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Illinois - Schedule III

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West Cortland Street and
North Kelbourn Avenue
Chicago, Illinois

Leasehold Premises described as follows:

"The North 310 feet of the East 355.5 feet of that part of Block One of Hamilton's Subdivision of the South 60 Acres of the East Half of the Southwest Quarter of Section Thirty-four, Township Forty North, Range Thirteen East of the Third Principal Meridian, lying West of the East line of the West Half of the East Half of the Southwest Quarter of said Section 34, subject to existing streets;

"Granting unto the Lessee, its successors and assigns, for the Term of this Lease an easement and right of way on, over and across the following described real estate:

"A strip of land 18 feet in width, being part of Block One of Hamilton's Subdivision of the South 60 acres of the East Half of the Southwest Quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois. Said strip of land being that part of said Block One, lying West of the West line of the East 355.5 feet of the West Half of the East Half of the Southwest Quarter of said Section 34, and 9 feet on each side of the following described center line and extending to the North and West lines of said Block One; said center line being described as follows:

"BEGINNING at a point on the said West line of East 355.5 feet of West Half of East Half of Southwest Quarter of Section 34, said point being 295 feet South of said North line of Block One, and running thence West parallel with said North line of Block One, a distance of 41.90 feet; thence Northwesterly on a curved line, convex Southwesterly, tangent to said parallel line and having a radius of 231.0 feet, a distance of 195.07 feet; thence Northwesterly on a straight line, tangent to said curved line, a distance of 50.0 feet; thence Northwesterly on a curved line, convex Southwesterly, tangent to the last described straight line and having a radius of 231.0 feet, a distance of 120.38 feet; thence Northwesterly on a straight line tangent to last described curved line, a distance of 56.41 feet to an intersection with said West line of Block One; said intersection being 18.47 feet South of the Northwest corner of said Block One; and to be used in common with The Trust Company of Chicago, Trustee, its successors, grantees and lessees, for the construction maintenance and operation thereon of an industrial switch track, of the usual width and construction, connecting the real estate first above described with the tracks of the Chicago and North Western Railway Company; together with the right of ingress and egress to and from said right of way and track at all times for all reasonable purposes.

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"GRANTING unto the Lessee, its successors and assigns, for the Term of this Lease an easement for a roadway over and across a strip of land 15 feet in width immediately adjoining the entire Westerly boundary of the real estate herein first above described, which easement together with the 15-foot easement reserved by The Trust Company of Chicago, Trustee, as hereinafter mentioned, is to be combined in a roadway 30 feet in width for the common use of the Lessee and of The Trust Company of Chicago, Trustee, their successors, grantees and lessees;

"AND RESERVING to The Trust Company of Chicago, Trustee, its successors and assigns, an easement in perpetuity on, over and across the Westerly 15 feet of the real estate first hereinabove described to be combined with the 15-foot easement above granted for a roadway 30 feet in width for the common use of the Lessee and The Trust Company of Chicago, Trustee, their successors, grantees and lessees;

"AND RESERVING also to The Trust Company of Chicago, Trustee, its successors and assigns, an easement in perpetuity on, over and across the East 33 feet of the South 100 feet of the real estate first hereinabove described (being an extension of Kilbourn Avenue as dedicated). for roadway purposes for the common use of the Lessee and The Trust Company of Chicago, Trustee, their successors, grantees and lessees.

"TOGETHER ALSO WITH the Building on the Demised Premises and all Building Equipment (as said terms are hereinafter defined.);

"EXCEPTING AND RESERVING, however, from the property covered by this Lease all of Lessee's Equipment (as hereinafter defined.);"

BEING the same property which was conveyed to the Lessor by deed of the Lessee dated March 26, 1951 of record in the Office of the Recorder in Cook County, Illinois, as Document #15047294 in Book 46630, page 361; and

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Recording Requested By and
When Recorded Return to:
Bruce T. Gardner, Esq.
Milbank, Tweed, Hadley & McCloy
One Chase Manhattan Plaza
New York, New York 10005
BOX 333-HV

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The total outstanding principal amount of indebtedness secured by this instrument is \$46,000,000. This instrument contains after-acquired property provisions and secures obligations containing provisions for changes in interest rates, extensions of time for payment and other modifications in the terms of the obligations.

INDENTURE OF MORTGAGE,
DEED OF TRUST
AND SECURITY AGREEMENT

between

CRUCIBLE MATERIALS CORPORATION

and

CHICAGO TITLE AND TRUST COMPANY,
as Indenture Trustee

for the benefit of

THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION)

as Agent

dated as of

December 17, 1985

COOK COUNTY, ILLINOIS
FILED FOR RECORD
1985 DEC 20 PM 12:33

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This instrument was prepared by:

Bruce T. Gardner

Bruce T. Gardner, Esq.
Milbank, Tweed, Hadley & McCloy
One Chase Manhattan Plaza
New York, N.Y. 10005

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Property of Cook County Clerk's Office

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11/30/23

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TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I | |
| Particular Covenants and Agreements of the Debtor | 4 |
| §1.01. Payment of the Obligations; Title, etc. | 4 |
| §1.02. Leasehold Interests | 5 |
| §1.03. Creation of Other Liens | 7 |
| §1.04. Further Assurances | 8 |
| §1.05. Compliance with Laws | 9 |
| §1.06. Required Insurance | 9 |
| §1.07. Insurance Proceeds | 9 |
| §1.08. Blanket Insurance | 11 |
| §1.09. Assignments of Policies Upon Foreclosure | 11 |
| §1.10. Indemnification; Waiver of Offset | 12 |
| §1.11. Impositions | 12 |
| §1.12. Limitations of Use | 12 |
| §1.13. Condition of Improvements and Trust Estate | 13 |
| §1.14. Encumbrances | 13 |
| §1.15. Estoppel Certificates | 13 |
| §1.16. Actions by Indenture Trustee and/or Beneficiary to Protect Trust Estate | 13 |
| §1.17. Condemnation | 13 |
| §1.18. Right of Inspection | 15 |
| §1.19. Additional Security | 15 |
| §1.20. Releases | 15 |
| §1.21. Conflicts | 16 |
| ARTICLE II | |
| Security Agreement | 16 |
| §2.01. Creation of Security Interest | 16 |
| §2.02. Representations and Warranties of the Debtor | 16 |

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UNOFFICIAL COPY

ARTICLE III

| | |
|---|----|
| Remedies; Etc. | 16 |
| §3.01. Remedies | 16 |
| §3.02. Application of Proceeds | 21 |
| §3.03. Right to Sue | 22 |
| §3.04. Powers of Indenture Trustee and the Beneficiary | 22 |
| §3.05. Remedies Cumulative | 23 |
| §3.06. Waiver of Stay, Extension, Moratorium Laws; Equity of Redemption | 24 |
| §3.07. No Waiver | 24 |

ARTICLE IV

| | |
|--|----|
| The Indenture Trustee | 25 |
| §4.01. Acceptance by Indenture Trustee | 25 |
| §4.02. Compensation | 25 |
| §4.03. Action in Accordance With Instructions | 25 |
| §4.04. Resignation | 25 |
| §4.05. Successor Indenture Trustee | 25 |

ARTICLE V

| | |
|--|----|
| Miscellaneous | 26 |
| §5.01. Reconveyance by Indenture Trustee | 26 |
| §5.02. Notices | 26 |
| §5.03. Amendments, Waivers, etc. | 27 |
| §5.04. Successors and Assigns | 27 |
| §5.05. Severability | 28 |
| §5.06. Limitation of Interest | 28 |
| §5.07. One of a Number of Indentures | 28 |
| §5.08. Trust is Irrevocable | 29 |
| §5.09. Applicable Law | 29 |
| §5.10. Guarantor's Rights | 29 |
| §5.11. Intercreditor Agreement | 29 |
| §5.12. Agency Relationship | 29 |
| §5.13. Hazardous Waste Notice | 30 |

| | |
|--------------|--------------------------------|
| SCHEDULE I | Description of Lands |
| SCHEDULE II | Description of Leases |
| SCHEDULE III | Description of Leased Premises |

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THIS INDENTURE OF MORTGAGE, DEED OF TRUST AND SECURITY AGREEMENT (this "Indenture"), dated as of December 17, 1985, between CRUCIBLE MATERIALS CORPORATION, a Delaware corporation having an office at State Fair Boulevard, Syracuse, New York 13201 (the "Debtor") and CHICAGO TITLE AND TRUST COMPANY, an Illinois corporation having an address at 111 West Washington Street, Chicago, Illinois 60602, Attn: Release Department, as Indenture Trustee (the "Indenture Trustee") for the benefit of THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), a national banking association, having an office at One Chase Manhattan Plaza, New York County, New York City, New York 10081, ("Chase"), as Agent (as such term is defined in the Security Agreement) for Chase and Mellon Bank, N.A. ("Mellon"; Chase and Mellon collectively, the "Banks") (the "Beneficiary").

