

**TRUST AGREEMENT AND ASSIGNMENT FOR THE BENEFIT OF CREDITORS  
OF THE EDUCATION INSURANCE CORPORATION**

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THIS TRUST AGREEMENT AND ASSIGNMENT FOR THE BENEFIT OF CREDITORS, is made and entered into this 17th day of January, 2020, by and between **THE EDUCATION INSURANCE CORPORATION, A DELAWARE CORPORATION**, located at 3400 W. Stonegate Blvd., Suite 2113, in the Village of Arlington Heights, Illinois 60005, Federal Tax Identification Number 82-2591210, hereinafter referred to as "Assignor," and **DSI ABCs, LLC, A DELAWARE LIMITED LIABILITY COMPANY**, located at 10 South LaSalle Street, Suite 3300, Chicago, IL 60603, hereinafter referred to as "Trustee-Assignee".

**W I T N E S S E T H:**

WHEREAS, Assignor is indebted to various persons, corporations and other entities and is unable to pay its debts in full, and has decided to discontinue its business, and is desirous of transferring its property to the Trustee-Assignee for the benefit of its creditors so that the property so transferred may be expeditiously liquidated and the proceeds thereof be fairly distributed to its creditors without any preference of priority, except such priority as is established and permitted by applicable law;

NOW, THEREFORE, in consideration of Assignor's existing indebtedness to its creditors, the express undertakings of the Trustee-Assignee and the mutual covenants contained herein, it is hereby AGREED:

1. **Creation and Object of Trust.** The name of this Trust shall be the "**The Education Insurance Corporation Trust Agreement**" and its object shall be the orderly liquidation of the assets and property of the Assignor, and the distribution of the proceeds therefrom to creditors of Assignor, in accordance with applicable law. Assignor hereby

nominates and appoints DSI Assignments, LLC, Trustee-Assignee to carry out the purpose of this Trust in accordance with its terms and conditions. The Trustee-Assignee shall have the powers and duties hereinafter set forth, and shall receive reasonable compensation for its services and reimbursement of its expenses, including, but not limited to reimbursement of its attorneys' fees and costs. The Trustee-Assignee may serve without bond. In the event of the inability or refusal to act, or the resignation of DSI Assignments, LLC, as Trustee-Assignee, then, in any such event Development Specialists, Inc., is hereby appointed as Successor Trustee-Assignee with all the duties, rights, and powers herein imposed upon and granted to DSI Assignments, LLC, as original Trustee-Assignee.

2. **Transfer of Assets.** Assignor does hereby grant, convey, assign, transfer and set over to the Trustee-Assignee, and the Successor Trustee-Assignee, all property and assets of Assignor, whatsoever and wheresoever situated, which are now, or ever have been, used in connection with the operation of Assignor's business. The property and assets transferred shall include, without limitation, if any such assets exists, all real and personal property, tangible and intangible, including, without limitation, all cash on hand, bonds, bank accounts, all accounts receivable, all furniture, fixtures, equipment, leasehold improvements, inventory, general intangibles, patents, insurance premium and/or policy refunds, trade names, trademarks, franchises, service marks, social media sites and URL's, and causes of action. Title to the property and assets of Assignor shall immediately vest in the Trustee-Assignee for the use and purpose hereinafter set forth.

3. **Leases and Leasehold Interests.** This Trust Agreement and Assignment for the Benefit of Creditors (this "Trust Agreement") includes all leases and leasehold interests in any asset of the Assignor; however should the Trustee-Assignee determine that said lease or

leasehold interest is of no value to the estate, then said interest is thereby relinquished without further liability or obligation to the Trustee-Assignee.

4. **Union Contracts.** Any contract or agreement between the Assignor and any labor or trade union remains in force as between the Assignor and the respective union, however the Trustee-Assignee is not bound to the terms of said contract unless the Trustee-Assignee specifically so agrees in writing at the time of the acceptance of this general assignment.

5. **Forwarding of Mail.** Assignor authorizes the forwarding of its mail by the U.S. Postal Service as directed by Trustee-Assignee.

6. **Powers and Duties of Trustee-Assignee.** The Trustee-Assignee shall have, inter alia, the following powers, rights and duties:

(a) To collect any and all accounts receivable owing to Assignor.

