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0312210207

Eugene "Gene" Moore Fee: \$56.50

Cook County Recorder of Deeds

Date: 05/02/2003 04:24 PM Pg: 1 of 17

This instrument was prepared by
and following recording return to:
Michael D. Burstein, Esq.
Much Shelist Freed Denenberg
Ament & Rubenstein, P.C.
191 N. Wacker, Suite 1800
Chicago, Illinois 60606

FIFTH AMENDMENT TO LOAN DOCUMENTS

THIS FIFTH AMENDMENT TO LOAN DOCUMENTS (this "**Fifth Amendment**") is made and entered into this 20 day of September, 2001 (the "**Effective Date**"), among the following: (i) American Chartered Bank, a national banking association (together with its successors and assigns, "**Lender**"); and (ii) Comet Tool, Inc., an Illinois corporation, and Firststar Bank, N.A. (f/k/a Firststar Bank Illinois), not personally but solely as Trustee under Trust No. 1-5323 dated May 1, 1995, ("**Trustee**"; Comet and Trustee are collectively referred to as the "**Borrower**"). *U.S. Bank, N.A. fka

RECITALS

A. Borrower and Lender previously entered into that certain Loan and Security Agreement dated as of July 23, 1999, as amended by that certain First Amendment to Loan Documents dated August 31, 1999, that certain Second Amendment to Loan Documents dated September 1, 1999, that certain that Third Amendment to Loan Documents dated September 1, 2000 and that certain Fourth Amendment to Loan Documents dated August 30, 2001 (said Loan and Security Agreement, as modified pursuant to the preceding amendments, will be referred to in this Fifth Amendment as the "**Loan Agreement**") pursuant to which Lender extended the following five (5) credit facilities to Borrower (collectively, the "**Loans**"): (i) a revolving line of credit authorizing Borrower to draw up to One Million Dollars (\$1,000,000) in principal (the "**Revolving Loan**"), which Revolving Loan was evidenced by a revolving credit note (the "**Revolving Note**"); (ii) a term loan in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000) (the "**Term Loan**"), which Term Loan is evidenced by a term note (the "**Term Note**"); (iii) a term loan in the principal amount of Two Hundred Sixty-Four Thousand Dollars (\$264,000) (the "**Term Loan No. 1**"), which Term Loan No. 1 is evidenced by a term note (the "**Term Note No. 1**") (iv) an equipment loan in the principal amount of Five Hundred Fifty Thousand Dollars (\$550,000) (the "**Equipment Loan**"), which Equipment Loan is evidenced by an Equipment Note (the "**Equipment Note**"); and (v) an equipment loan in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) (the "**Equipment Loan No. 1**"), which Equipment Loan No. 1 is evidenced by an Equipment Loan No. 1 Note

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(the "**Equipment Note No. 1**"). The Revolving Note, Term Note, Term Note No. 1, Equipment Note and Equipment Note No. 1 are sometimes referred to collectively as the "**Notes**" and individually as a "**Note**".

B. Borrower secured and cross collateralized Borrower's repayment of the Loans, in part, as provided in: (i) the Loan Agreement; (ii) that certain Continuing Guaranty of Hans Wiesmayer (the "**Guarantor**"), guaranteeing Borrower's repayment of the Loans (the "**Guaranty**"); (iii) a Mortgage and Security Agreement (the "**Mortgage**") on the business facility of Borrower located at 880 and 900 Nicholas Boulevard, Elk Grove Village, IL 60007 ("**Real Property**"); and (iv) an Assignment of Rents and Leases ("**Assignment of Rents**") on the Real Property.

C. Borrower desires to borrow from Lender an additional term loan (the "**Term Loan No. 2**") in the principal amount of \$136,000 upon the terms and conditions herein.

NOW, THEREFORE, in consideration of the promises and the mutual agreements set forth below, it is agreed by the parties as follows:

AGREEMENT

1. **Capitalized Terms.** All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Documents.
2. **Recitals.** The Recitals to this Fifth Amendment are incorporated herein by this reference as fully and with the same force and effect as if repeated herein at length.
3. **Modification of Loan Documents.** Each and every Loan Document is hereby modified and amended to reflect the terms hereof; and wherever reference is made to any such Loan Document, such reference shall be deemed to refer to such Loan Document as modified and amended by this Fifth Amendment.
4. **Consent by Borrower and Guarantor.** Borrower and Guarantor hereby consent to the terms, provisions and conditions of this Fifth Amendment and hereby ratify, confirm and approve the Loan Documents, as amended hereby, and each and every term, provision and condition therein contained, and acknowledge that they remain in full force and effect without offset, demand or counterclaim.
5. **Fees and Expenses.** Borrower agrees that it will pay costs and expenses and disbursements, incurred by Lender in connection with and related to this Fifth Amendment and the transactions contemplated thereby.
6. **Paragraph A of the Recitals to the Loan Agreement.** The Loan Agreement shall be amended by deleting existing paragraph A of the Recitals to the Loan Agreement, and replacing it instead with the following:

"A. Borrower has requested Lender to establish six (6) credit facilities, as follows: (i) a revolving line of credit which will authorize Borrower to draw up to One Million Dollars (\$1,000,000) in principal (the "**Revolving Loan**"); (ii) a term loan in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000) which will refinance certain existing term debt (the "**Term Loan**"); (iii) a term loan in the principal amount of Two Hundred Sixty-Four Thousand Dollars (\$264,000) (the "**Term Loan No. 1**"); (iv) a term loan in the principal amount of One Hundred Thirty-Six Thousand Dollars (\$136,000) (the "**Term Loan No. 2**"); (v) an equipment loan in the principal amount of Five Hundred Fifty Thousand Dollars (\$550,000) which will provide equipment financing for two machining centers currently on order (the "**Equipment Loan**"); and

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(vi) an equipment loan facility in the maximum principal amount of Three Hundred Fifty Thousand Dollars (\$350,000) to support future equipment purchases (the "**Equipment Loan No. 1**"). The Revolving Loan, Term Loan, Term Loan No. 1, Equipment Loan and Equipment Loan No. 1 sometimes shall be referred to collectively in this Agreement as the "**Loans**" or individually as a "**Loan**".

