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Cook County Recorder 67.00



This document was prepared by
and after recording should be
returned to:

Daniel A. Lukas
Seyfarth Shaw
Fairweather & Geraldson
55 East Monroe Street
Suite 4200
Chicago, Illinois 60603

For Recording Purposes

Execution Original

FIRST AMENDMENT TO SECOND AMENDED
AND RESTATED LOAN AGREEMENT

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED LOAN AGREEMENT dated as of May 25, 2000 (this "Agreement") by and among ARMON, INC., a Delaware Corporation ("Armon"), F.E. MORAN, INC. SPECIAL HAZARD SYSTEMS, a Delaware corporation, F.E. MORAN, INC., an Illinois corporation, F.E. MORAN, INC. FIRE PROTECTION, an Illinois corporation, THERMODYNE MECHANICAL SERVICES, INCORPORATED, an Illinois corporation, FIRE PROTECTION INDUSTRIES, INC., an Illinois corporation, (together with their successors and assigns, hereinafter collectively referred to as "Borrower"), OWEN A. MORAN (the "Guarantor"), BRIAN K. MORAN, as Trustee under the Owen A. Moran Trust Agreement dated September 14, 1984, JEAN B. MORAN and LASALLE BANK NATIONAL ASSOCIATION, successor by merger to LaSalle National Bank, successor trustee to LaSalle National Trust, N.A., not individually, but as Trustee under Trust Agreement dated March 28, 1969 and known as Trust No. 10-15781-08 (hereinafter collectively referred to as the "Mortgagors"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association (the "Bank");

WITNESSETH:

WHEREAS, one or more of the Borrower, the Guarantor, the Mortgagors, and the Bank heretofore entered into the following documents (collectively, the "Loan Documents"):

- (i) Second Amended and Restated Loan Agreement dated as of January 28, 2000 (the "Loan Agreement"), by and between the Borrower and the Bank;

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BOX 118
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(ii) Revolving Loan Note in the principal amount of \$5,500,000 (the "Prior Revolving Note"), Term Loan Note in the principal amount of \$5,000,000 (the "Term Loan Note"), and (iii) Equipment Loan Conversion Note in the principal sum of \$272,222.27 (the "Equipment Loan Conversion Note"), each dated January 28, 2000, and each from the Borrower to the Bank (collectively, the Notes");

(iii) Mortgage made to Columbia National Bank of Chicago ("Columbia"), to which the Bank is successor, by Brian K. Moran, as Trustee under a trust agreement dated September 14, 1984 and Jean B. Moran, dated April 25, 1995 (the "Winnetka Mortgage") and recorded in the office of the Cook County, Illinois Recorder of Deeds on June 21, 1995, as Document No. 95399793, of the property described as Tract 1 on Exhibit A hereto, which property is located at 15 Woodley Drive, Winnetka, Illinois 60093);

(iv) Junior Mortgage and Security Agreement made to Columbia, to which the Bank is successor, by the Bank as Trustee under a trust agreement dated March 28, 1969, and known as Trust No. 10-15781-08, dated April 25, 1995 (the "Northbrook Mortgage") and recorded in the office of the Cook County, Illinois Recorder of Deeds on June 21, 1995, as Document No. 95399795, of the property described as Tract 2 on Exhibit A hereto, which property is located at 2265 Carlson, Northbrook, Illinois, 60062;

(v) Mortgage and Security Agreement made to Columbia, to which the Bank is successor, by Owen A. Moran, dated April 25, 1995 (the "Berrien County Mortgage") and recorded in the office of the Register of Deeds of Berrien County, Michigan on June 22, 1995, at LIBER 1696, page 595, of the property described as Tract 3 on Exhibit A hereto, which property is located in Benton Harbor, Michigan;

(vi) Mortgage and Security Agreement made to Columbia, to which the Bank is successor, by Owen A. Moran and Jean B. Moran, dated April 25, 1995 (the "Allegan County Mortgage") and recorded in the office of the Register of Deeds of Allegan County, Michigan on June 27, 1995, at LIBER 1523, page 309, of the property described as Tract 4 on Exhibit A hereto, which property is located at 32 and 42 North Shore Drive, South Haven, Michigan;

(vii) Junior Assignment of Rents and of Lessor's Interest in Leases (the "Northbrook Assignment") made by the Bank as trustee under a trust agreement dated March 28, 1969 and known as Trust No. 10-15781-08 and Brian K. Moran as Trustee under a trust agreement dated September 18, 1984, dated April 25, 1995 and recorded in the office of the Cook County, Illinois Recorder of Deeds on June 21, 1995, as Document No. 95399796, for the property described as Tract 2 on Exhibit A hereto, which property is located at 2265 Carlson Drive, Northbrook, Illinois, 60062;

(viii) Assignment of Rents and of Lessor's Interest in Leases (the "Winnetka Assignment") made by Brian K. Moran as Trustee under a trust agreement dated

