediately and it is not anticipated that said funds will be released by the State of Illinois for several weeks, and

WHEREAS, Lender has agreed to lend to VAC money based upon the anticipated receipt of Grant funds in order to provide VAC with cash flow and liquidity needed between the time of this Agreement and the time said funds are paid from the Illinois Department of Transportation to the City and from the City to VAC, and

WHEREAS, VAC has agreed to unconditionally pledge to the Lender all of its right, title and interest to the funds to be received by the City from the Illinois Department of Transportation pursuant to the Grant as collateral security for the loan hereinafore referred to, and

WHEREAS, the City acknowledges VAC's ultimate right to receive the funds (except such amounts as may be necessary to repay the City for the amount it has already advanced to VAC) represented by the Grant and recognizes the need VAC has for the funds to be represented by the loan from the Lender and is willing to cooperate with VAC and the Lender to secure the loan with the Grant proceeds, and

WHEREAS, nothing in this Agreement is intended to impose any obligation whatsoever upon the City to pay the loan hereinafore contemplated with funds other than those that it will ultimately receive pursuant to the Grant.
NOW THEREFORE, in consideration of the mutual and several promises herein made by each of the parties to the other, the parties hereto do freely and voluntarily agree as follows:

1. **TERM.** The term of this Agreement shall commence upon the execution hereof by all of the parties. This Agreement will remain in full force and effect until such time the Grant, hereinabove described, representing collateral for the loan is both received by the City and paid to the Lender and VAC.

2. **LENDER’S NAME ON CHECKS.** The City agrees that it will not pay all or any portion of the Grant proceeds to VAC without either: (a) including the name of the Lender on the check from the City to VAC, or (b) without having received from the Lender, notice, in writing, stating that placing the Lender’s name on any check representing any portion of said Grant proceeds is unnecessary.

3. **NOTICE WHEN GRANT RECEIVED.** The City further agrees to notify VAC and the Lender within ten (10) days of its receipt of the Grant proceeds that proceeds have been received.

4. **LENDER HAS SECURITY INTEREST.** The City understands that VAC has pledged, as security, for the loan hereinabove contemplated, its rights to receive those Grant proceeds from the City and that the Lender will have a valid and existing Security Agreement for Grant proceeds under Article 9 of the Uniform Commercial Code as adopted in the State of Illinois, which Security Agreement is superior to any right on the part of the City to hold and fail to deliver to VAC and the Lender all or any portion of said Grant proceeds, except as follows. It is understood by all parties that the City has or may have advanced certain funds to VAC in anticipation of receiving the Grant proceeds and the parties understand that the City will reimburse itself in said amount (without interest) before any amounts are paid over to VAC and the Lender.

5. **FURTHER SECURITY.** To further secure the loan hereinabove contemplated from the Lender to VAC, the City will sign any and all further documentation reasonably necessary to perfect the security interest Lender has now or will have at anytime in the future in the Grant proceeds. The City specifically acknowledges that the money received from the State of Illinois will be encumbered by a Security Interest in favor of the lender and will not pay said funds to VAC without notifying Lender and placing Lender’s name on any check made by the City to pay over the funds it receives.

6. **CONSENT.** VAC hereby expressly consents to the terms and conditions of this Agreement including the requirement that the Lender’s name be placed on any checks that the City writes to pay over the Grant proceeds to which it is otherwise entitled.
7. LIMITATION. Nothing in this Agreement shall be construed in any way, shape or form to create an obligation on the part of the City to pay any portion of the loan from the Lender to VAC - it being understood that the only obligation of the City is to follow the terms and conditions of this Agreement with respect to the payment of the proceeds from the Grant to the Lender to repay the loan as contemplated herein.

8. NOTICES. Notices under this Agreement shall be provided as follows:

   **If to Lender:**

   First National Bank of Omaha
   Attention: David Randa
   141 West Lincoln Highway
   DeKalb, Illinois 60115

   **If to VAC:**

   Voluntary Action Center of DeKalb County
   1606 Bethany Road
   Sycamore, Illinois 60178

   **If to City of DeKalb:**

   City of DeKalb
   Attention: Legal Department
   200 South 4th Street
   DeKalb, Illinois 60115

1. TRIPLECTE EXECUTION. This Agreement will be executed in triplicate, each of which shall be deemed an original.

2. ENTIRE AGREEMENT. This Agreement shall be deemed the entire Agreement between the parties and may not be amended other than by written agreement signed by all parties hereto.

