

SETTLEMENT AGREEMENT AND RELEASE

This settlement agreement and mutual release (the "Agreement") is entered into this ____ day of January 2009 by and between Securitas Security Services USA, INC. (hereinafter, "SECURITAS USA" or "Plaintiff") and 401 Properties, LP ("401" or "Defendant", collectively, hereinafter "the Parties").

RECITALS

1. Whereas, Plaintiff filed an action in the United States District Court for the Northern District of Illinois against Defendant with Case No. 08 -CV-6755 (hereinafter, "the Lawsuit") claiming a breach of contract, quantum meruit and account stated arising out of invoices and security services provided for 401;

2. Whereas, Defendant disputes the amounts claimed by Plaintiff by in the Lawsuit;

3. Whereas, 401 and SECURITAS USA have agreed to resolve their differences in an amicable manner; and

4. Whereas, the Parties' Settlement and Release is without any admission by the Defendant of liability or lack thereof, but solely in the interest of resolving all such claims.

Now, therefore, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT

1. The recitals set forth above are hereby incorporated and made a part hereof by this reference.

2. CONFIDENTIALITY: Unless required by operation of law, no party shall disclose the nature of this dispute, the terms of this settlement and the amounts paid hereunder and agree that the terms of this settlement shall remain confidential, it being understood that all of the terms of this Agreement shall be held in strict confidence and not disclosed to any parties who are not a party to this agreement. Notwithstanding the foregoing, this confidentiality obligation does not apply to the parties' communications with their accountants, auditors and attorneys.

3. MUTUAL RELEASES:

A. SECURITAS USA in consideration of 401's full and complete payment to SECURITAS USA as set forth in Paragraph 4 of this Agreement does hereby remise, release and forever discharge 401, and its agents, servants and employees, of and from all

claims, debts, dues and obligations of every kind and nature that SECURITAS USA or anyone claiming on its behalf, has or may have, against 401, and its agents, servants and employees, because of anything done or omitted to be done by them from the commencement of the parties' association to the date of this Agreement; and particularly from all claims to related to the security services, contract or invoices as asserted in the Lawsuit, including any claims for compensation from 401, its agents, servants and employees, at any time up to the date of this Agreement.

By executing this Agreement, which includes the present Release, SECURITAS USA understands that it is making a complete release, and that its agents, successors and assigns, have no further claim or relief against 401 related to the security services and invoices provided to 401 from the commencement of the parties' association to the date of this Agreement, and does hereby waive, release and discharge 401 with respect to any and all causes of actions, suits, debts, sums of money, disputes, liabilities, duties, claims (in law and/or equity), rights, damages, injuries, demands or any other matters, whether known or unknown, foreseeable or not foreseeable, which have been or could have been, or could be alleged or claimed against 401, and its agents, servants and employees, related to the security services and invoices provided to 401 from the commencement of the parties' association to the date of this Agreement. SECURITAS USA is reserving only the rights and remedies available to it under this Settlement Agreement. .

B. 401, in consideration of the promises exchanged herein, hereby releases and forever discharges SECURITAS USA from all actions, causes of action, claims, demands, debts, dues, and obligations of every kind and nature whatsoever, whether founded in fact or in law, and from all claims, suits, debts, sums of money, accounts and reckonings, contracts, covenants, promises or judgments that it, or anyone claiming on its behalf, may have against SECURITAS USA or its agents, or by reason of any matter, up to and including the date of this release, and including, but not limited to, any claim arising out of or in connection with the security services, contract or invoices. 401 is reserving only the rights and remedies available to it under this Settlement Agreement.

C. SECURITAS USA and 401, in consideration of the promises exchanged herein, hereby release and forever discharge each other from all actions, causes of action, claims, demands, debts, dues, and obligations of every kind and nature whatsoever, whether founded in fact or in law, and from all claims, suits, debts, sums of money, accounts and reckonings, contracts, covenants, promises or judgments that they, or anyone claiming on their behalf, may have against each other or by reason of any matter, up to and including the date of this release, and including, but not limited to, any claim arising out of or in connection with the security services, contract or invoices.

