85 343 955

85 5 3 4 3 9

$28.00

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") made as of the first day of December, 1985 between Polychrome Chemicals Corporation, a New Jersey corporation having an address at 400 Broadacres, Bloomfield, New Jersey 07003 hereinafter called the "Mortgagor" and the City of Chicago, Illinois, a municipality organized and existing under the laws of the State of Illinois having an address at 121 N. LaSalle Street,Chicago, Illinois 60602, hereinafter called the "Mortgagee";

WHEREAS, the Mortgagor and Polychrome Corporation, a New York corporation, (the "Company") are issuing that certain Promissory Note (the "Note") in the principal amount of $4,000,000 dated the date of issuance for the purpose of financing the cost of acquisition and renovation of an existing building and the acquisition and installation of equipment therein (the "Project") as security for the Industrial Revenue Bond (Polychrome Chemicals Corporation Project) (the "Bond") in the principal amount of $4,000,000 and dated the date of issuance to be issued by the Mortgagee in furtherance of the purposes of Chapter 15.2 of the Municipal Code of the City of Chicago adopted by the City Council of the Mortgagee on February 10, 1982, as from time to time supplemented and amended (the "Enabling Ordinance");

WHEREAS, the Mortgagor and the Company are indebted to the Mortgagee in the principal sum of Four Million Dollars ($4,000,000) with interest thereon, to be paid according to the Note and made payable to the order of Mortgagee and delivered pursuant to the Loan Agreement dated as of December 1, 1985 among the Mortgagee, the Company and the Mortgagor (the "Agreement"), in and by which said Note the Mortgagor and the Company promise to pay the said principal sum and interest on the balance of principal remaining from time to time unpaid on the Note at the rate per annum of 8⅛% in effect from time to time, subject to late charges and with interest after maturity, acceleration or default or a Determination of Taxability (as defined in the Agreement) at the rates provided in the Note with a final

70 19 664 DN

This Instrument Prepared By:
Charles P. Carlson
Carlson and Hug
135 South LaSalle Street
Chicago, Illinois 60603

and return to →

P.I.N. _____

Address: 2100 North Elston Ave
Chicago, Illinois

14-31-211-016, -017, -018, -024, -025
14-31-219-039

BOX 333 - HV

85 343 955

payment of principal plus interest if not sooner paid by redemption or acceleration due on the first day of October, 2001; and

WHEREAS, this Mortgage (except for the right of the Issuer to payment of its expenses) is being assigned by Mortgagee to LTCB Trust Company, New York, New York (the "Assignee") pursuant to that certain Assignment and Agreement dated as of December 1, 1985 between the Mortgagee and the Assignee as security for the Bond;

NOW THEREFORE the Mortgagor, in order to secure the payment of the principal of and interest on the Note in accordance with the terms and provisions thereof and the observance and performance of all covenants and agreements herein or therein contained, and for the payment of any other amounts that are payable under the Agreement and also for and in consideration of the sum of Ten Dollars to the Mortgagor in hand paid by the Mortgagee, at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, released, conveyed, confirmed, mortgaged and granted a security interest in and by these presents does grant, bargain, sell, alien, release, convey, confirm and mortgage unto the said Mortgagee and its successors and assigns and does hereby grant to Mortgagee its successors and assigns a security interest in, FOREVER,

All that tract or parcel of land and premises, situated, lying and located at 2100 North Elston Avenue, Chicago, Illinois, in the County of Cook and State of Illinois, more particularly described on Exhibit "A" attached hereto and made a part hereof.

The land so described in Exhibit "A" together with the property listed in Exhibit "B" with the property hereinafter described, are referred to herein as the "premises".

TOGETHER with all buildings, improvements, tenements, easements, fixtures and appurtenances at any time belonging thereto and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate as security for the payment of the indebtedness secured hereby and not secondarily), and, without limiting the generality of the foregoing, all apparatus and building equipment of every kind now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, and all window screens, window shades, storm doors and windows, awnings, wall-to- wall floor coverings, gas and electric fixtures, sinks and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the Mortgagor or its

successors or assigns shall be considered as constituting part of the real estate.

TOGETHER with all machinery, equipment and other tangible personal property owned by the Mortgagor and financed from the proceeds of the Bond and to be located on the land described in Exhibit "A" hereto, including without limitation, that described on Exhibit "B" hereto, and including any such items acquired, constructed, remodeled or installed by the Mortgagor in substitution therefor or in addition thereto pursuant to Sections 5.1, 5.2, 5.5 and 5.6 of the Agreement, less such property as may be released from the Agreement pursuant to Section 5.2 or taken by the power of eminent domain as provided in Section 5.6 of the Agreement, and which is now or at any time hereafter located on the land described in Exhibit "A" hereto.

