

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION

FORTUNE AVENUE, LLC,

Plaintiff,

Case No. 18-C-1362

v.

HOWARD BEDFORD,

Defendant.

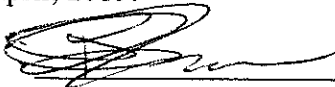
AFFIDAVIT OF ROBERT J. JANSSEN

STATE OF WISCONSIN)
)SS
BROWN COUNTY)

ROBERT J. JANSSEN, being sworn on oath, states as follows:

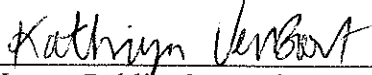
1. I am the attorney for the plaintiff, Fortune Avenue, LLC, in the above-entitled matter and I make this affidavit based upon personal knowledge and belief.
2. Attached hereto as ***Exhibit "A"*** is a true and accurate copy of the October 21, 2011 Unsecured Promissory signed by both parties.
3. Attached hereto as ***Exhibit "B"*** is a true and accurate copy of pertinent pages of the deposition of Howard Bedford taken April 10, 2019.
4. Attached hereto as ***Exhibit "C"*** is a true and accurate copy of excel spreadsheet with the calculations for the principal, interest, and delinquency charges owed by Howard Bedford pursuant to the October 21, 2011 Promissory Note.
5. This affidavit is being submitted in support of Plaintiff's Motion for Summary Judgment.

DATED this 25 day of April, 2019.



Robert J. Janssen

Subscribed and sworn to before me
this 25 day of April, 2019.



Notary Public, State of Wisconsin

My commission expires: permanent.

UNSECURED PROMISSORY NOTE

HOWARD BEDFORD	October 21, 2011	\$350,000.00
(Maker)	(Date)	(Amount)

1. Promise to Pay and Payment Schedule. The undersigned HOWARD BEDFORD, an adult currently residing at 20 Indian Hill Road, Winnetka, Illinois 60093 ("Maker," whether one or more), promises to pay to the order of FORTUNE AVENUE, LLC, a Wisconsin limited liability company, ("Lender") at 3131 Market Street, Green Bay, Wisconsin, the sum of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00) in thirty-eight (38) equal monthly payments of Ten Thousand and 00/100 Dollars (\$10,000.00), with the first payment due on January 10, 2012 and on the same day of each consecutive month thereafter, PLUS a final payment of the unpaid balance and accrued interest due on March 10, 2015, all subject to modification as set forth in Section 2 below. All payments include principal and interest. This Note is being issued pursuant to that certain Term Loan Agreement of even date herewith (the "Loan Agreement"). All terms not defined herein shall have the meanings set forth in the Loan Agreement.

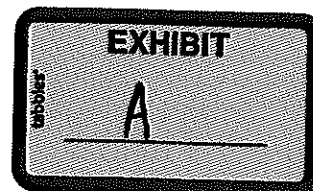
2. Interest and Charges.

(a) Interest. Interest shall accrue before maturity (whether by acceleration or lapse of time) at the stated interest rate(s) identified in Section 2(b) below on the unpaid principal balance, calculated as provided in Section 2(e) below.

(b) Variable Interest Rate. The stated interest rate is variable and will adjust to equal the Index Rate (defined below) plus one percentage point; provided, however, the stated interest rate shall not be less than 5.5%, and until the first change date described below, the stated interest rate shall be 5.5%. The stated interest rate shall be adjusted on the change date provided below. The "Index Rate" is the reference rate adopted by Baylake Bank from time to time as its reference rate for interest rate determinations. The stated interest rate shall be adjusted as and when the Index Rate changes. If the Index Rate ceases to be made available to Lender during the term of this Note, Lender may substitute a comparable index.

(c) Payment Modification. An adjustment in the stated interest rate will result in an increase or decrease in the number of scheduled periodic payments sufficient to repay this Note in substantially equal payments of \$10,000.00. Maker agrees to pay any resulting payments or amounts.

(d) Default Rate. Interest shall accrue on unpaid principal and interest after maturity (whether by acceleration, lapse of time or otherwise) at the stated interest rate under Section 2(b) plus five percent (5%). All payments shall be applied first to accrued and unpaid interest, second to other charges payable by Maker to Lender and third to unpaid principal.