W I T N E S S E T H:

WHEREAS, the Debtor and Chase are parties to that certain Loan Agreement dated as of December 1, 1985 (the "Chase Loan Agreement"), pursuant to which Chase has agreed to make a term loan to the Debtor in the principal amount of \$30,000,000, upon the terms and conditions of the Chase Loan Agreement, (terms defined in the Chase Loan Agreement and used herein, unless otherwise defined herein, having their meanings as defined therein); and

WHEREAS, the Debtor and Mellon are parties to that certain Secured Term Loan Agreement dated as of December 1, 1985 (the "Mellon Loan Agreement"; the Chase Loan Agreement and the Mellon Loan Agreement collectively, the "Loan Agreements"), pursuant to which Mellon has agreed to make a term loan to the Debtor in the principal amount of \$16,000,000, upon the terms and conditions of the Mellon Loan Agreement;

WHEREAS, pursuant to the Loan Agreements, the Debtor has agreed to execute, acknowledge and deliver this Indenture for the purpose of securing the following (collectively, the "Obligations"): (a) payment of \$30,000,000 (being the original principal amount of the loan made pursuant to the Chase Loan Agreement and evidenced by the Note which matures on December 31, 1993, together with interest thereon, (b) payment of \$16,000,000 (being the original principal amount of the loan made pursuant to the Mellon Loan Agreement and evidenced by the promissory note in favor of Mellon which matures on December 31, 1993, the "Mellon Note"), together with interest thereon, (c) the payment of all other amounts from time to time payable by

Indenture of Mortgage, Deed of Trust and Security Agreement

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the Debtor in respect of the Chase Loan Agreement, (d) the payment of all other amounts from time to time payable by the Debtor in respect of the Mellon Loan Agreement, (e) the payment of all other monies secured by this Indenture and (f) the performance of the covenants and agreements hereinafter contained and in the Loan Agreements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and FOR THE PURPOSE OF SECURING the Obligations, the Debtor does hereby irrevocably grant, bargain, sell, release, convey, warrant, assign, transfer, mortgage, pledge, set over and confirm unto the Indenture Trustee for the benefit and security of the Beneficiary under and subject to the terms and conditions hereinafter set forth, all right, title and interest of the Debtor in and to the several lands and premises more particularly described in Schedule I (each of said lands and premises being hereinafter called a "Land" and all of said lands and premises being hereinafter collectively called the "Lands").

TOGETHER WITH all interests, estates or other claims, both in law and in equity, which the Debtor now has or may hereafter acquire in (a) the Lands, (b) all easements, rights-of-way and rights used in connection therewith or as a means of access thereto and (c) all tenements, hereditaments and appurtenances in any wise belonging, relating or appertaining thereto.

TOGETHER WITH all right, title and interest of the Debtor, if any, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Lands, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection therewith.

TOGETHER WITH all right, title and interest of the Debtor in and to those certain leases as amended, modified and assigned, more fully described in Schedule II, covering certain lands and premises more particularly described in Schedule III (each of said leases being hereinafter called a "Lease" and all of said leases being hereinafter collectively called the "Leases"; the Lands and Leases being hereinafter collectively called the "Property").

Indenture of Mortgage, Deed of Trust and Security Agreement

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TOGETHER WITH all right, title and interest of the Debtor, if any, now owned or leased or hereafter acquired or leased, in and to any and all buildings and other improvements now or hereafter located on the Property, and all building material, building equipment and fixtures of every kind and nature located on the Property or attached to, contained in or used in any such buildings and other improvements, and all appurtenances and additions thereto and betterments, substitutions and replacements thereof (the "Improvements").

TOGETHER WITH all right, title and interest of the Debtor if any, now owned or leased or hereafter acquired or leased in and to all, machinery, apparatus, equipment, fittings, fixtures and articles of personal property, except inventory, (collectively, the "Personal Property") now or hereafter located on or at the Property or used in connection therewith and all additions and accessions thereto, replacements therefor and proceeds and profits thereof.

TOGETHER WITH any and all reversion or reversions, remainder or remainders, rents, revenues, proceeds, issues, profits, royalties, income and other benefits of the Property, the Improvements and the Personal Property, all of which are hereby assigned to the Indenture Trustee for the benefit of the Beneficiary, and the Beneficiary is hereby authorized to collect and receive the same, to give proper receipts and acquittances therefor and to apply the same to the payment of the Obligations; subject, however, to the right of the Debtor to receive and use the same unless and until an Event of Default shall have occurred and be continuing.

TOGETHER WITH all proceeds of the insurance required to be maintained under §1.06 and all awards heretofore or hereafter made to the Debtor with respect to any part of the Property, the Improvements or the Personal Property as the result of the exercise of the power of eminent domain, including any awards for changes of the grades of streets, or as the result of any other damage to any part of the Property, the Improvements or the Personal Property for which compensation shall be given by any governmental authority (a "Condemnation"), and the Indenture Trustee is hereby authorized (subject to §§1.07 and 1.17) to collect and receive the proceeds thereof, to give proper

Indenture of Mortgage, Deed of Trust and Security Agreement

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receipts and acquittances therefor and, at the direction of the Beneficiary, to apply the same to the payment of the Obligations.

TOGETHER WITH any and all air rights, development rights, zoning rights or other similar rights or interests which benefit or are appurtenant to the Property or the Improvements or both and any proceeds arising therefrom.

All of the foregoing property is sometimes herein referred to as the "Trust Estate".

TO HAVE AND TO HOLD the Trust Estate, with all privileges and appurtenances thereunto belonging, to the Indenture Trustee and its successors, for the benefit of the Beneficiary and its successors and assigns, forever.

PROVIDED ALWAYS, if the Obligations shall be paid in full by the Debtor according to the terms and provisions hereof, of the Loan Agreements and of the other Security Documents, then this Indenture and the lien and estate hereby granted shall cease, determine and be void.

TO PROTECT THE SECURITY OF THIS INDENTURE, THE DEBTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE I

Particular Covenants and Agreements of the Debtor

§1.01. Payment of the Obligations; Title, etc.
The Debtor shall pay the Obligations according to the terms hereof and of the Loan Agreements and of the other Security Documents. The Debtor warrants and represents that (a) the Debtor is lawfully seized and possessed of a fee title in the Lands, the Improvements and the Personal Property, and lawfully possessed of the estate demised by the Leases, subject only to those matters, if any, listed as exceptions to title in the title policy insuring the lien of this Indenture or permitted under Section 8.13 of the Chase Loan Agreement (the "Permitted Encumbrances"), (b) the Debtor has full power and lawful authority to grant, bargain, sell, release, convey, warrant, assign, transfer, mortgage, pledge, set over and confirm unto the Indenture Trustee and

Indenture of Mortgage, Deed of Trust and Security Agreement

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the Beneficiary all right, title and interest of the Debtor in and to the Trust Estate and (c) this Indenture is, as of the date hereof, a valid and enforceable first lien on, and security interest in, the Trust Estate, subject only to the Permitted Encumbrances. The Debtor shall forever warrant and defend the title of the Debtor in and to the Trust Estate and the validity and priority of the lien and estate hereof against the claims and demands of all persons whomsoever.