3. CHOICE OF LAWS. This Agreement shall be construed in accordance with all of the laws of the State of Illinois.
4. PROHIBITED INTERESTS. No member, officer, or employee of the City of DeKalb shall have, during his or her tenure, or for one year thereafter, any interest, direct or indirect, in this contract or the proceeds thereunder.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals the day and year first above written.

First National Bank of Omaha
By: ________________
   David Randa

Voluntary Action Center of DeKalb County
By: ________________
   Tom Zucker, Executive Director

City of DeKalb
By: ________________
   John Rey, Mayor

ATTEST:

By: ________________
   Elizabeth E. Peerboom, City Clerk
First National Bank

DISBURSEMENT REQUEST AND AUTHORIZATION

Principal: $450,000.00
Loan Date: 02/05/2013
Maturity: 02/05/2014
Loan No: 20061501
Call / Coll: 4A1 / BA
Account: 20378
Initials: 

Borrower: Voluntary Action Center of Dekalb County
1906 Belknap Rd.
Sycamore, IL 60178

Lender: First National Bank of Oswego
141 W. Lincoln Hwy
Oswego, IL 60523

LOAN TYPE. This is a Variable Rate Nonrecourse Revolving Line of Credit Loan to a Corporation for $450,000.00 due on February 6, 2014

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:
☐ Personal, Family, or Household Purposes or Personal Investment.
☒ Business.

SPECIFIC PURPOSE. The specific purpose of this loan is: Business working capital line of credit.

DISBURSEMENT INSTRUCTIONS. Borrower understands that no loan proceeds will be disbursed until all of Lender’s conditions for making the loan have been satisfied. Please disburse the loan proceeds of $450,000.00 as follows:

Undisbursed Funds: $100,000.00
Amount paid on Borrower’s account: $350,000.00
Payment on Loan # 20037501

Note Principal: $450,000.00

CHARGES PAID IN CASH. Borrower has paid or will pay in cash as agreed the following charges:

Prepaid Interest Charges Paid in Cash: $2,250.00 Loan Fee
Other Charges Paid In Cash: $1,938.52 Interest Due Current - Loan # 20037501

Total Charges Paid In Cash: $3,188.52

AUTOMATIC PAYMENTS. Borrower hereby authorizes Lender automatically to deduct from Borrower’s Demand Deposit - Checking account, numbered 1923643, the amount of any loan payments. If the funds in the account are insufficient to cover any payment, Lender shall not be obligated to advance funds to cover the payment. At any time and for any reason, Borrower or Lender may voluntarily terminate Automatic Payments.

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER’S FINANCIAL CONDITION AS DISCLOSED IN BORROWER’S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED FEBRUARY 6, 2013.

BORROWER:

Voluntary Action Center of Dekalb County

By: Thomas J. Zuller, Executive Director of Voluntary Action Center of DeKalb County

By: Jerry Spiker, President of Voluntary Action Center of DeKalb County
Principal Amount: $450,000.00  Date of Note: February 6, 2013

PROMISSORY NOTE

Borrower: Voluntary Action Center of DeKalb County ("Borrower") promises to pay to First National Bank of Omaha ("Lender"), or to its order, in lawful money of the United States of America, the principal amount of Four Hundred Thousand & 00/100 Dollars ($450,000.00) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of such advance. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this loan in one payment of all outstanding principal plus accrued unpaid interest on February 6, 2014. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest as of each payment due date, plus any subsequent interest payments to be due on the same day of each month after that. Unless otherwise agreed or required by applicable law, payments shall be made to Lender at its address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the U.S. Prime Rate as published by The Wall Street Journal, currently referenced by the base rate on corporate loans posted by at least 70% of the nation's 10 largest banks (the "index"). The index is not necessarily the lowest rate charged by Lender on loans. If the index decreases or capital losses occur, Lender may designate a substitute index after notice to Borrower. Under no circumstances will the interest rate be less than 5.0000% per annum.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 360/360 basis, with a fluctuation in the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

PAYMENT. Borrower agrees that all loan fees and any other prepaid finance charges are fully based on the date of the loan and will not be refunded upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, reduce the Borrower's obligation to continue to make payments of accrued unpaid interest. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full," "without recourse," or similar language. If Borrower sends such a payment, Lender may accept it without losing any of its rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or that is satisfied by a disputed amount, must be mailed or delivered to: First National Bank of Omaha, Branch #20, 141 W. Lincoln Hwy, DeKalb, IL 60115.

