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$43.00

MORTGAGE AND SECURITY AGREEMENT

U.G.N., INC.

and

THE INDUSTRIAL BANK OF JAPAN, LIMITED, NEW YORK BRANCH
Mortgagee

Dated as of September 15, 1986

This instrument was prepared by, and after recordation return to:

BRYAN G. PETKANICS
c/o Kraft & Hughes
245 Park Avenue
New York, New York 10167

BOX 333-HV

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This is a MORTGAGE AND SECURITY AGREEMENT, dated as of September 15, 1986 (the "Mortgage"), between U.G.N, INC., a corporation organized and existing under the laws of the State of Illinois also operating under the name United Globe Nippon, Inc., as Mortgagor (together with its successors and assigns, the "Mortgagor") and THE INDUSTRIAL BANK OF JAPAN, LIMITED, NEW YORK BRANCH, a banking corporation organized and existing under the laws of Japan, acting through its New York Branch, as Mortgagee, (the "Mortgagee").

PRELIMINARY STATEMENT

The Illinois Development Finance Authority (the "Issuer") will issue its $7,100,000 Floating/Fixed Rate Industrial Development Revenue Bonds (U.G.N., Inc. Project), Series 1986 (the "Bonds") pursuant to an Indenture of Trust dated as of September 15, 1986, by and between the Issuer and The Industrial Bank of Japan Trust Company (the "Trustee") (the "Indenture").

This Mortgage is granted to secure all of the obligations of Mortgagor to the Mortgagee under the Letter of Credit and Reimbursement Agreement, dated as of September 15, 1986, between Mortgagor and Mortgagee (the "Reimbursement Agreement"). Pursuant to the Indenture and the Reimbursement Agreement, the Mortgagee will issue its Letter of Credit in connection with the Bonds (the "Letter of Credit").

Under the Reimbursement Agreement, the Mortgagor is obligated to reimburse the Mortgagee for all amounts drawn under the Letter of Credit and to pay certain other amounts, including certain fees and expenses, set forth therein. All of such payment obligations shall be secured by the lien of this Mortgage, as hereinafter set forth.

GRANTING CLAUSES

IN CONSIDERATION of the premises, and to induce the Mortgagee to enter into the Reimbursement Agreement and to issue the Letter of Credit, and of other good and valuable consideration, the receipt whereof is hereby acknowledged and in order to secure the performance of Mortgagor of all of its obligations under the Reimbursement Agreement, the Mortgagor has executed and delivered this Mortgage and by these presents the Mortgagor does grant a security interest in, and assign, grant and mortgage unto the Mortgagee and its successors and assigns forever, all the Mortgagor's right, title and interest in, to and under any and all of the following described property (herein called the "Mortgaged Property"):

The land described in Exhibit A hereto and any and all proceeds from the sale thereof, together with the entire interest (whether now owned or hereafter acquired) of the Mortgagor in and to all buildings, structures, Improvements and appurtenances now standing, or at any time hereafter constructed or placed, upon the land described in Exhibit A hereto and any and all proceeds from the sale thereof, including all right, title and interest of the Mortgagor, if any, in and to all building material, building equipment and fixtures of every kind and nature whatsoever on the land described in Exhibit A hereto or in any building, structure or improvement now or hereafter standing on the land described in Exhibit A hereto and any and all proceeds from the sale thereof, and the reversion or reversions, remainder or remainders, in and to the land described in Exhibit A hereto and any and all proceeds from the sale thereof, and together with the entire interest of the Mortgagor in and to all and singular the tenements, hereditaments, easements, rights of way, rights, privileges and appurtenances to the land described in Exhibit A hereto and any and all proceeds from the sale thereof, belonging or in any wise appertaining thereto, and all claims or demands whatsoever of the Mortgagor either in law or in equity, in possession or expectancy of, in and to the land described in Exhibit A hereto, including the rights of the Mortgagor, as landlord with respect to any and all leases, subleases, tenancies and rental arrangements, whether written or oral, between Mortgagor and any other party as tenant (the "Tenant"), existing as of the date hereof, if any, or entered into in the future (hereinafter referred to as the "Leases") with respect to any portion of the real property located in the City of Chicago Heights, County of Cook, State of Illinois, described in Exhibit A hereto, including (i) any renewals, extensions, modifications or replacements thereof and all guaranties of the obligations of the Leases under any provisions thereof or otherwise, (ii) all rents, income and profits arising from the Leases, and (iii) any and all payments derived from or relating to the Leases including, but not limited to (a) claims for the recovery of damages done to the Premises, or for the abatement of any nuisance existing thereon, (b) claims for damages resulting from acts of insolvency or acts of bankruptcy or otherwise, and (c) lump sum payments for the cancellation or termination of said Leases or the waiver of any obligation or term thereof prior to the expiration date, and the return of any insurance premiums or ad valorem tax payments made in advance and subsequently refunded, together with all rents, earnings, income, issues and profits now due, if any, or which may hereafter become payable by virtue of any tenancy or arrangement for the use or occupancy of the Premises, other than under a Lease, and together with

the entire interest of the Mortgagor in and to all insurance proceeds or condemnation awards arising out of any damage, destruction or condemnation of the Mortgaged Property, and in each case together with any additional similar property which may become a part of the Mortgaged Property in accordance with the terms of this Mortgage and less any such property which may be deleted from the Mortgaged Property in accordance with the terms of this Mortgage; together with all Personal Property, including the proceeds relating to the sale or other disposition of Personal Property;

SUBJECT, HOWEVER, to Permitted Encumbrances, as defined in Article I hereof;

TO HAVE AND TO HOLD all and singular, the Mortgaged Property, whether now owned or hereafter acquired, unto the Mortgagee, and its successors and assigns forever; provided, however, that this Mortgage is upon the express condition that if the Mortgagor shall pay or cause to be paid all indebtedness secured hereby and shall keep, perform and observe all and singular the covenants and promises in the Reimbursement Agreement and in this Mortgage expressed to be kept, performed and observed by the Mortgagor, and if the Mortgagor or its successors or assigns shall pay to the Mortgagee or its successors or assigns the amounts due under the Reimbursement Agreement and all other amounts secured hereby, shall pay all taxes and assessments of every kind levied or assessed upon or in respect of the Mortgaged Property or the Reimbursement Agreement, shall pay all other amounts due hereunder and under the Reimbursement Agreement, and shall perform, observe and comply with all of the terms, conditions, covenants and agreements contained herein and in the Reimbursement Agreement, and any other obligations secured hereby, then this Mortgage and the rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

The Mortgagor and the Mortgagee hereby further covenant and agree as follows:

ARTICLE I

Definitions

Section 1.1. Terms Defined. As used in this Mortgage, the following terms shall have the following meanings unless the context clearly otherwise requires:

"Arbitrage Regulation Agreement" means the Arbitrage Regulation Agreement dated as of September 15, 1986 among the

Issuer, the Mortgagor and the Depositary, as supplemented and amended.

