

3. Defendant IFC Credit Corporation is a corporation organized under the laws of the State of Illinois, and maintains its principal place of business at 8700 Waukegan Road, Suite 100, in Morton Grove, Illinois. IFC is an equipment leasing and finance company and is, according to its website, one of the largest independent lessors in its industry.

JURISDICTION AND VENUE

4. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1332(a)(1). There is complete diversity of citizenship between the parties, and the amount in controversy exceeds the jurisdictional amount of \$75,000, exclusive of interest and costs.

5. Venue is proper in this district pursuant to 28 U.S.C. § 1391. The Northern District of Illinois is the judicial district in which defendant IFC resides and in which a substantial part of the events or omissions giving rise to this action occurred.

6. Jurisdiction and venue are also proper in this Court because the Note expressly provides that “[t]he parties consent to jurisdiction and venue in any state or federal district court sitting in Cook County, Illinois for any litigation which may be brought with respect to the terms of, and the transactions and relationships contemplated by this Note.”

COUNT I
(Action on Promissory Note – Breach of Contract)

7. Plaintiff hereby incorporates by reference the allegations contained in Paragraphs 1 through 6 as and for Paragraph 7 of this Count I.

8. On or about May 1, 2006, IFC executed a “Subordinated Promissory Note” in favor of NI&D (the “Note”). (A true and correct copy of the Note is attached as Exhibit A to this Complaint.)

9. The Note represents a valid and binding contract. By issuing the Note, IFC agreed to pay it according to its terms.

10. Among other things, the Note provides:

For value received, **IFC CREDIT CORPORATION**, an Illinois corporation (“Maker”), promises to pay to NI&D, Inc., a California corporation . . . (the “Holder”) the principal sum of up to One million dollars (\$1,000,000.00), or so much thereof as shall have been advanced to Maker, together with interest thereon at the rate of 11% per annum.

11. The Note also provides:

Payments on this Note will be due and payable on the last day of each calendar month . . . until the entire principal balance and any accrued but unpaid interest is paid in full. Each monthly payment required hereunder shall consist of accrued interest only. On the third anniversary of the date hereof, all outstanding principal and accrued interest shall become fully due and payable and Maker shall make a final payment equal to the balance of the outstanding principal together with any accrued but unpaid interest.

12. The Note also contains a fee-shifting provision in favor of any Holder, as follows:

“In the event that it should become necessary to employ counsel to enforce this Note, or to collect any sums due and owing hereunder, Maker agrees to pay reasonable attorneys’ fees and all costs and expenses of collection and suit or arbitration incurred by any Holder, whether or not suit or arbitration is brought.”

13. On or about May 1, 2006, NI&D loaned IFC \$1,000,000 pursuant to the Note.

14. On or about February 1, 2008, NI&D assigned the Note to Mr. Lee, who acquired all interest and rights in the Note, including the right to enforce it against IFC. On February 8, 2008, IFC was notified in writing that Mr. Lee had acquired the Note and that all future payments for the interest and the principal amount under the Note should be sent to Mr. Lee.

15. For a period of time IFC made periodic interest payments to NI&D and, after the assignment, to Mr. Lee.

16. In early 2009, however, IFC defaulted on and breached its obligation to make interest payments on the Note. On January 31, 2009, IFC failed to make an interest payment then due in the amount of \$9,166.67, for the period from January 1, 2009 through January 31, 2009.

17. IFC has since failed to make a number of subsequent interest payments.

18. IFC has acknowledged the validity of the Note, IFC's outstanding debt under it, and the fact that, under the Note, the full balance of the loan plus any interest was due on May 1, 2009.

19. On February 25, 2009, Mr. Lee sent IFC a "NOTICE OF DEFAULT," in which he notified IFC that it was in default under the Note for failure to make the required January 31, 2009 interest payment and demanded payment of the past due interest within thirty (30) days. (A true and correct copy of the February 25, 2009 notice is attached as Exhibit B to this Complaint.)

20. IFC failed to make the required interest payment within 30 days of the February 25, 2009 notice.

21. Under the Note, the full principal, in the amount of \$1,000,000, together with all outstanding interest, has become due.

22. IFC has failed to make all required payments under the Note.

23. Plaintiff has timely and fully performed all conditions and obligations under the Note.

24. Despite having received the full benefit of its bargain, IFC has breached its obligations under the Note by, among other things, failing to timely make the required interest

and principal payments. IFC is in default under the Note, and there is currently in excess of \$1,012,173.92 in principal and interest due and owing under the Note.