(b) To sell, or otherwise dispose of, if such exists, all real property of Assignor in such manner as the Trustee-Assignee deems best. The Trustee-Assignee shall have the power to execute any and all documents necessary to effectuate a sale of said real property and to convey title to same.

(c) To sell, or otherwise dispose of, if such exists, all tangible and intangible personal property of Assignor, including, but not limited to, all of its machinery, equipment, inventory, service marks, trade names, trademarks, patents, franchises, causes of action and general intangibles, at private or public sale upon such notice and upon such terms as the Trustee-Assignee deems best. The Trustee-Assignee shall have the power to employ an auctioneer to conduct such a sale and to advertise such sale in such manner as the Trustee-Assignee deems best. The Trustee-Assignee shall have the power to execute bills of sale and any

other documents necessary to convey title to Assignor's personal property. The Trustee-Assignee shall have the power to enter into an agreement with any party to participate in a liquidation sale with the Trustee-Assignee hereunder.

(d) To employ attorneys, accountants, and such additional personnel ("Assignee's Professionals") to whatever extent may be necessary to handle the administrative details of this Trust.

(e) To require all creditors of Assignor to whom a balance is now owing to submit verified statements of their accounts.

(f) To settle any and all claims against or in favor of Assignor, with full power to compromise, or in the discretion of the Trustee-Assignee, to sue or be sued, and to prosecute or defend any claim or claims of any nature whatsoever existing against or in favor of Assignor.

(g) To pay the creditors of Assignor out of the monies which shall come into its hands as Trustee-Assignee, according to the following priorities:

1. **First**, to deduct all sums which Trustee-Assignee may at its option pay for the discharge of any lien on any of said property and any indebtedness which under the law is entitled to priority of payment and to reimburse Trustee-Assignee as to all costs advanced by the Trustee-Assignee or any third party for the preservation of the assignment estate's assets, including the maintenance and insurance of said assets and, the expenses of any operation of the Assignor or indemnification of the Trustee-Assignee as set forth in Section 9 hereof.

2. **Second**, all costs for the preservation of the Trust assets, including the maintenance and insurance thereon, the expenses of any operation of the Assignor's business at the Trustee-Assignee's sole discretion, and such other administrative expenses as shall be reasonably be incurred;

3. **Third**, all costs and expenses incidental to the

administration of the Trust, including the remuneration of the Trustee-Assignee and the payment of reasonable compensation for the services of the Trustee-Assignee's Professionals. These costs and expenses shall include those incidental to the preparation and execution of this Trust Agreement;

4. **Fourth**, to the extent that such debts are entitled to priority payments under applicable law, all debts owing to any agency of the United States of America as of the date of this Trust Agreement, including, but not limited to, federal withholding tax, federal unemployment tax and other federal income, excise, property and employment taxes pursuant to 31 U.S.C. 3713;

5. **Fifth**, to the extent that such debts are entitled to priority payment under applicable law, all debts owing to the state as of the date of this Trust Agreement, including, but not limited to, state employment, property and income taxes and any applicable foreign state tax obligations;

6. **Sixth**, all other debts owing as of the date of this Trust Agreement that are entitled to priority treatment and payment under applicable law;

7. **Seventh**, with the exception of those classes set forth above, all distributions to other creditors shall be, within each class, pro rata in accordance with the terms of each creditor's indebtedness, until all such debts are paid in full. The Trustee-Assignee shall make interim distributions whenever the Trustee-Assignee determines, in its reasonable discretion, that the Trustee-Assignee has accumulated sufficient funds (less any reserves the Trustee-Assignee deems appropriate) to enable it to make a reasonable distribution;

8. **Eighth**, the surplus, if any, of the Trust's funds, when all debts of the Trust shall have been paid in full, shall be paid and transferred to Assignor by the Trustee-Assignee.

Provided, however, that to the extent applicable law requires payment of certain claims or class of claims in a priority other than as set forth above, such claims shall be paid in accordance with applicable law, and not in the priority set forth above.

(h) To do and perform any and all other acts necessary and proper for the orderly liquidation or other disposition, including, but not limited to, abandonment, of the

assets and property of Assignor and the distribution of the proceeds derived therefrom to the creditors of Assignor.

7. **Rights of Creditors.** All rights and remedies of the creditors against any surety or sureties for Assignor are hereby expressly reserved and nothing herein contained shall prevent the creditors or any of them from suing any third parties or persons who may be liable to any of the creditors for all or any part of their claims against Assignor, or from enforcing or otherwise obtaining the full benefit of any mortgage, charge, pledge, lien or other security which they now hold on any property, creditors or effects of Assignor.