"Improvements" means those structures or buildings which appear on the survey required by Section 4.2 herein, and those buildings and structures erected during the duration of this Mortgage or any additions or alterations to the buildings or structures which appear on the required survey or any additions or alterations to the buildings erected during the duration of this Mortgage.

"Land" means the real estate referred to in the Granting Clauses hereof.

"Mortgaged Property" means the property described in the Granting Clauses hereof, and includes the Land, Improvements, Personal Property and Leases.

"Net Proceeds", when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award remaining after payment of all expenses (including attorneys' fees) incurred in the collection of such gross proceeds.

"Permitted Encumbrances" means, as of any particular time (i) this Mortgage, any financing statements recorded or filed to protect the interest of the Mortgagee hereunder, and those encumbrances described in Schedule B to the lender's policy of title insurance delivered on the Date of Issuance, (ii) liens for taxes and special assessments not then delinquent, (iii) utility, access and other easements and rights of way, mineral rights, restrictions, exceptions and encumbrances that will not materially interfere with or impair the operations being conducted on the Mortgaged Property, (iv) mechanic's and materialmen's liens not filed or perfected in the manner prescribed by law, (v) such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title as normally exist with respect to properties similar in character to the Mortgaged Property and as do not in the aggregate materially impair the property affected thereby for the purpose for which it was acquired or is held by the Mortgagor, (vi) any liens and encumbrances being contested as provided in Section 2.8 of this Mortgage, and (vii) immaterial violations of zoning or building laws, regulations or ordinances.

"Personal Property" means that property which is subject to ownership, not coming under the denomination of real estate, tangible or intangible, now or hereafter acquired by

the Mortgagor, including but not limited to, all machines, machinery, furniture, fixtures, furnishings, vehicles, equipment, particitions, elevators, lifts, steam and hot water boilers, heating and air conditioning equipment, lighting and power plants, engines, motors, compressors, ducts, coal, oil and gas burning apparatus, pipes, pumps, plumbing, radiators, sinks, bath tubs, water closets, refrigerators, gas and electrical fixtures, communications apparatus, stoves, ranges, shades, screens, awnings, vacuum cleaning system, and sprinkler system or other fire prevention or extinguishing apparatus and materials, whether now owned or hereafter acquired, or in which it has an interest, which are now or may hereafter be in the possession or control of the Mortgagor by documents of title or otherwise, including any items substituted therefor as replacements, and any additions and accessions thereto, and including proceeds relating to any of the foregoing and all proceeds of insurance; provided any such Personal Property shall have been purchased with the proceeds of the Bonds.

"Premises" means the Land described in Exhibit A and any Improvements thereon.

Section 1.2. Other Terms. The terms defined elsewhere in this Mortgage shall have the meanings herein prescribed for them in the Reimbursement Agreement.

ARTICLE II

Particular Covenants of the Mortgagor

Section 2.1. Title to Mortgaged Property and Lien; Truth of Recitals. (a) The Mortgagor represents and warrants that it is duly authorized under all applicable provisions of law, its Articles of Incorporation and its By-laws, to execute and deliver this Mortgage and that all action on the Mortgagor's part necessary for the valid execution and delivery of this Mortgage has been duly and effectively taken.

(b) The Mortgagor represents and warrants that the Mortgagor is the lawful owner and is now lawfully seized and possessed of the Land and Improvements, free and clear of all liens, charges or encumbrances whatever except Permitted Encumbrances, and that it has full power and lawful authority to mortgage and grant a security interest in the same to the Mortgagee. The Mortgagor has or promptly will procure the title insurance required by Section 4.1 hereof to establish that this Mortgage constitutes a direct and valid mortgage first lien on the Land and Improvements, subject only to Permitted Encumbrances.

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(c) The Mortgagor represents and warrants that the Mortgagor is the lawful owner and is now lawfully possessed of the Personal Property, free and clear of all liens, charges or encumbrances whatever except Permitted Encumbrances, and that it has the full power and lawful authority to grant a security interest in the same to the Mortgagee.

(d) The Mortgagor represents and warrants that the recitals of fact and statements contained in this Mortgage with respect to the Mortgagor are true.

Section 2.2 Payment of Amounts Payable Pursuant to Reimbursement Agreement. The Mortgagor will duly and punctually pay all amounts payable under the Reimbursement Agreement, in the manner mentioned therein, according to the true intent and meaning thereof.

Section 2.3. Maintenance of Lien; Recording. (a) The Mortgagor will, at its expense, take all necessary action to maintain and preserve the lien and security interest of this Mortgage so long as the Reimbursement Agreement is in effect.

(b) The Mortgagor will, forthwith after the execution and delivery of this Mortgage and thereafter from time to time, cause this Mortgage and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to protect the lien hereof upon, and the title of the Mortgagor to, the Mortgaged Property; and the Mortgagor from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments that may be requested by the Mortgagee for such publication and protection. Except to the extent it is exempt therefrom, the Mortgagor will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of this assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and such instruments of further assurance.

Section 2.4. Further Assurances; After-Acquired Property. (a) The Mortgagor will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, deeds, conveyances, mortgages, assignments, transfers and assurances as the Mortgagee reasonably may require for the better assuring,

conveying, mortgaging, assigning and confirming unto the Mortgagee all and singular the Mortgaged Property as now or hereafter constituted.

(b) All right, title and interest of the Mortgagor in and to all improvements, betterments, renewals, substitutions and replacements of, the Mortgaged Property or any part thereof, hereafter constructed or acquired by the Mortgagor, immediately upon such construction or acquisition, and without any further mortgaging, conveyance or assignment, shall become and be part of the Mortgaged Property and shall be subject to the lien of this Mortgage as fully and completely and with the same effect as though now owned by the Mortgagor, but at any and all times the Mortgagor will execute and deliver to the Mortgagee any and all such further assurances, mortgages, conveyances or assignments therefor and other instruments with respect thereto as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage.