As to any of the above property which is not considered by law as real estate, this Mortgage is hereby also deemed to be a security agreement under the provisions of the Illinois Uniform Commercial Code (Ill. Rev. Stat., ch. 26) Section 9-101 et seq.) for the purpose of creating hereby a security interest in such property, which is hereby granted to Mortgagee as secured party, further securing the indebtedness and obligation described above.

TO HAVE AND TO HOLD the premises unto the said Mortgagee, its successors and assigns, forever; provided, however, that this Mortgage is upon the express condition that if Mortgagor shall pay or cause to be paid all indebtedness hereby secured and shall keep, perform and observe all and singular the covenants and promises in the Bond, the Note, the Agreement and in this Mortgage or in any other instrument or document securing the Note or in any agreement applicable thereto expressed to be kept, performed and observed by Mortgagor, then this Mortgage and the estate and rights hereby granted shall cease, determine and be void and this Mortgage shall be released by Mortgagee upon the written request and at the expense of Mortgagor, otherwise to remain in full force and effect and the maximum amount secured by this Mortgage is expressly limited to $50,000,000 plus accrued fees and expenses.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

1. Mortgagor shall (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the premises which may become damaged or destroyed except as provided in the Agreement in cases where the Mortgagor determines that rebuilding, repairing or restoring is not practicable or desirable; (b) keep said premises in good condition and repair, without waste, and free from charges, encumbrances, mechanic's or other liens or claims for lien except Permitted Encumbrances, as defined in the Agreement; (c) pay when due any indebtedness which may be secured by a lien, charge or encumbrance on the premises, and upon request exhibit satisfactory evidence of the discharge of same to Mortgagee; (d) complete within a reasonable time any building or buildings now or at any time in process of erection

upon said premises; (e) comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof; (f) without prior written consent of the Mortgagee not make any alteration in said premises except as required by law or municipal ordinance; and (g) promptly notify Mortgagee of any damage or destruction to the premises, of any pending or threatened proceeding for the taking (by eminent domain or otherwise) of any part thereof, of any notice from any governmental authority alleging violation of any building code, zoning ordinance or other governmental requirement or of any other event or condition which might impair the value of the premises or its use for its intended purpose.

2. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges and other charges against the premises when due, and shall upon written request, furnish to Mortgagee duplicate receipts therefor. The Mortgagor may, at its expense and in its own name and behalf in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, provided during such period enforcement of any such contested item shall be effectively stayed. However, in the case of general real estate taxes, the same shall be paid prior to the due date thereof unless collateral reasonably satisfactory to the Mortgagee is pledged to the Mortgagee as security for payment in connection with such contest.

3. Mortgagor shall keep all buildings and improvements now or hereafter situated on said premises insured against loss or damage by such hazards and contingencies and in such amounts as are required by Section 5.4 of the Agreement and in all other respects complying with the provisions of that Section. In no event shall any such policy of insurance be so written that the proceeds thereof will produce less than the minimum coverage required by reason of co-insurance or otherwise. All such policies shall contain standard mortgage clauses providing that all losses thereunder, if the claim for loss exceeds $100,000, except as provided in the Agreement, shall be paid to Mortgagee. The Mortgagor shall cause certificates of such insurance or copies of such insurance policies to be delivered to Mortgagee and, in the case of insurance about to expire or be terminated, shall deliver evidence of renewal to Mortgagee not less than 30 days prior to the respective dates of expiration or termination. Mortgagee shall apply any insurance proceeds at any time coming into its hands in accordance with Section 5.5 of the Agreement, provided that if it shall apply same to the reduction of the indebtedness hereby secured, Mortgagor shall be relieved of any duty to restore the damage in respect of which such insurance proceeds were obtained. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as its true and lawful attorney in fact to endorse the name of the Mortgagor on any commercial paper evidencing any insurance proceeds.