INTEREST AFTER DEFAULT. Upon default, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest thereafter until paid at the rate provided in this Note (including any increased rate). Upon default, the interest rate on this Note shall be increased by adding an additional 8.0000 percentage point margin ("Default Rate Margin"). The Default Rate Margin shall also apply to each succeeding interest rate change that would otherwise have been in effect. Interest will be calculated from the date provided above had there been no default. However, in no event will the interest rate exceed the maximum interest rate limitations allowable by applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Failure to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any agreement between Lender and Borrower.

Defaul in Favor of Third Parties. Borrower or any Grantor failures under any loan, lease, security agreement, purchase or sales agreement, or any written agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or covenant made or furnished to Lender by Borrower or on Borrower's behalf, or made by Guarantor, or any other guarantor, further, surety, or accommodation party, under this Note or the related documents in connection with the obtaining of the loan evidenced by this Note or any security document or directly or indirectly securing repayment of this Note is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency law by or against Borrower.

Creditor or Foreclosure Proceedings. Commencement of proceedings or foreclosure proceedings, whether by judicial proceeding, self-help, repossessions, or any other means, by any creditor of Borrower or by any government agency against any collateral as of March 16, 2013. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity of assignments of the claim which is the basis of the creditor or foreclosure proceeding and if Borrower gives Lender written notice of the creditor or foreclosures proceeding and provides with Lender receives or foreclosures proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Execution. Attachment. Any execution or attachment is levied against the Collateral, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

Change in Zoning or Public Restrictions. Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented, that limits or defines the uses which may be made of the Collateral such that the present or proposed use of the Collateral, or any of the related documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed.

Default Under Other Loan Documents. A default occurs under any other mortgage, deed of trust or security agreement covering all or any portion of the Collateral.

Judgment. Unless adequately covered by insurance in the opinion of Lender, the entry of a final judgment for the payment of money involving more than ten thousand ($10,000.00) against Borrower and the settlement by Borrower to discharge the suit or cause it to be discharged, or bound off to Lender's satisfaction, within thirty (30) days from the date of the order, decree or process under which or pursuant to which such judgment was entered.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor, or any other guarantor, endorser, surety.
or accommodation party of any of the Indebtedness or any Guarantor, or any other guarantor, endorser, surety, or accommodation party does become incoherent, or revokes or disputes the validity of, or liquidates, any guaranty of the Indebtedness evidenced by this Note.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Changes. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospects of payment or performance of this Note is impaired.

Insolvency. Lender in good faith believes itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued interest immediately due, and then Borrower will pay the total amount.

ATTORNEYS FEES. Lender may hire or pay someone else to help collect this Note if Lender does not pay. Borrower will pay Lender any amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

COUNSEL. This Note is to be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Illinois without regard to its conflicts of law provisions.

CONFESSION OF JUDGMENT. Borrower hereby irrevocably authorizes and empowers any attorney-at-law to appear in any court of record and to confess judgment for Borrower for the unpaid amount of this Note as evidenced by this Note, signed by an attorney of Lender acting on the authority of Lender, to be filed in the proceeding. It will not be necessary to file this original as a warrant of attorney. Borrower waives all rights to any stay of execution and all benefit of all exemption laws now or hereafter in effect. No single or partial payment shall be deemed to include or effect discharge of the principal, whether or not any such act or omission to act shall be by any court order, judgment, or in any other manner.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of $35.00 if Borrower makes a payment on Borrower's loan and the check or draft authorized to be drawn by Lender is returned.

RIGHT OF OFFSET. To the extent permitted by applicable law, Lender reserves a right of offset in all Borrower's accounts with Lender (whether checking, savings, or other accounts), to the extent permitted by applicable law, to charge or offset all sums owing to Borrower against any and all such accounts, and, at Lender's option, to administrative or other accounts to which Borrower has a right to be credited on an item by item basis. Lender reserves the right to make such charges and offsets immediately.