Section 2.5. Taxes, Charges and Assessments. The Mortgagor covenants and agrees, subject to the provisions of Section 2.8 hereof relating to permitted contests, to pay or cause to be paid (when the same shall become due or payable):

(a) all taxes and charges on account of the use, occupancy or operation of the Mortgaged Property, including but not limited to all sales, use, occupation, real and personal property taxes, tax equivalents, all permit and inspection fees, occupation and license fees and all water, gas, electric light, power or other utility charges assessed or charged on or against the Mortgaged Property or on account of the Mortgagor's or any lessee's use or occupancy thereof or the activities conducted thereon or therein; and

(b) all taxes, tax equivalents, assessments and impositions, general and special, ordinary and extraordinary, of every name and kind, which shall be taxed, levied, imposed or assessed upon all or any part of the Mortgaged Property, or the interest of the Mortgagor, any lessee or the Mortgagee or any of them in and to the Mortgaged Property.

If under applicable law any such tax, charge, fee, rate, imposition or assessment may at the option of the taxpayer be paid in installments, the Mortgagor may exercise such option.

Section 2.6. Liens. Subject to the provisions of Section 2.8 hereof, the Mortgagor will not create or permit to

be created or remain and the Mortgagor will, at its cost and expense, promptly discharge all liens, encumbrances and charges of which the Mortgagor has notice on the Mortgaged Property or any part thereof other than Permitted Encumbrances.

Section 2.7. Compliance with Orders, Ordinances, Etc. Subject to the provisions of Section 2.8 hereof, the Mortgagor will, at its sole cost and expense, comply with all present and future laws, ordinances, orders, decrees, rules, regulations and requirements of every duly constituted governmental authority (including the Issuer), commission and court and the officers thereof of which it has notice, and the failure to comply with which would materially and adversely affect the Mortgaged Property or the use, occupancy or condition thereof.

Section 2.8. Permitted Contests. The Mortgagor shall not be required to pay any tax, charge, assessment or imposition required to be paid under Section 2.5 hereof, nor to remove any lien, charge or encumbrance required to be removed under Section 2.6 hereof, nor to comply with any law, ordinance, rule, order, regulation or requirement referred to in Section 2.7 hereof, so long as the Mortgagor shall contest or take other appropriate action, in good faith and at its cost and expense, the amount or validity thereof, in an appropriate manner or by appropriate proceedings which shall operate during the pendency thereof to prevent the collection of or other realization upon the tax, assessment, levy, fee, rent, charge, lien or encumbrance so contested, and the sale, forfeiture or loss of the Mortgaged Property or any part thereof to satisfy the same; provided, that no such contest or action shall affect the validity or priority of the lien of this Mortgage nor subject the Mortgagee to any liability unless the Mortgagor properly indemnifies the Mortgagee. While any such matters are pending, the Mortgagor shall have the right to pay, remove or cause to be discharged or marked exempt the tax, assessment, levy, fee, rent, charge, lien or encumbrance being contested. Each such contest shall be promptly prosecuted to final conclusion or settlement, and the Mortgagor will pay, and save the Mortgagee harmless against, all losses, judgments, decrees and costs (including attorneys' fees and expenses in connection therewith) and will, promptly after the final determination or settlement of such contest or action, pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable therein, together with all penalties, fines, interests, costs and expenses thereon or in connection therewith.

Section 2.9. Repairs, Maintenance and Alterations. Subject to the provisions of Section 3.1 hereof, the Mortgagor

will at its own cost and expense keep the Mortgaged Property in good condition, repair and working order, reasonable wear and tear excepted, and in as reasonably safe condition as its operations will permit and will make all necessary repairs thereto, interior and exterior, structural and non-structural, ordinary as well as extraordinary and foreseen as well as unforeseen, and all necessary replacements or renewals.

The Mortgagor shall have the right from time to time at its sole cost and expense to make additions, alterations and changes, whether structural or non-structural (hereinafter collectively referred to as "alterations") in or to the Mortgaged Property, subject, however, in all cases to the following conditions:

(a) No building or buildings constituting a part of the Mortgaged Property shall be demolished or removed, nor shall any alteration to the Mortgaged Property be made which would substantially impair the structural strength, utility or market value thereof, without in each case the prior written consent of the Mortgagee thereto; and

(b) All alterations to the building or buildings constituting a part of the Mortgaged Property shall be located wholly within the boundary lines of the Land.

With respect to any repairs, construction, restoration, replacement or alterations performed upon the Mortgaged Property by the Mortgagor during the term hereof, in accordance with or as required by any provisions hereof, the Mortgagor agrees that:

(a) No work in connection therewith shall be undertaken until the Mortgagor shall have procured and paid for, so far as the same may be required, from time to time, all municipal and other governmental permits and authorizations of the various municipal departments and governmental subdivisions having jurisdiction;

(b) All work in connection therewith shall be done promptly and in good workmanlike manner and in material compliance with the building and zoning laws of the municipality or other governmental subdivision wherein the Mortgaged Property is situated, and with all applicable laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments and the appropriate departments, commissions, boards and officers thereof, and shall not violate the provisions of any policy of insurance

covering the Mortgaged Property, and the work shall be prosecuted with reasonable dispatch, unavoidable delays excepted; and

(c) Workers' compensation insurance covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could be asserted against the Mortgagee, the Mortgagor, or the Mortgaged Property, and general liability insurance (specifically covering this class of risk) for the mutual benefit of the Mortgagee and the Mortgagor with limits of not less than $5,000,000 in the event of bodily injury and/or property damage, shall be maintained at the Mortgagor's sole cost and expense at all times when any substantial work is in process. The general and excess liability insurance provided for in this paragraph may be effected by an appropriate endorsement, if obtainable, upon the insurance referred to in Section 2.11 hereof. All such insurance shall be effected with one or more financially sound and reputable insurance companies, and, upon the Mortgagee's written request the Mortgagor shall deliver to the Mortgagee all policies or certificates therefor issued by the respective insurers endorsed "premium paid" by the company or agencies issuing the same or with other evidence of payment or the premiums satisfactory to the Mortgagee.

Section 2.10. Right of Inspection. Upon request of the Mortgagee, the Mortgagor shall permit representatives of the Mortgagee to enter upon the Land and make the Mortgaged Property available for inspection, provided, any such inspection shall not interfere with the operation of the Premises and any information discussed shall remain confidential, on the same terms and conditions required by Section 6.01(d) of the Reimbursement Agreement.