7. **Section 1.48 of the Loan Agreement.** The Loan Agreement shall be amended by deleting existing Section 1.48 of the Loan Agreement in its entirety, and replacing it instead with the following:

"1.48 **Maturity Dates.** For the Revolving Loan, the term "**Maturity Date**" means September 1, 2002. For the Term Loan, the term "**Term Maturity Date**" means September 1, 2004. For the Term Loan No. 1, the term "**Term No. 1 Maturity Date**" means September 1, 2002. For the Term Loan No. 2, the term "**Term No. 2 Maturity Date**" means September 1, 2002. The Maturity Date of the Equipment Loan is identified in Section 2.6(e) below. The Maturity Date of Equipment Loan No. 1 is identified in Section 2.6(f) below."

8. **Section 1.50 of the Loan Agreement.** The Loan Agreement shall be amended by deleting existing Section 1.50 of the Loan Agreement in its entirety, and replacing it instead with the following:

1.50 **Note.** The term "**Notes**" is a collective reference to the "Revolving Note", "Term Note", "Term Note No. 1", "Term Note No. 2", "Equipment Note", and the "Equipment Note No. 1" (all as defined in Section 2.4 below), all of which the Borrower must execute and deliver to Lender to evidence its obligation to repay the Loans. The Notes sometimes will be referred to individually as a "Note".

9. **Section 2.2(a-2) of the Loan Agreement.** The Loan Agreement shall be amended by adding the following as Section 2.2(a-2) of the Loan Agreement:

"(a-1) **Term Loan No. 2.** Lender has agreed to make the Term Loan No. 2 to Borrower. Borrower has the Obligation to repay the Term Loan No. 2 on a periodic basis, as identified in Section 2.6 below. Borrower agrees that even if repaid prior to the Maturity Date, Borrower may not reborrow any portion or all of the Term Loan No. 2. Borrower's right to request future Advances shall pertain solely to the amount of Borrowing Capacity available under the Revolving Loan, and shall not include any portion of the Term Loan No. 2, whether or not repaid. The Term Loan No. 2 shall mature on the Term No. 2 Maturity Date, and at such time Borrower shall pay the Term Loan No. 2 to Lender in full without notice or demand, inclusive of all associated interest, penalties and costs."

10. **Section 2.4 of the Loan Agreement.** The Loan Agreement shall be amended by deleting existing Section 2.4 of the Loan Agreement in its entirety and replacing it with the following:

"2.4 **Secured Notes.** Borrower shall evidence its Obligations under this Agreement to pay principal, interest and costs due under the Loans, and all other amounts due to Lender under any other Loan Documents, by duly executing the following secured promissory notes (as such promissory notes may be amended, modified, supplemented or restated from time to time): (i) for the Revolving Loan, a "**Revolving Note**" in the form set forth on attached and incorporated **Exhibit "D"** (with blanks appropriately completed in conformity with this Agreement), in the principal amount of One Million Dollars (\$1,000,000); (ii) for the Term Loan, a "**Term Note**" in the form set forth on attached and incorporated **Exhibit "E"** (with blanks appropriately completed in conformity with this Agreement), in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000); (iii) for the Term Loan No. 1, a "**Term Note No. 1**" in the form set forth on attached

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and incorporated Exhibit "E-1" (with blanks appropriately completed in conformity with this Agreement), in the principal amount of Two Hundred Sixty-Four Thousand Dollars (\$264,000); (iv) for the Term Loan No. 2, a "Term Note No. 2" in the form set forth on attached and incorporated Exhibit "E-2" (with blanks appropriately completed in conformity with this Agreement), in the principal amount of One Hundred Thirty-Six Thousand Dollars (\$136,000); (v) for the Equipment Loan, an "Equipment Note" in the form set forth on attached and incorporated Exhibit "F" (with blanks appropriately completed in conformity with this Agreement), in the principal amount of Five Hundred Fifty Thousand Dollars (\$550,000); and (vi) for the Equipment Loan No. 1, an "Equipment Note No. 1" in the form set forth on attached and incorporated Exhibit "G" (with blanks appropriately completed in conformity with this Agreement), in the principal amount of Three Hundred Fifty Thousand Dollars (\$350,000). Borrower shall deliver each of the duly executed Notes to Lender on the Effective Date. The Borrower's repayment under each of the Notes shall be secured by all the Collateral."

11. Exhibit "E-2" to this Fifth Amendment. Exhibit "E-2" attached hereto shall be added as Exhibit "E-2" to the Loan Agreement.

12. Section 2.5(a) of the Loan Agreement. The Loan Agreement shall be amended by deleting existing Section 2.5(a) of the Loan Agreement in its entirety and replacing it with the following:

"2.5 Interest.