4. In case Mortgagor shall fail to perform any covenants herein contained, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said premises or contest any tax assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the mortgaged premises and the lien hereof shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the rate per annum of the Prime Rate (as defined in the Agreement) plus 2% per annum. Mortgagee shall be subrogated to all rights, claims and liens of any party whose debt is discharged pursuant to this Section 4. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default hereunder on the part of Mortgagor. Mortgagee in making any payment hereby authorized may do so according to any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

5. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof and of the Note. At the option of Mortgagee and without notice to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note, or in this Mortgage to the contrary, become due and payable and accrue interest at the Prime Rate (as defined in the Agreement) plus 2% per annum (a) in the case of default after any applicable grace period in making payment of any installment of principal or interest on the Note, or in making payment of any other sum due hereunder, or (b) in case an Event of Default (as defined in the Agreement) occurs under the Agreement, or (c) in case the Mortgagor shall, without the prior written consent of Mortgagee, sell, assign, transfer or lease the real estate subject hereto, or any portion thereof or interest therein, or contract or agree so to do, or (d) when default shall occur and continue for 30 days in the performance or observance of any other agreement of the Mortgagor herein contained, or (e) Mortgagor abandons the premises, or (f) Mortgagor shall become bankrupt, insolvent, or any proceedings under any bankruptcy, insolvency, arrangement or adjustment proceedings, or proceedings under any bankruptcy, insolvency or similar law shall be instituted or commenced by or against any such entity, or (g) proceedings shall be commenced to foreclose or otherwise realize upon any lien, charge or encumbrance on the premises or any part thereof, provided that such proceedings shall not be a default hereunder if they are being contested in good faith and funds sufficient to satisfy

such lien, charge or encumbrance shall have been placed in escrow and such proceedings shall not have proceeded to foreclosure or other sale of the premises.

6. When the indebtedness hereby secured shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, Mortgagee's fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, guarantee policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and become immediately due and payable, with interest thereon at the rate per annum of the Prime Rate plus 2% per annum when paid or incurred by Mortgagee in connection with (a) any proceeding, including bankruptcy proceedings, to which the Mortgagor shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparation for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose, whether or not actually commenced; or (c) preparation for the defense of any threatened suit or proceedings which might affect the premises or the security hereof, whether or not actually commenced. Mortgagor hereby waives any and all rights of redemption from sale to which it may be entitled under the laws of the State of Illinois on behalf of Mortgagor and each and every person acquiring any interest in, or title to the premises described herein subsequent to the date hereof and on behalf of all other persons to the extent permitted by law.

7. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incurred by the Mortgagee (Issuer) and the holder of the Bond incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof (the rights of the Mortgagee (Issuer) to recover the payment of such costs and expenses shall survive such foreclosure proceedings in the event that all such costs and expenses have not been satisfied in such foreclosure proceedings); second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, its legal representatives or assigns, to be distributed in accordance with the Agreement to

the parties thereto, as their rights may appear. In the event of any deficiencies, the Borrower shall remain liable for all other amounts secured hereby.

8. Upon, or at any time after, the filing of a suit to foreclose this Mortgage, the court in which such suit is filed may appoint a receiver of said premises without requiring any bond from the claimant in any such suit. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not and the Mortgagee or assignee hereunder may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during the whole of said period. The court from time to time may authorize the receiver to apply the income in his hands in payment in whole or in part of: (1) the costs and expenses of the receiver and of the Mortgagee under paragraph 6 above, the right of the Mortgagee to the payment of such costs and expenses, if any, shall survive the assignment hereof; (2) the indebtedness secured hereby, or by any decree foreclosing this Mortgage or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (3) the deficiency in case of a sale and deficiency.

9. As further security for the indebtedness hereby secured, Mortgagor hereby assigns to Mortgagee any and all awards at any time made for the taking (whether permanent or temporary) by condemnation, eminent domain or otherwise of all or any part of the premises or any rights, interests or privileges appurtenant thereto, together with the right (but not the duty) to collect, receive, receipt for, compromise and adjust such awards and to endorse the name of Mortgagor on any commercial paper given in payment thereof. Unless Mortgagee shall otherwise agree, the proceeds of all such awards shall be applied as provided in the Agreement.

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

11. In the event that title to, or temporary use of the premises shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or

corporation acting under governmental authority, the Mortgagor will comply with the provisions of Section 5.6 of the Agreement.

12. Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

13. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension, exemption or redemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage or the sale of the premises, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the premises marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the premises sold as an entirety and Mortgagor hereby specifically waives any rights of redemption under the Illinois Statutes.

14. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons, jointly and severally.