Section 2.11. Property and Casualty Insurance. The Mortgagor shall maintain the following insurance at its sole cost and expense:

(a) Insurance against loss and/or damage to the Mortgaged Property under a policy or policies covering such risks as are ordinarily insured against by similar corporations, but in any event including fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard extended coverage and vandalism and malicious mischief, limited only as may be provided in the standard form of such endorsements at the time in use in the State of Illinois. Such insurance shall also cover the Mortgaged Property during the construction or any part thereof; provided that, to the extent that any contractor for such construction

shall provide a duplicate insurance policy or a builder's risk policy or certificate of insurance showing that the same coverage as is herein required is being carried by such contractor and adequately protects the interest of the Mortgagee and the Mortgagor with respect to the Mortgaged Property or a part thereof, the insurance provided for by this subparagraph (a) with respect to the Mortgaged Property or a part thereof shall not be required for such construction period with respect to the Mortgaged Property or such part thereof while the Mortgaged Property or such part thereof is so covered by such other insurance. Such insurance shall be for the greater of (i) the full insurable value of the Mortgaged Property, or (ii) the stated Amount of the Letter of Credit then outstanding, but any such policy may have a deductible amount of not more than $100,000. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Mortgagee. The term "full insurable value" shall mean the actual replacement cost of the Mortgaged Property, (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items) after deduction for physical depreciation, and shall be determined from time to time at the request of the Mortgagee, but not more frequently than once every five years, by an architect, contractor, appraiser or appraisal company or one of the insurers, in any case, selected and paid for by the Mortgagor and approved by the Mortgagee.

(b) In addition to the foregoing, the Mortgagor shall maintain, so long as any obligation under the Reimbursement Agreement remains outstanding, general public liability insurance with limits of not less than $1,000,000 in the event of bodily injury and/or property damage, to protect the Mortgagor from claims for bodily injury and/or death which may arise from the Mortgagor's operation, including any use or occupancy, of its grounds, structures and vehicles, and shall furnish the Mortgagee with the policy or policies that shall comprise such insurance. Such policies may have deductible clauses up to $100,000.

(c) Workers' compensation insurance respecting all employees of the Mortgagor in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Mortgagor may be self-insured with respect to all or any part of its liability for workers' compensation.

The Mortgagor further covenants and agrees that it will at all times carry and maintain such other insurance of

the types and in amounts which are customarily carried by other individuals or organizations of a similar nature.

Each policy of insurance obtained pursuant hereto shall (i) be issued by one or more recognized, financially sound and responsible insurance companies qualified under the laws of the State of Illinois to assume the risks covered by such policy, (ii) name the Mortgagee and the Mortgagor as assureds, as their respective interests may appear, and (iii) provide that such policy shall not be cancelled without at least 30 days' prior written notice to each assured named therein. The Mortgagee shall have the exclusive right to receive the proceeds from insurance obtained pursuant to subparagraph (a) above and to receipt for claims thereunder. The Mortgagor shall have the right to receive the proceeds from any insurance maintained pursuant to subparagraph (b) or (c) above. Upon the delivery of this Mortgage and thereafter not less than 15 days prior to the expiration dates of any policies, certificates issued by the respective insurers of the policies provided for in subparagraph (a) shall be delivered by the Mortgagor to the Mortgagee. If requested in writing by the Mortgagee, the Mortgagor shall furnish the Mortgagee with the schedule of premium payment dates and receipted bills or other evidence satisfactory to the Mortgagee of the payment when due of all premiums for all policies of insurance at any time required to be maintained hereunder. Upon reasonable prior written notice the Mortgagor will permit the Mortgagee to visit the offices of the Mortgagor and inspect the Mortgagor's insurance records including all policies of insurance maintained pursuant to this Section 2.11 and to make copies of all or any part thereof.

Any insurance maintained by the Mortgagor pursuant hereto may be evidenced by one or more blanket insurance policies covering the Mortgaged Property and other property or assets of the Mortgagor, provided that any such policy shall specify that portion of the total coverage of such policy that is allocated to such Mortgaged Property and shall in all other respects comply with the requirements of this Section 2.11.

Upon the happening of any loss or damage covered by any such policies from one or more of the causes insured against, the Mortgagor shall make due proof of loss containing a power of attorney in favor of the Mortgagee to endorse all drafts drawn for the payment thereof to the order of the Mortgagee, and to sign receipts therefor, and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Mortgagee.

Section 2.12. Mortgagee's Right to Perform Mortgagor's Covenants; Advances. In the event the Mortgagor shall fail to (i) perform any covenant contained in Section 2.5 hereof, (ii) remove any lien, encumbrance or charge pursuant to Section 2.6 hereof, (iii) maintain the Mortgaged Property in repair pursuant to Section 2.9 hereof, (iv) procure the insurance required by Section 2.11 hereof, or (v) fail to make any other payment or perform any other act required to be performed hereunder, then and in each such case (unless the same is being contested or other appropriate action is being taken with respect thereto pursuant to Section 2.8 hereof) the Mortgagee, upon not less than 15 days' prior written notice to the Mortgagor, may (but shall not be obligated to) remedy such default for the account of the Mortgagor and make advances for that purpose. No such performance or advance shall operate to release the Mortgagor from any such default and any sums so advanced by the Mortgagee shall be repayable by the Mortgagor on demand and shall bear interest, from the date of the advance until repaid at a rate 2% (200 basis points) in excess of the Prime Rate from time to time announced by the Mortgagee, any change to become effective on the date of each such announcement.

Section 2.13. Indemnification of the Mortgagee. So long as the Mortgagee is not in possession of the Mortgaged Property, the Mortgagor agrees to indemnify and save harmless the Mortgagee against any and all losses, injuries, claims, damages or injuries to persons or property, demands and expenses, including legal expenses, of whatsoever kind and nature and by whomsoever made arising from or in any manner directly or indirectly growing out of (a) the use and occupancy or nonuse of the Mortgaged Property or any equipment or facilities thereon or used in connection therewith by anyone whomsoever, (b) any repairs, construction, restoration, replacements, alterations, remodeling on or to the Mortgaged Property, or any part thereof, or any equipment or facilities therein or thereon, and (c) the condition of the Mortgaged Property including any adjoining sidewalks, ways or alleys and any equipment or facilities at any time located thereon or used in connection therewith.

Section 2.14. Completion of Project. The Mortgagor agrees that the Project will be completed in accordance with the terms and provisions of the Reimbursement Agreement.

