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THIS INSTRUMENT PREPARED BY:

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MAIL TO:



MORTGAGE

THIS MORTGAGE is dated as of November 5, 2001, and is executed by LASALLE BANK NATIONAL ASSOCIATION, not personally but as trustee under trust agreement dated 2/18/88 and known as trust number 113036 and ACME REFINING COMPANY, an Illinois corporation (together, the "Borrower") in favor of LASALLE BANK NATIONAL ASSOCIATION, a national banking association having an address at 155 South LaSalle Street, Chicago, Illinois 60603 ("Lender").

WITNESSETH: Real Estate Index 2963481

Borrower has executed the following promissory notes pursuant to a certain Second Amended and Restated Loan and Security Agreement dated November 5, 2001 between Mortgagor and Lender (collectively, the "Notes"):

- (i) Replacement Revolving Note dated November 5, 2001, signed by the Borrower in the principal amount of \$3,000,000.00;
- (ii) Term Note A dated November 5, 2001, signed by Borrower in the principal amount of \$4,075,000.00;

- (iii) Term Note B dated November 5, 2001 signed by Borrower in the principal amount of \$551,108.51;
- (iv) Mortgage Note dated November 5, 2001, signed by Borrower in the original principal amount of \$1,750,000.00; and
- (v) Equipment Note dated November 5, 2001, signed by Borrower in the original principal amount of \$1,000,000.00.

To secure the payment of the indebtedness evidenced by the Notes and all other indebtedness of Borrower to Lender outstanding from time to time, not to exceed in total \$3,500,000.00 and the hereinafter defined Liabilities, Borrower does by these presents CONVEY and MORTGAGE unto Lender, all of Borrower's estate, right, title and interest in the real estate situated, lying and being in the County of Cook and State of Illinois and legally described on attached Exhibit A and made part hereof, which is referred to herein as the "Premises," together with all improvements, buildings, tenements, hereditaments, appurtenances, gas, oil, minerals, easements located in, on, over or under the Premises, and all types and kinds of fixtures, including without litigation, all of the foregoing used to supply heat, gas, air conditioning, water, light, power, refrigeration or ventilation (whether single units or centrally controlled) and all screens, window shades, storm doors and windows, floor coverings, awnings, stoves and water heaters, whether now on the Premises or hereafter erected, installed or placed on or in the Premises, or whether or not physically attached to the Premises. The foregoing items are and shall be deemed a part of the Premises and a portion of the security for the Liabilities, as that term is defined in Section 11, hereof, as between the parties hereto and all persons claiming by, through or under them.

Further, Borrower does hereby pledge and assign to Lender, all leases, written or verbal, rents, issues and profits of the Premises, including without limitation, all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits of money as advance rent or for security, under any and all present and future leases of the Premises, together with the right, but not the obligation, to collect, receive, demand, sue for the recover the same when due or payable. Lender, by acceptance of this Mortgage, agrees, as personal covenant applicable to Borrower only, and not as a limitation or condition hereof and not available to anyone other than Borrower, that until a Default, as hereinafter defined, shall occur or an event shall occur, which under the terms hereof shall give to Lender the right to foreclose this Mortgage, Borrower may collect, receive and enjoy such avails.

Further, Borrower covenants and agrees as follows:

1. Borrower shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Premises which may become damaged or be destroyed; (b) keep the Premises in good condition and repair, without waste, and, except for this Mortgage, free from any encumbrances, mechanic's liens or other liens or claims for lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Premises, and upon request exhibit satisfactory evidence of the discharge of such lien to Lender; (d) complete within a reasonable time any building or buildings now or at any time in process of erection with the

Premises; (e) comply with all requirements of all laws or municipal ordinances with respect to the Premises and the use of the Premises; (f) refrain from impairing or diminishing the value of the Premises.

2. Borrower shall pay, when due and before any penalty attaches, all general taxes, special taxes, special assessments, water charges, drainage charges, sewer service charges, and other charges against the Premises. Borrower shall, upon written request, furnish to Lender duplicate paid receipts for such taxes, assessments and charges. To prevent Default, hereunder Borrower shall pay in full prior to such tax, assessment or charge becoming delinquent under protest, in the manner provided by statute, any tax, assessment or charge which Borrower may desire to contest.