(a) Loan Rate Applies Until Default Event. For purposes of this Agreement, the rate of interest identified in this Section as applicable to a particular Loan until a Default Event occurs, shall be referred to generally as the "Loan Rate". Borrower shall pay interest on the unpaid principal amount outstanding under the Revolving Loan from time to time, from and including the date of such Advance of the Loan to the day of repayment of such Advance or until the Maturity Date equal to the annual Prime Rate existing from time to time. Borrower shall pay interest on the unpaid principal amount outstanding under the Equipment Loan from time to time, and the Equipment Loan No. 1, from time to time, until the Activation Date and Activation Date No. 1, as applicable (as hereinafter defined), from and including the Disbursement Date of each Advance until the Maturity Date, at a floating rate equal to the annual Prime Rate existing from time to time plus one-half percent (.50%). The amount of interest Borrower shall pay on the unpaid principal amount outstanding under the Equipment Loan and the Equipment Loan No. 1 after the Activation Date or Activation Date No. 1, as applicable, until such unpaid principal amount is indefeasibly repaid to Lender in full, shall be a fixed interest rate ("Fixed Rate"), in an amount equal to the Treasury Rate existing on the Activation Date or Activation Date No. 1, as applicable, as to the Equipment Loan, and as to the Activation Date No. 1 as to the Equipment Loan No. 1, plus two and one-half percent (2.50%). Borrower shall pay interest on the unpaid principal amount of the Term Loan outstanding until the Term Maturity Date at a rate equal to eight and 10/100 (8.10%). Borrower shall pay interest on the unpaid principal amount of the Term Loan No. 1 outstanding until the Term No. 1 Maturity Date at a rate equal to nine and 25/100 (9.25%). Borrower shall pay interest on the unpaid principal amount of the Term Loan No. 2 outstanding until the Term No. 2 Maturity Date at a rate equal to seven and 25/100 (7.25%). The interest rates established for the particular Loans as set forth in this Section 2.5(a) will pertain until a Default Event occurs. Commencing upon the occurrence of a Default Event and continuing thereafter, the Default Rate identified in Section 2.5(b) below will be the rate of interest applicable to all Loans. Any change in the Prime Rate will be effective as of the date such Prime Rate is published or announced. All Loan Rate interest shall be calculated daily on the basis of the actual number of days elapsed in a 360 day year."

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13. **Section 2.6(d-2) of the Loan Agreement.** The Loan Agreement shall be amended by adding the following as Section 2.6(d-2) of the Loan Agreement:

"(d-2) **Term Loan No. 2 Payment Terms.** Borrower shall repay all principal due under the Term Loan No. 2 in twelve (12) equal monthly installments of principal beginning on October __, 2001 and continuing on the first day of each calendar month thereafter in the amount of \$2,709.03, and Borrower shall make a balloon payment of the remaining principal and interest which remains outstanding under the Term Loan No. 2 in full, plus unpaid interest, on the Term No. 2 Maturity Date."

14. **Section 2.7 of the Loan Agreement.** The Loan Agreement shall be amended by deleting existing Section 2.7 of the Loan Agreement in its entirety and replacing it with the following:

"2.7 **Voluntary Prepayments.** Except as specifically provided in this paragraph, Borrower shall have the right to prepay the Revolving Loan, Term Loan, Term Loan No. 1, Term Loan No. 2, Equipment Loan and Equipment Loan No. 1, in whole or in part and from time to time, without premium or penalty, on the following terms and conditions: Borrower may prepay all or any portion of the unpaid balance of the Term Loan, Term Loan No. 1, Term Loan No. 2, Equipment Loan and Equipment Loan No. 1, with accrued interest thereon to date of payment upon giving thirty (30) days written notice to Lender of the intention to make such payment, and if at the time of such payment: (1) the sum of the yield on a United States Treasury Security or Bond with the closest matching maturity date to the Maturity Date, Term Maturity Date, Term No. 1 Maturity Date, Term Loan No. 2 Maturity Date, Equipment Maturity Date or Equipment No. 1 Maturity Date, as applicable, plus two percent (2%) (the "**Index Rate**") is the same as or greater than the Loan Rate, there shall be no prepayment premium and (2) The Index Rate is less than the Loan Rate, there shall be a prepayment premium in the amount of the present value (using the Index Rate for purposes of discounting on a monthly basis) of the Monthly Interest Shortfall (as defined herein) for the remaining term of the Revolving Loan, Term Loan, Term Loan No. 1, Term Loan No. 2, Equipment Loan and Equipment Loan No. 1, as the case may be. For purposes hereof, "**Monthly Interest Shortfall**") shall mean the product of (A) the Loan Rate minus the Index Rate which difference shall be divided by twelve (12), multiplied by (B) the outstanding principal balance of the loan on each monthly payment date for each full and partial month remaining until the Maturity Date."

15. **Section 2.9(a) of the Loan Agreement.** The Loan Agreement shall be amended by deleting existing Section 2.9(a) of the Loan Agreement in its entirety and replacing it with the following:

"(a) **Payment on Appropriate Maturity Dates.** Without notice or demand, Borrower shall repay the entire outstanding principal balance of: (i) the Revolving Loan, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, penalties, Default Rate interest and costs due under said Loans, and all other associated Obligations, on the Maturity Date; (ii) the Term Loan, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, penalties, Default Rate interest and costs due under the Term Loan and all other associated Obligations on the Term Maturity Date; (iii) the Term Loan No. 1, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, penalties, Default Rate interest and costs due under the Term Loan No. 1 and all other associated Obligations on the Term No. 1 Maturity Date; (iv) the Term Loan No. 2, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, penalties, Default Rate interest and costs due under the Term Loan No. 2 and all other associated Obligations on the Term No. 2 Maturity Date; (v) the Equipment Loan, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, royalties, Default Rate interest and costs due under the Asset Loan, and all

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other associated Obligations, on the Equipment Maturity Date; and (vi) the Equipment Loan No. 1, together with all accrued and unpaid interest computed at the applicable Loan Rate, premiums, penalties, Default Rate interest and costs due under the Equipment Loan, and all other associated Obligations, on the Equipment No. 1 Maturity Date."