Section 2.15. Installation of Equipment by the Mortgagor. The Mortgagor may from time to time in its sole discretion and at its own cost and expense, install or place equipment and movable tangible personal property purchased

other than from the proceeds of the Bonds on the Mortgaged Property. The Mortgagor may remove such equipment and movable tangible personal property at any time at its own cost and expense, provided the same shall not have been affixed or annexed to the Land, it being understood and agreed that any such equipment or property so affixed or annexed to the Land shall become part of the Mortgaged Property and provided further that any damage caused by such removal shall be repaired by the Mortgagor at his own expense.

ARTICLE III

Damage, Destruction and Condemnation

Section 3.1. Damage or Destruction. The Mortgagor agrees to notify the Mortgagee immediately in the case of damage to the Mortgaged Property resulting from fire or other casualty. In the event of damage to less than 10% of the Mortgaged Property (measured by such property's fair market value on the date of such damage with evidence of such value in form and substance satisfactory to the Mortgagee) the Mortgagor will forthwith repair, reconstruct and restore the Mortgaged Property to substantially the same condition as it existed prior to the event causing such damage and will apply the Net Proceeds of any insurance relating to such damage received by the Mortgagor from the Mortgagee to the payment or reimbursement of the costs of such repair, reconstruction and restoration. So long as the Mortgagor is not in default hereunder, the Mortgagee agrees to pay over the Net Proceeds of any insurance relating to such damage to the Mortgagor upon receipt of a written request of the Mortgagor, together with such information and showings as are described in Section 3.1(a)(1) and (2) hereof.

In the event 10% or greater of the Mortgaged Property (measured by such property's fair market value on the date of such damage with evidence of such value in form and substance satisfactory to the Mortgagee) shall be damaged or destroyed by fire or other casualty, the Mortgagor shall within 30 days after such damage or destruction elect one of the following two options by written notice of such election to the Mortgagee:

(a) Option A--Repair and Restoration. The Mortgagor may elect to repair, reconstruct and restore the Mortgaged Property. In such event the Mortgagor shall promptly proceed to repair, reconstruct and restore the Mortgaged Property to substantially the same condition as it existed prior to the event causing such damage or destruction and will apply the Net Proceeds of any insurance relating to such damage or

destruction received by the Mortgagor from the Mortgagee to the payment or reimbursement of the costs of such repair, reconstruction and restoration. So long as the Mortgagor is not in default hereunder, any Net Proceeds of insurance relating to such damage or destruction received by the Mortgagee shall be released from time to time by the Mortgagee to the Mortgagor (subject to the requirements of Section 3.3 hereof) upon the receipt of the written request of the Mortgagor executed by its Authorized Borrower Representative, specifying the expenditures made or to be made or the indebtedness incurred in connection with such repair, reconstruction and restoration and stating that such Net Proceeds, together with any other moneys legally available for such purpose, will be sufficient to complete such repair, reconstruction and restoration.

In the event the Mortgagor shall elect this Option A the Mortgagor shall complete the repair, reconstruction and restoration of the Mortgaged Property, whether or not the Net Proceeds of insurance received by the Mortgagor for such purposes are sufficient to pay for the same.

(b) Option B--Prepayment. The Mortgagor may elect to have the Net Proceeds payable as a result of such damage or destruction applied to the prepayment of the sums payable under the Loan Agreement between Issuer and Mortgagor, dated as of September 15, 1986, (the "Loan Agreement"), or to reimburse the Mortgagee for draws under the Letter of Credit made to cause such prepayments.

Section 3.2. Condemnation. The Mortgagor, immediately upon obtaining knowledge of the institution of any proceedings for the condemnation or taking of the Mortgaged Property or any portion thereof for public or quasi-public use, shall notify the Mortgagee of the pendency of such proceedings. The Mortgagee may participate in any such proceedings, and the Mortgagor from time to time will deliver or cause to be delivered to the Mortgagee all instruments requested by it to permit such participation. The Mortgagor hereby irrevocably assigns to the Mortgagee all right, title and interest of the Mortgagor in and to any Net Proceeds of any award, compensation or damages (hereinafter referred to as an "award") payable in connection with any such condemnation or taking during the term hereof. Such Net Proceeds shall be repaid by the Mortgagee to the Mortgagor only in accordance with the provisions of this Section 3.2.

In the event of the condemnation or taking of all or any portion of the Mortgaged Property the Mortgagor shall,

within 150 days after the date title to the Mortgaged Property or portion thereof condemned or taken vests in the party taking or condemning the same, elect one of the following two options by written notice of such election to the Mortgagee:

(a) Option A--Substitutions, Relocations, Repairs and Improvements. The Mortgagor may elect to use the Net Proceeds of the award made in connection with such condemnation or taking for substitutions, relocations, repairs and improvements of or to the Mortgaged Property. In such event, so long as the Mortgagor is not in default hereunder, the Mortgagor shall have the right to receive such Net Proceeds from the Mortgagee (subject to the requirements of Section 3.3 hereof) from time to time upon the receipt by the Mortgagee of the written request of the Mortgagor executed by its Authorized Borrower Representative, specifying the expenditures made or to be made or the indebtedness incurred in connection with such substitutions, relocations, repairs and improvements and stating that such Net Proceeds, together with any of the moneys legally available for such purposes, will be sufficient to complete such substitutions, relocations, repairs and improvements and certifying that the real or personal property to be acquired with such Net Proceeds is located on, or is or will become, real property constituting a part of the Mortgaged Property hereunder.

The Mortgagor agrees to apply any such Net Proceeds so received solely to the purposes specified in such written request.

(b) Option B--Prepayment. The Mortgagor may elect to have the Net Proceeds payable as a result of such condemnation or taking applied to the prepayment of the sums payable under the Loan Agreement or to reimburse the Mortgagee for draws under the Letter of Credit made to cause such prepayments.

Section 3.3. Other Provisions with Respect to Net Proceeds. The Net Proceeds of any insurance or condemnation award received by the Mortgagee, shall be deposited in a separate escrow account maintained by the Mortgagee or its agent and invested or reinvested at the direction of the Mortgagor in investments permitted by and in accordance with the Loan Agreement and the Arbitrage Regulation Agreement, subject to the Mortgagor's right to receive the same pursuant to Sections 3.1(a) and 3.2(a) hereof. Any such Net Proceeds remaining in said account (including investment proceeds) upon the completion of repairs, restorations, substitutions, relocations, or improvements undertaken by the Mortgagor under

Sections 3.1(a) or 3.2(a) hereof shall, upon five Business Days notice to the Mortgagee, be applied by the Mortgagor to the prepayment of sums payable under the Loan Agreement or to reimburse the Mortgagee for draws under the Letter of Credit made to cause such prepayments.