3. Upon the request of Lender, Borrower shall deliver to Lender all original leases of all or any portion of the Premises, together with assignments of such leases from Borrower to Lender, which assignments shall be in form and substance satisfactory to Lender; Borrower shall not procure, permit nor accept any prepayment, discharge or compromise of any rent nor release any tenant from any obligation, at any time while the indebtedness secured hereby remains unpaid, without Lender's written consent.

4. Any awards of damage resulting from condemnation proceedings, exercise of the power of eminent domain, or the taking of the Premises for public use are hereby transferred, assigned and shall be paid to Lender and the proceeds or any part thereof may be applied by Lender, after the payment of all of its expenses including costs and attorneys' fees, to the reduction of the indebtedness secured hereby and Lender is hereby authorized, on behalf and in the name of Borrower, to execute and deliver valid acquittances and to appeal from any such award.

5. No remedy or right of Lender hereunder shall be exclusive. Each right and remedy of Lender with respect to this Mortgage shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay by Lender in exercising, or omission to exercise, any remedy or right accruing on Default (defined hereinafter) shall impair any such remedy or right, or shall be construed to be a waiver of any such Default, or acquiescence therein, nor shall it affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Lender.

6. Borrower shall keep all buildings and improvements now or hereafter situated on the Premises insured against loss or damage by fire, lightning, windstorm and such other hazards as may from time to time be designated by Lender, including without limitation, flood damage, where Lender is required by law to have the loans evidenced by the Notes so insured. Each insurance policy shall be for an amount sufficient to pay the cost of replacing or repairing the buildings and improvements on the Premises and, in no event less than the principal amount of each Note; all policies shall be issued by companies satisfactory to Lender. Each insurance policy shall contain a lender's loss payable clause or endorsement, in form and substance satisfactory to Lender. Borrower shall deliver all insurance policies, including additional and

renewal policies, to Lender. In case of insurance about to expire, Borrower shall deliver to Lender renewal policies not less than ten (10) days prior to each respective date of expiration.

7. Upon Default by Borrower hereunder, Lender may, but need not, make any payment or perform any act required by Borrower hereunder in any form and manner deemed expedient by Lender, and Lender may, but need not, make full or partial payments of principal or interest on any encumbrances affecting the Premises and Lender may purchase, discharge, compromise or settle any tax lien or other lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Lender to protect the Premises or the lien hereof, plus reasonable compensation to Lender for each matter concerning which action herein authorized may be taken, shall be so much additional indebtedness secured hereby and shall become immediately due and payable, on ten (10) days prior written notice from Lender, and with interest thereon at a per annum rate equivalent to the Default Rate set forth in the Notes. Inaction of Lender shall never be considered as a waiver of any right accruing to Lender on account of any Default hereunder on the part of Borrower.

8. If Lender makes any payment authorized by this Mortgage relating to taxes, assessments, charges or encumbrances, Lender may do so according to any bill, statement or estimate received from the appropriate public office without inquiry into the accuracy or validity of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof

9. Upon Default, at the sole option of Lender, the Notes and any other Liabilities shall become immediately due and payable and Borrower shall pay all expenses of Lender including attorneys' fees and expenses incurred in connection with this Mortgage and all expenses incurred in the enforcement of Lender's right in the Premises and other costs incurred in connection with the disposition of the Premises. The term "Default" when used in this Mortgage means the failure of Borrower to comply with or to perform any representation, warranty, term, condition, covenant or agreement contained in this Mortgage, the Notes, or any instrument securing any Liabilities.

10. Notwithstanding any other provisions of this Mortgage, no sale, lease, mortgage, trust deed, grant by Borrower of any encumbrance of any kind, conveyance, contract to sell, or transfer of the Premises, or any part thereof, or transfer of occupancy or possession of the Premises, or any part thereof, or sale or transfer of ownership of the beneficial interest or power of direction in Borrower shall be made without the prior written consent to Lender.

11. "Liabilities" means any and all liabilities, obligations and indebtedness of the Borrower for payment of any and all amounts due under the Notes or any other liabilities, indebtedness, and obligations of every kind and nature of either Borrower to the Lender whether heretofore, now owing or hereafter arising and owing, due or payable, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, primary or secondary, joint or several, whether existing or arising through discount, overdraft, purchase, direct loan, by operation of law, or otherwise, together with all costs of collection, legal expenses and outside or

in-house attorneys' fees and paralegals' fees or charges incurred or paid by Lender in attempting the collection or enforcement of the Notes, or in the repossession, custody, sale, lease, assembly or other disposition of any collateral for the Notes, plus all other amounts described as Liabilities hereunder. Notwithstanding the foregoing, in no event shall the lien of this Mortgage secure outstanding Liabilities in excess of 200% of the original stated principal amount of the Notes.