§1.02. Leasehold Interests. (a) The Debtor shall (i) promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by the Debtor under the Leases and do all things necessary to preserve and to keep unimpaired its rights thereunder, (ii) promptly notify the Beneficiary of any default by the Debtor under any Lease in the performance of any of the terms, covenants or conditions on the part of the Debtor to be performed or observed thereunder or of the giving of any notice by the lessor under any Lease to the Debtor of any such default or of such lessor's intention to end the term thereof and (iii) promptly cause a copy of each such notice given by the lessor under any Lease to the Debtor to be delivered to the Beneficiary and the Indenture Trustee.

(b) If the Debtor shall fail promptly to perform or observe any of the terms, covenants or conditions required to be performed by it under any Lease, including, without limitation, payment of all basic rent and any additional rent due thereunder, the Beneficiary may, without obligation to do so, take such action as is appropriate to cause such terms, covenants or conditions to be promptly performed or observed on behalf of the Debtor but no such action by the Beneficiary shall release the Debtor from any default under this Indenture. Upon receipt by the Beneficiary from the lessor under any Lease of any notice of default by the Debtor thereunder, the Beneficiary may rely thereon and take any action as aforesaid to cure such default even though the existence of such default or the nature thereof be questioned or denied by the Debtor or by any party on behalf of the Debtor.

(c) The Debtor shall not surrender its leasehold estate and interests under any Lease, nor terminate or cancel any Lease, and the Debtor shall not modify, change,

Indenture of Mortgage, Deed of Trust and Security Agreement

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supplement, alter or amend any Lease orally or in writing, and the Debtor does hereby expressly release, relinquish and surrender unto the Beneficiary all its right, power and authority, if any, to modify, change, supplement, alter or amend the provisions of any Lease in any way, and any attempt on the part of the Debtor to exercise any such right without the consent of the Beneficiary shall be null and void.

(d) No release or forbearance of any of the Debtor's obligations under any Lease, pursuant to the terms thereof or otherwise, shall release the Debtor from any of its obligations under this Indenture.

(e) The fee title to the property demised by the Leases and the leasehold estates shall not merge, but shall always remain separate and distinct, notwithstanding the union of the aforesaid estates either in the lessor or the Debtor under any Lease or in a third party by purchase or otherwise, unless the Indenture Trustee or the Beneficiary shall, at its option, execute and record a document evidencing its intent to merge the estates. If Debtor acquires the fee title or any other estate, title or interest in any Property covered by the Leases, this Indenture shall attach to, be a lien upon and spread to the fee title or such other estate so acquired, and such fee title or other estate shall, without further assignment, mortgage or conveyance, become and be subject to the lien of this Indenture. Debtor shall notify the Indenture Trustee and the Beneficiary of any such acquisition by the Debtor and, on written request by the Beneficiary, shall cause to be executed and recorded all such other and further assurances or other instruments in writing as may in the opinion of the Beneficiary be required to carry out the intent and meaning hereof.

(f) The Debtor shall enforce the obligations of the lessor under the Leases to the end that the Debtor may enjoy all of the rights granted to it under the Leases, and shall promptly notify the Beneficiary of any default by the lessor under any Lease, in the performance or observance of any of the terms, covenants and conditions on the part of such lessor to be performed or observed under any Lease and the Debtor shall promptly advise the Beneficiary of the occurrence of any event of default under any Lease.

Indenture of Mortgage, Deed of Trust and Security Agreement

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(g) The Debtor shall use its best efforts to obtain from the lessor under each Lease and deliver to the Beneficiary, within 20 days after demand from the Beneficiary, a statement in writing certifying that such Lease is unmodified and in full force and effect and the dates to which the basic rent, additional rent and other charges, if any, have been paid in advance, and stating whether or not, to the best knowledge of the signer of such certificate, the Debtor is in default in the performance of any covenant, agreement or condition contained in such Lease, and, if so, specifying each such default of which the signer may have knowledge.

(h) Unless the exercise of any option, now existing or hereafter created, to renew or extend the term of any Lease would, in the Debtor's reasonable business judgement, be inadvisable, the Debtor shall, at least six months prior to the last day upon which the Debtor may validly exercise such option, (i) exercise such option in such manner as will cause the term of such Lease to be effectively renewed or extended for the period provided by such option and (ii) give immediate notice thereof to the Beneficiary, it being expressly understood that in the event of the failure of the Debtor to do so, the Beneficiary shall have, and is hereby granted, the irrevocable right to exercise any such option, either in its own name and behalf, or in the name and behalf of the Debtor, as the Beneficiary shall in its sole discretion determine.

(i) The Debtor shall promptly notify the Beneficiary of any change in the rent payable under any Lease, except for changes made pursuant to the provisions of such Lease.

(j) In the event of a casualty loss to or a Condemnation of any part of the Trust Estate that is subject to a Lease, the Debtor shall promptly notify the Beneficiary of (i) such casualty loss or Condemnation, (ii) the amount of any insurance or Condemnation proceeds arising therefrom, and (iii) the present name and address of the entity holding such proceeds.

§1.03. Creation of Other Liens. The Debtor shall not create or suffer to be created any mortgage, lien, charge or encumbrance upon the Trust Estate prior,

Indenture of Mortgage, Deed of Trust and Security Agreement

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subsequent to or on a parity with the lien and estate of this Indenture other than the Permitted Encumbrances.

§1.04. Further Assurances. (a) The Debtor shall execute, acknowledge and deliver, from time to time, such further instruments as the Indenture Trustee or the Beneficiary may require to accomplish the purposes of this Indenture.

(b) The Debtor, immediately upon the execution and delivery of this Indenture, and thereafter from time to time, shall cause this Indenture, any security agreement, mortgage or deed of trust supplemental hereto, each supplement and amendment to each of said instruments and financing statements with respect thereto and each instrument of further assurance (collectively, "Recordable Documents") to be filed, registered or recorded and refiled, re-registered or re-recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and perfect the lien and estate of this Indenture upon the Trust Estate. The Debtor shall, from time to time, perform or cause to be performed any other act as required by law and shall execute or cause to be executed any and all further instruments (including financing statements, continuation statements and similar statements with respect to any Recordable Document collectively, "UCC Documents") requested by the Indenture Trustee or the Beneficiary for such purposes. Without limiting the foregoing, not more than six months nor less than three months prior to the date on which any continuation statements are required to be filed with respect to any Recordable Document, the Debtor shall file all such continuation statements and send copies evidencing such filing to the Indenture Trustee and the Beneficiary. If the Debtor shall fail to execute any UCC Document, the Beneficiary shall be and is hereby irrevocably appointed the agent and attorney-in-fact of the Debtor (which power is coupled with an interest) to execute such UCC Document.

(c) The Debtor shall pay all filing, registration and recording fees, all refiling, re-registration and re-recording fees, and all expenses incident to the execution, acknowledgment and delivery of the Recordable Documents, and all Federal, State, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges

Indenture of Mortgage, Deed of Trust and Security Agreement

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arising out of or in connection with the execution, acknowledgment and delivery of the Recordable Documents.

§1.05. Compliance with Laws. Debtor shall comply with the requirements of Section 8.06 of the Chase Loan Agreement.