16. **Mortgage.** The Mortgage shall be amended by deleting all recitals thereto in their entirety and replacing them with the following:

"WHEREAS, the Mortgagor and Comet Tool, Inc. ("**Comet Tool**") and Mortgagee among others have concurrently entered into that certain Loan and Security Agreement of even date herewith ("**Loan Agreement**") pursuant to which the Mortgagee has agreed to make available to Mortgagor and Comet Tool a (i) Term Loan in the principal sum of \$2,100,000, (ii) Term Loan No. 1 in the principal sum of \$264,000, (iii) Term Loan No. 2 in the principal sum of \$136,000, (iv) Revolving Credit Loan in the maximum principal sum of \$1,000,000, (v) Equipment Loan in the principal sum of \$550,000, and (vi) Equipment Loan No. 1 in the principal sum of \$350,000;

WHEREAS the Term Loan is evidenced by a Term Note (the "**Term Note**") dated the date hereof, made by Mortgagor and Comet Tool in the principal sum of Two Million One Hundred Thousand Dollars (\$2,100,000) bearing interest at the rate specified therein, due in monthly installments and in any event on September 1, 2004, payable to the order of the Mortgagee;

WHEREAS, the Term Loan No. 1 is evidenced by a Term Note No. 1 (the "**Term Note No. 1**") dated September 1, 2000, made by Mortgagor and Comet Tool in the principal sum of Two Hundred Sixty-Four Thousand Dollars (\$264,000) bearing interest at the rate specified therein, due in monthly installments and in any event on September 1, 2002, payable to the order of the Mortgagee;

WHEREAS, the Term Loan No. 2 is evidenced by a Term Note No. 2 (the "**Term Note No. 2**") dated September 1, 2001, made by Mortgagor and Comet Tool in the principal sum of One Hundred Thirty-Six Thousand Dollars (\$136,000) bearing interest at the rate specified therein, due in monthly installments and in any event on September 1, 2002, payable to the order of the Mortgagee;

WHEREAS, the Revolving Credit Loan is evidenced by a Revolving Credit Note ("**Revolving Note**") dated the date hereof, made by the Mortgagor and Comet Tool in the maximum principal sum of One Million Dollars (\$1,000,000) bearing interest at the rate specified therein, due in monthly interest installments with a final payment on September 1, 2002, payable to the order of the Mortgagee;

WHEREAS, the Equipment Loan is evidenced by an Equipment Note ("**Equipment Note**") dated the date hereof made by the Mortgagor and Comet Tool in the principal sum of Five Hundred Fifty Thousand Dollars (\$550,000) bearing interest at the rate specified therein, due in monthly installments, and in any event, five years from full funding;

WHEREAS, the Equipment Loan No. 1 is evidenced by an Equipment Note No. 1 ("**Equipment Note No. 1**") dated the date hereof made by the Mortgagor and Comet Tool in the principal sum of Three Hundred Fifty Thousand Dollars (\$350,000) bearing interest at the rate specified therein, due in monthly installments, and in any event, six years from full funding;

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WHEREAS, the indebtedness evidenced by the Term Note, Term Note No. 1, Term Note No. 2, Revolving Note, Equipment Note and Equipment Note No. 1 (collectively herein referred to as "**Note**"), including the obligation of payment of principal, interest and premium under the Note, and any extensions and renewals thereof, and all other sums which may be at any time due or owing or required to be paid hereunder are herein called the "**Indebtedness Hereby Secured**".

17. **Binding Effect**. This Fifth Amendment shall not be binding upon Lender unless Lender has executed and delivered this Fifth Amendment to Borrower and Guarantor. Submission of an unexecuted draft of the document to the Borrower and Guarantor shall not bind Lender in any manner, and no obligation of Lender shall arise hereunder, unless and until this document is executed by each of the parties hereto and delivery is made to each. This document may be executed by the parties in separate counterparts and, when executed and delivered by all the parties, shall be deemed a single document, and shall be binding with the same force and effect as if all signatures were on the same copy of this document.

18. **Entire Agreement**. This Fifth Amendment reflects all the agreements between Borrower, Guarantor and Lender relating to the modification of the Loan Documents. All the parties hereto represent to one another that there are no prior, other or additional agreements, representations or warranties between them concerning the subject matter of this Fifth Amendment and that they have relied solely upon the statements contained herein and therein in entering into the Fifth Amendment. Each of the parties hereto agree that this Fifth Amendment, including this provision, may only be modified, amended or changed by a written document executed by all the parties hereto.

19. **Representations and Warranties**. Borrower and Guarantor hereby represent and warrant that the representations and warranties of Borrower set forth in the Loan Documents as amended hereby are true and correct as of the date hereof.

20. **Governing Law**. This Fifth Amendment shall be governed by and construed under the laws of the State of Illinois.

21. **Waiver**. NO DELAY ON THE PART OF LENDER IN EXERCISING ANY RIGHT, POWER OR PRIVILEGE HEREUNDER OR EXISTING WAIVER, IF ANY, OF ANY EVENTS OF DEFAULTS SHALL OPERATE AS A FUTURE WAIVER THEREOF, AND NO SINGLE OR PARTIAL EXERCISE OF ANY RIGHT, POWER OR PRIVILEGE HEREUNDER SHALL PRECLUDE ANY OTHER OR FURTHER EXERCISE THEREOF, OR BE DEEMED TO ESTABLISH A CUSTOM OR COURSE OF DEALING OR PERFORMANCE BETWEEN THE PARTIES HERETO, OR PRECLUDE THE EXERCISE OF ANY OTHER RIGHT, POWER OR PRIVILEGE GRANTED TO LENDER UNDER THE LOAN DOCUMENTS.