September 18, 1984, dated April 25, 1995 and recorded in the office of the Cook County, Illinois Recorder of Deeds as Document No. 95399794, for the property described as Tract 1 on Exhibit A hereto, which property is located at 15 Woodley Drive, Winnetka, Illinois 60093;

(ix) Assignment of Rents and of Lessor's Interest in Leases (the "Michigan Assignment", and collectively with the Northbrook Assignment and the Winnetka Assignment, the "Assignments of Rents") made by Owen A. Moran, dated April 25, 1995 and recorded in the office of the Register of Deeds of Berrien County, Michigan on June 22, 1995, at LIBER 1696, page 631, for the property described as Tract 3, in Exhibit A hereto, which property is located in Benton Harbor, Michigan;

(x) Junior Collateral Assignment of Beneficial Interest and Security Agreement dated as of March 1, 1993, as modified and amended, including, without limitation, as modified and amended by that certain Amendment to Junior Collateral Assignment of Beneficial Interest made by Brian K. Moran, as Trustee under a trust agreement dated September 18, 1984 and the Bank, dated April 25, 1995 (collectively, the "ABI");

(xi) Amended and Restated Security Agreements dated as of February 15, 1998, from each of the entities constituting the Borrower (collectively, the "Security Agreements");

(xii) Guaranty Agreement of Guarantor in favor of the Bank, dated April 25, 1995, as amended and reaffirmed from time to time (the "Guaranty");

(xiii) Pledge and Security Agreement of Owen A. Moran dated July 29, 1998, from Guarantor to the Bank, as amended by the First Amendment to Pledge and Security Agreement of Owen A. Moran dated as of July 9, 1999, and the Second Amendment to Pledge and Security Agreement of Owen A. Moran dated as of July 19, 1999 (collectively, the "Pledge Agreement");

(xiv) Subordination Agreement dated April 25, 1995 (the "Subordination Agreement"), by and among Brian K. Moran, not personally, but as Trustee under Trust Agreement dated September 14, 1984, and Jean B. Moran, and Columbia National Bank of Chicago, to which the Bank is successor, as junior mortgagee and senior mortgagee, recorded in the office of the Cook County, Illinois Recorder on July 6, 1995, as Document No. 95437723;

(xv) Environmental Indemnity Agreement dated as of April 25, 1995 from Armon and Guarantor to Columbia National Bank of Chicago, to which the Bank is successor; and

(xvi) Pledge Agreement dated as of January 25, 2000 (the "Guarantor Pledge Agreement"), from the Guarantor to the Bank; and

WHEREAS, certain of the Loan Documents have been previously modified and amended by that certain Modification Agreement dated as of January 28, 2000 (the "First Modification Agreement"); and

WHEREAS, certain of the Loan Documents encumber the real estate described in Exhibit A attached hereto and the personal property located thereon; and

WHEREAS, Borrower has requested that the Bank increase the Revolving Loan Commitment and extend the Revolving Loan Commitment Termination Date, and the Bank is willing to do so, but only upon the terms and conditions set forth herein;

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

Section 1. Recitals Part of Agreement; References to Loan Documents; Defined Terms. The foregoing recitals are hereby incorporated into and made a part of this Agreement. Except as otherwise stated herein, all references in this Agreement to any one or more of the Loan Documents shall be deemed to include all previous modifications and amendments to the Loan Documents, including, without limitation those provided for in the First Modification Agreement, whether or not express reference is made to such previous modifications and amendments. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

Section 2. Change in Maximum Revolving Loan Commitment. The Maximum Revolving Loan Commitment shall be and hereby is changed from the lesser of (i) the Borrowing Base for Revolving Loans minus the Letter of Credit Reserve (if applicable), or (ii) \$5,500,000.00, to the lesser of (i) the Borrowing Base for Revolving Loans minus the Letter of Credit Reserve (if applicable), or (ii) \$6,500,000.00, and all of the Loan Documents are hereby modified and amended accordingly. Without limitation of the generality of the foregoing, the amount "\$5,500,000.00" which appears in Section 2.1 of the Loan Agreement is hereby replaced with the amount "\$6,500,000.00".

Section 3. Change to Revolving Loan Commitment Termination Date. The Revolving Loan Commitment Termination Date shall be and hereby is changed from the earlier of (i) February 1, 2001 or (ii) such other date on which the Revolving Loan Commitment shall terminate pursuant to Section 14.2 of the Loan Agreement, to the earlier of (i) July 1, 2001 or (ii) such other date on which the Revolving Loan Commitment shall terminate pursuant to Section 14.2 of the Loan Agreement, and all of the Loan Documents are hereby modified and amended accordingly. Without limitation of the foregoing, the date "February 1, 2001" which appears in the defined term "Revolving Loan Commitment Termination Date" in Section 1.1 of the Loan Agreement and which appears in Section 8.1.1 of the Loan Agreement is hereby replaced with the date "July 1, 2001".

