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Illinois Leasehold

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MORTGAGE, ASSIGNMENT OF SUBLEASES AND RENTS,
SECURITY AGREEMENT AND FINANCING STATEMENT

from

TRANSAMERICAN NATURAL
GAS CORPORATION

to

FIRST REPUBLICBANK DALLAS, NATIONAL ASSOCIATION,
Institutional Trustee

For the purposes of filing this Mortgage as a financing statement pursuant to Chapter 26, Section 9-402(6) of Illinois Revised Statutes, the mailing address of the Mortgagor is: TRANSAMERICAN NATURAL GAS CORPORATION, 140 Cypress Station Drive, Suite 200, Houston, Texas 77090.

"THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS."

"THIS INSTRUMENT SECURES PAYMENT OF FUTURE ADVANCES."

"THE DEBTORS HAVE AN INTEREST OF RECORD IN THE REAL ESTATE CONCERNED, WHICH IS DESCRIBED IN EXHIBIT A HERETO."

"SOME OF THE PERSONAL PROPERTY CONSTITUTING A PORTION OF THE MORTGAGED PROPERTY IS OR IS TO BE AFFIXED TO THE PROPERTIES DESCRIBED IN EXHIBIT A HERETO AND THIS FINANCING STATEMENT IS TO BE FILED, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS."

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MORTGAGE, ASSIGNMENT OF SUBLEASES AND RENTS,

SECURITY AGREEMENT AND FINANCING STATEMENT

THIS MORTGAGE, ASSIGNMENT OF SUBLEASES AND RENTS, SECURITY AGREEMENT and FINANCING STATEMENT (herein sometimes called this "Mortgage") is made as of October 9, 1987, by and between TRANSAMERICAN NATURAL GAS CORPORATION, a corporation duly organized and validly existing under the laws of the State of Texas and having its office at 140 Cypress Station Drive, Suite 200, Houston, Texas 77090 (herein, together with its successors and assigns, called the "Mortgagor"), and FIRST REPUBLICBANK DALLAS, NATIONAL ASSOCIATION, a national banking institution having its address at One Dallas Centre, 350 North St. Paul Street, Dallas, Texas 75201 (herein, together with its successors in trust under the Collateral Trust Agreement referred to below, called the "Institutional Trustee").

RECITALS:

A. Leasehold Estate. The Mortgagor is the owner of a leasehold estate in the land described on Exhibit A hereto pursuant to that certain lease (the "Lease") described and defined in Exhibit A hereto (which leasehold estate, along with all of the Mortgagor's right, title and interest in, to and under the Lease, are herein referred to as the "Land").

B. Reorganization Plan. The Mortgagor and certain of its subsidiaries and affiliates have filed a plan of reorganization under Chapter 11 of the Bankruptcy Code arising out of cases procedurally consolidated in Case No. 84-03474-H1-5 in the United States Bankruptcy Court, Southern District of Texas, Houston Division (herein called the "Plan").

C. Collateral Trust. Pursuant to the Plan, the Mortgagor has entered into a Collateral Trust Agreement dated of even date herewith (such agreement, as it may be modified or amended and in effect from time to time, being herein called the "Collateral Trust Agreement") among the Mortgagor, the affiliates of the Mortgagor described in the Plan, together with the Mortgagor, as the "Debtors" (such term being used herein with the same meaning), the Institutional Trustee and Richard J. Noblett, an individual, as Individual Trustee. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to those terms in Exhibit A to the Plan (as defined in the first recital of the Collateral Trust Agreement), and such Exhibit A is incorporated by reference into, and made a part of, this Mortgage.