22. **Date Down Endorsement**. Concurrently with the date of recording of this Fifth Amendment, Borrower shall, at Borrower's sole expense, cause Chicago Title Insurance Company ("**CTIC**") to issue a date down endorsement ("**Endorsement**") to Lender's title insurance policy No. 1409 000597732 (the "**Loan Policy**") insuring the lien of the Mortgage in favor of Lender, provided that the Endorsement shall (i) in all respects be acceptable to Lender in its sole discretion, (ii) reflect the recording of this Fifth Amendment and any additional financing statements recorded in conjunction herewith; (iii) insure that the entering into of this Fifth Amendment and the modification and amendment of the Loan Documents, including the Mortgage effected hereby do not adversely affect the priority of the Mortgage; (iv) reveal no encumbrances senior to the Mortgage as amended hereby other than those acceptable to Lender or previously senior to the Mortgage and general real taxes which are not yet due and payable. Borrower shall deliver to CTIC such releases, affidavits, ALTA statements and other documentation as required by CTIC in order to enable CTIC to issue the Endorsement as described herein. In the event that any lien or other property interest otherwise shall gain superiority over the lien of the Mortgage, this Fifth Amendment shall,

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nunc pro tunc, be null and void without further action of the parties to the fullest extent as if it had never been executed, so that the priority of the Mortgage shall not be impaired. This Fifth Amendment shall be in full force and effect only from and after the date that the Endorsement is delivered to Lender.

IN WITNESS WHEREOF, this Fifth Amendment to Loan Documents has been executed and delivered by the parties hereto as of the day, month and year first above written.

AMERICAN CHARTERED BANK,
a national banking association

By: _____
Its: _____

COMET TOOL, INC.,
an Illinois corporation

By: _____
Its: _____

GUARANTOR:

Hans Wiesmayer, individually

FIRSTAR BANK, N.A. nka U.S. Bank, N.A.
(f/k/a Firstar Bank Illinois), not personally, but solely as Trustee under Trust No. 1-5323 dated May 1, 1995

By: _____
Its: **Mary Figiel Land Trust Officer**

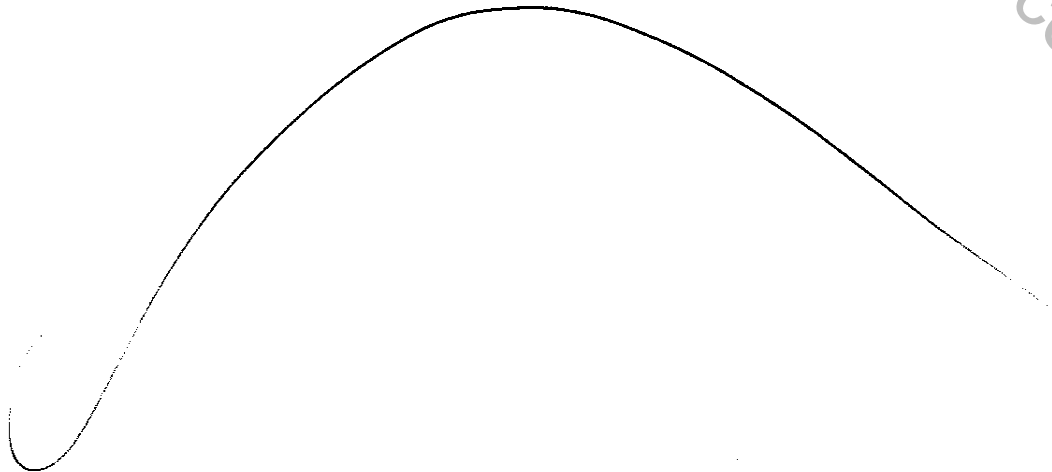
see rider attached hereto and made a part hereof

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GENERAL DOCUMENT EXONERATION RIDER

The foregoing instrument is executed by U.S. BANK, N.A., not personally but as Trustee under Trust No. 1-5323 as aforesaid, in the exercise of power and authority conferred upon and vested in said Trustee as such, and it is expressly understood and agreed that nothing in said instrument shall be construed as creating any liability on said Trustee personally to pay any indebtedness accruing thereunder, or to perform any promises, agreements or covenants or to honor any warranties or representations, either expressed or implied, including but not limited to warranties (including but not limited to warranties of title, physical condition, environmental condition, merchantability, and fitness for particular purpose), indemnifications (including but not limited to indemnifications for injury to persons or property, for environmental liability, and for liability or damages resulting from or relating to claims or matters of any nature whatsoever), and hold harmless representations in said instrument (all such liability, if any, being expressly waived by the parties hereto and their respective successors and assigns) and that so far as said Trustee is concerned, the owner of any indebtedness or right accruing under said document shall look solely to the premises described therein for the payment or enforcement thereof, it being understood that said Trustee merely holds legal title to the premises described therein and has no control over the management thereof or the income therefrom, and has no knowledge respecting any factual matter with respect to said premises, except as represented to it by the beneficiary or beneficiaries of said trust. In event of conflict between the terms of this rider and of the instrument to which it is inserted or attached, on any questions of apparent liability or obligation resting upon said trustee, the provisions of this rider shall be controlling.



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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wendy F. Siniscalchi, a Notary Public in and for the County and State

aforesaid, do hereby certify that Andrew J. Cameron, a Senior Vice President of AMERICAN CHARTERED BANK, a national banking association, who is personally known to me to be the same person whose name is described to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth

Given under my hand and notarial seal this 3rd day of December 2001.