In connection with the release of any Net Proceeds in its possession, the Mortgagee may require that the amount to be released be deposited with the insurer of title to the Land under a form of construction escrow agreement mutually satisfactory to the Mortgagee, the Mortgagor and such insurer to provide for current title examination prior to disbursement of the amount to be released.

Prior to the occurrence of an Event of Default, the Mortgagor shall have the right to settle all claims with any insurance companys with respect to damage to the Mortgaged Property, provided that upon the occurrence of an Event of Default or for any claim with respect to damage of 10% or greater, no such settlement shall be made without the written approval of the Mortgagee.

ARTICLE IV

Title Insurance and Survey

Section 4.1. Title Insurance. Concurrently with the issuance and sale of the Bond the Mortgagor will deliver to the Mortgagee an ALTA lender's title insurance policy, drawn by an insurance company acceptable to the Mortgagee, in an amount not less than $7,289,658, ensuring that the Mortgagor has title to the Land and Improvements, subject only to Permitted Encumbrances, including specifically this Mortgage.

Section 4.2. Survey. On or prior to the date of the issuance and delivery of the Bond, the Mortgagor shall furnish the Mortgagee with a satisfactory survey of the Land, prepared and certified to the Mortgagee by a registered surveyor showing (a) the outline of the Land, (b) the boundaries of each parcel comprising the Land, (c) the area of each such parcel to the nearest 1/100 of an acre, and (d) the location of any existing and proposed Improvements on the Land, including all buildings, parking areas, driveways, sidewalks, curbs, adjoining streets and their relation to such improvements, set-back lines, encroachments, rights of-way, easements, and showing the location of all abutting roadways, streets and alleys and showing other matters of interest. The survey shall be in compliance with the standards of the American Title Association currently adopted and shall contain

the certificate of the surveyor as to the survey and legal description of the Land appearing thereon.

ARTICLE V

Events of Default and Remedies Therefor

Section 5.1. Events of Default. An "event of default" hereunder shall be:

(a) the occurrence of any "Event of Default" under the Reimbursement Agreement; or

(b) failure of the Mortgagor to perform any covenant, condition or provision hereof (other than as set forth in (a) or (c) of this Section) and to remedy such default within 30 days after notice thereof from the Mortgagee to the Mortgagor; provided, if any such failure cannot be remedied within such 30 day period and the Mortgagor is proceeding diligently to cure such default, the Mortgagor shall have a reasonable time to effectuate such cure; or

(c) if any representation or warranty made in writing by or on behalf of the Mortgagor in this Mortgage shall prove to have been false or incorrect in any material respect on the date as of which made; or

(d) the Mortgaged Property or any part thereof shall be sold, transferred, or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise, except for sales of obsolete, worn out or unusable fixtures which are concurrently replaced with similar fixtures at least equal in quality and condition to those sold and which are owned by Mortgagor free of any lien, charge or encumbrance other than Permitted Encumbrances.

Section 5.2. Mortgagee's Powers. During the continuance of any such event of default, the Mortgagee with or without entry, personally or by attorney, may proceed to protect and enforce its rights by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement contained in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy, as the Mortgagee shall deem most effectual to protect and enforce any of its rights or duties hereunder.

Section 5.3. Mortgagee May Enter and Take Possession, Operate and Apply Income. During the continuance of any such event of default, the Mortgagee personally or by its agents or attorneys, may enter into and upon all or any part of the Mortgaged Property and each and every part thereof, and may exclude the Mortgagor and its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Mortgaged Property for any lawful purpose which does not affect the tax-exempt status of the interest on the Bonds and upon every such entry, the Mortgagee at the expense of the Mortgagor from time to time, either by purchase, repairs or construction, may maintain and restore the Mortgaged Property whereof it shall become possessed as aforesaid, and may insure and reinsure the same as may seem to it to be judicious; and likewise, from time to time at the expense of the Mortgagor, the Mortgagee may make all necessary or proper repairs, renewals, replacements, alterations, additions, betterments and improvements thereto and thereon as to it may seem judicious; and the Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues, profits and income of the same and every part thereof; and after deducting the expenses of operations, maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and all payments which may be made for taxes, assessments, insurance and prior or other proper charges upon the Mortgaged Property or any part thereof, as well as all advances by the Mortgagee and reasonable compensation for the services of the Mortgagee and for all counsel and agents and clerks and other employees by it properly engaged and employed, the Mortgagee shall apply the moneys arising as aforesaid to satisfy the obligations of Mortgagor pursuant to the Reimbursement Agreement.

Section 5.4. Foreclosure and Sale of Mortgaged Property. Upon the occurrence of an event of default the lien on the Mortgaged Property created and vested by this Mortgage may be foreclosed either by public sale or by proceedings in equity. In the event of any sale made under or by virtue of judicial proceedings or decree of foreclosure and sale, or as permitted by law, the whole of the Mortgaged Property may be sold in one parcel and as an entirety, or in separate parcels or lots, as the Mortgagee may determine.

Section 5.5. Sale a Bar. Any sale or sales pursuant to Section 5.4 hereof shall operate to divest all estate, right, title, interest, claim or demand whatsoever, whether at law or in equity, of the Mortgagor, in and to the premises, property, privileges and rights so sold, and shall be a perpetual bar both at law and in equity against the

Mortgagor, its successors and assigns, and against any and all persons claiming or who may claim the same, or any part thereof, from, through or under the Mortgagor, its successors or assigns.

Section 5.6. Receipt Sufficient Discharge for Purchaser. The receipt of the Mortgagee or of the court officer conducting any such sale for the purchase money paid at any such sale shall be a sufficient discharge therefor to any purchaser of the property, or any part thereof, sold as aforesaid; and no such purchaser or his representatives, grantees or assigns, after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money upon or for purpose of this Mortgage, or shall be answerable in any manner whatsoever for any loss, misapplication or non-application of any such purchase money or any part thereof, nor shall any such purchaser be bound to inquire as to the necessity or expediency of any such sale.