D. Obligations Secured. This Mortgage secures the prompt and complete payment and performance when due of all obligations of the Debtors to certain beneficiaries of the Plan, as more fully identified therein (herein collectively called the "Secured Obligees"), created under the Plan or the Ancillary Documents, howsoever created, arising or evidenced, whether direct or indirect, primary or secondary, absolute or contingent, joint or several, now or hereafter created or due or to become due (herein collectively called the "Secured Obligations"), in an aggregate amount not to exceed \$1,600,000,000 and all costs and expenses (including reasonable attorneys' fees and other expenses) incurred by the Institutional Trustee in collecting the same. The Secured Obligations mature on or before January 1, 2018 and include, without limitation, the Notes dated on or about October 9, 1987, executed by the Debtors to the order of the Bank Lenders and the Holders of Class 3A Claims, bearing interest and payable in installments, with the final payment of principal and interest thereunder due on or before January 1, 2018 (in the case of Notes payable to the Bank Lenders) or the eighth anniversary of the date of the Notes (in the case of Notes payable to Holders of Class 3A Claims), and containing the usual provisions in notes of this character, it being understood that this Mortgage secures all amendments, modifications, extensions and renewals of each Secured Obligation whether or not the Debtors have executed any extension agreement or renewal instrument.

E. The Office Collateral. For purposes of this Mortgage, the term "Office Collateral" means and includes all of the following:

(i) Real Estate. All of the Land, together with all and singular the tenements, rights, easements, hereditaments, rights of way, privileges, liberties, appendages and appurtenances now or hereafter belonging or in anywise appertaining to the Land (including, without limitation, all rights relating to storm and sanitary sewer, water, gas, electric, railway and telephone services); all gas, oil, minerals, coal and other substances of any kind or character underlying the Land to the extent owned by the Mortgagor; any option rights of the Mortgagor to extend or renew the Lease; all estate, claim, demand, right, title or interest of the Mortgagor in and to any street, road, highway, or alley (vacated or otherwise) adjoining the Land or any part thereof; all strips and gores belonging, adjacent or pertaining to the Land; and any after-acquired title to any of the foregoing (all of the foregoing is herein referred to collectively as the "Real Estate");

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(ii) Improvements and Fixtures. All buildings, structures, replacements, furnishings, fixtures, fittings and other improvements and property of every kind and character, owned by the Mortgagor or leased by the Mortgagor pursuant to the Lease, now or hereafter located or erected on the Real Estate, together with all buildings or construction materials, equipment, appliances, machinery, plant equipment, fittings, apparatus, fixtures and other articles of any kind or nature whatsoever now or hereafter found on, affixed to or attached to the Real Estate and owned by the Mortgagor or leased by the Mortgagor pursuant to the Lease including (without limitation) all motors, boilers, engines and devices for the operation of pumps, and all heating, electrical, lighting, power, plumbing, air conditioning, refrigeration and ventilation equipment (all of the foregoing is herein referred to collectively as the "Improvements");

(iii) Personal Property. All building materials, goods, construction materials, appliances (including stoves, refrigerators, water fountains and coolers, fans, heaters, incinerators, compactors, dishwashers, clothes washers and dryers, water heaters and similar equipment), supplies, blinds, window shades, carpeting, floor coverings, elevators, office equipment, growing plants, fire sprinklers and alarms, control devices, equipment (including motor vehicles and all window cleaning, building cleaning, swimming pool, recreational, monitoring, garbage, air conditioning, pest control and other equipment), tools, furnishings, furniture, light fixtures, non-structural additions to the Real Estate, and all other tangible property of any kind or character now or hereafter owned by the Mortgagor and used or useful in connection with the Real Estate, any construction undertaken on the Real Estate or any trade, business or other activity (whether or not engaged in for profit) for which the Real Estate is used, the maintenance of the Real Estate or the convenience of any guests, licensees or invitees of the Mortgagor, all regardless of whether located on the Real Estate or located elsewhere for purposes of fabrication, storage or otherwise (all of the foregoing is herein referred to collectively as the "Goods");

(iv) Intangibles. All goodwill, trademarks, trade names, option rights, purchase contracts, and books and records of the Mortgagor relating to the Real Estate or the Improvements, and all contract rights of the Mortgagor with respect to the operation and/or maintenance of the Real Estate or the Improvements (all of the foregoing is herein referred to collectively as the "Intangibles");