§1.06. Required Insurance. (a) The Debtor shall purchase and maintain such insurance as required pursuant to Section 8.10 of the Chase Loan Agreement. Such insurance shall be written in amounts and with companies satisfactory to the Beneficiary and on forms approved by it, and losses thereunder shall be payable to the Beneficiary pursuant to a standard first mortgagee endorsement, without contribution, substantially equivalent to the New York standard mortgagee endorsement. All such policies shall provide that the same will not be canceled, amended or materially altered (including by reduction in the scope or limits of coverage) without at least sixty (60) days' notice (or, if less than sixty (60) days shall be available, then such lesser number of days as shall be available) to the Beneficiary.

(b) Upon the execution of this Indenture and thereafter not less than 15 days prior to the expiration of each policy then in effect pursuant to §1.06(a), the Debtor shall deliver to the Beneficiary an original of such policy or a renewal policy, as the case may be, bearing a notation evidencing payment of the premium therefor or accompanied by other proof of payment satisfactory to the Beneficiary.

§1.07. Insurance Proceeds. (a) After the happening of any casualty to the Trust Estate or any part thereof which results in a loss in excess of \$100,000, the Debtor shall give prompt notice thereof to the Beneficiary and the Indenture Trustee.

(b) After the happening of any fire or casualty the Debtor may, at its sole option, to be exercised by delivery of notice to the Beneficiary within three months of such damage or destruction, elect to either: (i) restore and repair that part of the Trust Estate damaged by such fire or casualty (the "Damaged Property"); or (ii) have any proceeds from fire and casualty insurance applied to the payment of all or any part of the Obligations. Failure of the Debtor to make such an election within three months from the date of any such damage or destruction shall

Indenture of Mortgage, Deed of Trust and Security Agreement

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automatically constitute an election to apply any such insurance proceeds to the payment of all or any part of the Obligations. If the Debtor elects to so restore and repair the Damaged Property, any proceeds from fire and casualty insurance shall be held by the Beneficiary to be applied to the restoration and repair of the Damaged Property and advanced to the Debtor in periodic installments upon compliance by the Debtor with such reasonable conditions as may be imposed by the Beneficiary, including, but not limited to, retentions and lien releases. Interest, if any, actually earned on any insurance proceeds held by the Beneficiary shall be credited to such insurance proceeds, for the benefit of the Debtor. Notwithstanding anything herein or at law or in equity to the contrary, none of the insurance proceeds paid to the Beneficiary as herein provided shall be deemed trust funds, and the Beneficiary shall be entitled to advance all such proceeds as provided in this §1.07(b). The Debtor expressly assumes all risk of loss, including a decrease in the use, enjoyment or value of the Trust Estate from any casualty whatsoever, whether or not insurable or insured against. The Beneficiary shall have no obligation to release any of the insurance proceeds to the Debtor for restoration or repair of the Damaged Property if an Event of Default has occurred and is continuing. If any Event of Default has occurred and is continuing, the Beneficiary may, in its sole discretion, (i) apply the insurance proceeds to payment of part or all of the Obligations or (ii) require the Debtor to restore or repair the Damaged Property; provided, however, that if the Beneficiary requires the Debtor to restore or repair the Damaged Property, the Beneficiary will not be required to release any insurance proceeds to the Debtor to be applied to said restoration or repair of the Damaged Property until such Event of Default has been remedied. If the Beneficiary has required restoration or repair, and such Event of Default has been remedied, then the Beneficiary will advance to the Debtor in accordance with the foregoing provisions of this §1.07(b), the insurance proceeds, less such amounts that may have been expended by the Beneficiary to effectuate such cure. All insurance proceeds remaining after the payment for restoration and repair of the Damaged Property pursuant to this §1.07(b) shall, at the Beneficiary's option, be applied to payment of all or any part of the Obligations. Such proceeds shall be applied to the Obligations in inverse order of maturity.

Indenture of Mortgage, Deed of Trust and Security Agreement

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(c) The Beneficiary shall be entitled at its option to participate in any compromise, adjustment or settlement in connection with any claims for loss, damage or destruction under any policy or policies of insurance, in excess of \$250,000, and the Debtor shall within 5 Business Days after request therefor reimburse the Beneficiary for all out-of-pocket expenses (including attorneys' fees) incurred by the Beneficiary in connection with such participation. The Debtor shall not make any compromise, adjustment or settlement in connection with any such claim without the approval of the Beneficiary.

§1.08. Blanket Insurance. Nothing contained in §1.06(a) shall prevent the Debtor from keeping the Improvements insured or causing the same to be insured against the risks referred to in §1.06(a) under a policy or policies of blanket insurance, which may cover other property not subject to the lien of this Indenture; provided, however, that any such policy of blanket insurance:

(a) shall specify therein, or the Debtor shall furnish the Beneficiary and the Indenture Trustee with a written statement from the insurers under such policies specifying the amount of the total insurance allocated to each of the Improvements constituting a part of the Trust Estate, which amount shall not be less than the amount required by §1.06(a) to be carried;

(b) shall not contain any clause which would result in the insured thereunder being required to carry insurance with respect to the property covered thereby in an amount not less than any specific percentage of the full insurable value of such property in order to prevent the insured therein named from becoming a co-insurer of any loss with the insurer under such policy; and

(c) shall in all other respects comply with the other provisions of §1.06.

§1.09. Assignments of Policies Upon Foreclosure. In the event of foreclosure of this Indenture or other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the Obligations, all right, title and interest of the Debtor in and to all

Indenture of Mortgage, Deed of Trust and Security Agreement

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policies of insurance required under §1.06(a) shall inure to the benefit of and pass to the successors in interest to the Debtor or the purchaser or grantee of the Trust Estate or any part thereof.

§1.10. Indemnification; Waiver of Offset. If the Indenture Trustee or the Beneficiary is made a party defendant to any litigation concerning this Indenture or the Trust Estate or any part thereof or interest therein, or concerning the occupancy thereof by the Debtor, then the Debtor shall indemnify, defend and hold the Indenture Trustee or the Beneficiary, as the case may be, harmless from and against all liability by reason of said litigation, including attorneys' fees and expenses in any such litigation, whether or not any such litigation is prosecuted to judgment. If the Indenture Trustee or the Beneficiary commences an action against the Debtor to enforce any of the terms hereof or because of the breach by the Debtor of any of the terms hereof, or for the recovery of any of the Obligations, then the Debtor shall, to the extent permitted by law, pay to the Indenture Trustee or the Beneficiary, as the case may be, its attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If the Debtor breaches any term of this Indenture, the Indenture Trustee or the Beneficiary may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by the Debtor, the Debtor shall, to the extent permitted by law, pay the attorneys' fees and expenses incurred by the Indenture Trustee or the Beneficiary, as the case may be, whether or not an action is actually commenced against the Debtor by the reason of such breach.

§1.11. Impositions. Debtor shall comply with the requirements of Section 8.04 of the Chase Loan Agreement.

§1.12. Limitations of Use. Without the consent of the Beneficiary, the Debtor shall not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restrictions limiting or defining the uses which may be made of the Property or the Improvements or any part thereof.

Indenture of Mortgage, Deed of Trust and Security Agreement

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§1.13. Condition of Improvements and Trust Estate. The Debtor shall maintain the Trust Estate as provided in Section 8.03 of the Chase Loan Agreement.

§1.14. Encumbrances. The Debtor shall discharge all encumbrances other than the Permitted Encumbrances.

§1.15. Estoppel Certificates. The Debtor shall, within 20 days, upon request by mail, furnish to the Beneficiary a written statement, duly acknowledged, of the unpaid amount of the Obligations and whether any offsets or defenses exist against the Obligations.