12. When the indebtedness secured hereby shall become due whether by acceleration or otherwise, Lender shall have the right to foreclose the lien of this Mortgage. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included as additional indebtedness in the judgment of foreclosure all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Lender may deem to be reasonably necessary either to prosecute the foreclosure suit or to evidence to bidders at any foreclosure sale. All of the foregoing items, which may be expended after entry of the foreclosure judgment, may be estimated by Lender. All expenditures and expenses mentioned in this paragraph shall become additional indebtedness secured hereby and shall be immediately due and payable, with interest thereon at a rate equivalent to the Default Rate set forth in the Notes, when paid or incurred by Lender. This paragraph shall also apply to any expenditures or expenses incurred or paid by Lender or on behalf of Lender in connection with (a) any proceeding, including without limitation, probate and bankruptcy proceedings, to which Lender shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness secured by; or (b) preparations for the commencement of any suit for the foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced or preparation for the commencement of any suit to collect upon or enforce the provisions of the Notes or any instrument which secures the Notes after default under the Notes whether or not actually commenced; or (c) preparations of the defense of any threatened suit or proceeding which might affect the Premises or the security hereof, whether or not actually commenced.

13. The proceeds from any foreclosure sale shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings, including all the items that are mentioned in the preceding paragraph; second, all other items which under the terms of this Mortgage constitute indebtedness secured by this Mortgage additional to that evidenced by the Notes or the Liabilities, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Notes and the Liabilities (first to interest and then to principal); fourth, any surplus to Borrower or Borrower's successors or assigns, as their rights may appear.

14. Upon, or at any time after, the filing of a complaint to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of the Premises. The receiver's appointment may be made, either before or after sale, without notice, without regard to the solvency or insolvency of Borrower at the time of application for the receiver and without regard to the then value of the Premises or whether the Premises shall be then occupied as a homestead or not. Lender may be appointed as the receiver. Such receiver shall have power to collect the rents, issues and profits of the Premises during the pendency of the foreclosure suit and, in case

of a sale and deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Borrower, except for the intervention of the receiver would be entitled to collect the rents, issues and profits. Such receiver shall also have all other powers, which may be necessary or are usual for the protection, possession, control, management and operation of the Premises during the statutory redemption period, if any. The court in which the foreclosure suit is filed from time to time may authorize the receiver to apply the net income in the receiver's hands in payment in whole or in part of the indebtedness secured hereby, or secured by any judgment foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of the judgment, and the deficiency judgment against Borrower in case of a foreclosure sale and deficiency. In addition to and not in limitation of the foregoing remedies Lender shall be entitled to be appointed a mortgagee in possession of the Premises.

15. The Mortgagor hereby covenants and agrees that it will not at any time insist upon or plead, or in any manner whatever claim or take any advantage of, any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor claim take or insist upon any benefit or advantage of or from any law now or hereafter in force providing for the valuation or appraisal of the Premises, or any part thereof, prior to any sale or sales thereof to be made pursuant to any provisions herein contained, or to decree, judgment or order of any court of competent jurisdiction; or after such sale or sales claim or exercise any rights under any statute now or hereafter in force to redeem the property so sold, or any part thereof, or relating to the marshaling thereof, upon foreclosure sale or other enforcement hereof. The Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, excepting only decree or judgment creditors of the Mortgagor acquiring any interest or title to the Premises or beneficial interest in Mortgagor subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by the provisions of Chapter 735, Section 5/15-1601 of the Illinois Compiled Statutes or other applicable law or replacement statutes. The Mortgagor will not invoke or utilize any such law or laws or otherwise hinder, delay or impede the execution of any right, power or remedy herein or otherwise granted or delegated to the Mortgagee, but will suffer and permit the execution of every such right, power and remedy as though no such law or laws had been made or enacted.

16. No action for the enforcement of the lien or of any provision of this Mortgage shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Notes.

17. Lender shall have the right to inspect the Premises at all reasonable times and access thereto shall be permitted for that purpose.