8. **Administration of Trust.** This Trust shall be administered out of court. The Trustee-Assignee shall, however, have the right to ask any court of competent jurisdiction for a declaratory judgment or such other relief as the Trustee-Assignee may deem necessary, if, in its opinion, said action is desirable in connection with any dispute or claim arising hereunder.

9. **Liability of Trustee-Assignee.** It is understood and agreed that neither the Trustee-Assignee nor Development Specialists, Inc., or any of its employees, officers, agents or representatives will assume any personal liability or responsibility for any of its acts as Trustee-Assignee herein, but its obligation shall be limited to the performance of the terms and conditions of the general assignment in good faith and in the exercise of its best business judgment. The Trustee-Assignee shall be indemnified and held harmless by the assignment estate for any claims, losses or liabilities brought by any party against the Trustee-Assignee, Development Specialists, Inc., its agents, employees or representatives ("Indemnitees") for any acts or omissions of the Indemnitees, except where it is determined by a final order of a court of

competent jurisdiction that the Indemnitees conduct constitutes gross negligence or willful misconduct.

10. **Warranties of Assignor.** Assignor hereby warrants as follows:

(a) The list of creditors delivered concurrently herewith to the Trustee-Assignee is complete and correct as reflected by the books and records of Assignor, or through its officers and directors, as to names of said creditors, their addresses and the amounts due them.

(b) Assignor, through its officers and directors, shall perform any and all acts reasonably necessary and proper to assist the Trustee-Assignee in the orderly liquidation of Assignor's assets and the collection of monies owing to Assignor, and in the distribution of said monies and the proceeds of asset sales to Assignor's creditors; provided, however, the officers and directors of Assignor shall only provide such assistance to the Trustee-Assignee to the extent, and on the condition that, they are reasonably compensated for such services.

11. **Power of Attorney.** The Assignor, by this General Assignment hereby grants the Trustee-Assignee a general power of attorney, which power of attorney specifically includes the right of the Trustee-Assignee to prosecute any action in the name of the Assignor as Attorney in Fact. Further, on the date the General Assignment is accepted by the Trustee-Assignee, the Trustee-Assignee shall succeed to all of the rights and privileges of the Assignor, including any attorney-client privilege, in respect to any potential or actual claims, cases, controversies, causes of action, etc. and shall be deemed to be a representative of the Assignor with respect to all such potential or actual claims, cases, controversies, causes of action, etc.

12. **Acceptance by Assignee.** By execution of this Trust Agreement and General Assignment, the Trustee-Assignee does hereby accept the estate herein created and

agrees to faithfully perform its duties according to the best of the Trustee-Assignee's skill, knowledge and ability. It is understood that the Trustee-Assignee shall receive reasonable compensation for its services in connection with this estate. Reasonable compensation is defined to mean a fee of \$40,000.00 and which shall be paid as a nonrefundable deposit concurrently with the assignment. Reasonable compensation does not replace or subsume the reimbursement of all the Trustee-Assignee's expenses incurred as a result of the administration of the assignment estate from the proceeds generated therefrom.

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

**The Education Insurance Corporation**

By: Wade Eyerly  
Wade Eyerly  
Its: President

Attest: Dennis Murashko  
Dennis Murashko  
Its: Secretary

State of ILLINOIS

County of COOK

At City and State, this 22<sup>ND</sup> day of JANUARY 2020 Subscribed and Sworn to before me this 22<sup>ND</sup> day of JANUARY 2020.

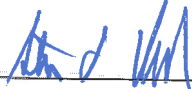
Jeff Richardson  
NOTARY PUBLIC





**ACCEPTANCE**


DSI ABCs, LLC, herein above named, does hereby accept the Trust, not individually, but solely in its capacity as Trustee-Assignee, subject to the conditions set forth above.

  
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By: Steven L. Victor  
Senior Managing Director  
Development Specialists, Inc.  
Sole and Managing Member,  
DSI ABCs, LLC

At Chicago, Illinois, this 27<sup>th</sup> day of January 2020

Subscribed and Sworn to before me this 27<sup>th</sup> day, of  
January 2020.

  
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NOTARY PUBLIC