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(v) Rents. All rents, issues, profits, royalties, avails and other benefits derived or owned by the Mortgagor directly or indirectly from the Real Estate or the Improvements (all of the foregoing is herein referred to collectively as the "Rents");

(vi) Subleases. All rights of the Mortgagor under all subleases, licenses, occupancy agreements, concessions or other arrangements, whether written or oral, whereby any person, other than the Mortgagor, agrees to pay money or any consideration for the use, possession or occupancy of, or any estate in, the Real Estate or the Improvements or any part thereof, and all rents, income, profits, benefits, avails, advantages and claims against guarantors under any part thereof (all of the foregoing is herein referred to collectively as the "Subleases"); and

(vii) Other Property. All other property or rights of the Mortgagor of any kind or character related to the Real Estate or the Improvements, and all proceeds (including insurance proceeds) and products of any of the foregoing. (All of the Real Estate and the Improvements, and any other property which is real estate under applicable law, is sometimes referred to collectively herein as the "Premises".)

GRANT

NOW, THEREFORE, for the purpose of securing the Secured Obligations and the performance by the Mortgagor of its obligations hereunder, and in consideration of the various agreements contained herein, and in consideration of the Premises, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Mortgagor,

THE MORTGAGOR HEREBY MORTGAGES, CONVEYS, TRANSFERS, GRANTS AND ASSIGNS TO THE INSTITUTIONAL TRUSTEE AND GRANTS TO THE INSTITUTIONAL TRUSTEE AND ITS SUCCESSORS AND ASSIGNS FOREVER A CONTINUING SECURITY INTEREST IN AND TO, ALL OF THE OFFICE COLLATERAL, WHETHER NOW OWNED OR HEREAFTER ACQUIRED, WITHOUT WARRANTY OF TITLE, EXPRESS OR IMPLIED, BUT WITH FULL SUBSTITUTION AND SUBROGATION OF THE INSTITUTIONAL TRUSTEE AS TO COVENANTS AND WARRANTIES BY OTHERS HERETOFORE GIVEN OR MADE IN RESPECT THEREOF,

TO HAVE AND TO HOLD the Office Collateral unto the Institutional Trustee, its successors and assigns, forever, subject, however, to (i) Permitted Encumbrances and (ii) the condition that neither the Institutional Trustee nor any Secured Obligor shall be liable in any respect for the performance of any covenant or obligation of the Mortgagor in respect of the Office Collateral.

1. DEFAULT; REMEDIES

The Mortgagor and the Institutional Trustee hereby agree further as follows:

1. Default. The occurrence of an Event of Default as set forth in Section 9.01 of the Plan shall constitute a default hereunder. If any Event of Default shall occur and a Period of Actionable Default shall have commenced or be continuing, the Institutional Trustee shall be entitled, in its discretion, to exercise any or all of the remedies and rights set forth hereinbelow.

2. Foreclosure. If a Period of Actionable Default shall have commenced or be continuing, the Institutional Trustee shall have the right immediately to foreclose this Mortgage. This Mortgage may be foreclosed once against all, or successively against any portion or portions, of the Premises, or any interest therein, as the Institutional Trustee may elect, until all of the Premises and interests therein have been foreclosed against and sold. As part of the foreclosure, to the full extent permitted by state law, the Institutional Trustee in its discretion may, with or without entry, personally or by attorney, sell to the highest bidder all or any part of the Premises, and all right, title, interest, claim and demand therein, and the right of redemption thereof, as an entirety, or in separate lots, as the Institutional Trustee may elect, and in one sale or in any number of separate sales held at one time or at any number of times, all in any manner and upon such notice as provided by applicable law. Upon the completion of any such sale or sales, the Institutional Trustee shall transfer and deliver, or cause to be transferred and delivered, to the purchaser or purchasers the property so sold, in the manner and form as provided by applicable law, and the Institutional Trustee is hereby irrevocably appointed the true and lawful attorney-in-fact of the Mortgagor, in its name and stead, to make all necessary transfers of property thus sold, and for that purpose the Institutional Trustee may execute and deliver, for and in the name of the Mortgagor, all necessary instruments of assignment and transfer, the Mortgagor hereby ratifying and confirming all that said attorney-in-fact shall lawfully do by virtue hereof. In case of any foreclosure of this Mortgage (or the commencement of or preparation therefor) in any court, or by any other lawful manner, all reasonable expenses of every kind paid or incurred by the Institutional Trustee for the enforcement, protection or collection of this security, including court costs, attorneys' fees, stenographers' fees, costs of advertising, and costs of title insurance and any other documentary evidence of title, shall be paid by the Mortgagor.