Wendy F. Siniscalchi
Notary Public

My Commission Expires:

4-14-03

OFFICIAL SEAL
WENDY F SINISCALCHI
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. APR. 14, 2003

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STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

I, Wendy F. Siniscalchi a Notary Public in and for the County and State of Illinois aforesaid, do hereby certify that HANS WIESMAYER, who is personally known to me to be the same person whose name is described to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3rd day of December 2001

Wendy F. Siniscalchi
Notary Public

My Commission Expires:

4-14-03

OFFICIAL SEAL
WENDY F SINISCALCHI
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. APR. 14 2003

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STATE OF ILLINOIS

COUNTY OF COOK

)
)
)
SS

I, Wendy F. Siniscalchi

Notary Public in and for the County and State

aforesaid, do hereby certify that Hans Wesmayer a President of COMET TOOL, INC., an Illinois Corporation who is personally known to me to be the same person whose name is described to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3rd day of December 2001

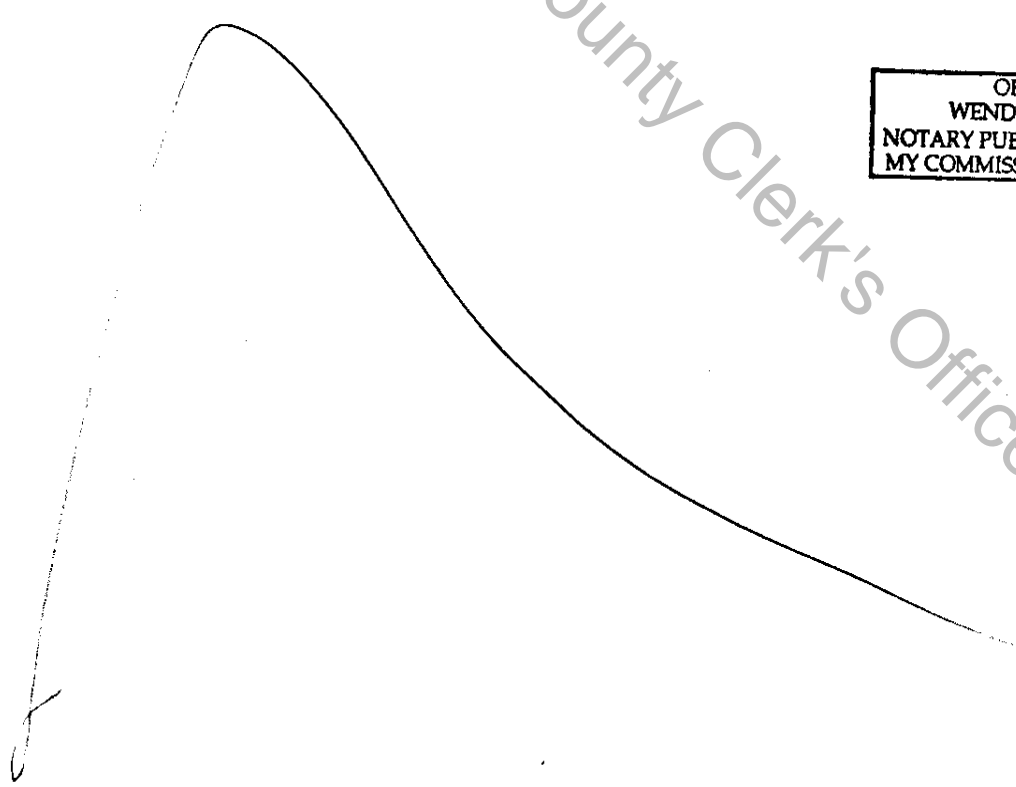
Wendy F. Siniscalchi
Notary Public

My Commission Expires:

4-14-03

OFFICIAL SEAL
WENDY F SINISCALCHI
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. APR. 14, 2003

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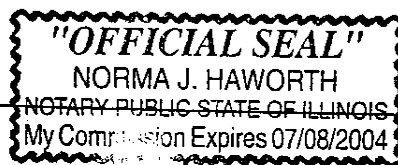
STATE OF ILLINOIS)
)
COUNTY OF Cook) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Mary Figiel of U.S. Bank of FIRSTAR BANK, N.A., who is personally known to me to be the same person whose name is described to the foregoing instrument, appeared before me in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3rd day of April, 2002, ~~2001~~.

Norma J. Haworth
Notary Public

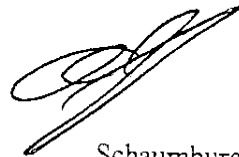
My Commission Expires:



Property of Cook County Clerk's Office

UNOFFICIAL COPYTERM LOAN NO. 2 NOTE

\$136,000

Schaumburg, Illinois
September 30, 2001

*U.S. Bank, N.A. fka

FOR VALUE RECEIVED, ^{*}FIRSTAR BANK, N.A., not personally, but solely as Trustee under Trust No. 1-5323 dated May 1, 1995, and COMET TOOL, INC., an Illinois corporation (collectively, "Maker"), promises to pay to the order of AMERICAN CHARTERED BANK ("Lender"), the principal sum of One Hundred Thirty-Six Thousand Dollars (\$136,000), at the office of Lender located at 1199 East Higgins Road, Schaumburg, Illinois 60173, or at such other place as the holder of this Note may appoint, plus interest thereon as set forth below.

This Note is delivered by Maker to Lender pursuant to and in accordance with the applicable provisions of that certain Loan and Security Agreement also dated July 23, 1998 by and between Maker and Lender, as amended by that certain First Amendment to Loan Documents (the "First Amendment") dated August 31, 1999, that certain Second Amendment to Loan Documents (the "Second Amendment") dated September 1, 1999, that certain Third Amendment to Loan Documents (the "Third Amendment") dated September 1, 2000, that certain Fourth Amendment to Loan Documents (the "Fourth Amendment") dated August 30, 2001 and that certain Fifth Amendment to Loan Documents (the "Fifth Amendment") dated of even date herewith (as amended by the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment and the Fifth Amendment, the "Loan Agreement"). This Note is the "Term Note No. 2" evidencing the "Term Loan No. 2" referenced in the Loan Agreement. All capitalized terms not otherwise defined in this Note have the meanings ascribed to them in the Loan Agreement, the applicable provisions of which are by reference incorporated in and constitute a part of this Note.

Maker's Obligations under this Note shall bear interest from and after the Effective Date of the Fifth Amendment at the annual rate set forth in Article 2 of the Loan Agreement.