18. This Mortgage and all provisions hereof, shall extend to and be binding upon Borrower and all persons or parties claiming under or through Borrower. The word "Borrower" when used herein shall also include all persons or parties liable for the payment of the indebtedness secured hereby or any part thereof, whether or not such persons or parties shall have executed the Notes or this Mortgage. The singular shall include the plural, the plural shall

mean the singular and the use of any gender shall be applicable to all genders. The word "Lender" includes the successors and assigns of Lender.

19. This Mortgage has been made, executed and delivered to Lender in Chicago, Illinois and shall be construed in accordance with the internal laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid upon applicable law. If any provisions of this Mortgage are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective to the extent or such prohibitions or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Mortgage.

20. This Mortgage is executed by LaSalle Bank National Association not personally, but as trustee under Trust No. 113036, in the exercise of the power and authority conferred upon and vested in it as such trustee (and said LaSalle Bank National Association hereby warrants that it possesses full power and authority to execute the instrument) and it is expressly understood and agreed that nothing contained herein or in the Notes, or in any other instrument given to evidence the indebtedness secured hereby shall be construed as creating any liability on the part of said mortgagor or grantor, or on said LaSalle Bank National Association personally to pay said Notes or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by the mortgagee or trustee under said Trust Deed, the legal owners or holders of the Notes, and by every person now or hereafter claiming any right or security hereunder; and that so far as the mortgagor or grantor and said LaSalle Bank National Association personally are concerned, the legal holders of the Notes and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby mortgaged or conveyed for the payment thereof by the enforcement of the lien created in the manner herein and in said Notes provided or by action to enforce the personal liability of the guarantor or guarantors, if any. Trustee does not warrant, indemnify, defend title nor is it responsible for any environmental damage.

IN WITNESS WHEREOF, Borrower has executed and delivered this Mortgage as of the day and year set forth above.

ATTEST:
ATTESTATION NOT REQUIRED BY
LASALLE BANK NATIONAL ASSOCIATION
BYLAWS

LASALLE BANK NATIONAL ASSOCIATION,
not personally but as trustee under trust agreement
dated 2/18/88 and known as trust number 113036

By: *Harold A. Demme*
Its: Trust Officer

ATTEST:

ACME REFINING COMPANY, an Illinois
corporation

Regal Smith
By: *James Brown*
Its: PRESIDENT

Property of Cook County Clerk's Office

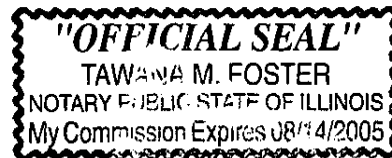
STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

I, the undersigned, a Notary Public in and for the County in the State aforesaid, do hereby certify that Harriet Denisewicz, the Trust Officer of LASALLE BANK and ... of LASALLE BANK known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and ... respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said LASALLE BANK, not personally but as trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 28th day of November, 2001.

Tawana M. Foster

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS



I, Eileen Plucinski, a Notary Public in and for the County in the State aforesaid, do hereby certify that Lawrence Baron, the President of ACME REFINING COMPANY and Louis Baron, Secretary of said corporation, known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said ACME REFINING COMPANY, for the uses and purposes therein set forth and the said Secretary did also then and there acknowledge that he/she as custodian of the corporate seal of said corporation, did affix the said corporate seal of said corporation to said instrument as his/her own free and voluntary act and as the free and voluntary act of said ...

Given under my hand and notarial seal this 27 day of Nov., 2001.

Eileen Plucinski
Notary Public

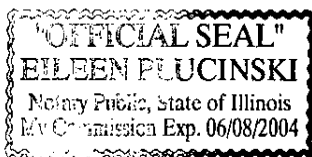


EXHIBIT ALEGAL DESCRIPTION

SUBDIVISION OF THAT PART OF THE S.E. ¼ OF THE S.W. ¼ OF SECTION 32, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS;