§1.16. Actions by Indenture Trustee and/or Beneficiary to Protect Trust Estate. If the Debtor shall fail to (a) perform and observe any of the terms, covenants or conditions required to be performed or observed by the Debtor hereunder, under the Loan Agreement, or under any of the other Security Documents, (b) cause the insurance required by §1.05(a) to be effected, (c) make (or cause to be made) the payments required by §1.04(c) or §1.11 or (d) perform or observe any other covenants or agreements hereunder, the Indenture Trustee or the Beneficiary may, without obligation so to do, at any time after 5 days notice to the Debtor (except in an emergency) and for so long as such failure by the Debtor continues, effect, pay, perform or observe the same. Each sum, including attorneys' fees, expended by the Indenture Trustee or Beneficiary or expended to sustain the lien and estate of this Indenture or its priority, or expended to protect or enforce any of the rights of the Indenture Trustee or the Beneficiary under this Indenture, shall (together with interest thereon from and including the date of expenditure of such sum until the same shall be paid in full at the Post-Default Rate) be a lien on the Trust Estate, be deemed to be added to the Obligations, and be paid by the Debtor within 5 days after demand therefor. In any action or proceeding to enforce this Indenture or to recover or collect the Obligations, the provisions of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

§1.17. Condemnation. (a) If the Trust Estate or any part thereof or interest therein are taken or damaged by reason of any Condemnation, or if the Debtor shall receive any notice or other information regarding such proceeding,

Indenture of Mortgage, Deed of Trust and Security Agreement

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the Debtor shall give prompt notice thereof to the Beneficiary and the Indenture Trustee.

(b) The Indenture Trustee shall be entitled to all compensation, awards and other payments or relief in any Condemnation (collectively, "Condemnation Proceeds"), and the Beneficiary shall be entitled, at its option, to participate in any compromise or settlement in connection with such Condemnation, and the Debtor shall, within 5 Business Days after request therefor, reimburse the Beneficiary for all out-of-pocket expenses (including attorneys' fees) incurred by the Beneficiary in connection with such participation. The Debtor shall not make any compromise or settlement in connection with any Condemnation without the approval of the Beneficiary.

(c) In the event of a Condemnation of all or substantially all of any Land or estate demised by a Lease, any Condemnation Proceeds shall be paid to the Indenture Trustee and applied to payment of all or any part of the Obligations.

(d) After the happening of a partial Condemnation the Debtor may, at its sole option, to be exercised by delivery of notice to the Beneficiary within three months of such partial Condemnation, elect to either: (i) restore and repair the uncondemned portion of the Land or uncondemned portion of the estate demised by a Lease affected by such Condemnation (the "Remaining Property"); or (ii) have any Condemnation Proceeds applied to payment of all or any part of the Obligations. Failure of the Debtor to make such an election within three months from the date of any such partial Condemnation shall automatically constitute an election to apply any Condemnation Proceeds to the payment of all or any part of the Obligations. If the Debtor elects to so restore and repair the Remaining Property, any Condemnation Proceeds shall be held by the Beneficiary to be applied to the restoration and repair of the Remaining Property and advanced to the Debtor in periodic installments and upon compliance by the Debtor with such reasonable conditions as may be imposed by the Beneficiary including, but not limited to, retentions and lien releases. Interest, if any, actually earned on any Condemnation Proceeds held by the Beneficiary shall be credited to such Condemnation Proceeds for the benefit of the Debtor. Notwithstanding anything herein or at law or in equity to the contrary, none

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of the Condemnation Proceeds paid as herein provided shall be deemed trust funds and the Beneficiary shall be entitled to advance all such proceeds as provided in this §1.17(d). The Debtor expressly assumes all risk of loss, including a decrease in the use, enjoyment or value of the Remaining Property from any Condemnation whatsoever. The Beneficiary shall have no obligation to release any of the Condemnation Proceeds to the Debtor for restoration or repair of Remaining Property if an Event of Default has occurred and is continuing. If any Event of Default has occurred and is continuing, the Beneficiary may, in its sole discretion, require the Debtor to restore or repair the Remaining Property; provided, however, that the Beneficiary will not be required to release any Condemnation Proceeds to the Debtor to be applied to the restoration or repair of the Remaining Property until such Event of Default has been remedied. If the Beneficiary has required the restoration or repair of the Remaining Property, and such Event of Default has been remedied, the Beneficiary will advance to the Debtor in accordance with the foregoing provisions of this §1.17(d), the Condemnation Proceeds, less such amounts that may have been expended by the Beneficiary to effectuate such cure. All Condemnation Proceeds remaining after the payment for restoration and repair of the Remaining Property pursuant to this §1.17(d), shall, at the option of the Beneficiary, be applied to payment of all or any part of the Obligations. Such proceeds shall be applied to the Obligations in inverse order of maturity.

§1.18. Right of Inspection. The Indenture Trustee and the Beneficiary and their representatives shall have the right, at all reasonable times and on reasonable notice, to visit and inspect any of the Property or Improvements.

§1.19. Additional Security. If the Beneficiary at any time holds additional security for the Obligations, and if an Event of Default shall have occurred and be continuing, the Beneficiary may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

§1.20. Releases. Notwithstanding anything to the contrary contained herein, the Debtor shall have the right to obtain the release from time to time of such

Indenture of Mortgage, Deed of Trust and Security Agreement

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portions of the Trust Estate as may be subject to a Fixed Asset Disposition which occurs in accordance with Sections 8.21, 8.28, and 8.30 of the Chase Loan Agreement, provided that at the time of such Fixed Asset Disposition no Event of Default shall have occurred and be continuing.

§1.21. Conflicts. In the event of any inconsistency between any of the covenants contained in this Article I and any of the covenants contained in the Chase Loan Agreement, the covenants contained in the Chase Loan Agreement shall govern.

ARTICLE II

Security Agreement

§2.01. Creation of Security Interest. The Debtor hereby grants to the Beneficiary a valid and enforceable first lien and a security interest in the Personal Property for the purpose of securing the Obligations, subject only to the Permitted Encumbrances. The Beneficiary shall have, in addition to all rights and remedies provided herein and in the other Security Documents, all the rights and remedies of a secured party under the Uniform Commercial Code of the State in which the applicable portion of the Trust Estate is located.

§2.02. Representations and Warranties of the Debtor. The Debtor hereby warrants, represents and covenants that: (a) the Personal Property is not used or bought for personal, family or household purposes; and (b) this Indenture constitutes a "security agreement" and "fixture filing" as those terms are used in the applicable Uniform Commercial Code.

ARTICLE III

Remedies; Etc.

§3.01. Remedies. (a) If an Event of Default shall have occurred and be continuing, this Indenture may, to the extent permitted by law, be enforced either as a deed of trust or as a mortgage at the option of the Beneficiary, and the Indenture Trustee or the Beneficiary may exercise

Indenture of Mortgage, Deed of Trust and Security Agreement

any right, power or remedy permitted to it hereunder, under the Loan Agreement or under any of the other Security Documents or by law, and, without limiting the generality of the foregoing, the Indenture Trustee or the Beneficiary may, personally or by its agents, to the extent permitted by law:

(i) enter and take possession of the Trust Estate or any part thereof, exclude the Debtor and all persons claiming under the Debtor whose claims are junior to this Indenture, wholly or partly therefrom, and use, operate, manage and control the same either in the name of the Debtor or otherwise as the Indenture Trustee or the Beneficiary shall deem best, and upon such entry, from time to time at the expense of the Debtor and the Trust Estate, make all such repairs, replacements, alterations, additions or improvements to the Trust Estate or any part thereof as the Beneficiary may deem proper and, whether or not the Indenture Trustee or the Beneficiary has so entered and taken possession of the Trust Estate or any part thereof, collect and receive all the rents and profits and apply the same, to the extent permitted by law, to the payment of all expenses which the Indenture Trustee or the Beneficiary may be authorized to make under this Indenture, the remainder to be applied to the payment of the Obligations until the same shall have been repaid in full. If the Beneficiary demands or attempts to take possession of the Trust Estate or any portion thereof in the exercise of any rights hereunder, the Debtor shall promptly turn over and deliver complete possession thereof to the Beneficiary; and

(ii) with or without entry, if the Indenture Trustee or the Beneficiary shall deem it advisable:

(x) sell the Trust Estate at a sale or sales held at such place or places and time or times and upon such notice and otherwise in such manner as may be required by law, or, in the absence of any such requirement, as the Indenture Trustee or the Beneficiary may deem appropriate and from time to time adjourn any such sale by announcement at the time and place specified for such sale or for such adjourned sale without further notice, except such as may be required by law;

(y) proceed to protect and enforce its rights under this Indenture, by suit for specific performance of any covenant contained herein or in the Loan Agreements or in any of the other Security Documents or in aid of the execution of any power granted herein or in the Loan Agreements or in any of the other Security Documents, or for the foreclosure of this Indenture (as a mortgage or otherwise) and the sale of the Trust Estate under the judgment or decree of a court of competent jurisdiction, or for the enforcement of any other right as the Indenture Trustee or the Beneficiary shall deem most effectual for such purpose, provided, that in the event of a sale, by foreclosure or otherwise, of less than all of the Trust Estate, this Indenture shall continue as a lien on, and security interest in, the remaining portion of the Trust Estate; or

(z) exercise any or all of the remedies available to a secured party under the applicable Uniform Commercial Code, including, without limitation:

(1) either personally or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom the Debtor and all persons claiming under the Debtor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of the Debtor in respect of the Personal Property or any part thereof. If the Beneficiary demands or attempts to take possession of the Personal Property in the exercise of any rights hereunder, the Debtor shall promptly turn over and deliver complete possession thereof to the Beneficiary;

(2) without notice to or demand upon the Debtor, make such payments and do such acts as the Beneficiary may deem necessary to protect its security interest in the Personal Property, including, without limitation, paying, purchasing, contesting or compromising

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any encumbrance which is prior to or superior to the security interest granted hereunder, and in exercising any such powers or authority paying all expenses incurred in connection therewith;

(3) require the Debtor to assemble the Personal Property or any portion thereof, at a place designated by the Beneficiary and reasonably convenient to both parties, and promptly to deliver the Personal Property to the Beneficiary, or an agent or representative designated by it. The Beneficiary, and its agents and representatives, shall have the right to enter upon the premises and property of the Debtor to exercise the Beneficiary's rights hereunder;

(4) sell, lease or otherwise dispose of the Personal Property, with or without having the Personal Property at the place of sale, and upon such terms and in such manner as the Beneficiary may determine (the Indenture Trustee or the Beneficiary may be a purchaser at any such sale); and

(5) unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Beneficiary shall give the Debtor at least 10 days' prior notice of the time and place of any sale of the Personal Property or other intended disposition thereof.

(b) If an Event of Default shall have occurred and be continuing, the Beneficiary, to the extent permitted by law, shall be entitled, as a matter of right, to the appointment of a receiver of the Trust Estate, without notice or demand, and without regard to the adequacy of the security for the Obligations or the solvency of the Debtor. The Debtor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of the Beneficiary in case of entry as

Indenture of Mortgage, Deed of Trust and Security Agreement

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provided in §3.01(a)(i) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Trust Estate, unless such receivership is sooner terminated.

(c) If an Event of Default shall have occurred and be continuing, the Debtor shall, to the extent permitted by law, pay monthly in advance to the Indenture Trustee or the Beneficiary, or to any receiver appointed at the request of the Beneficiary to collect rents, the fair and reasonable rental value for the use and occupancy of the Property, the Improvements and the Personal Property or of such part thereof as may be in the possession of the Debtor. Upon default in the payment thereof, the Debtor shall vacate and surrender possession of the Property, the Improvements and the Personal Property to the Indenture Trustee or the Beneficiary or such receiver, and upon a failure so to do may be evicted by summary proceedings.

(d) In any sale under any provision of this Indenture or pursuant to any judgment or decree of court, the Trust Estate, to the extent permitted by law, may be sold in one or more parcels or as an entirety and in such order as the Indenture Trustee or the Beneficiary may elect, without regard to the right of the Debtor or any person claiming under the Debtor to the marshalling of assets. The purchaser at any such sale shall take title to the Trust Estate or the part thereof so sold free and discharged of the estate of the Debtor therein, the purchaser being hereby discharged from all liability to see to the application of the purchase money. Any person, including the Beneficiary and the Indenture Trustee, may purchase at any such sale. Upon the completion of any such sale made by the Indenture Trustee or the Beneficiary or by virtue of this §3.01, the Indenture Trustee shall execute and deliver to the purchaser an appropriate instrument which shall effectively transfer all of the Debtor's and the Indenture Trustee's estate, right, title, interest, property, claim and demand in and to the Trust Estate or portion thereof so sold, but without any covenant or warranty, express or implied. The Indenture Trustee and the Beneficiary are hereby irrevocably appointed the attorneys-in-fact of the Debtor in their name and stead to make all appropriate transfers and deliveries of the Trust Estate or any portions thereof so sold and, for that purpose, the Beneficiary and the Indenture Trustee may execute all appropriate instruments of transfer, and may

Indenture of Mortgage, Deed of Trust and Security Agreement

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substitute one or more persons with like power, the Debtor hereby ratifying and confirming all that said attorneys or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Debtor shall ratify and confirm, or cause to be ratified and confirmed, any such sale or sales by executing and delivering, or by causing to be executed and delivered, to the Indenture Trustee, to the Beneficiary or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of the Indenture Trustee or the Beneficiary, for such purpose, and as may be designated in such request. Any sale or sales made under or by virtue of this Indenture, to the extent not prohibited by law, shall operate to divest all the estate, right, title, interest, property, claim and demand whatsoever, whether at law or in equity, of the Debtor in and to the Trust Estate, or any portions thereof so sold, and shall be a perpetual bar both at law and in equity against the Debtor and against any and all persons claiming or who may claim the same, or any part thereof, by, through or under the Debtor. The powers and agency herein granted are coupled with an interest and are irrevocable.

(e) All rights of action under the Loan Agreements, this Indenture and the other Security Documents may be enforced by the Beneficiary or the Indenture Trustee without the possession of the Loan Agreements or this Indenture or the other Security Documents and without the production thereof at any trial or other proceeding relative thereto. Any such suit or proceeding instituted by the Indenture Trustee shall be brought in its name and as trustee of an express trust, and any recovery of judgment shall, subject to the rights of the Indenture Trustee, be for the benefit of the Beneficiary.

§3.02. Application of Proceeds. The proceeds of any sale made either under the power of sale hereby given or under a judgment, order or decree made in any action to foreclose or to enforce this Indenture shall, to the extent permitted by law, be applied:

(a) first to the payment of all costs and expenses of such sale, including the Indenture Trustee's and the Beneficiary's attorneys' fees;

(b) then to the payment of all charges, expenses and advances incurred or made by the Indenture Trustee

Indenture of Mortgage, Deed of Trust and Security Agreement

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or the Beneficiary in order to protect the lien and estate of this Indenture or the security afforded hereby;

(c) then to the payment in full of all fees due and payable pursuant to the Loan Agreements;

(d) then to the payment of all accrued and unpaid interest on the Obligations;

(e) then to the payment in full of the balance of the Obligations;

and any surplus remaining shall be paid to the Debtor or to whosoever may be lawfully entitled to receive the same.

No sale or other disposition of all or any part of the Trust Estate by the Beneficiary pursuant to Section 3.01 shall be deemed to relieve the Debtor of its obligations in respect of any of the Obligations except to the extent the proceeds thereof are applied by the Banks to the payment of such Obligations.

If the proceeds of sale, collection or other realization of or upon the Trust Estate are insufficient to cover the costs and expenses of such realization and the payment in full of the Obligations, the Debtor shall remain liable for any deficiency.