25. As a direct and proximate result of IFC's default, plaintiff has suffered – and continues to suffer – damages in the amount of at least \$1,012,173.92, plus interest, costs and fees, including but not limited to the attorneys' fees, costs and expenses incurred in seeking to collect on the Note and in bringing this lawsuit.

WHEREFORE, for all the foregoing reasons, plaintiff Dong Youl Lee respectfully requests that this Court enter judgment on Count I for plaintiff and against IFC in the amount of at least \$1,012,173.92, plus interest, as well as all attorneys' fees, costs and other expenses incurred in seeking to collect on the Note and in bringing this lawsuit, and that it award such other relief as the Court deems fair and just.

JURY DEMAND

Plaintiff respectfully requests a trial by jury on all issues so triable.

Date: June 3, 2009.

Respectfully submitted,

DONG YOUL LEE

s/ J. Jeffrey Patton
One of His Attorneys

J. Jeffrey Patton
Brian C. Hausmann
TABET DIVITO & ROTHSTEIN LLC
209 South LaSalle Street, 7th Floor
Chicago, Illinois 60604
(312) 762-9450 (Phone)
(312) 762-9451 (Fax)

EXHIBIT A

SUBORDINATED PROMISSORY NOTE

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED FOR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IS AN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE MAKER THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT.

IT IS THE RESPONSIBILITY OF ANY PERSON PURCHASING SECURITIES TO SATISFY ITSELF AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUCH PURCHASE INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES.

\$ 1,000,000.00

Morton Grove, Illinois
May 1, 2006

For value received, **IFC CREDIT CORPORATION**, an Illinois corporation ("Maker"), promises to pay to NI&D, Inc., a California corporation, located at 6 Chrysler Avenue, Irvine, California 92618, (the "Holder") the principal sum of up to One million dollars (\$1,000,000.00), or so much thereof as shall have been advanced to Maker, together with interest thereon at the rate of 11% per annum. Payments on this Note will be due and payable on the last day of each calendar month, beginning, until the entire principal balance and any accrued but unpaid interest is paid in full. Each monthly payment required hereunder shall consist of accrued interest only. On the third anniversary of the date hereof, all outstanding principal and accrued interest shall become fully due and payable and Maker shall make a final payment equal to the balance of the outstanding principal together with any accrued but unpaid interest. The term of this Note (the "Term") shall begin on the date hereof and continue until all payments due under this Note are fully paid. This Note is based in US dollars and no adjustment will be made to adjust for any difference between any local currency and US dollars during the term of this Note.

Maker may prepay the entire outstanding principal balance of this Note plus accrued interest thereon at any time during the Term by giving the Holder hereof not less than ten (10) and not more than thirty (30) days' prior written notice. In consideration for the privilege of prepayment, Maker shall pay the Holder a prepayment fee as follows:

(a) 2% of the outstanding principal balance of the Note if Maker prepays the Note prior to the second anniversary of the date hereof; and

(b) 1% of the outstanding principal balance of the Note if Maker prepays the Note on or after the second anniversary but before the third anniversary of the date hereof.

There shall be no prepayment fee if this Note is paid on or after the third anniversary of the date hereof.

All payments shall be applied first to the payment of accrued interest and the remainder applied to the payment of the outstanding principal balance. Any interest payment not made or satisfied when due under this Note shall be added to the unpaid principal balance hereof and shall thereafter bear interest at the rate of 10% per annum. At the option of Holder, any payment of principal or interest which has not been made or satisfied by its applicable due date shall continue to bear interest at the rate of 10% per annum until the past due amount has been paid or satisfied in full.

Maker shall deliver to the Holder hereof copies of Maker's quarterly unaudited financial statements and annual audited financial statements, promptly upon availability, but in no event later than thirty (30) days after the end of each calendar quarter or forty-five (45) days after the end of each calendar year.

Any of the following events that shall occur shall constitute an "Event Of Default":

(a) Payments. Maker shall fail to pay when due any amount of principal of, or interest on, this Note, or any other amount payable hereunder.

(b) Failure By Maker To Deliver Financial Statements. Maker shall fail to deliver to the Holder hereof copies of Maker's quarterly unaudited financial statements and annual financial statements as required under this Note.