3. Certain Aspects of a Sale. The Institutional Trustee (in its capacity as such), the officers, directors, employees, agents, servants and affiliates of the Institutional Trustee or any Secured Obligor, may become the owner of, or acquire any interest in, any of the Office Collateral at any sale or other disposition held by the Institutional Trustee or by any court, receiver or public officer, with the same rights that it or they would have had if it were not the Institutional Trustee or a Secured Obligor hereunder, as the case may be; provided, however, that an officer, director, employee, agent, servant or affiliate of the Institutional Trustee may become the owner of, or acquire any interest in, any of the Office Collateral only on behalf of the Institutional Trustee, and not in such Person's individual capacity, and provided further, that the Institutional Trustee or such Secured Obligor, as the case may be, shall not deduct or offset from any part of the purchase price or other consideration any indebtedness owing to it by any Debtor. Recitals contained in any conveyance made to any purchaser or transferee at any sale or other disposition made hereunder shall, absent manifest error and as to such purchaser or transferee and its respective successors and assigns, conclusively establish the truth and accuracy of the matters therein stated, including, without limiting the generality of the foregoing, nonpayment of the unpaid principal sum of, and the interest accrued on, the Notes and the other Secured Obligations, after the same have become due and payable, advertisement and conduct of such sale or disposition in the manner provided herein or appointment of any successor Institutional Trustee.

4. Receipt to Purchaser. Upon any sale or disposition, whether made under the power of sale or disposition herein granted and conferred or by virtue of judicial proceedings, the receipt of the Institutional Trustee, or of the officer making sale under judicial proceedings, shall be sufficient discharge to the purchaser or transferee at any sale or disposition for his or their purchase money or consideration, and such purchaser or transferee, or his or their assigns or personal representatives, shall not, after paying such purchase money or consideration and receiving such receipt of the Institutional Trustee or of such officer therefor, be obliged to see to the application of such purchase money or consideration, or be in anywise answerable for any loss, misapplication or nonapplication thereof.

5. Effect of Sale. Any sale or other disposition of the Office Collateral, whether under any power of sale or disposition herein granted and conferred or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever either at law or in equity, of the Mortgagor of, in and to the Office Collateral and the property sold or transferred, and shall be a perpetual bar, both at law

and in equity, against the Mortgagor, and the Mortgagor's successors or assigns, and against any and all persons claiming or who shall thereafter claim all or any of the property sold or transferred from, through or under the Mortgagor or the Mortgagor's successors or assigns. Nevertheless, the Mortgagor, if requested by the Institutional Trustee so to do, shall join in the execution and delivery of all proper conveyances, assignments and transfers (containing special warranties and covenants of title) of the properties so sold or transferred.