Section 4. Amendment and Restatement of Prior Revolving Note. The Prior Revolving Note shall be amended and restated effective as of the date of this Agreement by Borrowers' execution and delivery to the Bank of the First Amended and Restated Revolving Loan Note (the "Amended Revolving Note"), dated as of the date of this Agreement, in the form attached hereto as Exhibit B. The Bank and the Borrower hereby acknowledge and agree that the Amended Revolving Note shall be substituted for the Prior Revolving Note for all purposes and that upon Borrowers' delivery of the Amended Revolving Note to the Bank (a) the Bank shall substitute the Amended Revolving Note for the Prior Revolving Note in its files and records associated with the Revolving Loan, (b) the Bank shall mark the Prior Revolving Note "Amended, Restated and Superseded" and retain it in its files and records associated with the Revolving Loan, and (c) all references to the "Revolving Note" in the Loan Agreement and the Related Documents shall be deemed to refer to the Amended Revolving Note. The Bank and the Borrower acknowledge and agree that the Amended Revolving Note shall evidence the same Liabilities as did the Prior Revolving Note and the Amended Revolving Note constitutes an amendment to, and not a discharge of, the Liabilities evidenced by the Prior Revolving Note.

Section 5. Amendment of Winnetka Mortgage. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of the first recital clause of the Winnetka Mortgage is hereby amended in its entirety and restated as follows:

- "A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of Lender in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 6. Amendment of the Northbrook Mortgage and the Berrien County Mortgage. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of the first "WHEREAS" clause of each of the Northbrook Mortgage and the Berrien County Mortgage is hereby amended in its entirety and restated as follows:

- "A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of the Mortgagee in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 7. Amendment of the Allegan County Mortgage. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of Exhibit B to the Allegan County Mortgage is hereby amended in its entirety and restated as follows:

"A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of the Mortgagee in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 8. Amendment of the Assignments of Rents. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of the first "WHEREAS" clause of each of the Assignments of Rents is hereby amended in its entirety and restated as follows:

"A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of the Assignee in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 9. Amendment of the ABI. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of numbered paragraph 1. of the ABI is hereby amended in its entirety and restated as follows:

"A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of the Secured Party in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 10. Amendment of the Subordination Agreement. Without limitation of the generality of Sections 2 and 3 above, subparagraph A. of Exhibit A to the Subordination Agreement is hereby amended in its entirety and restated as follows:

"A. First Amended and Restated Revolving Loan Note dated May 25, 2000, payable to the order of the Senior Mortgagee in the principal sum of \$6,500,000, bearing interest at the rate or rates specified therein, due in the manner provided therein, the terms and provisions of which note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length herein;"

Section 11. Amendment of the Guarantor Pledge Agreement. Without limitation of the generality of Sections 2 and 3 above, the amount "\$10,772,222.27" contained in the first "WHEREAS" clause of the Guarantor Pledge Agreement is hereby replaced with the amount \$11,772,222.27".

Section 12. Loan Documents to Remain in Effect; Confirmation of Obligations; References. The Loan Documents shall remain in full force and effect as originally executed and delivered by the parties, except as previously modified and amended, and as expressly modified and amended herein. The Borrower, the Mortgagors and the Guarantor hereby (i) confirm and reaffirm all of their obligations under the Loan Documents, as previously modified and amended, and as modified and amended herein; (ii) acknowledge and agree that the Bank, by entering into this Agreement, does not waive any existing or future default or event of default under any of the Loan Documents, or any rights or remedies under any of the Loan Documents, except as expressly provided herein; (iii) acknowledge and agree that the Bank has not heretofore waived any default or event of default under any of the Loan Documents, or any rights or remedies under any of the Loan Documents; and (iv) acknowledge that they do not have any defense, set-off or counterclaim to the payment or performance of any of their obligations under the Loan Documents, as previously modified and amended, and as modified and amended herein. All references in the Loan Documents shall be deemed to refer to such Loan Document or Loan Documents, as the case may be, as modified and amended by this Agreement.

Section 13. Certifications, Representations and Warranties. In order to induce the Bank to enter into this Agreement, the Borrower, the Mortgagors and the Guarantor hereby certify, represent and warrant to the Bank that all certifications, representations and warranties contained in the Loan Documents and in all certificates heretofore delivered to the Bank are true and correct as of the date hereof, and all such certifications, representations and warranties are hereby remade and made to speak as of the date of this Agreement.

Section 14. Entire Agreement. This Agreement sets forth all of the covenants, promises, agreements, conditions and understandings of the parties relating to the subject matter of this Agreement, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as are herein set forth.

Section 15. Successors. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors, assigns and legal representatives.