All interest payable on the unpaid principal balance due under this Note from time to time shall be paid in the manner set forth in Article 2 of the Loan Agreement.

All interest payments will be: (i) computed on the basis of a year consisting of 360 days; and (ii) charged for the actual number of days during the period for which interest is being charged.

If any Obligations become past due, then, beginning automatically on the day immediately following the due date thereof, such Obligations shall bear interest at the Default Rate. Maker shall pay all Default Rate interest to Lender immediately upon demand. In addition, if a payment of principal or interest to be made pursuant to this Note becomes past due for a period in excess of ten (10) days, Maker shall pay on demand to Lender a late charge of two percent (2%) of the amount of such overdue payment.

The occurrence of a Default Event under the Loan Agreement will constitute a default under this Note. At the election of the holder of this Note, upon the occurrence of a Default Event, and solely with such notice, if any, as is required under Section 2.8(b) of the Loan Agreement, the principal balance outstanding under this Note, and all accrued and unpaid interest thereon, shall be immediately due and payable in full. Failure to exercise the preceding acceleration option shall not constitute a waiver of the right to exercise the same in the event of any subsequent Default Event, and such failure shall not establish a custom or course of dealing or performance between Maker and Lender. All funds Lender receives during the existence of a Default Event shall be applied in the manner set forth in Section 2.6 and Article 8 of the Loan Agreement.

Maker may prepay this Note in whole or in part upon five (30) business days prior written notice to Lender as provided in Section 2.7 of the Loan Agreement.

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Maker shall pay all amounts due under this Note in accordance with the instructions therefor set forth in the Loan Agreement. Payment shall not be deemed to have been received by Lender until Lender is in receipt of good funds as provided in Section 2.6 of the Loan Agreement.

The proceeds of the loan evidenced by this Note shall be used solely for the purposes specified in Section 4(1)(c) of the Illinois Interest Act, 815 ILCS 205, et. seq., as amended, and the principal sum advanced is for a business loan which comes within the purview of such Section. Maker agrees that the obligation evidenced by this Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C., Section 1601 et. seq.

If any suit or action is instituted or attorneys are employed to collect this Note or any part thereof, Maker shall pay all costs of collection including reasonable attorneys' fees and court costs.

Maker waives presentment for payment, protest and demand and notice of protest, demand, dishonor and nonpayment of this Note, and expressly agrees that this Note, or any payment hereunder, may be extended from time to time before, at or after maturity, without in any way affecting the liability of any Maker under or any guarantor of this Note.

All funds disbursed to or for the benefit of Maker will be deemed to have been disbursed in Schaumburg, Illinois. This Note shall be governed and construed in accordance with the laws and decisions of the State of Illinois (other than those which pertain to conflicts of law). This Note may not be changed or amended orally, but only by an instrument in writing signed by the party against whom enforcement of the change or amendment is sought.

This Note shall be binding upon Maker, its successors and assigns, and shall inure to the benefit of the successors and assigns of Lender.

Lender shall not for any purpose constitute a partner, joint venturer or agent of Maker or in the conduct of Maker's business.

If any provision of this Note is ruled invalid by reason of the operation of any law, or by reason of the interpretation placed thereof by any court or any Governmental Authority, this Note shall be construed as not containing such provision and the invalidity of such provision shall not affect the validity of any other provisions of this Note, and any and all other provisions of this Note which otherwise are lawful and valid shall remain in full force and effect.

Maker has executed this Note as of the day, month and year first written above.

COMET TOOL, INC.
an Illinois corporation

By: [Signature]
Its: Pres.

U.S. Bank, N.A. fka
FIRSTSTAR BANK, N.A., as Trustee aforesaid

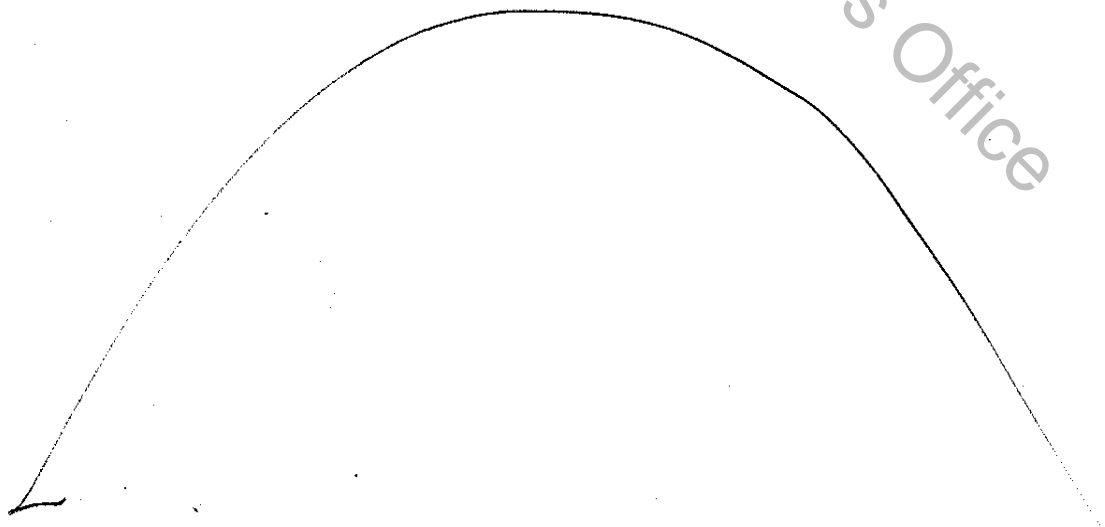
By: [Signature]
Its: Mary Figiel, Land Trust Officer

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF

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GENERAL DOCUMENT EXONERATION RIDER