6. Remedies for Subleases and Rents. If a Period of Actionable Default shall have commenced and be continuing, then, whether before or after institution of legal proceedings to foreclose the lien of this Mortgage or before or after the sale thereunder, the Institutional Trustee shall be entitled, in its discretion, to do all or any of the following: (i) as attorney-in-fact or agent of the Mortgagor, or in its own name as Institutional Trustee and under the powers herein granted, hold, manage and control the Rents and other Office Collateral relating thereto, if any, thereof either personally or by its agents, contractors or nominees, with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment of the Rents and such other Office Collateral relating thereto (including actions for the recovery of rent, actions in forceable detainer and actions in distress of rent); (ii) cancel or terminate any Sublease for any cause or on any ground which would entitle the Mortgagor to cancel the same; (iii) elect to disaffirm any Sublease made subsequent hereto or subordinated to the lien hereof; and (iv) receive all such Rents and proceeds, and perform such other acts in connection with the management and operation of the Subleases and Rents, as the Institutional Trustee in its discretion may deem proper, the Mortgagor hereby granting the Institutional Trustee full power and authority to exercise each and every one of the rights, privileges and powers contained in this Section 6 at any and all times after any Period of Actionable Default shall have commenced and be continuing without notice to the Mortgagor or any other Person. The Institutional Trustee, in the exercise of the rights and powers conferred upon it hereby, shall have full power to apply the Rents as provided in the Paying Agency Agreement.

7. Personal Property.

(a) If a Period of Actionable Default shall have commenced and be continuing, the Institutional Trustee will have all rights and remedies granted by law, particularly by the UCC, the Plan and the Ancillary Documents including, but not limited to, the right to take possession of all personal property consisting of a part of the Office Collateral. The Institutional Trustee may

require any Debtor to assemble such personal property and make it available to the Institutional Trustee at a place to be reasonably designated by the Institutional Trustee.

(b) Without limiting any other provisions of this instrument, if a Period of Actionable Default shall have commenced and be continuing, the Mortgagor expressly agrees that the Institutional Trustee, without presentment, demand or protest to or upon the Mortgagor or any other Person (all and each of which demands, presentments and protests are hereby expressly waived) may forthwith collect, receive, appropriate and realize upon the personal property constituting a part of the Office Collateral or any part thereof and owned by the Mortgagor, and/or may forthwith in a commercially reasonable manner, sell, sublease, assign, give an option or options to purchase, or otherwise dispose of and deliver said personal property (or contract to do so) or any part thereof, in one or more parcels at one or more public or private sales or other dispositions, at any exchange, any broker's board, the Institutional Trustee's office, the Mortgagor's premises or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or other consideration or on credit (provided that such credit is secured by the property so disposed of) or for future delivery without assumption of any credit risk, with the right to the Institutional Trustee, to the extent permitted by applicable law, upon any such sale or disposition, public or private, to purchase the whole or any part of said personal property so sold or conveyed. The Mortgagor further agrees, at the Institutional Trustee's request and at the Mortgagor's expense, to assemble the Premises and to make it available to the Institutional Trustee at places which the Institutional Trustee shall reasonably select, whether at the Mortgagor's premises or elsewhere. The Institutional Trustee shall deposit the net proceeds of any such collection, recovery, receipt, appropriation, realization, sale or other disposition in the Accounts pursuant to the Paying Agency Agreement. In the event of a sale of any part of the Office Collateral to a Secured Obligor following the occurrence of an Event of Default, such Secured Obligor shall not deduct or offset from any part of the purchase price to be paid therefor any indebtedness owing to it by any Debtor.

(c) Unless such personal property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Institutional Trustee will give the Mortgagor reasonable notice of the time and place of any public sale or other disposition or of the time after which any private sale or other disposition of such personal property is to be made. The Mortgagor agrees that ten days' notice from the Institutional Trustee of the time and place of any public sale or other disposition or of the time after which a private sale or

other intended disposition may take place shall be commercially reasonable notification of such matters. With respect to any sale or disposition of any Property constituting part of the Office Collateral, no notification need be given to the Mortgagor if it has signed, after the occurrence of an Event of Default, a statement renouncing any right to notification of sale or other disposition.

8. Rights of the Institutional Trustee with Respect to Fixtures. If a Period of Actionable Default shall have commenced and be continuing, the Institutional Trustee may elect to treat the fixtures constituting a part of the Office Collateral as either real property collateral or personal property collateral and then proceed to exercise such rights as apply to such type of collateral.

9. Judicial Proceedings. If a Period of Actionable Default shall have commenced and be continuing, the Institutional Trustee, in lieu of or in addition to exercising any power of sale or disposition hereinabove given, may proceed by a suit or suits in equity or at law, whether for a foreclosure hereunder, or for the sale of the Office Collateral, or for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Office Collateral, or for the enforcement of any other appropriate legal or equitable remedy.