Section 16. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 17. Amendments, Changes and Modifications. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument executed by all of the parties hereto.

Section 18. Construction.

- (a) The words "hereof," "herein," and "hereunder," and other words of a similar import refer to this Agreement as a whole and not to the individual Sections in which such terms are used.
- (b) References to Sections and other subdivisions of this Agreement are to the designated Sections and other subdivisions of this Agreement as originally executed.
- (c) The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.
- (d) Where the context so requires, words used in singular shall include the plural and vice versa, and words of one gender shall include all other genders.
- (e) The Borrower, the Mortgagors, the Guarantor and the Bank, and their respective legal counsel, have participated in the drafting of this Agreement, and accordingly the general rule of construction to the effect that any ambiguities in a contract are to be resolved against the party drafting the contract shall not be employed in the construction and interpretation of this Agreement.

Section 19. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 20. Governing Law. This Agreement is prepared and entered into with the intention that the law of the State of Illinois shall govern its construction and enforcement.

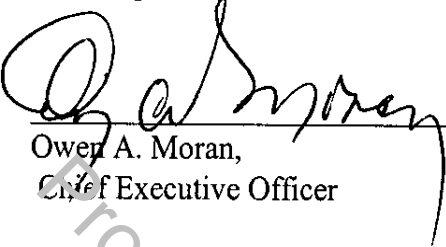
Section 21. Execution by LaSalle Bank National Association, as Trustee. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of LaSalle Bank National Association, as Trustee, while in form purporting to be the representations, covenants, undertakings and agreements of LaSalle Bank National Association are nevertheless each and every one of them, made and intended not as personal representations, covenants, undertakings and agreements by LaSalle Bank National Association in its own right, but solely in the exercise of the powers conferred upon it as such trustee; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against LaSalle Bank National Association on account of this Agreement or on account of any representation, covenant, undertaking or agreement in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.


[Signature pages and Exhibits follow this page.]

IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

ARMON, INC.

a Delaware corporation

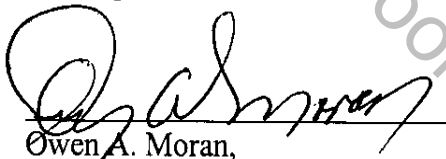
By: 
Owen A. Moran,
Chief Executive Officer


By: 
John Puder,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

FIRE PROTECTION INDUSTRIES, INC.

an Illinois corporation

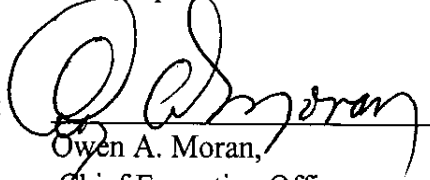
By: 
Owen A. Moran,
Chief Executive Officer


By: 
John Puder,
Executive Vice President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

**F.E. MORAN, INC. SPECIAL
HAZARD SYSTEMS,**

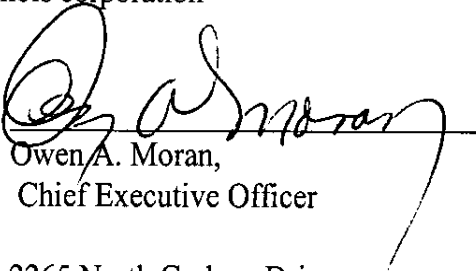
a Delaware corporation

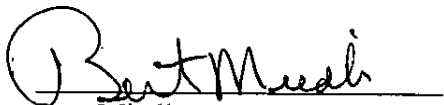
By: 
Owen A. Moran,
Chief Executive Officer

By: 
John Puder,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

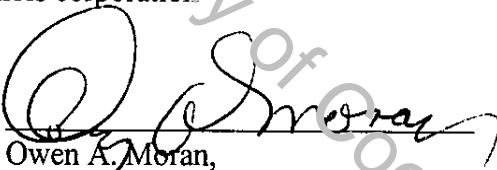
THERMODYNE MECHANICAL SERVICES, INCORPORATED
an Illinois corporation

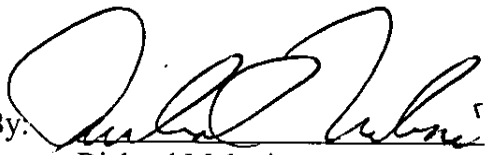
By: 
Owen A. Moran,
Chief Executive Officer

By: 
Bert Miedler,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

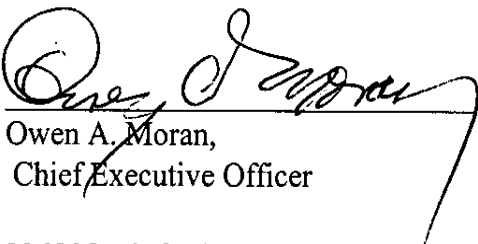
F.E. MORAN, INC.
an Illinois corporation