The foregoing instrument is executed by U.S. BANK, N.A., not personally but as Trustee under Trust No. 1-5323 as aforesaid, in the exercise of power and authority conferred upon and vested in said Trustee as such, and it is expressly understood and agreed that nothing in said instrument shall be construed as creating any liability on said Trustee personally to pay any indebtedness accruing thereunder, or to perform any promises, agreements or covenants or to honor any warranties or representations, either expressed or implied, including but not limited to warranties (including but not limited to warranties of title, physical condition, environmental condition, merchantability, and fitness for particular purpose), indemnifications (including but not limited to indemnifications for injury to persons or property, for environmental liability, and for liability or damages resulting from or relating to claims or matters of any nature whatsoever), and hold harmless representations in said instrument (all such liability, if any, being expressly waived by the parties hereto and their respective successors and assigns) and that so far as said Trustee is concerned, the owner of any indebtedness or right accruing under said document shall look solely to the premises described therein for the payment or enforcement thereof, it being understood that said Trustee merely holds legal title to the premises described therein and has no control over the management thereof or the income therefrom, and has no knowledge respecting any factual matter with respect to said premises, except as represented to it by the beneficiary or beneficiaries of said trust. In event of conflict between the terms of this rider and of the instrument to which it is inserted or attached, on any questions of apparent liability or obligation resting upon said trustee, the provisions of this rider shall be controlling.



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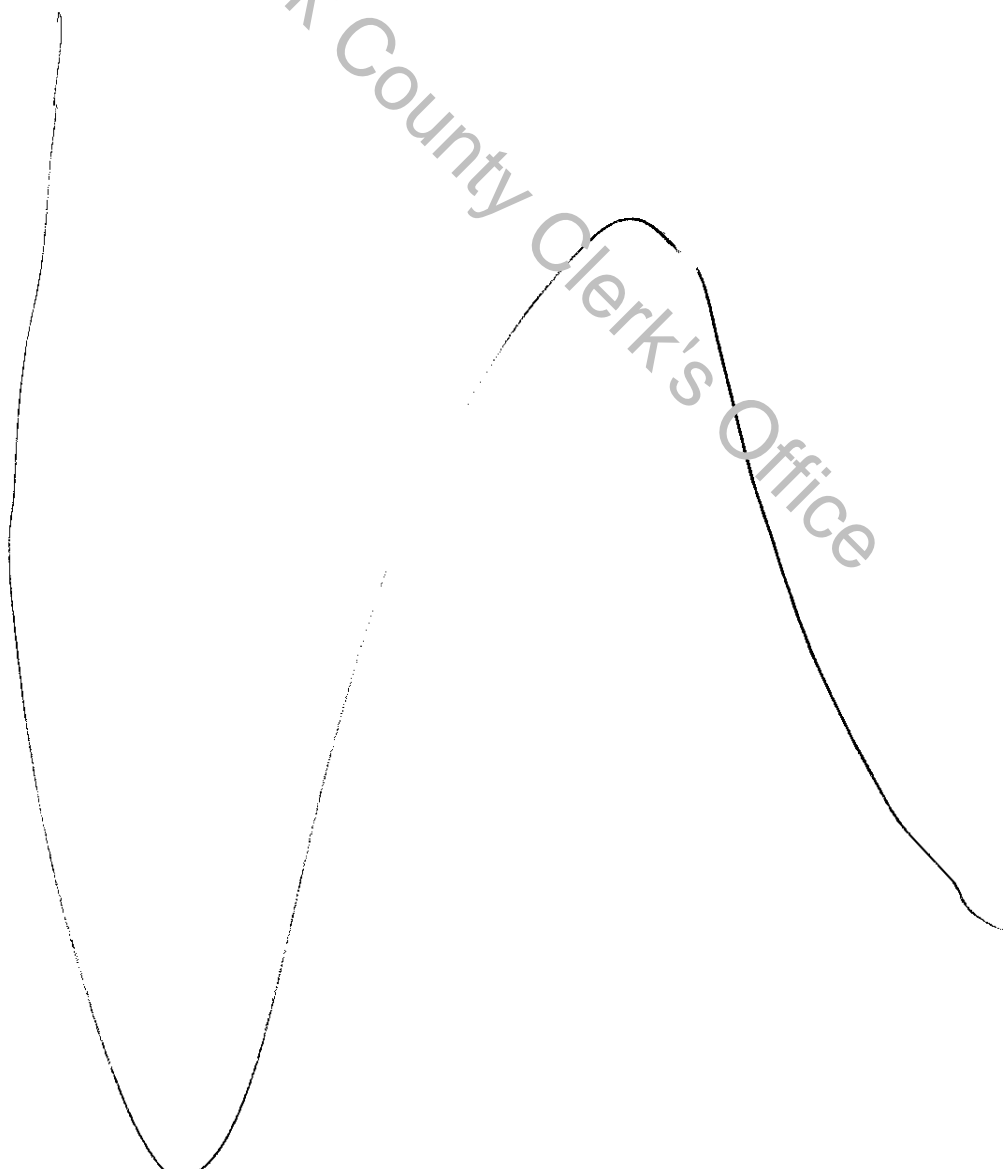
EXHIBIT A

LEGAL DESCRIPTION

LOT 1 IN COMET TOOL INCORPORATED'S RESUBDIVISION OF LOT 12, IN CENTEX INDUSTRIAL PARK UNIT 3, BEING A SUBDIVISION IN SECTION 26, TOWNSHIP 41 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND OF LOT 15 IN CENTEX INDUSTRIAL PARK UNIT 5, BEING A SUBDIVISION IN SECTION 26, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF FILED IN THE OFFICE OF THE REGISTRAR OF TITLES JULY 12, 1983 AS DOCUMENT NUMBER LR 324176, IN COOK COUNTY, ILLINOIS.

PIN: 08-26-301-048-0000

Common Address: 880 Nicholas Boulevard, Elk Grove Village, Illinois



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