10. Possession of the Mortgaged Property. It shall not be necessary for the Institutional Trustee to have physically present or constructively in its possession at any sale held by the Institutional Trustee or by any court, receiver or public officer all or any portion of the Office Collateral; and the Mortgagor shall deliver to the purchasers at such sale on the date of sale the portion of the Office Collateral purchased by such purchasers at such sale, and if it should be impossible or impracticable for any of such purchasers to take actual delivery of such portion of the Office Collateral, then the title and right of possession to the portion of the Office Collateral shall pass to the purchaser at such sale as completely as if the same had been actually present and delivered.

11. No Liability on Institutional Trustee. Notwithstanding anything contained herein, the Institutional Trustee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or liability of the Mortgagor, whether hereunder, under any of the Subleases or otherwise. The Institutional Trustee shall not have responsibility for the control, care, management or repair of the Office Collateral or be responsible or liable for any negligence

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in the management, operation, upkeep, repair or control of the Office Collateral resulting in loss, injury or death to any tenant, licensee, employee, stranger or other person. Except for liability for gross negligence or willful misconduct, no liability shall be enforced or asserted against the Institutional Trustee in its exercise of the powers herein granted to it, and the Mortgagor expressly waives and releases any such liability.

II. GENERAL

1. Payment of Proceeds. All proceeds of the Office Collateral and any other payment whatsoever received hereunder by the Institutional Trustee shall be applied as specified in the Collateral Trust Documents.

2. No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Premises, it is hereby understood and agreed that should the Institutional Trustee acquire an additional or other interests in or to the Premises or the ownership thereof, then, unless a contrary intent is manifested by the Institutional Trustee as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

3. Institutional Trustee Not a Joint Venturer or Partner. The Mortgagor and the Institutional Trustee acknowledge and agree that in no event shall the Institutional Trustee be deemed to be a partner or joint venturer with the Mortgagor. Without limitation of the foregoing, the Institutional Trustee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document evidencing or securing any of the Secured Obligations secured hereby, or otherwise.

4. Limitation on Interest Secured. This Mortgage shall not secure the payment of interest in excess of the maximum permitted by law or which is otherwise contrary to law. If any such excess is provided for in the Plan or the Notes, or shall be adjudicated to be so provided, such excess shall not be paid from the proceeds of the Office Collateral. If the Institutional Trustee shall ever receive any such proceeds in an amount which would exceed the highest lawful rate of interest, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance of the Secured Obligations and not to the payment of interest. In the event that there is no principal balance outstanding, any excess amounts shall be

refunded to the Debtors.

5. Successors and Assigns. This Mortgage is binding upon the Mortgagor and its successors and assigns, and shall inure to the benefit of the Institutional Trustee and its successors, and each Secured Obligor and its successors and assigns, and the provisions hereof shall likewise be covenants running with the land, and nothing herein or in the Plan, the Collateral Trust Agreement or any other Collateral Trust Document is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of the Plan, this Mortgage, any other Collateral Trust Document or any Collateral.

6. Execution in Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which are identical, except that, to facilitate recordation or filing, in any particular counterpart portions of Exhibit A hereto which describe properties situated in counties other than the county in which such counterpart is to be recorded may have been omitted. In making proof of this Mortgage, it shall not be necessary for the Institutional Trustee to account for all counterparts, and it shall be sufficient for the Institutional Trustee to produce but one such counterpart. Whenever a recorded counterpart of this Mortgage contains specific descriptions which are less than all of the descriptions contained in any full counterpart lodged with the Institutional Trustee, the omitted descriptions are hereby included by reference in such recorded counterpart as if each recorded counterpart conformed to any full counterpart lodged with the Institutional Trustee.