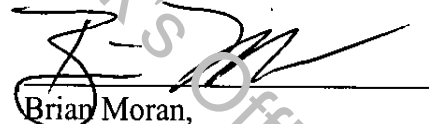
By: 
Owen A. Moran,
Chief Executive Officer

By: 
Richard Maloni,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

F.E. MORAN, INC. FIRE PROTECTION,
an Illinois corporation

By: 
Owen A. Moran,
Chief Executive Officer

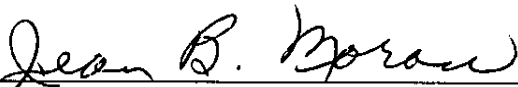
By: 
Brian Moran,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

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 Owen A. Moran

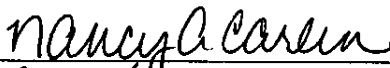

 Brian K. Moran, as Trustee as aforesaid


 Jean B. Moran

LASALLE BANK NATIONAL ASSOCIATION,
 as successor trustee to LaSalle National Bank,
 not personally, but as Trustee as aforesaid


By: 
 Title **TRUST OFFICER**

ATTEST:


 Title: *Asst Secretary*

BANK:

LASALLE BANK NATIONAL ASSOCIATION

By: 
 Robert F. Hallberg
 Loan Officer

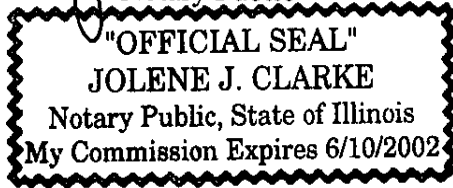
1301 East Ogden Avenue
 Naperville, Illinois 60563
 630-983-2005 - Telephone
 630-983-2011 - Facsimile

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and John Puder, President, of Armon, Inc., a Delaware corporation, on behalf of the corporation.

Jolene J. Clarke
Notary Public

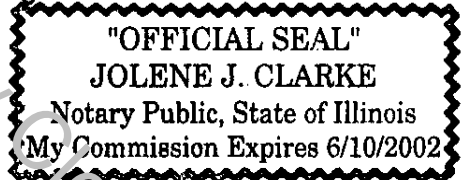
STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)



The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and John Puder, Executive V.P., of Fire Protection Industries, Inc., an Illinois corporation, on behalf of the corporation.

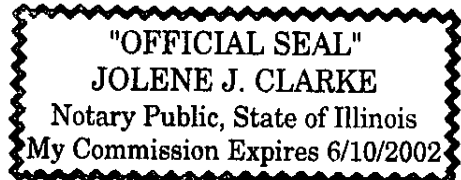
Jolene J. Clarke
Notary Public

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)



The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and John Puder, President, of F.E. Moran, Inc. Special Hazard Systems, a Delaware corporation, on behalf of the corporation.

Jolene J. Clarke
Notary Public

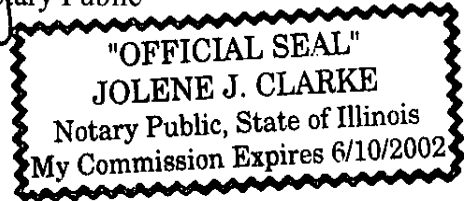


STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and Bert Miedler, President of Thermodyne Mechanical Services, Incorporated, an Illinois corporation, on behalf of the corporation.

Jolene Clarke
Notary Public

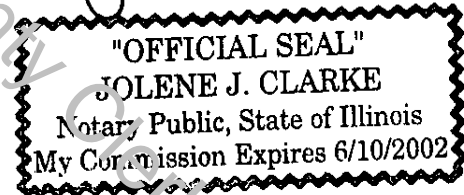
STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)



The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and Richard Maloni, President of F.E. Moran, Inc., an Illinois corporation, on behalf of the corporation.

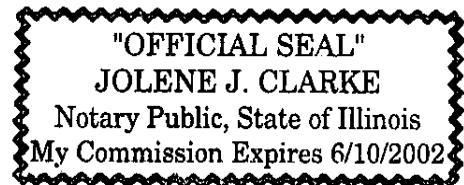
Jolene Clarke
Notary Public

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)



The foregoing instrument was acknowledged before me this 26th day of May, 2000, by Owen A. Moran, Chief Executive Officer and Brian Moran, President, of F.E. Moran, Inc. Fire Protection, an Illinois corporation, on behalf of the corporation.

Jolene Clarke
Notary Public

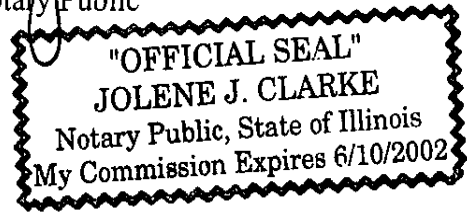


STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 26th day of May, 2000,
by Owen A. Moran.