4. PAYMENT OF SETTLEMENT AMOUNTS: In consideration of the releases set forth in Paragraph 3 above, 401 hereby agrees to pay SECURITAS USA \$68,960.88 in full settlement of all outstanding claims upon the following terms and conditions:

A. 401 will make an initial payment of \$6,896.08 to SECURITAS USA on

January 20, 2009;

- B. 401 will pay off the remaining balance of \$62,064.80 in nine (9) remaining monthly installments of \$6,896.08 each commencing on February 20, 2009, and continuing on the 20th day of each month until payment in full of the settlement amount on October 20, 2009;
- C. All initial and installment payments shall be in check, made payable to Securitas Security Services USA, Inc. and delivered to Barbara Miller, Securitas Security Services USA, Inc., 4330 Park Terrace Drive, Westlake Village, CA 91361;
- D. If a payment date falls on a Saturday, Sunday or Federal Holiday, the payment is due not later than the next business day following the Saturday, Sunday or Federal Holiday; and
- E. Acceptance of partial payments of any payment called for herein shall not serve as a waiver to any subsequent breach or default by 401 or of SECURITAS USA's right to full payment.

5. **SETTLEMENT OF ALL CLAIMS:** The parties to this Agreement hereby agree to settle the past, present and future claims against each other, as specified in Paragraph 3 of this Agreement without admitting liability of any of the respective parties, which admission is hereby specifically denied. The parties to this Agreement acknowledge that they have entered into this Agreement for the purpose of avoiding further litigation and the attendant costs and losses of time to resolve all disputes by and between them.

6. **AUTHORIZED TO SIGN:** Parties to this Agreement acknowledge that they are under no legal disability, have the appropriate corporate authority and have read and fully understood the above and foregoing Settlement and Mutual Release;

7. **DISMISSAL OF PENDING SUIT:** In consideration of the foregoing covenants and conditions, SECURITAS USA hereby agrees to dismiss without prejudice the Lawsuit within five (5) business days after execution of this Agreement and receipt of the initial installment payment due pursuant to Paragraph 4(a) hereinabove. Upon receipt of the final payment due, SECURITAS USA shall cause an order to be entered dismissing this matter with prejudice.

8. **CONFESSION OF JUDGMENT IN THE EVENT OF DEFAULT. 401'S RIGHT OF CURE.** Subject to 401's right of cure, described below, in the event 401 fails to pay and deliver when due any of the payments in paragraph 4 and such failure to pay remains uncured, 401 voluntarily and knowingly agrees and authorizes any attorney to appear before the United States District Court for the Northern District of Illinois (or any court of record with jurisdiction to hear a dispute over this Settlement Agreement in the event the United States District Court does not have jurisdiction) to confess judgment, without process, against 401 and in favor of Securitas USA for

To Defendant:
Mr. Andrew Jahelka
330 S. Wells Street, Suite 710
Chicago, Illinois 60606
FAX: (312) 913-6970

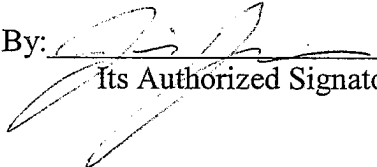
To Plaintiff:
Mr. Barry MacEntee
Hinshaw & Culbertson, LLP
222 N. LaSalle Street, #300
Chicago, Illinois 60601
FAX: (312) 704-3000

With a copy to:
Ms. Elizabeth D. Sharp
330 S. Wells, Suite 706
Chicago, Illinois 60606
FAX: (312) 341-9596

All Notices shall be deemed effective upon the receipt of being telecopied, hand delivered, or if sent by mail, three days after the date deposited with the United States Postal Service.

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this Agreement effective the day and year first above written.

SECURITAS SECURITY SERVICES USA, INC. 401 PROPERTIES, LP
By: 401 Partners, Inc.
Its General Partner

By:  _____
Its Authorized Signatory

By: _____
Its Authorized Signatory

To Defendant:
Mr. Andrew Jahelka
330 S. Wells Street, Suite 710
Chicago, Illinois 60606
FAX: (312) 913-6970

To Plaintiff:
Mr. Barry MacEntee
Hinshaw & Culbertson, LLP
222 N. LaSalle Street, #300
Chicago, Illinois 60601
FAX: (312) 704-3000

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SECURITAS SECURITY SERVICES USA, INC. 401 PROPERTIES, LP
By: 401 Partners, Inc.
Its General Partner

By: _____
Its Authorized Signatory

By:  _____
Its Authorized Signatory

401 Properties LP
330 South Wells, Suite 1210
Chicago, IL 60606

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2-173/710

Jan 20 2009

PAY
TO THE
ORDER OF

Securitas Security Services USA Inc \$ 6896.⁰⁸

Six thousand eight hundred ninety six and ⁰⁸/₁₀₀ DOLLARS

MB Financial Bank

Chicago, IL 60606



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