(e) Interest Calculation. Interest will be calculated by applying a daily interest rate for the actual number of days interest is owing, up to 365 days in a full year or 366 days in a full leap year. The daily interest rate will be calculated on the basis of a 360 day year, which means that it is calculated by dividing the applicable stated interest rate stated in Section 2(b) above, and in Section 2(d) above, by 360. Prior to maturity (whether by acceleration or lapse of time) and any rate adjustment under Section 2(b) above, the daily interest rate based on this 360 day rate calculation is .01528%. Maker understands and agrees that calculating the daily interest rate using a 360 day year means the actual annual interest rate in a 365 day year and in a 366 day leap year is higher than the stated interest rate in Section 2(b) and in Section 2(d) above.

(f) Other Charges. If any payment (other than the final payment) is not made on or before the 5th month after its due date, Lender may collect a delinquency charge of five percent (5%) of the monthly unpaid amount. Maker agrees to pay a charge of Fifty and 00/100 Dollars (\$50.00) for each check or electronic debit presented for payment under this Note which is returned unsatisfied.

3. No Security. This Note is unsecured.

4. Prepayment. Full or partial prepayment of this Note is permitted at any time without penalty. All prepayments shall be applied first to accrued and unpaid interest, second to other charges payable by Maker to Lender and third to principal.

5. Default and Enforcement. Upon the occurrence of an Event of Default (as defined in the Loan Agreement), then the unpaid balance shall, at the option of Lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event any Maker or any surety, indorser or guarantor for any of Maker's obligations under this Note becomes the subject of bankruptcy or other insolvency proceedings. Lender's receipt of any payment on this Note after the occurrence of an Event of Default shall not constitute a waiver of the default or the Lender's rights and remedies upon such default. Lender may waive any default without waiving any other subsequent or prior default by Maker. Lender may also fail or delay in exercising any right, power or remedy under this Note without waiving any such right, power or remedy. Lender's single or partial exercise of any right, power or remedy under this Note shall not preclude any other or further exercise of any right, power or remedy. To the extent not prohibited by law, Maker consents that venue for any legal proceeding relating to collection of this Note shall be, at Lender's option, the county in which Lender has its principal office in Wisconsin, the county and state in which any Maker resides or the county and state in which this Note was executed and Maker submits to the jurisdiction of any such court.

6. Rights of Lender. Without affecting the liability of any Maker, indorser, surety, or guarantor, Lender may, without notice, accept partial payments or issue releases for the payment of this Note or agree not to sue any party liable on it. Without affecting the liability of any indorser, surety or guaranty, Lender may from time to time, without notice, renew or extend the time for payment.

7. Obligations and Agreements of Maker. Maker agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Maker or incident to any action or proceeding involving Maker brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor. Maker agrees to indemnify and hold harmless Lender, its directors, officers, employees and agents, for, from and against any and all claims, damages, judgments, penalties, and expenses, including reasonable attorneys' fees, arising directly or indirectly from credit extended under this Note or the activities of Maker. Maker represents that the legal name of Maker and the address of Maker's principal residence are as set forth in Section 1. Maker shall not change his address without providing at least 30 days prior written notice of the change to Lender.

8. Amendments. This Note may not be supplemented or modified except in writing and signed by Maker and Lender.

9. Successors and Assigns. This Note benefits Lender, its successors and assigns, and binds Maker and Maker's heirs, personal representatives, successors and assigns.

10. Governing Law. The validity, construction and enforcement of this Note are governed by the internal laws of Wisconsin except to the extent such laws are preempted by federal law.

11. Severability. Invalidity or unenforceability of any provision of this Note shall not affect the validity or enforceability of any other provisions of this Note.


Howard Bedford

1 Q Was there anything that was not clear in
2 your mind before you signed it, that being Exhibit
3 Number 1?

4 A No.

5 Q Okay. As you sit here today, is there
6 anything in that Term Loan Agreement that you don't
7 understand now, that's unclear to you?

8 A No.

9 Q There was no one threatening you or
10 requiring you to sign it, fair?

11 A Fair.

12 Q Did your attorney review this document with
13 you before you signed it?

14 A I don't recall.

15 Q Okay. There wasn't anything preventing you
16 from consulting with an attorney before signing the
17 Term Loan Agreement, fair?