Jolene J. Clarke

Notary Public

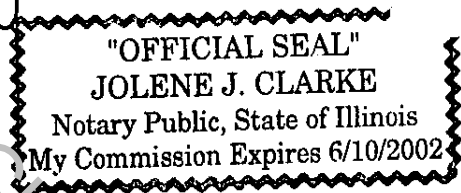


STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 26th day of May, 2000,
by Brian K. Moran, as Trustee.

Jolene J. Clarke

Notary Public

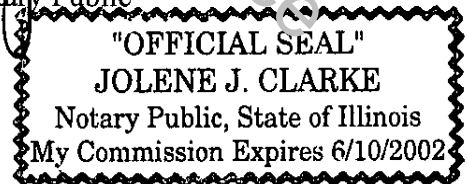


STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 26th day of May, 2000,
by Jean B. Moran.

Jolene J. Clarke

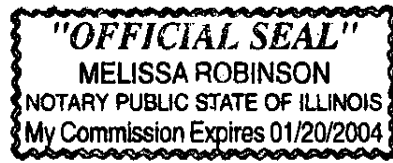
Notary Public



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 2nd day of June, 2000, by MARGARET O'DONNELL and Nancy A. CARLIN, TRUST OFFICER and Asst Secretary, respectively of LaSalle Bank National Association, a national banking association, as Trustee, on behalf of the association.

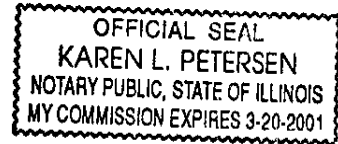
Melissa Robinson
Notary Public



STATE OF ILLINOIS)
) SS
LAKE
COUNTY OF ~~COOK~~)

The foregoing instrument was acknowledged before me this 1st day of June, 2000, by ROBERT HALLBERG, COMMERCIAL LOAN OFFICER of LaSalle Bank, N.A., a national banking association, on behalf of the association.

Karen Petersen
Notary Public



UNOFFICIAL COPY

Property of Cook County Clerk's Office

EXHIBIT A

LEGAL DESCRIPTION

TRACT 1

LOT 1 IN NERGARD'S SUBDIVISION OF THE WEST 1/2 SECTION 29, TOWNSHIP 42 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH 865.7 FEET AND NORTH OF THE NORTH LINE OF SAID LOT 1, EXCEPTING HOWEVER FROM ALL OF SAID PREMISES (THAT PART LYING EAST OF A LINE 830 FEET WEST OF AND PARALLEL TO THE EAST LINE OF THE NORTHWEST 1/4 OF SECTION 29; AND ALSO EXCEPTING THAT PART OF LOT 1 IN NERGARD'S SUBDIVISION OF AND THE AFORESAID DESCRIBED 24 FOOT STRIP LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED CURVED LINE; BEGINNING AT A POINT IN THE SOUTH LINE OF THE NORTH 865.7 FEET, 252.8 FEET EAST OF THE WEST LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4, RUNNING THENCE SOUTHWESTERLY IN A CURVED LINE OF 174.21 FOOT RADIUS CONVEX SOUTHEASTERLY, 113.92 FEET MEASURED ALONG THE CHORD, TO A POINT OF COMPOUND CURVE; THENCE; SOUTHWESTERLY IN A CURVED LINE OF 955 FOOT RADIUS, CONVEX SOUTHEASTERLY, TANGENT TO THE LAST DESCRIBED CURVED LINE AT THE POINT OF COMPOUND CURVE, 243.95 FEET MEASURED ALONG THE CHORD, TO A POINT IN THE WEST LINE OF SAID LOT 1 OF NERGARD'S SUBDIVISION SAID POINT BEING 219.85 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 1 ALL IN COOK COUNTY, ILLINOIS.

P.I.N.: 05-29-101-015-0000
15 Woodley Drive
Winnetka, Illinois 60093

EXHIBIT A

LEGAL DESCRIPTION

TRACT 2

PARCEL 1:

LOT 2 IN MORAN NORTHBROOK RESUBDIVISION OF PART OF LOT 6 AND ALL OF LOT 7 IN GLENBROOK INDUSTRIAL PARK UNIT NO. 2, BEING A SUBDIVISION OF THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 15, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 1 IN LOCKWOOD NORTHBROOK RESUBDIVISION OF LOT 8 IN GLENBROOK INDUSTRIAL PARK NO. 2, BEING A SUBDIVISION OF THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 15, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 04-15-301-019-0000
04-15-301-020-0000
2265 Carlson Drive
Northbrook, Illinois

EXHIBIT A

LEGAL DESCRIPTION

TRACT 3

PARCEL ONE: - Lot 16, The Orchards Mall Subdivision of part of the Southwest Quarter of Section 29 and part of the North Half of Section 32, Township 4 South, Range 18 West, Benton Township, Berrien County, Michigan, according to the Plat thereof, recorded September 29, 1980 in Book 23 of Plats, page 40.