15. When the indebtedness hereby secured shall become due, whether by acceleration or otherwise, Mortgagee shall have all the remedies of a secured party under the Uniform Commercial Code of Illinois, including without limitation thereto the right to take possession of the tangible personal property, machinery and equipment which is security for the indebtedness hereunder and for that purpose the Mortgagee may, insofar as the Mortgagor can give authority therefor, enter upon any premises on which said tangible personal property or any part thereof may be situated and remove the same therefrom. Unless said tangible personal property is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market Mortgagee will give Mortgagor at least 10 days prior written notice of the time and place of any public sale thereof or of a time after which a private sale or other intended disposition thereof is to be made.

16. The Mortgagor shall not, without the prior written consent of the Assignee sell, transfer, convey, encumber, or assign the title to all or any portion of the premises except for any Equipment, as defined in the Agreement, or the rents, issues, or profits therefrom, whether by operation of law, voluntarily, or otherwise, and shall not contract to do any of the foregoing (any such sale, transfer, conveyance, encumbrance, assignment or agreement to do any of the foregoing being herein referred to as an "Ownership Transfer"), provided, however, that Assignee's rights and remedy in the event of any default hereunder resulting from any such Ownership Transfer to which Assignee has not so consented in accordance with the terms hereof, shall be to

declare the indebtedness evidenced hereby to be immediately due and payable, as specified in the Agreement and in the absence of payment upon such acceleration to pursue such other remedies as are specified in the Agreement and paragraph 6 hereof.

17. If any provisions of this Mortgage shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

18. The invalidity of any one or more phrases, sentences, clauses or Sections in this Mortgage contained, shall not affect the remaining portions of this Mortgage, or any part thereof.

19. All rights and privileges of Mortgagee hereunder shall vest in Assignee and all notices, consents or other approvals required to be given to or received by Mortgagee shall instead be given to or obtained from the Assignee.

20. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Mortgage or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Mortgagee to exercise any remedy reserved to herein, it shall not be necessary to given any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the Mortgage hereunder shall also extend to the Assignee.

Witnesseth the signature of Mortgagor as of the day and year first above written but actually entered into this 26th day of December, 1985.

POLYCHROME CHEMICALS CORPORATION,
a New Jersey corporation

By _____
Its Secretary

(SEAL)

Attest:

By _____
Its Ass't Secretary

COOK COUNTY, ILLINOIS
FILED FOR RECORD

1985 DEC 31 AM 11: 18 85343955

85 343 955

8 5 3 4 3 9 5 5

STATE OF New York)
)
COUNTY OF Westchester)

The foregoing instrument was acknowledged before me this 26th day of December, 1985, by Nicholas J. Profita and Paul V. Reilly, who are respectively Secretary and Asst Secretary of Polychrome Chemicals Corporation, a New Jersey corporation, on behalf of said corporation.

GIVEN under my hand and notarial seal this 26th day of December, 1985.

Donna M. Peters
Notary Public in and for Westchester County, New York

(SEAL)

My commission expires:

Donna M. Peters
Notary Public, State of New York
No. 01P-4870343
Qualified in Westchester County
Commission Expires March 30, 1986

85 343 955

8 5 3 4 3 9 5 5

EXHIBIT "A"

Description of Land

14-31-211-024 (Lot 1) & (Lot 20)
-018 (Lot 2)
-017 (Lot 3)
-016 (Lot 4)

PARCEL 1:

LOTS 1 TO 4, AND LOT 20, AND ALL THAT PART OF THE VACATED ALLEY LYING SOUTHWESTERLY OF AND ADJOINING THE SOUTHWESTERLY LINE OF LOT 1, LYING EAST OF AND ADJOINING THE EAST LINE OF LOT 20, AND LYING SOUTH OF A LINE EXTENDED FROM THE WESTERNMOST CORNER OF LOT 1 TO THE NORTH EAST CORNER LOT 20, ALL IN PARTRIDGE'S SUBDIVISION OF LOT 12 IN BLOCK 21 IN SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 31, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2: 14-31-211-025

LOT "A" IN THE CONSOLIDATION OF PARTS OF ORIGINAL BLOCK 21 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 3"A": 14-31-219-039

LOT 8 (EXCEPT THE NORTHEASTERLY 10 FEET THEREOF, AND EXCEPT THE SOUTHEASTERLY 34 FEET OF SAID LOT 8 LYING SOUTHWESTERLY OF THE NORTHEASTERLY 10 FEET THEREOF), LOTS 9 AND 10 (EXCEPT THE SOUTHEASTERLY 34 FEET OF SAID LOTS), AND LOTS 11 AND 12 IN KILLICK'S SUBDIVISION OF LOTS 29, 30 AND 31 IN THE RESUBDIVISION OF LOTS 2 TO 5, LOTS 7 TO 11, AND LOTS 13 TO 18 IN BLOCK 21 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE SOUTH EAST 1/4 OF THE NORTH EAST 1/4 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