18 A No. Correct.

19 Q Okay. Let's move on to Exhibit Number 2.
20 That's the Unsecured Promissory Note, correct?

21 A Correct.

22 Q And you would have signed that, fair?

23 A Yes.

24 Q I'm going to ask you some of the same
25 questions, okay?



1 A Okay.

2 Q So please don't fall asleep on me, but --

3 A Okay.

4 Q I mean, you reviewed the Unsecured
5 Promissory Note before signing it, correct?

6 A Yes.

7 Q Did you have any questions regarding the
8 Unsecured Promissory Note, Exhibit Number 2, before
9 you signed it?

10 A No.

11 Q As you sit here today, did you have any
12 questions or do you have any questions regarding the
13 Unsecured Promissory Note, Exhibit Number 2?

14 A No.

15 Q Your signature is on the final page, 3 of 3,
16 of Exhibit 2, correct?

17 A Yes.

18 Q Did your -- is it Attorney Winner, review
19 the Promissory Note or provide you with any advice
20 regarding it before you signed it?

21 A I can't recall.

22 Q Okay. There wasn't anything preventing you
23 from consulting with him, Attorney Winner, before
24 signing the Promissory Note, correct?

25 A Correct.

1 Q You understood the terms of the Promissory
2 Note before you signed it?

3 A Correct.

4 Q Do you believe that you followed all of the
5 terms and conditions of both the Unsecured Promissory
6 Note, Exhibit 2, and the Term Loan Agreement,
7 Exhibit 1?

8 A Did I follow all the terms?

9 Q Yeah. Yes.

10 A Up until when I was released from it, I
11 think I did.

12 Q Okay. So now I'd like to get into what I
13 understand your position is, okay? My understanding
14 is your position is that at some point in time after
15 you were making payments on the loan/Promissory Note,
16 that debt was forgiven?

17 A I had a meeting with Dave Van Den Heuvel.

18 Q All right. So when was that meeting?

19 A I'd have to go to the calendar.

20 Q Okay. That's important. We need to --

21 A Okay.

22 Q -- sort of understand that date to make sure
23 we have it.

24 A Okay.

25 Q So October 21, '11 is the date that it

1 **appears as though this was signed.**

2 A Do you know the dates I made payments, what
3 year that was?

4 MR. SMIES: Can we just go off for a
5 second?

6 MR. JANSSEN: Sure.

7 (Discussion held off the record.)

8 Q Just so the question is clear, you had a
9 meeting with Dave Van Den Heuvel at his office to
10 address forgiving the loan and/or Promissory Note,
11 and that date would have been what?

12 A He asked me to come to his office.

13 Q Okay.

14 A There was no --

15 Q How did he do that?

16 A He called me.

17 Q And did he call you on his cell or --

18 A Don't recall.

19 Q Okay. And he called -- he called you. Were
20 you in Green Bay, or where were you?

21 A I don't recall.

22 Q And did he tell you what the purpose of the
23 meeting with him was?

24 A No.

25 Q And where would you have met him?

1 A I met him at his office.

2 Q VDH or Vos or where?

3 A I don't know which office.

4 Q Okay.

5 A I mean, I could -- I could drive there. I
6 don't know -- I know his office, you enter the front
7 door, you make a right. That was Tim's office right
8 there, whatever that --

9 Q Okay. That's the Vos --

10 A Okay. I met him at the Vos office then.

11 Q All right.

12 A I met Dave in his office, and that would
13 have been at 9:00, December 5th, 2012.

14 Q And, again, when you go back, when you say
15 "his office," are you saying the Vos office where
16 Tim Van Den Heuvel's office is right next to the
17 front office receptionist?

18 A I can't swear to what the address was, and I
19 don't know what the heading was. I just know it's --
20 well, if you get me a map -- it's right underneath
21 the highway there somewhere.

22 Q Does your calendar say the location?

23 A No, but I have only been to one office of
24 his, so that's why -- I've only been to one place. I
25 mean, Ron took me to the same building every time.