PARCEL TWO - The rights, powers and reciprocal and non-exclusive easements created and granted as appurtenances to the aforesaid Parcel One as created and defined in that certain Operating Agreement dated August 18, 1978 and recorded September 5, 1978 in Book 1084, page 15, Berrien County Records, by and among Berrien Associates, a Michigan partnership, Dev Con Properties, Inc. of Benton Township, a Delaware corporation, and Sears, Roebuck and Co., a New York corporation, in, over, upon and under the Developer Site, the Fringe Areas and the Shopping Center Site, all as defined in said Operating Agreement, or as shown on the Site plan attached to said Operating Agreement, including, without limiting the generality of the foregoing, the reciprocal and non-exclusive easements created thereunder for ingress and egress, parking of vehicles, passage and accommodation of pedestrians (including without limitation, perpetual easements for the ring road), the installation, operation, maintenance, repair, replacement, relocation and removal of storm and sanitary sewers, water lines, and gas mains, electrical power lines, telephone lines, other utility lines, fire protection facilities (including without limitation, perpetual easements for the Common Utility Facilities as defined in said Operating Agreement), for the construction, reconstruction, erection and maintenance of common foundations, footings (including without limitation the construction easements as defined in said Operating Agreement), and for the purpose of the development and construction or reconstruction or operation of the improvements referred to therein, and as amended by First Amendment to Operating Agreement with attached consents dated January 25, 1979, recorded September 17, 1979 in Book 1112, page 428, Berrien County Records.

PARCEL THREE: - The easement created and granted as an appurtenance to the aforesaid Parcel 1 and the fee underlying Parcel 2 as created and defined by that certain Grant of Easement, dated August 2, 1976, by and between Pipestone Development Company, Ltd., a Michigan limited partnership, Shopping Centers, Inc., a Michigan corporation, and Westcor, Inc., an Arizona corporation, and recorded on August 5, 1976 in Book 1026, page 608, Berrien County Records, for storm drainage in, over, under, across, along and upon Parcel A as defined in said Grant of Easement and to construct, operate, maintain, repair, renew, relocate and remove the "Drainage Facilities" as defined in said Grant of Easement and such other rights, powers, privileges and easements therein created and granted.

EXHIBIT A

LEGAL DESCRIPTION

TRACT 4

Beginning at a point found by commencing in the center of North Shore Drive 1284.50 feet South and 1248.25 feet West of the East Quarter Post of Section 35, Town 1 North, Range 17 West, Casco Township, Allegan County, Michigan; thence South 21°19'40" West along the center of North Shore Drive, 235.00 feet to the place of beginning of this description; thence South 21°19'40" West along the center of North Shore Drive, 23.40 feet thence North 89°49'00" West, (previously deeded as West), 351.09 feet; thence North 23°00'00" East, 1.50 feet; thence North 80°51'30" West, 46.20 feet; thence North 77°55'00" West, 32.93 feet; thence North 72°12'00" West, 105.0 feet; thence North 89°49'00" West to Lake Michigan; thence Northerly along Lake Michigan to a point North 68°55'00" West of the place of beginning; thence South 68°55'00" East to the place of beginning. Together with an easement for ingress and egress and public utilities over a strip of land described as beginning at a point found by commencing in the center of North Shore Drive 1284.50 feet South and 1248.25 feet West of the East Quarter Post of Section 35, Town 1 North, Range 17 West; thence South 21°19'40" West along the center of North Shore Drive 215.00 feet to the place of beginning of this description; thence North 68°55' West, 158.75 feet; thence South 81°08' West, 40.07 feet; thence South 68°55' East, 30.05 feet; thence North 81°08'00" East, 10.00 feet; thence South 68°55'00" East, 154.67 feet to the center of North Shore Drive; thence North 21°19'40" East on said center, 15.00 feet to the place of beginning.

AND

Beginning at a point found by commencing at the Southeast corner of Section 35, Town 1 North, Range 17 West; thence North 89 Degrees 56' 15" West on the South line of the Section, 1773.00 feet to the center of North Shore Drive; thence North 21 Degrees 09'35" East (previously deeded as Northeasterly) on said center, 945.61 feet to the place of beginning of this description; thence continuing North 21 Degrees 09'35" East along the center of North Shore Drive, 118.39 feet; thence North 70 Degrees 31'00" West, 284.33 feet; thence North 89 Degrees 49'00" West (previously Deeded as West), 47.16 feet to a point of an intermediate traverse line along Lake Michigan; thence South 24 Degrees 05'15" West on said traverse line, 107.12 feet; thence South 71 Degrees 12'25" East (previously Deeded as South 71 Degrees East), 334.00 feet to the place of beginning. Together with all land, if any, lying between the North and South lines extended Westerly to Lake Michigan from said intermediate traverse line.

