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**SECTION 37. NOTICES.**

Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance). Any such notice, demand or other communication shall be addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

(a) If to the Surety:

CNA Plaza  
Chicago, Illinois 60685  
Attention: Specialty Operations Department

with a copy to:

CNA Plaza  
Chicago, Illinois 60685  
Attention: Corporate Secretary

(b) If to the Developer at its address as shown in or pursuant to Paragraph I of Article IX of the Commitment.

**SECTION 38. NON-RECOURSE PROVISIONS.**

The Surety agrees that the partners, as such, of the Developer shall not be personally liable for any amounts payable by the Developer under the Second Secured Note or this Security Agreement, but such amounts shall be payable only from the properties and assets of the Developer, except as otherwise expressly provided in the Commitment referred to in the Reimbursement Agreement.

**SECTION 39. MORTGAGE SUBORDINATE.**

Notwithstanding any of the provisions hereof, this Mortgage, the Second Mortgage Documents and all rights of the Surety herein are junior and subordinate in all respect to the lien and security interests granted by the First Mortgage and the other Loan Documents and to the terms and provisions thereof. Compliance by the Developer with the covenants and provisions of the First Mortgage shall be deemed to constitute compliance with this Mortgage to the extent that the covenants and provisions of this Mortgage conflict with the corresponding covenants and provisions of the First Mortgage.

At such time as no Surety Bond shall be in effect with respect to the Bonds and no portion of the indebtedness secured by the First Mortgage and hereby shall be owing to a Surety under the Reimbursement Agreement or by right of subrogation, the then acting Surety, or its designee then acting as Surety hereunder, shall assign and

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