1 It was -- this is Ashland, so --

2 Q Was it on a corner --

3 A Yeah.

4 Q -- or was it --

5 A It was inland from the corner a little bit.

6 Q Okay. 3131 Market Street. That's the Vos
7 building.

8 A Okay.

9 Q As you enter the building, is the
10 receptionist to your right, on 12/5 of '12, if you
11 remember?

12 A I don't remember. I just remember his
13 office was in the front.

14 MR. SMIES: Was Highway 41 behind it?

15 THE WITNESS: Kind of, yeah.

16 MR. SMIES: Isn't that where Vos is?

17 MR. JANSSEN: VDH is near there too.

18 MR. SMIES: Oh.

19 A If I had a big map -- I know how to get
20 there. I don't know any of the -- I don't know the
21 road names though.

22 Q Okay.

23 A I don't know the road names.

24 Q In any event, this office that you met with
25 was not on a corner, correct?

1 A Okay. I used to stay at the Ramada Inn, so
2 you go south -- Ashland goes across there. Is that
3 the street? Or, no, Oneida? Is it Oneida Street?

4 Q Both do.

5 A Okay. So you go Oneida south to a stop
6 sign, make a left and go down two blocks and make a
7 left, and it's right there on the right side. I
8 don't know what that building is.

9 Q Okay. Is it located on a four-way
10 intersection, or is it located in the middle of a
11 block?

12 A It's on the northeast corner of a four-way
13 intersection.

14 Q Okay. So I'm familiar with a company known
15 as VDH, which would be on the southwest corner of --

16 A No.

17 Q -- an intersection.

18 A I've never been on a southwest corner.

19 Q Okay.

20 A I met Dave there, so --

21 Q Okay. Did you meet in an office, or did you
22 meet --

23 A Yes, I met in an office.

24 Q Whose office would it have been?

25 A I don't know whose office it was, but I know

1 it was in the front facing the main street.

2 Q And who was the person that you met with?

3 A Dave.

4 Q It was not a conference room, correct?

5 A No.

6 Q Correct?

7 A Correct.

8 Q And was he at a desk or --

9 A At a desk.

10 Q Okay. And what time of day was that?

11 A 9:00 in the morning.

12 Q How long did you stay there?

13 A 10 minutes. 10 to 15 minutes.

14 Q Anyone else in that meeting?

15 A No.

16 Q What was discussed in that meeting with you
17 and Dave Van Den Heuvel?

18 A Dave basically told me that he thought that
19 this was a Ron Van Den Heuvel problem and a family
20 problem, that I should never have been brought into
21 that and that we're not looking for any more money
22 from you.

23 Q And I realize this is some time ago. I want
24 to make sure that I understand as closely as I can
25 what he said to you, okay, and I need to be able to

1 **hold you to that.**

2 A Uh-huh.

3 Q Okay?

4 A Yes.

5 Q All right. So the best you recall what he

6 said to you was what?

7 A "This is" -- "Ron is our brother. This is

8 our family's problem. You should not have been

9 brought into this, and you no longer have to pay on

10 this debt any further because this is Ron's debt,"

11 which it was.

12 Q You would agree that on the Term Loan

13 Agreement, any Unsecured Promissory Note, his name is

14 not referenced on either of those documents, fair?

15 A Yes.

16 Q Did Dave Van Den Heuvel say anything else?

17 A Yes. At the very end he says, "If you

18 become a gazillionaire with Straubel, buy me dinner."

19 Q Anything else?

20 A No.

21 Q You have not referenced Tim Van Den Heuvel,

22 so certainly he was not in that meeting, correct?

23 A Correct.

24 Q Okay. You never met with Tim Van Den Heuvel

25 and addressed forgiving the Term Loan Agreement or

1 the Promissory Note, correct?

2 A Correct.

3 Q Do you remember being late on payments to
4 them?

5 A I don't recall.

6 Q Do you believe that you made payments under
7 the Promissory Note and the Term Loan Agreement in a
8 timely manner up until Mr. Van Den Heuvel allegedly
9 released you from that?

10 A I don't believe I made every payment on time
11 because Ron had told me that he's going to be making
12 these payments, so I just never thought I'd be making
13 those payments.

14 Q Do you remember getting emails from
15 Dave Van Den Heuvel stating, you know, "It's time
16 again to make a payment"?

17 A I recall something similar to that.

18 Q I mean, on many occasions he was sending
19 those emails?

20 A Okay. I don't recall them all.

21 Q Okay. So we received answers to requests
22 for production of documents from you relating to
23 those payments, okay, so I'm going to show you some
24 of those, all right?