EXHIBIT B

FORM of FIRST AMENDED AND RESTATED REVOLVING LOAN NOTE

\$6,500,000.00

Chicago, Illinois
January 28, 2000
Amended and Restated
May 25, 2000

FOR VALUE RECEIVED, ARMON, INC., a Delaware corporation, FIRE PROTECTION INDUSTRIES INC., an Illinois corporation, F.E. MORAN, INC. SPECIAL HAZARD SYSTEMS, a Delaware corporation, THERMODYNE MECHANICAL SERVICES, INCORPORATED, an Illinois corporation, F.E. MORAN, INC., an Illinois corporation, and F.E. MORAN, INC. FIRE PROTECTION, an Illinois corporation (individually and collectively together with their successors and assigns "Maker"), jointly and severally promise to pay to the order of LASALLE BANK NATIONAL ASSOCIATION, a national banking association (together with its successors and assigns, "Bank"), on or before July 1, 2001 at Bank's principal office in Chicago, Illinois, the principal sum of Six Million Five Hundred Thousand and 00/100 Dollars (\$6,500,000.00) or, if less, the Revolving Loan Balance (as defined in the Loan Agreement) hereunder (but not including amounts made available under Letters of Credit but not yet drawn) at such time (but including the Letter of Credit Liability only to the extent Bank has paid draws on Letters of Credit), plus accrued and unpaid interest thereon and all other charges applicable thereto, all as set forth more fully in that certain Second Amended and Restated Loan Agreement dated as of January 28, 2000, between Maker and Bank (as the same may be amended, modified, supplemented or restated from time to time, including, without limitation, as amended and modified by that certain First Amendment to Second Amended and Restated Loan Agreement of even date herewith, the "Loan Agreement"). All capitalized terms used but not elsewhere defined herein shall have the respective meanings ascribed to such terms in the Loan Agreement.

This Revolving Note is executed to evidence the Revolving Loan described in, and is subject to the terms and conditions of, the Loan Agreement. This Revolving Note shall bear interest at the applicable rates set forth in the Loan Agreement, and interest on this Revolving Note shall be paid, and principal on this Revolving Note shall be paid and may be prepaid, in accordance with the terms of the Loan Agreement, reference to which is hereby made for a complete statement of the terms thereof.

Payments of both principal and interest are to be made in the lawful money of the United States of America.

This Revolving Note is secured pursuant to the Loan Agreement and various Collateral Documents referred to therein, and reference is made thereto for a statement of terms and provisions.

In addition to, and not in limitation of, the foregoing and the provisions of the Loan Agreement hereinabove referred to, Maker further agrees, subject only to any limitation imposed by applicable law, to pay all reasonable expenses, including reasonable attorneys' fees and expenses, incurred by the holder of this Revolving Note in seeking to collect any amounts payable hereunder which are not paid when due, whether by acceleration or otherwise.

This Note may be executed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one agreement, binding on all parties hereto notwithstanding that all of the parties hereto are not signatories to the same counterpart. Each of the undersigned parties authorizes the assembly of one original copy of this Note through the combination of several executed counterpart signature pages with one body of this Note, such that this Note shall consist of the body of this Note, counterpart signature pages which collectively will contain the signatures of the undersigned parties hereto. The original compilation of this Note shall constitute one original of this Note.

This Revolving Note is binding upon Maker and its successors and assigns, and shall inure to the benefit of the Bank and its successors and assigns. This Revolving Note is made under and governed by the laws of the State of Illinois without regard to conflict of laws principles.

This Revolving Note evidences the same indebtedness as did the Revolving Loan Note issued by Maker to the Bank, dated January 28, 2000 (the "Prior Note"), which is amended and restated hereby. This Revolving Note is issued in substitution for (and not in discharge of the indebtedness evidenced by) the Prior Note.

IN WITNESS WHEREOF, Maker has executed this Revolving Note as of the day and year first written above.

ARMON, INC.
a Delaware corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
John Puder,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

FIRE PROTECTION INDUSTRIES, INC.
an Illinois corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
John Puder,
Executive Vice President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

**F.E. MORAN, INC. SPECIAL
HAZARD SYSTEMS.**
a Delaware corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
John Puder,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

**THERMODYNE MECHANICAL
SERVICES, INCORPORATED**
an Illinois corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
Bert Miedler,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

F.E. MORAN, INC.,
an Illinois corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
Richard Maloni

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

F.E. MORAN, INC. FIRE PROTECTION,
an Illinois corporation

By: _____
Owen A. Moran,
Chief Executive Officer

By: _____
Brian Moran,
President

2265 North Carlson Drive
Northbrook, Illinois 60062
847-498-4800 Telephone
847-498-0457 Facsimile

PROPERTY OF COOK COUNTY CLERK'S OFFICE