7. Special Filing as Financing Statement. This Mortgage, to the extent that it conveys, grants a Lien on, or otherwise deals with personal property, shall also be construed as a Security Agreement and a Financing Statement. This Mortgage also may be construed and enforced from time to time as a mortgage, deed of trust, chattel mortgage, conveyance, assignment, pledge, hypothecation or contract, or any one or more of them as may be appropriate under applicable laws, in order fully to effectuate the Liens hereof and the purposes and agreements herein set forth. This Mortgage shall be filed for record, among other places, in the real estate records of each county in which the lands described in Exhibit A hereto, or any part thereof, are situated, and, when filed in such counties shall be effective as a financing statement covering fixtures located on such lands (and accounts arising therefrom).

8. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses determined under Section 12.01 of the Plan.

9. Transfer of Ownership. In the event the ownership of the Office Collateral, or any part thereof, becomes vested in a Person other than the Mortgagor, the Institutional Trustee may, without notice to the Mortgagor, deal with such successor or successors in interest with reference to this Mortgage and the indebtedness hereby secured in the same manner as with the Mortgagor without in any way vitiating or discharging the Mortgagor's liability with respect to any Secured Obligation. No sale of the property hereby mortgaged and no forbearance on the part of the Institutional Trustee or its successors and assigns and no extension of the time for the payment of any Secured Obligation given by the Plan Committee or the Secured Obligees or their assigns shall operate to release, discharge, modify, change or affect the obligations of the Mortgagor herein either in whole or in part.

10. Survival of Certain Provisions. The waivers contained in Article I hereof shall survive any reversion of the Office Collateral to the Debtors or termination of this Mortgage.

11. APPLICABLE LAW. THE VALIDITY, EFFECT AND CONSTRUCTION OF THIS MORTGATE AS A MORTGAGE, DEED OF TRUST, INDENTURE, SECURITY AGREEMENT, FINANCING STATEMENT AND/OR ASSIGNMENT OF SUBLEASES AND RENTS AFFECTING ANY OFFICE COLLATERAL AND THE REMEDIES HEREIN PROVIDED FOR OR PROVIDED FOR BY LAW WITH RESPECT TO ANY OFFICE COLLATERAL SHALL BE GOVERNED BY THE LAWS OF THE STATES IN WHICH THE OFFICE COLLATERAL IS LOCATED OR WHICH ARE MADE APPLICABLE TO THE OFFICE COLLATERAL AS A MATTER OF FEDERAL LAW. WITH RESPECT TO ALL OTHER MATTERS (INCLUDING, WITHOUT LIMITATION, MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE OTHER THAN AS SET FORTH ABOVE IN THIS SECTION 11), THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

12. Additional Incorporated Documents. The Uniform Schedule is hereby incorporated by reference into, and made a part of, this Mortgage, and is attached hereto as Exhibit A. The Plan, the Collateral Trust Agreement, the Covenant Agreement and the Paying Agency Agreement are also hereby incorporated by reference into, and made a part of, this Mortgage. All funds received by the Institutional Trustee as proceeds, or otherwise on account, of the Office Collateral shall be applied as provided in the Paying Agency Agreement. This Mortgage shall be interpreted as if the provisions of, and the rights and remedies provided under, the Uniform Schedule, the Plan, the Collateral Trust Agreement and the Paying Agency Agreement were set forth in full herein; provided, however, that the provisions of, and the rights and remedies provided under, this Mortgage are cumulative and are not exclusive of any rights or remedies provided under applicable law, the Plan or the Ancillary Documents.

13. Prior Instruments. This Mortgage creates a Lien upon the Office Collateral; provided, however, that notwithstanding anything herein to the contrary, if and to the extent that, as of the date hereof, an instrument, agreement, document or contract pertaining to or constituting a part of the Office Collateral ("Prior Instrument") between the Mortgagor (or the Mortgagor's predecessor in interest) and a third party, not a party to this Mortgage, provides that the creation of a Lien upon such Office Collateral results in an event of default or default under the terms of the Prior Instrument which gives any party the right to terminate, or which results in the automatic termination of, any of the Mortgagor's material rights or interests under the Prior Instrument ("Material Default"), then and in such event, this Mortgage shall be construed or deemed to be modified, insofar as this Mortgage pertains to the Office Collateral which are subject to such Prior Instrument, in a manner and to the extent necessary so as to provide that the terms and provisions hereof, including, without limitation, the Lien created hereby, shall not result in a Material Default; provided further, that if such modification or construction is not effective so as to prevent such Material Default, then the Lien created by this Mortgage shall be deemed null and void, ab initio to the extent necessary to prevent such Material Default.