PARCEL 3"B":

THAT PARCEL OF REAL ESTATE LYING SOUTHWESTERLY OF AND ADJOINING LOT 12 IN KILLICK'S SUBDIVISION AFORESAID AND BOUNDED AS FOLLOWS:
(1) ON THE NORTH WEST BY A LINE COMMENCING AT THE MOST WESTERLY CORNER OF SAID LOT 12, THENCE RUNNING SOUTHWESTERLY ALONG THE NORTHWESTERLY LINE OF SAID LOT 12, EXTENDED SOUTHWESTERLY, 34 FEET, 7 1/4 INCHES, MORE OR LESS, TO THE NORTHEASTERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO AND NORTH WESTERN RAILROAD;
(2) ON THE SOUTH WEST BY SAID NORTHEASTERLY LINE OF RAILROAD RIGHT OF WAY;
(3) ON THE SOUTH EAST BY THE SOUTHEASTERLY LINE OF SAID LOT 12, EXTENDED SOUTHWESTERLY TO SAID NORTHEASTERLY LINE OF RAILROAD RIGHT OF WAY; AND
(4) ON THE NORTH EAST BY THE SOUTHWESTERLY LINE OF SAID LOT 12; IN COOK COUNTY, ILLINOIS

85 343 955

PARCEL 3"C":

THAT PARCEL OF REAL ESTATE LYING SOUTHEASTERLY OF AND ADJOINING PARCEL 3 "B" AFORESAID AND BOUNDED AS FOLLOWS:
(1) ON THE NORTH WEST BY THE SOUTHEASTERLY LINE OF LOT 12 IN KILLICK'S SUBDIVISION AFORESAID, EXTENDED SOUTHWESTERLY TO THE NORTHEASTERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO AND NORTH WESTERN RAILROAD;
(2) ON THE SOUTH WEST BY SAID NORTHEASTERLY LINE OF RAILROAD RIGHT OF WAY;
(3) ON THE SOUTH EAST BY A LINE DRAWN PARALLEL TO AND 2 1/2 FEET

NORTHWESTERLY OF THE SOUTHEASTERLY LINE OF THE 16 FOOT ALLEY LYING SOUTHEASTERLY OF AND ADJOINING LOTS 7 TO 12 IN KILLICK'S SUBDIVISION AFORESAID, AND SAID LINE EXTENDED SOUTHWESTERLY TO THE AFORESAID NORTHEASTERLY LINE OF RAILROAD RIGHT OF WAY; AND
(4) ON THE NORTH EAST BY THE SOUTHWESTERLY LINE OF SAID LOT 12 IN KILLICK'S SUBDIVISION, EXTENDED SOUTHEASTERLY TO SAID SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL OF REAL ESTATE; IN COOK COUNTY, ILLINOIS.

PARCEL 3"D":

ALL THAT PART OF VACATED NORTH HOBSON AVENUE LYING NORTHWESTERLY OF AND ADJOINING THE NORTHWESTERLY LINES OF LOTS 8 TO 12, AND THE NORTHWESTERLY LINE OF SAID LOT 12 PRODUCED SOUTHWESTERLY TO THE NORTHEASTERLY LINE OF THE RIGHT OF WAY OF CHICAGO AND NORTH WESTERN RAILWAY, IN J. E. KILLICK'S SUBDIVISION OF LOTS 29, 30 AND 31 OF BLOCK 21 AFORESAID, AND LYING SOUTHEASTERLY OF AND ADJOINING THE SOUTHEASTERLY LINE OF LOT "A" IN THE CONSOLIDATION OF PARTS OF ORIGINAL BLOCK 21, AND LYING SOUTHWESTERLY OF AND ADJOINING THE SOUTHWESTERLY LINE OF THE NORTHEASTERLY 10 FEET OF SAID LOT 8 IN KILLICK'S SUBDIVISION, PRODUCED NORTHWESTERLY TO THE SOUTHEASTERLY LINE OF LOT "A" IN THE CONSOLIDATION AFORESAID AND LYING NORTHEASTERLY OF ADJOINING THE NORTHEASTERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO AND NORTH WESTERN RAILROAD, IN COOK COUNTY, ILLINOIS

BUILDINGS:

ALL BUILDINGS ATTACHED TO ABOVE PARCELS.