Section 5.7. Remedies Under Uniform Commercial Code. In addition to any other remedies provided for hereby or by law, the Mortgagee shall have the rights of a secured party under the Uniform Commercial Code of Illinois upon the occurrence and continuance of an event of default hereunder, as defined in Section 5.1 hereof. Any requirement of said Uniform Commercial Code for reasonable notification shall be met by mailing written notice to the Mortgagor, at its address set forth in Section 8.3 hereof, at least 10 days prior to the sale or other event for which such notice is required.

Section 5.8. Application of Proceeds of Sale; Deficiency. The purchase money, proceeds or avails of any such sale, together with any other sums which then may be held by the Mortgagee under this Mortgage as part of the Mortgaged Property or the proceeds thereof, whether under the provisions of this Article or otherwise, shall be applied to satisfy the obligations of Mortgagor pursuant to the Reimbursement Agreement. If any deficiency shall result after such application, Mortgagor shall be and remain liable therefor and shall immediately pay the same to the Mortgagee.

Section 5.9. Purchase of Mortgaged Property. Upon any sale pursuant to Section 5.4 hereof of all or of any portion of the Mortgaged Property pursuant to judicial proceedings, the Mortgagee may bid for and purchase the property being sold, and upon compliance with the terms of sale, the Mortgagee may hold, retain, possess and dispose of such property in its own absolute right without further accountability.

Section 5.10. Mortgagee Entitled to Appointment of Receiver. The Mortgagor further agrees that upon the happening of any event of default and thereafter during the continuance of such event of default unless the same shall have been waived as hereinbefore provided, the Mortgagee shall be entitled as a matter of right, if it shall so elect, (i) forthwith and without declaring the amounts payable under the Reimbursement Agreement to be due and payable, or (ii) after declaring the same to be due and payable, or (iii) upon the filing of a bill in equity to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of the Mortgagee, to the appointment of a receiver or receivers of the Mortgaged Property and of all the earnings, revenues, rents, issues, profits and income thereof, with such powers as the court making such appointment shall confer, which may comprise any or all of the powers which the Mortgagee is authorized to exercise by the provisions of this Mortgage. The Mortgagor, if requested so to do by the Mortgagee, will consent to the appointment of any such receiver as aforesaid.

Section 5.11. Remedies Cumulative. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 5.12. Delay or Omission Not a Waiver. No delay or omission of the Mortgagee to exercise any right or power accruing upon any event of default shall impair any such right or power, or shall be construed to be a waiver of any such event of default or an acquiescence therein; and every power and remedy given by this Mortgage to the Mortgagee may be exercised from time to time and as often as may be deemed expedient by the Mortgagee.

Section 5.13. Waiver of Extension, Appraisement, Stay, Redemption Laws. To the extent permitted by law, the Mortgagor will not during the continuance of any event of default hereunder insist upon, or plead, or in any manner whatever claim or take any benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage; nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisement of the Mortgaged Property, or any part thereof, prior to any sale or sales thereof which may be

made pursuant to any provision herein contained, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor after any such sale or sales, claim or exercise of any right under any statute heretofore or hereafter enacted by the United States of America or by any state or territory, or otherwise, to redeem the property so sold or any part thereof; and the Mortgagor hereby expressly waives all benefits or advantage of any such law or laws and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted.

Section 5.14. Remedies Subject to Provisions of Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Mortgage invalid or unenforceable under the provisions of any applicable law.

ARTICLE VI

Amendments, etc. to this Mortgage

Section 6.1. Amendments, etc. to this Mortgage. The Mortgagor and the Mortgagee may from time to time enter into amendments, changes and modifications of this Mortgage as shall be mutually agreeable. No waiver, amendment, release or modification of this Mortgage shall be established by conduct, custom or course of dealing, but solely by an instrument duly executed by the Mortgagor and the Mortgagee.

ARTICLE VII

Discharge

Section 7.1. Discharge. If the Mortgagor or its successors or assigns shall pay to the Mortgagee or its successors or assigns the amounts due under the Reimbursement Agreement and all other amounts secured hereby, shall pay all taxes and assessments of every kind levied or assessed upon or in respect of the Mortgaged Property or the Reimbursement Agreement, shall pay all other amounts due hereunder and under the Reimbursement Agreement, and shall perform, observe and comply with all of the terms, conditions, covenants and

agreements contained herein and in the Reimbursement Agreement, and any other obligations secured hereby, then this mortgage shall be absolutely void and the Mortgagee shall release the lien thereof; otherwise the same shall remain in full force and effect.

ARTICLE VIII

Collateral Assignment of Leases

Section 8.1. Mortgagor's Right to Collect Rents. So long as there shall exist no Event of Default under the Reimbursement Agreement there is reserved to Mortgagor a right and license to collect as they become due, but not more than 30 days in advance, all rents, issues and profits from the Premises and to retain, use and enjoy the same.

Section 8.2. Occurrence of Default. Upon the occurrence of an Event of Default under the Reimbursement Agreement, such right and license granted to Mortgagor by the preceding section shall be immediately revoked without further demand or notice, and Mortgagee is hereby empowered to collect the rents, issues and profits from the Leases as provided in Section 8.3 herein.

Section 8.3. Collection of Rents by Mortgagee. Upon or at any time after the occurrence of an Event of Default under the Reimbursement Agreement, Mortgagee, without in any way waiving such Event of Default, may at its option, demand, collect and receive from the Tenants now or hereafter in possession of the Premises, or any part thereof, all rents, income, issues and profits as they become due as well as all past due rents, income, issues and profits which have been uncollected by Mortgagor.

Section 8.4. Remedy of Default by Mortgagor. If Mortgagee shall upon the occurrence of an Event of Default under the Reimbursement Agreement exercise its option of Section 8.3 herein and if such Event of Default shall be remedied (i) prior to the declaration of such Event of Default by Mortgagee, or (ii) subsequent to such declaration, but only if such Event of Default is waived by Mortgagee, and all necessary charges and expenses incurred by reason thereof are paid, the parties hereto shall each be restored to and reinstated in their respective rights under this Article as if an Event of Default had not occurred, but nothing hereinbefore contained shall impair any right of Mortgagee consequent upon any subsequent breach.

Section 8.5. Obligations and Liabilities of Mortgagor.

(a) Mortgagee shall not be obligated to perform or discharge, nor does it under this Article undertake to perform or discharge any obligation, duty or liability of Mortgagor under any Lease;

(b) This Article shall not operate to place responsibility upon Mortgagee for the control, care, management or repair of the Premises nor for the carrying out of any of the terms and conditions of the Lease;

(c) Mortgagee assumes no liability for any security deposited by any Tenant with Mortgagor, as the landlord, unless and until such deposits are assigned and delivered to Mortgagee hereunder.