§3.03. Right to Sue. The Indenture Trustee and the Beneficiary shall have the right from time to time to sue for any sums required to be paid by the Debtor under the terms of this Indenture as the same become due, without regard to whether or not the Obligations shall be, or have become, due and without prejudice to the right of the Indenture Trustee or the Beneficiary thereafter to bring any action or proceeding of foreclosure or any other action upon the occurrence of any Event of Default existing at the time such earlier action was commenced.

§3.04. Powers of Indenture Trustee and the Beneficiary. The Indenture Trustee or the Beneficiary may upon joint instruction of the Banks at any time or from time to time renew or extend this Indenture or (with the agreement of the Debtor) alter or modify the same in any way, or waive any of the terms, covenants or conditions

Indenture of Mortgage, Deed of Trust and Security Agreement

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hereof or thereof, in whole or in part, and may upon joint instruction of the Banks release or reconvey any portion of the Trust Estate or any other security, and grant such extensions and indulgences in relation to the Obligations, or release any person liable therefor as the Indenture Trustee or the Beneficiary may determine without the consent of any junior lienor or encumbrancer, without any obligation to give notice of any kind thereto, without in any manner affecting the priority of the lien and estate of this Indenture on or in any part of the Trust Estate, and without affecting the liability of any other person liable for any of the Obligations.

§ 05. Remedies Cumulative. (a) No right or remedy herein conferred upon or reserved to the Indenture Trustee or the Beneficiary is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy under the Loan Agreements, this Indenture and the other Security Documents, or now or hereafter existing, upon the occurrence and during the continuance of an Event of Default; the failure of the Indenture Trustee or the Beneficiary to insist at any time upon the strict observance or performance of any of the provisions of this Indenture, or to exercise any right or remedy provided for herein, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof.

(b) The Indenture Trustee and the Beneficiary, and each of them, shall be entitled to enforce payment and performance of any of the Obligations and to exercise all rights and powers under the Loan Agreements, this Indenture or any of the other Security Documents or any laws now or hereafter in force, notwithstanding that some or all of the Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise; neither the acceptance of this Indenture nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect the Indenture Trustee's or the Beneficiary's right to realize upon or enforce any other security now or hereafter held by the Indenture Trustee or the Beneficiary, it being stipulated that the Indenture Trustee and the Beneficiary, and each of them, shall be entitled to enforce this Indenture and any other security now or hereafter held by the Indenture Trustee or the

Indenture of Mortgage, Deed of Trust and Security Agreement

Beneficiary in such order and manner as they, in their sole discretion, may determine; every power or remedy given by the Loan Agreements, this Indenture or any of the other Security Documents to the Indenture Trustee or to the Beneficiary or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Indenture Trustee or the Beneficiary, and either of them may pursue inconsistent remedies.

§3.06. Waiver of Stay, Extension, Moratorium Laws; Equity of Redemption. To the extent permitted by law, the Debtor shall not at any time insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, which may affect observance or performance of the provisions of the Loan Agreements, this Indenture or any of the other Security Documents; nor claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of the Trust Estate or any portion thereof prior to any sale or sales thereof which may be made under or by virtue of §3.01; and the Debtor, to the extent that it lawfully may, hereby waives all benefit or advantage of any such law or laws. The Debtor for itself and all who may claim under it, hereby waives, to the extent permitted by applicable law, any and all rights and equities of redemption from sale under the power of sale created hereunder or from sale under any order or decree of foreclosure of this Indenture and (if an Event of Default shall have occurred and be continuing) all notice or notices of seizure, and all right to have the Trust Estate marshalled upon any foreclosure hereof. Neither the Indenture Trustee nor the Beneficiary shall be obligated to pursue or exhaust its rights or remedies as against any other part of the Trust Estate and the Debtor hereby waives any right or claim of right to have the Indenture Trustee or the Beneficiary proceed in any particular order.

§3.07. No Waiver. No failure to exercise, nor any delay in exercising or any course of dealing in respect of any right, power or remedy hereunder by the Indenture Trustee or the Beneficiary shall operate as a waiver thereof, nor shall any single or partial exercise by the Indenture Trustee or the Beneficiary of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies provided herein

Indenture of Mortgage, Deed of Trust and Security Agreement

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are cumulative and not exclusive of any remedies provided by law.

ARTICLE IV

The Indenture Trustee

§4.01. Acceptance by Indenture Trustee. The Indenture Trustee accepts this trust when this Indenture, duly executed and acknowledged, is made a public record as provided by law.

§4.02. Compensation. The Indenture Trustee waives any statutory fee and shall accept reasonable compensation from the Beneficiary in lieu thereof for any services rendered by it in accordance with the terms hereof.

§4.03. Action in Accordance With Instructions. Upon receipt by the Indenture Trustee of instructions from the Beneficiary at any time or from time to time, the Indenture Trustee shall (a) give any notice or direction or exercise any right, remedy or power hereunder or in respect of any part or all of the Trust Estate as shall be specified in such instructions and (b) approve as satisfactory all matters required by the terms hereof to be satisfactory to the Indenture Trustee or to the Beneficiary. The Indenture Trustee may, but need not, take any of such actions in the absence of such instructions. At any time or from time to time, upon request of the Beneficiary and presentation of this Indenture for endorsement, and without affecting the liability of any person for payment of the Obligations, the Indenture Trustee may reconvey all or any part of the Trust Estate, consent to the making of any map or plat thereof, join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien and estate hereof.

§4.04. Resignation. The Indenture Trustee may resign at any time upon giving not less than 60 days' prior notice to the Beneficiary, but shall continue to act as trustee until its successor shall have been qualified and appointed pursuant to § 4.05.

§4.05. Successor Indenture Trustee. In the event of the death, removal, resignation or refusal or inability of the Indenture Trustee to act, or for any reason, at any

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time, the Beneficiary shall have the irrevocable power, with or without cause, without notice of any kind, and without applying to any court, to select and appoint a successor trustee. Each such appointment and substitution shall be made by notice to the Debtor, the Indenture Trustee and successor trustee and by recording notice of such in each office in which this Indenture is recorded. Such notice shall be executed and acknowledged by the Beneficiary and shall contain reference to this Indenture and when so recorded shall be conclusive proof of proper appointment of the successor trustee. Such successor shall not be required to give bond for the faithful performance of its duties unless required by the Beneficiary.

ARTICLE V

Miscellaneous

§5.01. Reconveyance by Indenture Trustee. The Beneficiary shall notify the Indenture Trustee of the payment in full of the Obligations and shall surrender this Indenture to the Indenture Trustee for cancellation and retention. Upon receipt of such notification and upon payment by the Debtor of the Indenture Trustee's expenses, the Indenture Trustee and, if required by law, the Beneficiary) shall, subject to the rights of the Guarantor pursuant to § 5.10, reconvey, without warranty or covenant, any portion of the Trust Estate then held hereunder to the Debtor or to the person or persons legally entitled thereto, by an instrument duly acknowledged in form for recording. The recitals in such reconveyance or any matters or facts shall be conclusive proof of the truthfulness thereof.

§5.02. Notices. (a) All notices and other communications provided for herein (including, without limitation, any modification of, or waiver or consents under, this Indenture) shall be given or made by telex, telegraph, cable or in writing and telexed, telecopied, telegraphed, cabled, mailed or delivered to the intended recipient at the "Address for Notices" specified below; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Indenture, all such communications shall be deemed to have been duly given when transmitted by telex or telecopier, delivered to the telegraph or cable office or personally delivered or, in the

Indenture of Mortgage, Deed of Trust and Security Agreement

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case of a mailed notice, upon receipt, in each case given or addressed as aforesaid. A copy of all notices shall be delivered to the Guarantor.