EXHIBIT "B"

MACHINERY & EQUIPMENT LISTING

Unit		Description
0002	0002	Elevator, Otis 10,000# Freight
0005	0004	Liquid Raw Material Storage 25 - Bldg.
0006	0005	Tanks, West Room 2,133 Gal. Storage
0006	0007	Pump #48, East Room Paint Mfg. Transfer
0006	0008	Tanks, East Room 2,133 Gal. Storage
0006	0011	Pumps West Room Paint Mfg. Transfer
0006	0013	Piping & Wiring
0006	0675	Pump #115, Tank Wagon Unloading
0007	0001	Varnish Tanks, West Room 2,133 Gal. Stor.
0007	0002	Pump, Varnish Transfer
0007	0003	Piping & Wiring
0007	0004	Epon 1007 Pump
0009	0001	Tank Pit, Deck & Control Rm-Tank Farm
0010	0020	Tank #500, Outside Solvent Storage
0010	0021	Tank #501, Outside Solvent Storage
0010	0022	Tank #502, Outside Solvent Storage
0010	0023	Tank #503, Outside Solvent Storage
0010	0024	Tank #504, Outside Solvent Storage
0010	0025	Tank #505, Outside Solvent Storage
0010	0036	Piping & Wiring
0010	0035	Tank TF-1, Underground
0010	0036	Tank TF-2, Underground
0010	0037	Tank TF-3, Underground
0010	0038	Tank TF-4, Underground
0010	0040	Tank TF-6, Underground
0010	0041	Tank TF-7, Underground
0010	0042	Tank TF-8, Underground
0010	0043	Underground Storage Tanks - Common Facilities
0010	0046	Underground Storage Tank Common Facilities
0011	0039	Tank TF-5, Underground
0011	0044	Tank TF-5, Underground
0011	0045	Tank TF-5, Underground
0011	0047	Underground Storage Tanks 12 & 13
0011	7001	Tanks 11 & 14 O.S. Storage
0015	0668	Can Coating Loading Facilities Spot 7A
0015	0670	Unloading Tower at Spot 9A
0015	0671	Unloading Tower at Spot 15A
0016	7001	Unloading Pump
0021	0042	Stack & Furnaces, Varnish
0021	0047	Inert Gas Producer, 10,000 SCFH
0021	0049	Inert Gas Producer, 4,000 SCFH Inert
0022	0325	Resin Manufacturing System No. 1
0023	0327	Resin Manufacturing System No. 2
0024	0329	Resin Manufacturing - Common Facilities
0024	0330	Resin Manufacturing - Ventilation
0025	0050	Fume Disposal Unit, Resin Mfg. & Cooling Area

Unit		Description
0025	0051	Elevator, 10,000# Freight
0025	0052	Misc. Equip. - Varnish & Resin Mfg.
0025	0053	Piping & Wiring
0025	0054	Monomer Feed System
0025	0340	Molten Phthalic Anhydride Handling Facilities
0025	0341	Motor Control Center
0027	0001	Auxiliary Facilities - Acrlic Polymer Mfg.
0027	0003	Demineralized Water System
0027	0004	Miscl. Raw Material Loading & Storage Faci.
0027	0006	Wash & Cleaning System
0027	0007	Monomer Scale Tank
0027	0010	Initiator Tanks
0027	0012	Tank, Blend No. 1-4000 Gal.
0027	0013	Instrumentation
0027	0014	Refrigeration System
0027	0015	Common Facs. - Acrylic Polymer Mfg.
0027	0016	Tank, Blend No. 2-4000 Gal.
0028	0001	Monomer Storage Facilities
0030	0054	Varnish & Resin Thinning & Filtering - Bldg.
0031	0055	Tank #1, 2,500 Gal. Agitated Thinning
0031	0056	Tank #2, 2,500 Gal. Agitated Thinning
0031	0057	Tank #3, 2,500 Gal. Agitated Thinning
0031	0058	Tank #4, 2,500 Gal. Agitated Thinning
0031	0059	Misc. Equipment
0031	0060	Tank & Scales , Thinning Weigh
0031	0061	Hydro Filter & Booth, Tank #1 & 2
0031	0345	Tank #5, 5000 Gal. Agitated Thinning
0032	0068	Filter Presses
0032	0069	Miscellaneous Equipment - Filtering
0032	0071	RC-909 Storage & Bdlg. Facilities
0033	0070	Piping & Wiring
0033	0071	Tanks, Storage 2000 Gal.
0037	0079	Tanks, Resin Storage
0037	0080	Resin Storage Tanks, Vent Piping
0038	0079	Tanks - South Room 2,068 Gal. Steel Storage
0038	0080	Pump #11, South Room Transfer
0038	0088	Tank Wagon Loading/Unloading Facilities
0038	0089	Ventilating System Building 6
0041	0088	Tanks, North Room 2303 Gal. Steel Storage
0041	0089	Tanks Straight Line 1,600 Gal.
0041	0092	Tanks - South Room 1,692 Gal. Steel Storage
0041	0094	Miscellaneous Equipment - Varnish Storage 4,000
0041	0096	Piping & Wiring
0041	0098	Tank #486, Epon Can Coa. - 10,000 Gal.
0041	0100	Tanks, SS 5,000 Gallon Acrylic
0042	0107	Versamid 100 G-1140 Storage & Bdlg.
0051	0109	Varnish & Stain Mfg. - Misc. Equipment
0052	0111	Tanks, 500 Gal. Varnish Mixing 901 and 902
0052	0112	Miscellaneous Blending Equipment
0052	0113	Piping & Wiring
0052	0115	Tank, 1,000 Gal. Thinner Blender #484
0052	0116	Epoxy Beer Can Base Coatings