25 A Uh-huh.

1 Q So there's a 6/1/12 date that says, "Hi,
2 Howard, it's that time again."

3 A Yeah. I recall -- I recall something like
4 that. I don't know the dates, but I remember --

5 Q Okay. So you remember at least getting that
6 email?

7 A I remember something like that, yes.

8 Q And then would you make a payment?

9 A I don't recall the exact times I made
10 payments.

11 Q Okay. Then there was a 3/21/12 email that
12 said, "Hi, Howard, looking for the payment again this
13 month, Dave." Do you remember that?

14 A I don't remember the dates. I remember an
15 email like that.

16 Q You don't deny that, correct?

17 A Correct.

18 Q There's a May 1, '12 email that we saw,
19 "Sorry, Howard, that time again." Apparently you
20 hadn't made a payment on time as of 5/1 of '12. Do
21 you remember that?

22 A I don't remember the dates, but I
23 remember -- whether it was one, two, or three emails,
24 I don't recall. I just remember an email or more
25 than one to that effect.

1 Q Okay. Was it just one discussion that you
2 had with Dave Van Den Heuvel on 12/5 of '12 wherein
3 he allegedly indicated to you that you did not have
4 to pay any further money on the Loan Agreement or
5 Promissory Note?

6 A Yes.

7 Q At any point before you met with him on 12/5
8 of '12, did you indicate to Dave Van Den Heuvel that
9 you wanted the loan forgiven?

10 A No.

11 Q Any other topics discussed on 12/5 of '12
12 that we haven't already discussed involving
13 Mr. Van Den Heuvel?

14 A I don't recall.

15 Q Did you speak to any other person with
16 regard to forgiveness of the Term Loan Agreement or
17 Promissory Note other than Dave Van Den Heuvel?

18 MR. SMIES: And counsel?

19 MR. JANSSEN: And counsel.

20 A Possibly my wife. I don't -- I don't know.

21 Q Is there anything you could review to
22 refresh your memory as to whether you spoke to any
23 other person other than Dave Van Den Heuvel regarding
24 Exhibit 1 or 2 other than your attorney?

25 A I don't think I have anything, no.

1 Q Did you follow up with Dave Van Den Heuvel
2 regarding the forgiveness of the Term Loan Agreement
3 or Unsecured Promissory Note after 12/5 of '12?

4 A No.

5 Q Did you send any written communication to
6 Dave Van Den Heuvel confirming that the loan was
7 forgiven or the Promissory Note was forgiven?

8 A I don't believe so.

9 Q Why not?

10 A I didn't think I needed to.

11 Q Okay. So -- and I just want to understand
12 the context of this. Mr. Van Den Heuvel is releasing
13 you from a third of a million dollars or more,
14 obviously, on a loan that you admit that you owed to
15 him and were making payments on to him, and you
16 didn't believe that it was necessary to follow up
17 with any written communication confirming that, fair?

18 A Fair. He said it was his brother's problem
19 and it was his family's problem and he's going to
20 take over that.

21 Q Have you had prior instances at any point in
22 time in all the business dealings that you had where
23 a loan was forgiven?

24 A No.

25 Q Are you aware that typically when a note is

TERM LOAN AGREEMENT

THIS TERM LOAN AGREEMENT (this "Agreement"), made this 21st day of October, 2011, by and between HOWARD BEDFORD, an adult resident of the State of Illinois, residing at 20 Indian Hill Road, Winnetka, Illinois 60093 ("Borrower"), and FORTUNE AVENUE, LLC, a Wisconsin limited liability company, with its principal offices located at 3131 Market Street, Green Bay, Wisconsin 54304 ("Lender").

RECITALS:

A. Borrower desires to obtain a term loan from Lender in the original principal amount of \$350,000.00 in lawful money of the United States of America.

B. Lender is willing to make such term loan to Borrower on the terms and conditions set forth in this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of such term loan and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Borrower and Lender agree as follows:

1. Loan. Borrower requests that Lender lend to Borrower the sum of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00) in accordance with this Agreement (the "Loan"), and, subject to the terms of this Agreement, Lender agrees to lend such amount in one advance on the date of this Agreement. Borrower's obligation to repay the Loan shall be evidenced by an unsecured promissory note (the "Note") in substantially the form of Exhibit A attached to this Agreement with blanks appropriately filled in and made payable to the order of Lender.