Address for Notices to Debtor:

Crucible Materials Corporation
State Fair Blvd.
Syracuse, New York 13201

Attention: Vincent H. Callahan

Address for Notices to the Beneficiary:

The Chase Manhattan Bank
(National Association)
One Chase Manhattan Plaza
New York, New York 10081

Attention: Capital Goods Division

Address for Notices to Indenture Trustee:

Chicago Title and Trust Company
111 West Washington Street
Chicago, Illinois 60602
Attn: Release Department

Address for Notices to Guarantor:

Colt Industries Inc.
430 Park Avenue
New York, New York 10022
Attention: General Counsel

§5.03. Amendments, Waivers, etc. This Indenture cannot be modified, changed or discharged except by an agreement in writing, duly acknowledged in form for recording, signed by the party against whom enforcement of such modification, change or discharge is sought.

§5.04. Successors and Assigns. This Indenture shall bind and inure to the benefit of the parties hereto and their respective successors and assigns and shall run with the Lands.

§5.05. Severability. If any term or provision of this Indenture or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Indenture, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Indenture shall be valid and enforceable to the fullest extent permitted by law. Should this Indenture be or become ineffective as a deed of trust, then it shall be construed and enforced as a realty mortgage with the Debtor being the mortgagor and the Beneficiary being the mortgagee.

§5.06. Limitation of Interest. It is the intention of the Debtor, the Banks, and the Beneficiary in the execution of the Loan Agreements, this Indenture and the other Security Documents to contract in strict compliance with all applicable usury laws. In furtherance thereof, the Beneficiary and the Debtor stipulate that none of the terms and provisions contained in the Loan Agreements, this Indenture or any of the other Security Documents shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law. The Debtor shall never be liable for unearned interest on the Obligations and none of said persons shall ever be required to pay interest thereon at a rate in excess of the maximum interest which may be lawfully charged under applicable usury laws. This §6.06 shall control over all other provisions of the Loan Agreements, this Indenture and any of the other Security Documents to which the Beneficiary is a party and any other instrument executed in connection herewith or therewith which may be in apparent conflict herewith. If the Beneficiary shall collect monies which are determined to constitute interest which would otherwise increase the effective interest rate on the Obligations to a rate in excess of that permitted to be charged by applicable usury laws, all such sums determined to constitute interest in excess of the legal rate shall be immediately returned to the Debtor upon such determination.

§5.07. One of a Number of Indentures. This Indenture is given as security together with certain other indentures which collectively cover the Trust Estate. A

Indenture of Mortgage, Deed of Trust and Security Agreement

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copy of all such indenture instruments (including this Indenture) are on file with the Debtor and with the Beneficiary and are available for inspection during normal business hours upon reasonable advance request therefor. An Event of Default with respect to any such indenture instrument (including this Indenture) shall constitute an Event of Default under all such indenture instruments (including this Indenture).

§5.08. Trust is Irrevocable. The trust created hereby is irrevocable by the Debtor, subject to defeasance in accordance with this Indenture.

§5.09. Applicable Law. This Indenture shall be governed by and construed in accordance with, the law of New York except as otherwise required by the law of the State (including without limitation provisions of the law of such State as to the validity and enforceability of this Indenture) in which the applicable portion of the Trust Estate is located.

§5.10. Guarantor's Rights. It is expressly understood that to the extent the Guarantor shall be subrogated to the rights of either Chase or Mellon as a result of an exercise by either Chase or Mellon of its rights and remedies under its respective Guarantee Agreement and payments are made thereunder by the Guarantor, the Guarantor shall be subrogated to the rights hereunder of Chase or Mellon, as the case may be.

§5.11. Intercreditor Agreement. The rights and relative priorities of, and the exercise of remedies by, the Banks, the Agent and the Guarantor with respect to the Trust Estate are subject to the terms, conditions and limitations of the Intercreditor Agreement which has been entered into for the benefit of the parties thereto other than the Debtor.

§5.12. Agency Relationship. Beneficiary as Agent shall act in accordance with Section 5.1 of the Security Agreement, as such may be amended or modified from time to time, and such section is hereby incorporated by reference as if such section were restated in full in this Indenture; provided, that this § 5.12 shall in no way be affected by any termination of the Security Agreement.

Indenture of Mortgage, Deed of Trust and Security Agreement

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§5.13. Hazardous Waste Notice. The Debtor shall promptly provide the Beneficiary with written notice: (x) upon the Debtor's obtaining knowledge of any release of any hazardous material or oil at or from the Property or any other site or vessel owned, occupied or operated by the Debtor or by any person for whose conduct the Debtor is responsible or whose liability may result in a lien on the Property; (y) upon the Debtor's receipt of any notice to such effect from any federal, state or other governmental authority; and (z) upon the Debtor's obtaining knowledge of any incurrence of any expense or loss by such governmental authority in connection with the assessment, containment or removal of any hazardous material or oil for which expense or loss the Debtor may be liable or for which expense a lien may be imposed on the Property.

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Indenture of Mortgage, Deed of Trust and Security Agreement

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IN WITNESS WHEREOF, this Indenture has been duly executed, acknowledged and delivered under seal by the Debtor as of the day and year first above written.

CRUCIBLE MATERIALS CORPORATION

By V H Callahan
Print Name: Vincent H. Callahan
Title: Chairman of the Board-
Chief Executive Officer

[CORPORATE SEAL]

By J L Vensel
Print Name: John L. Vensel
Title: President

ATTEST:

By _____
Print Name: Louise Laurent
Title: Assistant Secretary

Signed and Acknowledged
in the presence of:

Francis J. Petro
Print Name: FRANCIS J. PETRO

Ann D Lewis
Print Name: Ann D Lewis

Indenture of Mortgage, Deed of Trust and Security Agreement

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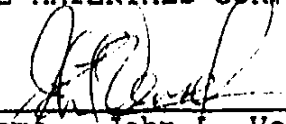
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The Debtor acknowledges that it has received a true copy, without charge therefor, of this Indenture from the Beneficiary.

CRUCIBLE MATERIALS CORPORATION

By 
Print Name: John L. Vensel
Title: President

The Indenture Trustee's address is:

Chicago Title and Trust Company
111 West Washington Street
Chicago, Illinois 60602
Attn: Release Department

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Indenture of Mortgage, Deed of Trust and Security Agreement

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STATE OF NEW YORK)
: ss. :
COUNTY OF NEW YORK)

On the 17th day of December in the year 1985 before me personally came Vincent H. Callahan and John L. Vensel to me known, who, being by me duly sworn, did depose and declare that they reside at 3177 East Lake Road, Skaneateles, New York and 5080 Pine Valley Drive, Fayetteville, New York, respectively; that they are the Chairman of the Board-Chief Executive Officer and President, respectively of CRUCIBLE MATERIALS CORPORATION, the corporation described in and which executed the foregoing instrument; that they know the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation; and that they signed their name thereto by like order.

Patricia Ungania
Print Name: Patricia Ungania

My Commission Expires:

[SEAL]

PATRICIA A. UNGANIA
NOTARY PUBLIC, State of New York
No. 4843714
Qualified in Nassau County
Commission Expires March 30, 1987

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Schedule I

Trent Tube Division (warehouse)
4551 West Armitage Avenue
Chicago, Illinois 60639

Described as follows:

Lots 21, 22, 23 and 26 to 41 both inclusive in Ashfords
Subdivision of the North West 1/4 of the North East 1/4 of the
South West 1/4 of Section 34, Township 40 North, Range 13 east of
the third principal meridian, in Cook County, Illinois.

13-34-302-002 JAW
13-34-302-015

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Illinois - Schedule II

Indenture of Lease, dated March 26, 1951, between Woodman of the World Life Insurance Society and/or Omaha Woodman Life Insurance Society, a Nebraska corporation, Farnam at 17th Street, Omaha, Nebraska and Crucible Steel Company of America, a New Jersey corporation (predecessor of Colt Industries Operating Corp.), leasing premises at West Cortland Street and North Kelbourn Avenue, Chicago, Illinois, for a term commencing on April 1, 1956 and ending on March 31, 1991, assigned to Borrower as of October 3, 1983, relating to premises described at Schedule III hereof.

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