BEGINNING ON THE WEST LINE OF THE 30 FOOT RIGHT OF WAY OF THE CHICAGO JUNCTION RAILWAY COMPANY WHICH WEST RIGHT OF WAY LINE IS THE WEST LINE OF THE EAST 30 FEET OF SAID S.E. ¼ OF THE S.W. ¼ AT A POINT 509.34 FEET SOUTH OF THE NORTH LINE OF SAID S.E. ¼ OF THE S.W. ¼ AND RUNNING, THENCE WEST PERPENDICULAR TO SAID RIGHT OF WAY LINE, A DISTANCE OF 430.04 FEET TO AN INTERSECTION WITH A STRAIGHT LINE 200.00 FEET IN LENGTH DRAWN FROM A POINT IN THE EASTWARD EXTENSION OF THE SOUTHERLY DOCK LINE OF THE WEST ARM OF THE SOUTH FORK OF THE SOUTH BRANCH OF THE CHICAGO RIVER AS ESTABLISHED BY ORDINANCE FROM THE CHICAGO CITY COUNCIL PASSED JULY 17, 1911, SAID POINT BEING 80 FEET EASTWARDLY FROM THE POINT OF INTERSECTION OF SAID SOUTHERLY DOCK LINE WITH THE WESTERLY DOCK LINE OF THE EAST ARM OF SAID SOUTH FORK, TO A POINT 60 FEET MEASURED PERPENDICULARLY EASTERLY FROM THE WESTERLY DOCK LINE OF THE EAST ARM OF SAID SOUTH FORK; THENCE SOUTHWARDLY ALONG THE SAID STRAIGHT LINE 200 FEET IN LENGTH, A DISTANCE OF 152.01 FEET TO SAID POINT BEING 60 FEET EASTWARDLY FROM SAID WESTERLY DOCK LINE; THENCE SOUTHWARDLY AT 225 FEET, PASSING 30 FEET (MEASURED PERPENDICULARLY) EASTERLY FROM SAID WESTERLY DOCK LINE, A DISTANCE OF 247.65 FEET TO AN INTERSECTION WITH A LINE DRAWN (PERPENDICULAR TO THE EAST LINE OF THE S.W. ¼ OF SAID SECTION 32, AT POINT WHICH IS 421.66 FEET NORTH OF THE S.E. CORNER OF SAID S.W. ¼ SECTION 32; THENCE EAST ALONG SAID PERPENDICULAR LINE, A DISTANCE OF 368.01 FEET, TO A POINT WHICH IS 58.42 FEET WEST OF SAID EAST LINE OF THE S.W. ¼ OF SECTION 32; THENCE SOUTHWARDLY ALONG THE ARC OF A CIRCLE, CONVEX EASTERLY AND HAVING A RADIUS OF 220.41 FEET, A DISTANCE OF 52.83 FEET TO ITS INTERSECTION WITH THE NORTHWESTERLY LINE OF AN EASEMENT GRANTED TO THE SANITARY DISTRICT OF CHICAGO, RECORDED OCTOBER 16, 1950 AS DOCUMENT 14927079, WHICH INTERSECTION IS 368.52 FEET NORTH OF THE SOUTH LINE AND 55.59 FEET WEST OF THE EAST LINE OF SAID SOUTHWEST ¼, THENCE NORTHEASTWARDLY ALONG THE NORTHWESTERLY LINE OF SAID EASEMENT, BEING AN ARC OF A CIRCLE, CONVEX TO THE S.E., HAVING A RADIUS OF 143.25 FEET, A DISTANCE OF 3.84 FEET, TO ITS INTERSECTION WITH THE WESTERLY LINE OF A RIGHT OF WAY OF THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY, SAID WESTERLY LINE BEING AN ARC OF A CIRCLE CONVEX TO THE S.E. WITH A RADIUS OF 491.00 FEET, HAVING AS ITS SOUTHERLY TERMINUS A POINT WHICH IS 324.00 FEET NORTH OF THE SOUTH LINE AND 70.00 FEET WEST OF THE EAST LINE OF SAID S.W. ¼ AND AS ITS NORTHERLY TERMINUS A POINT WHICH IS 521.00 FEET NORTH OF THE SOUTH LINE AND 30.00 WEST OF THE EAST LINE OF SAID S.W. ¼ AND SAID INTERSECTION BEING A POINT 370.86 FEET NORTH OF THE SOUTH LINE AND 52.52 FEET WEST OF THE EAST LINE OF SAID S.W. 1/4; THENCE NORTHEASTWARDLY ALONG SAID WESTERLY RIGHT OF WAY LINE, A DISTANCE OF 152.06 FEET TO SAID POINT WHICH IS 521.00 FEET NORTH OF SAID SOUTH LINE OF SAID S.W. ¼ AND, THENCE NORTH ALONG SAID WEST RIGHT OF WAY LINE BEING THE WEST LINE OF THE EAST 30 FEET OF SAID S.E. ¼ OF THE S.W. ¼, A DISTANCE OF 298.95 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Commonly known as: 3802 South Racine Avenue
Cook County, Illinois

P.I.N. 17-32-300-174