Unit		Description
0053	0115	Tanks, 2,065 Gallon Varnish Storage
0053	0117	Piping & Wiring
0055	0120	Wire Enamel Filling
0056	0121	Auxiliary Facilities - Storage & Thinner Blending
0056	0123	Solvent Handling for Epoxy Can Coatings
0058	0126	Mixing Unit A, 1,500 Gal. Nylon
0058	0127	Tank, Nylon Storage 1,692 Gal. #826
0058	0128	Pump, Nylon Filling Transfer
0058	0129	Mixing Unit B, 1,500 Gal. Formvar
0058	0130	Mixing Unit C, 1,500 Gal. Formvar
0058	0131	Pump, Formvar Storage Tank
0058	0132	Tanks, Residue & Surplus #747,823,824
0058	0133	Miscellaneous Equipment - Wire Enamel Mfg.
0058	0134	Piping & Wiring
0059	0135	Printing Plant
0071	0160	Paint Mfg. Misc. Equipment
0071	0177	Ammonia Handling Facilities Emulsions
0071	0191	Mill Base Storage Tanks 1 thru 12
0071	0192	Mixer #19 for VM-5751
0071	0193	Mixer #9, 550 Gal.
0071	0196	Mixer 200 Gallon #18
0072	0184	Ball Mill #3, Unlined Water Jacket 5X1
0072	0186	Ball Mill #2, Unlined Water Jacket 5X4
0072	0204	Piping & Wiring
0072	0209	Cooling Water System for Ball Mills
0072	0210	Miscellaneous Equipment - Paint Dispersion
0072	0211	Mill Base Storage Tanks 13 thru 18
0072	0212	Demineralized Water System
0073	0216	Tank #502, Thinning
0073	0217	Lineshafting for Tanks #2 & #14 thru #19
0073	0218	Tank #1003, Thinning
0073	0219	Tank #1004, Thinning
0073	0220	Tank #1005, Thinning
0073	0221	Tank #1006, Thinning
0073	0222	Tank #1007, Thinning
0073	0223	Tank #1008, Thinning
0073	0224	Tank #1009, Thinning
0073	0225	Tank #1010, Thinning
0073	0226	Tank #1011, Thinning
0073	0227	Tank #1012, Thinning
0073	0228	Tank #1013, Thinning
0073	0229	Tank #514, Thinning
0073	0231	Tank #516, Thinning
0073	0232	Tank #517, Thinning
0073	0233	Tank #518, Thinning
0073	0244	Tank #1028, Thinning
0073	0245	Tank #1029, Thinning
0073	0246	Tank #1030, Thinning
0073	0247	Tank #1031, Thinning
0073	0248	Tank #1032, Thinning
0073	0249	Tank #1033, Thinning