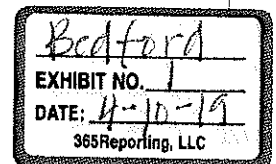
2. Conditions for Loan. Lender's obligation to make the Loan under this Agreement is subject to prior satisfaction of the following conditions:

2.1 Lender shall have received a personal financial statement of Borrower in form and substance required by Lender;

2.2 Lender shall have received the Note duly executed by Borrower with respect to the Loan;

2.3 Lender shall have purchased from Borrower all of Borrower's membership interests in SC Acquisition Company, LLC for the sum of \$400,000.00 pursuant to a Membership Interest Purchase and Sale Agreement; and

2.4 Lender shall have received evidence satisfactory to Lender that upon the receipt of \$750,000.00, SHF XII, LLC and STONEHILL CONVERTING, LLC (collectively, the "SHF Parties") will have been satisfied under Section 1 of the



Settlement Agreement and released their claims against Borrower pursuant to that certain Payment and Release Agreement or similar agreement, in form and substance acceptable to Lender (the "Payment and Release Agreement").

3. Representations and Warranties. Borrower represents and warrants to Lender that on the date of this Agreement and on the date of each advance under the Loan:

3.1 The Loan will only be used to pay the SHF Parties in return for the Payment and Release Agreement.

3.2 No part of the Loan will be used for personal, family or household purposes.

3.3 Borrower will not use any part of the proceeds of the Loan to purchase any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System.

3.4 This Agreement and the Note, when executed and delivered, will constitute the valid and binding obligations of Borrower enforceable in accordance with their terms.

3.5 Borrower is (i) a natural person, (ii) legally competent, (iii) not acting under any disability, duress, or undue influence in accepting the Loan from Lender or in executing and delivering this Agreement and the Note, and (iv) acting solely in Borrower's capacity as an individual and not acting for or on behalf of any other person or entity.

3.6 Borrower's exact legal name is as set forth above.

3.7 The address of Borrower's principal residence is as set forth above.

3.8 The personal financial statement of Borrower furnished to Lender is true and accurate as of such date.

3.9 Except for the threats made by the SHF Parties, there is no litigation or administrative proceeding pending or, to the knowledge of Borrower, threatened against Borrower which might result in any material adverse change in Borrower.

4. Interest Rate and Other Charges. Borrower agrees to pay interest to Lender on the unpaid principal balance outstanding from time to time on the Loan and other charges in accordance with the Note.

5. Payment Schedule. Borrower agrees to pay to Lender the unpaid principal balance and interest due on the Loan in accordance with the Note.

6. Covenants. Borrower shall, so long as the Loan remains unpaid:

6.1 Furnish to Lender, copies of Borrower's federal and state income tax returns within thirty (30) days of filing.

6.2 Not take any action or permit any event to occur which materially impairs Borrower's ability to make payments under this Agreement when due;

6.3 Not change his address without providing at least 30 days' prior written notice of the change to Lender; and

6.4 Authorize Baylake Bank to allow Lender to view any personal financial statements, tax returns or related personal financial information of Borrower that Borrower has provided, or in the future provides, to Baylake Bank in connection with any loan or other transaction, provided that the information does not leave the possession or premises of Baylake Bank.

7. Default and Acceleration. Upon the occurrence of any one or more of the following events of default (each, an "Event of Default"): (a) Borrower fails to pay any amount when due under this Agreement or the Note or under any other instrument evidencing any indebtedness of Borrower to Lender, (b) any representation or warranty made under this Agreement or information provided by Borrower in connection with this Agreement is or was false or fraudulent in any material respect and remains untrue for a period of thirty (30) days after written notice by Lender thereof, (c) a material adverse change occurs in Borrower's financial condition and remains uncured for a period of thirty (30) days following written notice by Lender thereof, or (d) Borrower fails to timely observe or perform any of the covenants or duties contained in this Agreement or the Note and such failure remains uncured for a period of thirty (30) days following written notice by Lender thereof; then, at Lender's option, and upon written notice to Borrower, the total unpaid balance shall become immediately due and payable without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by Borrower. The total unpaid balance shall automatically become due and payable in the event Borrower becomes the subject of bankruptcy or other insolvency proceedings. Lender may waive any default without waiving any other subsequent or prior default. Borrower agrees to pay Lender's costs of administration of this Agreement. Borrower also agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Borrower or incident to any action or proceeding involving Borrower brought pursuant to the United States Bankruptcy Code).