(c) Cessation of Business. Maker shall dissolve its company structure, wind up its business affairs or cease to do business for any other reason.

(d) Breach. Breach of any material term of this Note by Maker.

(e) Bankruptcy. Maker shall admit in writing its inability to, or shall fail generally or be generally unable to, pay its debts (including its payrolls) as such debts become due, or shall make a general assignment for the benefit of creditors; or Maker shall file a voluntary petition in bankruptcy or a petition or answer seeking reorganization, to effect a plan or other arrangement with creditors or any other relief under the Bankruptcy Reform Act of 1978 (the "Bankruptcy Code") or under any other state or federal law relating to bankruptcy or reorganization granting relief to debtors, whether now or hereafter in effect, or shall file an answer admitting the jurisdiction of the court and the material allegations of any involuntary petition filed against Maker pursuant to the Bankruptcy Code or any such other state or federal law; or Maker shall be adjudicated a bankrupt, or shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of any custodian, receiver or trustee for all or any substantial part of Maker's property, or shall take any action to authorize any of the actions or events set forth above in this subsection; or an involuntary petition seeking any of the relief specified in this subsection shall be filed against Maker; or any order for relief shall be entered against Maker in any involuntary proceeding under the Bankruptcy Code or any such other state or federal law referred to in this subsection (e).

Upon the occurrence of an Event of Default set forth in subsections (a), (b), (c) or (d) above, Maker shall have thirty (30) days to cure such default after receipt of written notice of default from the Holder specifying the nature of Maker's default. If Maker is unable to cure its default within such thirty (30) day period, the Holder may, at its option, accelerate repayment of the outstanding principal and interest and such outstanding principal and interest shall be due and payable immediately. Upon the occurrence of an Event of Default set forth in subsection (e) above, the repayment of the outstanding principal and interest shall be automatically accelerated and such outstanding principal and interest shall be due and payable immediately. Upon any default of Maker hereunder, the Holder may pursue any additional remedies that are available to it, at law or in equity.

Payments under this Note shall be subordinated to all the debt owed by the Maker and the payment of all amounts due and owing by the Maker to any banks, financial institutions or other institutional lenders (such as savings and loans, credit unions, mortgage banking companies, pension funds, and insurance companies, hedge funds or private equity funds), regardless of whether such debt exists as of the date hereof or becomes an obligation of Maker hereafter (each an "Institutional Lender" and collectively, the "Institutional Lenders"). Payments under this Note shall be subordinated to all the debt owed by the Maker and the payment of all amounts due and owing by the Maker to any non-Institutional Lenders, so long as such debt exists as of the date hereof (each a "Non-Institutional Lender" and collectively, the "Non-Institutional Lenders"). The Non-Institutional Lenders and Institutional Lenders shall be referred to herein individually as a "Lender", or collectively as the "Lenders." The payments under this Note shall be senior to the debt owed by the Maker and the payment of all amounts due and owing by the Maker, as well as any affiliate of the Maker, to a Non-Institutional Lender, if such debt does not have any security interest and becomes an obligation of Maker after the date hereof. For the avoidance of doubt, payments under this Note shall be senior to any debt owed by Maker and the payment of all amounts due and owing by the Maker in respect of any arrearages of dividend payments on Maker's equity securities or the redemption, conversion or exchange of Maker's equity securities. The payments under this Note shall be subordinated to the security interests related to secured debt owed by the Maker and the payment of all amounts due and owing by the Maker under secured debt to a Non-Institutional Lender, if such debt becomes an obligation of Maker hereafter. The Holder hereof agrees that, if requested by any Lender at any time and from time to time, provided that no Event of Default shall have occurred, such Holder shall execute and deliver to each Lender a subordination agreement in favor of the Lenders in such form as is reasonably requested by any such Lender.

Maker hereby waives demand, presentment for payment, notice of nonpayment, protest, notice of protest and all other notices, filing of suit and diligence in collecting any sums due and owing under this Note.

In the event that it should become necessary to employ counsel to enforce this Note, or to collect any sums due and owing hereunder, Maker agrees to pay reasonable attorneys' fees and all costs and expenses of collection and suit or arbitration incurred by any Holder, whether or not suit or arbitration is brought.

Any term of this Note may be amended and the observance of any term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of Holder and Maker. Any amendment or waiver affected in accordance with this paragraph shall be binding upon both parties hereto.

Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party; (b) when received when sent by facsimile at the address and number set forth below (provided, however, that notices given by facsimile shall not be effective unless either (i) a duplicate copy of such facsimile notice is promptly given by one of the other methods described in this paragraph, or (ii) the receiving party delivers a written confirmation of receipt for such notice either by facsimile or any other method described in this paragraph; (c) three business days after deposit in the U.S. mail with first class or certified mail receipt requested postage prepaid and addressed to the other party as set forth below; or (d) the next business day after deposit with a national overnight delivery service, postage prepaid, addressed to the parties as set forth below with next-business-day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider.

To Maker:

IFC Credit Corporation
8700 Waukegan Road
Morton Grove, IL 60053
Attn: Marc Langs
Fax Number: (847)324-1705

To Holder:

NI&D, Inc.
6 Chrysler Avenue
Irvine, California 92618
Attn: Bill Paik
Fax Number: (949) 250-4342

with copies to:

IFC Credit Corporation
8700 Waukegan Road
Morton Grove, IL 60053
Attn: Law Department

with copies to:

Lee Anav Chung LLP
555 W. Fifth Street, 31st Floor
Los Angeles, CA 90013
Attn: Bub Joo S. Lee
Fax Number: (213) 559-0829

This Note shall be governed by, and construed in accordance with the law of the State of Illinois without regard to application of principles of conflicts of laws. The parties consent to jurisdiction and venue in any state or federal district court sitting in Cook County, Illinois for any litigation which may be brought with respect to the terms of, and the transactions and relationships contemplated by this Note. The parties further agree and consent to the jurisdiction of any state or federal district court sitting in Cook County, Illinois, and waive any objection to the jurisdiction of the same, including any objection based on forum non conveniens.

This Note constitutes the entire agreement between the parties and no party shall be liable or bound to any other party in any manner by any warranties, representations, or covenants except as specifically set forth herein or therein.

If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the terms of the Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

Neither party shall use the other's name nor refer to the other directly or indirectly in connection with the investment contemplated herein in any advertisement, news release or professional or trade publication, or in any other manner, unless otherwise required by law, or with prior written consent. The parties agree that there will be no press release or other public statement issued by either party relating to this Note unless required by law or mutually agreed to, and further agree to keep the terms and conditions of such in strictest confidence, it being understood that this restriction shall not prohibit disclosure to the parties counsel, accountants and professional advisors. If either party determines that it is required by law to disclose the terms and conditions of this Note and the Note, or to file this Note or the Note with any governmental agency or authority, it shall, a reasonable time before making any such disclosure or filing, consult with the other regarding such filing and seek confidential treatment for such portions of those agreements as may be reasonably requested by the other.

IN WITNESS WHEREOF, the Maker has executed this Note effective as of the date first set forth above.

IFC CREDIT CORPORATION

By: Marc Janga
Its: CFO

Subordination acknowledged and agreed to by:

NI&D, Inc.

By: [Signature] 05-01-06
Its: CEO

EXHIBIT B

KEVIN S. KIM & ASSOCIATES

ATTORNEYS AT LAW
3600 WILSHIRE BOULEVARD, SUITE 1818
LOS ANGELES, CALIFORNIA 90010
213.380.2600
FAX: 213.380.0999
kek@kmlawyers.com

February 25, 2009

Via Facsimile (847) 324-1705 and the First Class Mail

IFC Credit Corporation
8700 Waukegan Road
Morton Grove, IL 60053

Attn: Mr. Marc Langs

Re: NOTICE OF DEFAULT
Subordinated Promissory Note dated May 1, 2006 (the "Note")
Original Holder: NI&D, Inc., a California corporation
Current Holder: Dongyoul Lee

Dear Sir:

YOU ARE HEREBY NOTIFIED, that there is now due and unpaid interest under the above-referenced Note in the sum of \$9,166.67, which first became due on January 31, 2009 for the period encompassing January 1, 2009 through January 31, 2009. Your failure to pay the interest on or before its due date constitutes an event of Default under the Note.

WITHIN thirty (30) days after receipt of this notice, you are required to pay the said interest in full. If you fail to do so, all the outstanding principal balance and accrued interest shall become immediately due and payable and legal proceedings will be commenced against you to recover all the outstanding principal balance, accrued interest and any other damages.

Please consider this letter as the Holder's written Notice of Default under the Note.

Very truly yours,



Kevin S. Kim

KSK\ok

cc: Law Department, IFC Credit Corporation (via fist class mail)