Unit		Description
0073	0252	Tank #1036, Thinning
0073	0254	Tank #1037, Thinning
0073	0255	Tank #1038, Thinning
0073	0256	Tank #1039, Thinning
0073	0257	Tank #1040, Thinning
0073	0258	Tank #1041, Thinning
0073	0269	Laboratory, Quality Control
0076	0303	Sump Pumps, Basement
0077	0313	Elevator
0077	0314	Miscellaneous Equipment - Paint Manufacturing
0077	0315	Piping & Wiring
0077	0316	Caustic Cleaning Facilities
0078	0316	Motor Control Center 33-1
0090	0673	Varnish & Resin & Oil Lines - Outside
0102	0144	Elevator
0102	0145	Miscellaneous Equipment - Fin. Product Whse.
0150	0147	Materials Handling Trucks & Equipment
0150	0148	Materials Handling Trucks & Equipment
0200	7003	Blending
0200	7004	Instrumentation
0200	7005	Power Wiring Serving Equipment
0200	7006	Hoist
0200	7008	Hot Reactor Additions Equipment
0202	8501	Cooling Water
0202	8502	Cooling Brine
0202	8503	Control Center
0202	8505	P8135 - Refrigeration - Common
0202	8506	Instrument Air Control System
0552	0001	Material Hdlg. Trucks & Equipment
0553	0001	Batteries
0602	0602	Tanks #20 & #21, Fuel Oil Storage
0606	0604	Foundation Boiler - See R. J. E. Voucher
0606	0606	Instruments, Common Boiler
0606	0610	Stack, Boiler
0606	0619	Pump, #2 Return Water
0606	0621	Piping & Wiring
0606	0622	Miscellaneous Equipment - Boiler House
0606	0623	Duplex Pump System Vacuum & Heating
0606	0624	Plant Water Pressure Booster
0606	0625	Boiler No. 2 - 400 H.P.
0606	0626	Plant Water Booster Pump - Backup
0609	0634	Power House - Bldg.
0610	0635	Electrical Distribution
0611	0636	Compressor #1, Air
0611	0637	Compressor #2, Air
0611	0638	Auxiliary Facilities - Compressors #1 & 2
0620	0650	Electric Lines, Outside
0620	0651	Yard Lighting
0620	0652	Substation - Transformer Pad & Enclosure
0620	7002	Electric Lines Outside Polimide Wire
0621	0656	Steam Lines, Outside
0622	0658	Air Lines, Outside

Unit		Description
0623	0660	Water Lines, Outside
0624	0663	Fuel Oil Lines, Outside
0625	0665	Gas Lines, Outside
0701	0701	Main Office - Miscellaneous Equipment
0701	0702	Piping & Wiring
0701	0704	Oven Room
0701	0705	Spray Room
0701	0707	Misc. Equip. Control Laboratories
0701	0708	Chemical Laboratory
0701	0709	Centralized Clock System
0701	0710	Motor Control Center
0707	0704	Miscellaneous Equipment - Change House
0707	0705	Piping & Wiring
0714	0714	Lathes, Shop
0714	0716	Press, Drill
0714	0718	Threader, Pipe
0714	0719	Controller, Fire Alarm
0716	0731	Miscellaneous Equipment - Welding Shop
0720	0106	General Lab. Equ., Varnish Laboratory
0725	0733	Varnish Laboratory - Bldg. 73
0726	0734	Varnish Laboratory - Misc.
0730	0740	Laundry, Control, Stain, & Still Room
0733	0750	Wash Solvent Recovery
0733	0752	Piping & Wiring
0734	0755	Wire Enamel Testing Facilities
0735	0757	Aux. Facilities - Stain Mfg. & Solvent Recovery
0741	0772	Refr. Storage for Pyre A.L. Enamels
0741	0776	Tanks, Caustic Supply
0741	0777	Pumps, Caustic Circulation
0741	0781	Misc. Equip. Fin. Prod. Storage Bldg. 20
0741	0782	Rotojet Cleaning Stations
0750	0784	Car Mover R.R.
0751	0784	Standard Gauge Track
0754	0188	Auxiliary Fire Equip. - Bldg. 2B
0761	0788	Fire Lines, Outside
0761	0789	Miscellaneous Equipment - Fire Mains
0763	0790	Hose Boxes
0763	0791	Miscellaneous Fire Equipment
0765	0630	Pump, 1,000 GPM Firewater
0765	0631	Pump, Firewater Booster
0768	0794	Pipe Line Supports & Tunnels, Outside
0769	0798	Sewers, Outside
0770	0799	Fences
0771	0801	Radio Paging System
0772	0801	Pneumatic Tube System
0778	0807	Solid Waste Compacter
0900	0000	1977 Chevrolet Sport Van
0901	T000	3 Yard Service Trailers
0903	L000	Portable Laboratory Equipment
0904	M000	Portable Mechanical Equipment
0906	0015	Furniture & Fixtures
0912	0000	Captive Portable Tanks

Unit	Description
0920 E000	Extra Machinery

Stores and Spare Parts located at the Chicago Plant on the day of closing, examples include:

Ball valves, check valves, light bulbs, guages and steam traps.