Section 8.6 Payment by Tenants. Mortgagor irrevocably consents that the Tenants under the Leases, upon demand and notice from Mortgagee of the occurrence of an Event of Default under the Reimbursement Agreement, shall pay the aforesaid rents, income and profits under the Leases to Mortgagee without liability of the Tenants for the determination of the actual existence of any Event of Default claimed by Mortgagee. Mortgagor hereby irrevocably authorizes and directs the Tenants, upon receipt of any notice of Mortgagee stating that such an Event of Default exists, to pay to Mortgagee the rents, income and profits due and to become due under the Leases. Upon the curing of all such defaults, Mortgagee shall give written notice thereof to the Tenants, and thereafter, until further notice from the Mortgagee, the Tenants shall pay such rents, income and profits to Mortgagor.

ARTICLE IX

Miscellaneous Provisions

Section 9.1. Mortgage for Benefit of Parties Hereto. Nothing in this Mortgage, express or implied, is intended or shall be construed to confer upon, or to give to, any person, other than the parties hereto, any right, remedy or claim under or by reason of this Mortgage or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Mortgage contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, including each assignee of the Note.

Section 9.2. Severability. In case any one or more of the provisions contained in this Mortgage shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

Section 9.3. Addresses for Notice and Demands. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given on the third day following the day on which the same have been mailed by U.S. certified mail, postage prepaid, addressed as follows: if to the Mortgagee, at The Industrial Bank of Japan, Limited, New York Branch, 245 Park Avenue, New York, New York 10167, Attention: Loan Department; and if to the Mortgagor at U.G.N., Inc., 2638 East 126the Street, Chicago, Illinois 60633, Attention: Lester Loden. The Mortgagee and the Mortgagor may by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.4. Successors and Assigns. Whenever in this Mortgage any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included and all the covenants, promises and agreements in this Mortgage contained by or on behalf of the Mortgagor or the Mortgagee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 9.5. Counterparts. This Mortgage is being executed in any number of counterparts, each of which is an original and all of which are identical. Each counterpart of this Mortgage is to be deemed an original hereof and all counterparts collectively are to be deemed but one instrument.

Section 9.6. Governing Law. It is the intention of the parties hereto that this Mortgage and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Illinois.

Section 9.7. Indebtedness Secured. The maximum amount of indebtedness secured by this Mortgage is EIGHT MILLION DOLLARS ($8,000,000).

IN WITNESS WHEREOF, the Mortgagor and the Mortgagee have caused this Mortgage to be executed in their respective names by their duly authorized officers and the Mortgagor has caused its seal to be hereunto affixed and attested by its duly authorized officer or agent, all as of the date first above written.

U.G.N., Inc., as Mortgagor

By: _____
President

(SEAL)

Attest: _____
Secretary

THE INDUSTRIAL BANK OF JAPAN, LIMITED, NEW YORK BRANCH, as Mortgagee

By: _____
Senior Manager

COOK COUNTY, ILLINOIS
FILED FOR RECORD

1986 DEC 23 PM 1:03

86613970

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

The foregoing instrument was acknowledged before me this 22nd day of December 1986, by Robert A. Christopher, President and Lester C. Loden, Secretary, on behalf of said corporation.

Notary Public

(SEAL)

My commission expires: June 18, 1989

86613970

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 23rd day of December, 1986, by K. Lunata Senior Manager, on behalf of said banking corporation.

Diane Lenihan
Notary Public

(SEAL)

My commission expires:

OFFICIAL SEAL
DIANE LENIHAN
NOTARY PUBLIC STATE OF ILLINOIS
MY COMM. EXP. SEPT 24, 1990

86613970

EXHIBIT A

DESCRIPTION OF REAL ESTATE

PARCEL 1:

The North 51.2 feet of the West 775 feet (except the West 33 feet thereof) of the South 364.2 feet of the Southwest 1/4 of Section 15, Township 35 North, Range 14 East of the 3rd Principal Meridian, in Cook County, Illinois

Also

PARCEL 2:

That part of the Southwest 1/4 of Section 15 and the Northwest 1/4 of Section 22, Township 35 North, Range 14 East of the 3rd Principal Meridian, described as follows: Beginning at a point on the South line of the property conveyed by deed recorded as Document No. 16878936, 67 feet East of the West line of said Section 15; Thence East along said South line and its extension Easterly 833 feet; Thence South parallel to the West line of Sections 15 and 22 to a point 327 feet South of the North line of said Section 22, Thence West parallel with the North line of said Section 22, a distance of 683 feet; Thence North parallel with the West line of said Section 22, a distance of 85 feet; Thence West parallel with the North line of said Section 22, a distance of 150 feet; Thence North parallel with the West line of said Section 22, a distance of 65 feet; Thence West parallel with the North line of said Section 22, a distance of 67 feet to the West line of said Section 22; Thence North along said West line a distance of 120 feet; Thence East parallel with the North line of said Section 22, a distance of 67 feet; Thence North parallel with the West lines of said Sections 15 and 22 to the point of beginning, in Cook County, Illinois

Also

PARCEL 3:

A rectangular tract of land located in Sections 15 and 22, Township 35 North, Range 14 East of the 3rd Principal Meridian, more particularly described as follows: Beginning at a point on the South line of said Section 15, said line being also the North line of said Section 22, 900 feet Eastwardly measured along said South line from the Southwest corner of said Section 15, said Southwest corner being also the Northwest corner of said Section 22; Thence Northwardly parallel to the West line

of said Section 15, 313 feet to the Southerly right of way line of the Chicago Heights Terminal Transfer Railroad Company; Thence Eastwardly along said Southerly right of way line of its extension Eastwardly parallel to said South line 200 feet; Thence Southwardly parallel to the said West line 313 feet to the South line of said Section 15, Thence Westwardly along said South line to the place of beginning; Also beginning at the point above described 900 feet Eastwardly measured along the said North line from the Northwest corner of said Section 22; Thence Eastwardly along the said North line 200 feet; Thence Southwardly parallel to the West line of said Section 22, 327 feet; Thence Westwardly parallel to the said North line 200 feet; Thence Northwardly parallel to the West line of said Section 22, 327 feet to the place of beginning, all in Cook County, Illinois.

0034I

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10th and State Streets
Chicago Heights Ill

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