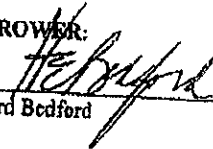
8. Indemnification. Borrower agrees to defend, indemnify and hold harmless Lender, its directors, officers, employees and agents, from and against any and all loss, cost, expense, damage or liability (including reasonable attorneys' fees) incurred in connection with any claim, counterclaim or proceeding brought as a result of, arising out of or relating to any transaction financed or to be financed, in whole or in part, directly or indirectly, with the proceeds of the Loan or the entering into and performance of this Agreement or any document or instrument relating to this Agreement by Lender or the activities of Borrower.

9. Venue. To the extent not prohibited by law, venue for any legal proceeding relating to enforcement of this Agreement shall be, at Lender's option, the county in which Lender has its principal office in this state, the county and state in which Borrower resides, or the county in this state in which this Agreement was executed by Borrower.
10. Amendment. No amendment, modification, termination or waiver of any provision of this Agreement shall in any event be effective unless it is in writing and signed by Lender and Borrower, and then such waiver or consent shall be effective only in the specific instance and for the specific purposes for which given.
11. Entire Agreement. This Agreement, including the Exhibits attached or referring to it, are intended by Borrower and Lender as a final expression of their agreement and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of this Agreement except as set forth in this Agreement.
12. No Waiver; Remedies. No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law.
13. Notice. Except as otherwise provided in this Agreement, all notices required or provided for under this Agreement shall be in writing and mailed, sent or delivered, to the addresses set forth above or at such other address as shall be designated by such party in a written notice to the other party. All such notices shall be deemed duly given when delivered by hand or courier, or three business days after being deposited in the mail (including any private mail service), postage prepaid, provided that notice to Lender pursuant to Section 12 shall not be effective until received by Lender.
14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Lender and Borrower and their respective heirs, personal representatives, successors and assigns except that Borrower may not assign or transfer any of Borrower's rights under this Agreement without the prior written consent of Lender.
15. Governing Law. The validity, construction and enforcement of this Agreement are governed by the internal laws of the State of Wisconsin except to the extent such laws are preempted by federal law.
16. Severability. Invalidity of any provision of this Agreement shall not affect the validity of any other provisions of this Agreement.

[signature page attached]

This Term Loan Agreement is entered into by the parties as of the day and date set forth above.

BORROWER:


Howard Bedford

LENDER:

FORTUNE AVENUE, LLC

By:

Name: Steven R. Van Don Heuvel
Title: Manager

This Term Loan Agreement is entered into by the parties as of the day and date set forth above.

BORROWER:

Howard Bedford

LENDER:

FORTUNE AVENUE, LLC

By: _____

Name: Steven R. Van Den Heuvel

Title: Manager

Bedford 10/21/11 Promissory Note

Original Loan		\$ 350,000.00		Initial Interest Rate		5.50%	
Original Date		10/31/11					
Payment Date	Days b/w payment	Interest		Payment	Principal	New Balance	
2/29/12	131	\$	7,004.86	Paid	\$ 8,395.83	\$ 1,390.97	\$ 348,609.03
3/31/12	31	\$	1,651.05	Paid	\$ 8,434.31	\$ 6,783.26	\$ 341,825.77
4/30/12	30	\$	1,566.70	Paid	\$ 8,472.97	\$ 6,906.27	\$ 334,919.50
5/31/12	31	\$	1,586.22	Paid	\$ 8,511.81	\$ 6,925.59	\$ 327,993.91
7/31/12	61	\$	3,056.72	Paid	\$ 8,550.82	\$ 5,494.10	\$ 322,499.81
8/31/12	31	\$	1,527.39	Unpaid	\$ -	-	\$ 322,499.81
9/1/12					Begin Interest at 10.5%		
4/25/19	2427	\$	228,289.55	Unpaid	-		\$ 322,499.81
		\$	229,816.95	Total unpaid interest			

Months between 9/1/2012 and 04/25/2019

80 \$ 500.00

Total late fee due \$ 40,000.00 Unpaid
(# of missed/late payments x \$500)

TOTAL AMOUNT OWED WITH INTEREST & DELINQUENCY CHARGES as of 4/25/19: \$ 592,316.76
(unpaid balance of \$322,499.81 + total unpaid interest + total late fees)