COLLATERAL. Borrower acknowledges this Note is secured by a Consent and Agreement dated February 6, 2013, a Commercial Security Agreement dated March 10, 2011, and any and all other security agreements or documents and any and all other collateral agreements or documents.

LINE OF CREDIT. This Note evidences a revolving line of credit. Advances under this Note may be renewed either orally or in writing by Borrower or as provided in this paragraph. Lender may, but need not, require that all oral requests be confirmed in writing. All communications, instructions, or directions by telephone or otherwise to Lender shall be directed to Lender's office shown above. Borrower agrees to be liable for all sums (a) advanced in accordance with the instructions of an authorized person or (b) credited to any of Borrower's accounts with Lender. The unpaid principal balance owing on this Note at any time may be evidenced by borrowings on this Note or by Lender's internal records, including daily computer print-outs. Lender will have no obligation to advance funds under this Note if (A) Borrower or anyone acting on Borrower's behalf has already advanced funds against any and all such accounts, and, at Lender's option, to administrative or other accounts to which Borrower has a right to be credited on an item by item basis. Lender reserves the right to make such charges and offsets immediately.

CONSENT TO PARTICIPATION. Borrower consents to Lender's sale or transfer, whether now or later, of one or more participation interests in this loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any of one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Note, and Borrower hereby waives any rights to privacy it may have with respect to such matters. Borrower hereby waives any and all notice of sale of participation interest, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all of the rights granted under the participation agreement or agreement governing the sale of such participation interests. Borrower hereby waives all rights of offset or right to redemption that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or any purchaser of such a participation interest may convey Borrower's obligation under the Loan irrespective of the failure of or inability of any holder of any interest in the Loan, Borrower further agrees that the purchaser of any such participation interest may exercise its interest without the personal claims or defenses that Borrower may have against Lender.}

FINANCIAL STATEMENTS. Borrower agrees to provide Lender with such financial statements and other related information at such frequencies and in such detail as Lender may reasonably require.

ERRORS AND OMISSIONS. Borrower agrees, if requested by Lender, to fully cooperate in the correction, if necessary, in the reasonable discretion of Lender of any and all loan closing documents so that all documents accurately describe the loan between Lender and Borrower. Borrower agrees to assume all costs incurred by Lender in connection with the correction of any errors or omissions.

US PATRIOT ACT. To the extent permitted by applicable law, Lender reserves a right of offset in all Borrower's accounts with Lender (whether checking, savings, or other accounts), to the extent permitted by applicable law, to charge or offset all sums owing to Borrower against any and all such accounts, and, at Lender's option, to administrative or other accounts to which Borrower has a right to be credited on an item by item basis. Lender reserves the right to make such charges and offsets immediately.

GEOGRAPHICAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of this Note. Lender may delay or forgo enforcing any of its rights or remedies hereunder under this Note, without doing anything that could be construed as waiving any right or remedy hereunder. Lender, by exercising any right or remedy hereunder, shall be entitled to exercise any right or remedy at any time, whether or not any other right or remedy hereunder has been used or exhausted. Lender may, at any time and from time to time, exercise any right or remedy hereunder.

ILLINOIS INSURANCE NOTICE. Unless Borrower provides Lender with evidence of insurance coverage required by Borrower's agreements with Lender, Lender may purchase insurance to protect Borrower's interests in Borrower's collateral. This insurance may, but need not, protect Borrower's interests. The coverage that Lender purchases may not pay any claim that Borrower makes or any claim that is made against or on Borrower's property or against Lender, other than that which Lender has purchased or is purchasing for Borrower's benefit.
PROMISSORY NOTE

(Continued)

Loan No: 20061591

Prior to signing this Note, Borrower read and understood all the provisions of this Note, including the variable interest rate provisions. Borrower agrees to the terms of the Note.

Borrower acknowledges receipt of a completed copy of this Promissory Note.

BORROWER:

VOLUNTARY ACTION CENTER OF DEKALB COUNTY

By: ________________

[Signature]

Thomas F. Zucker, Executive Director of Voluntary Action Center of Dekalb County

LENDER:

FIRST NATIONAL BANK OF OMAHA

By: ________________

[Signature]

David Randt, Vice President