

UCC-3 Form - SUBORDINATION

AMENDMENT ACTION - COLLATERAL ASSIGN

Original File Number: **202226305820**

FILER INFORMATION

Full name: **COURTNEY F MATTSON**

Email Contact at Filer: **CMATTSON@NAVIGANTCU.ORG**

SEND ACKNOWLEDGEMENT TO

Contact name: **NAVIGANT CREDIT UNION**

Mailing Address: **1005 DOUGLAS PIKE**

City, State Zip Country: **SMITHFIELD, RI 02917 USA**

NAME OF THE SECURED PARTY OF RECORD AUTHORIZING THE AMENDMENT: NAVIGANT CREDIT UNION

CUSTOMER REFERENCE: CORMIER CONSTRUCTION

COLLATERAL

ALL TANGIBLE AND INTANGIBLE PERSONAL PROPERTY, INCLUDING, BUT NOT LIMITED TO: (A) INVENTORY, (B) EQUIPMENT, (C) INSTRUMENTS, INCLUDING PROMISSORY NOTES (D) CHATTEL PAPER, INCLUDING TANGIBLE CHATTEL PAPER AND ELECTRONIC CHATTEL PAPER, (E) DOCUMENTS, (F) LETTER OF CREDIT RIGHTS, (G) ACCOUNTS, INCLUDING HEALTH-CARE INSURANCE RECEIVABLES AND CREDIT CARD RECEIVABLES, (H) DEPOSIT ACCOUNTS, (I) COMMERCIAL TORT CLAIMS, (J) GENERAL INTANGIBLES, INCLUDING PAYMENT INTANGIBLES AND SOFTWARE AND (K) AS- EXTRACTED COLLATERAL AS SUCH TERMS MAY FROM TIME TO TIME BE DEFINED IN THE UNIFORM COMMERCIAL CODE. THE SECURITY INTEREST BORROWER GRANTS INCLUDES ALL ACCESSIONS, ATTACHMENTS, ACCESSORIES, PARTS, SUPPLIES, AND REPLACEMENTS FOR COLLATERAL, ALL PRODUCTS, PROCEEDS AND COLLECTIONS THEREOF AND DATA RELATING THERETO.

SUBORDINATION AGREEMENT IN FAVOR OF LENDER

The U.S. Small Business Administration, an agency of the Government of the United States of America (hereinafter referred to as "SBA"), hereby represents that it is the holder of a lien on certain collateral (described below and hereinafter referred to as the "Collateral Security") of **CORMIER CONSTRUCTION INC.** (hereinafter referred to as "Debtor").

SAID LIEN was created to secure SBA Loan Number 3079919103 by Debtor's execution and delivery of a Security Agreement dated **January 19, 2022**, and perfected by the filing of a UCC-1 Financing Statement on **February 7, 2022**, as File Number **202226305820** with the State of **Rhode Island**. SBA Loan Number 3079919103 is also secured by the Note(s) dated **January 19, 2022**, in the principal amount of **\$105,200.00**. The Collateral Security is more fully described and set forth in said Security Agreement and UCC-1 and described below:

The Collateral in which this security interest is granted includes the following property that Borrower now owns or shall acquire or create immediately upon the acquisition or creation thereof: all tangible and intangible personal property, including, but not limited to: (a) inventory, (b) equipment, (c) instruments, including promissory notes (d) chattel paper, including tangible chattel paper and electronic chattel paper, (e) documents, (f) letter of credit rights, (g) accounts, including health-care insurance receivables and credit card receivables, (h) deposit accounts, (i) commercial tort claims, (j) general intangibles, including payment intangibles and software and (k) as-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The security interest Borrower grants includes all accessions, attachments, accessories, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and data relating thereto.

DEBTOR has requested SBA to subordinate the lien on all non-real estate business assets for **CORMIER CONSTRUCTION INC.** (hereinafter referred to as "**Subordinated Collateral**") to a lien in favor of **Navigant Credit Union**, (hereinafter referred to as "**Lender**") securing a Note in the maximum principal sum of **\$100,000.00** (hereinafter referred to as "**Lender's Note**") and SBA has agreed to subordinate its **Subordinated Collateral** so long as SBA retains its **Subordinated Collateral** priority with regard to all other legal and equitable interests other than as set forth herein.

NOW THEREFORE, as set forth in this Subordination Agreement, **SBA does hereby subordinate** its lien on the **Subordinated Collateral** to a security interest in favor of Lender, securing the Lender's Note.

SAID SUBORDINATION shall be limited to amounts due to Lender for principal and interest payments on the Lender's Note. Lender agrees that the lien instruments securing their loan (a) have no open-ended features unless the Lender's Note is pursuant to a revolving line of credit, to which SBA acknowledges that Debtor may borrow, pay down and reborrow loan funds up to the maximum principal amount of **\$100,000.00** as well as allow only advances necessary to preserve the **Subordinated Collateral**, such as advances for tax payments and insurance, and (b) are not cross-collateralized with any other financing. If the documents pertaining to Lender's Note contain these provisions, Lender acknowledges that this Subordination Agreement requires the Lender to waive these provisions with respect to the **Subordinated Collateral**.

IN ALL OTHER respects, SBA's lien on the **Subordinated Collateral** and its priority position as to all other liens on said property not specifically subordinated herein remains in full force and effect.

THIS SUBORDINATION AGREEMENT is made on the condition that Lender must provide SBA written notice of the following by overnight or two (2) day mail delivery to the SBA address identified below: (1) any action as a result of default on Lender's Note at least (30) days prior to such action, including any foreclosure action, and (2) any sale of the **Subordinated Collateral** at least thirty (30) days prior to the sale of such collateral, except that notice of sale of perishable items is not required.

Address for Notice to SBA (Servicing Address):

**US Small Business Administration
COVID EIDL Servicing Center
14925 Kingsport Rd
Fort Worth, TX 76155-224**

THIS SUBORDINATION AGREEMENT is made on the condition that Lender will return a signed Subordination Agreement to SBA at CESC.UCCFilings@sba.gov within five (5) business days after signing the Subordination Agreement.

Failure to satisfy the conditions set forth herein will render the Subordination Agreement null and void.

THIS SUBORDINATION AGREEMENT will terminate upon payment in full of Lender's Note and the Lender's Revolving Line of Credit, if applicable, or the SBA Loan, unless otherwise agreed to in writing by Lender and SBA.

THIS SUBORDINATION AGREEMENT shall be interpreted under the laws of the United States. SBA and Lender may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes, but by using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax, or liability. Lender may not claim or assert against SBA any local or state law to deny any obligation of the Debtor or defeat any claim of SBA with respect to the Collateral Security.

This instrument is executed by authorized representatives of U.S. Small Business Administration and Navigant Credit Union.


U.S. Small Business Administration

Date: May 28, 2024

By: **CRISTINA LYNCH** Digitally signed by CRISTINA LYNCH
Date: 2024.05.28 07:31:51 -04'00'
Cristina Lynch,
Attorney

Navigant Credit Union

Date: May 28, 2024

By: 
Printed Name: Patrick Hayward
Title: AVP, SBA Specialist, Credit Officer