IN WITNESS WHEREOF, the Mortgagor has executed or caused to be executed this Mortgage as of the day, month and year first above written.

TRANSAMERICAN NATURAL GAS
CORPORATION

By: David S. Gaulle

David S. Gaulle, Executive
Vice President

Attest:

By: Franklin D. Dodge

Franklin D. Dodge, Secretary

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SECURED PARTY

FIRST REPUBLICBANK DALLAS, NATIONAL
ASSOCIATION, as Institutional Trustee

By: Richard J. Noblett
Richard J. Noblett, Vice President

Attest:

By: Paula K. Dick
Paula K. Dick, Trust Officer

~~THIS INSTRUMENT~~
THIS INSTRUMENT PREPARED BY AND
WHEN RECORDED AND/OR FILED
RETURN TO:

Jodi Granda, Attorney
Mayer, Brown & Platt
190 South LaSalle Street
Chicago, Illinois 60603

Cook County Clerk's Office

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17750508

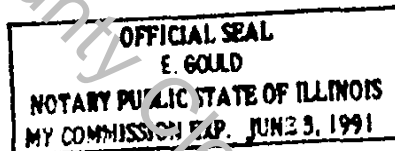
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, E. GOULD, a notary public in and for said county, in the State aforesaid, DO HEREBY CERTIFY THAT David S. Gamble, personally known to me to be the Executive Vice President of TRANSAMERICAN NATURAL GAS CORPORATION, a Texas corporation, and Franklin D. Dodge, personally known to me to be the Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Executive Vice President and Secretary of said corporation, they signed and delivered the said instrument as Executive Vice President and Secretary of said corporation, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal on October 12, 1987.

E. Gould

Notary Public



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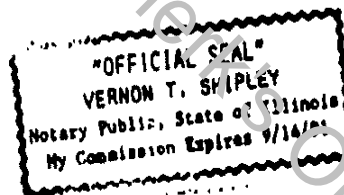
COUNTY OF COOK

)
) SS.
)

I, VERNON T. SHIPLEY, a notary public in and for said county, in the State aforesaid, DO HEREBY CERTIFY THAT Richard J. Noblett, personally known to me to be a Vice President of FIRST REPUBLICBANK DALLAS, NATIONAL ASSOCIATION, a national banking institution, as Institutional Trustee as aforesaid and Paula K. Dick, personally known to me to be a Trust Officer of said banking institution, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Vice President and Trust Officer of said banking institution, they signed and delivered the said instrument as Vice President and Trust Officer of said banking institution, pursuant to authority given by the Board of Directors of said banking institution as Trustee as aforesaid, as their free and voluntary act, and as the free and voluntary act and deed of said banking institution, as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal on October 16, 1987.

Vernon T. Shipley
Notary Public



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EXHIBIT A

The Land is comprised of (i) all of Mortgagor's leasehold estate created, and owned by Mortgagor, by virtue of a certain unrecorded Office Lease and Service Agreement dated June 23, 1987 by and between Whitehouse Executive Service, Inc. d/b/a HQ Rolling Meadows, as landlord, and Mortgagor, as tenant, (said lease, with all future amendments consented to by Institutional Trustco, herein called the "Lease") covering office space No. 35 and office space No. 37 on the 12th floor of an office building known as the Marquette Centre, located at 1600 Golf Road, Suite 1200 Rolling Meadows, Illinois 60008 and (ii) all of Mortgagor's right, title and interest in, to and under the Lease. The Lease encumbers the following legally described property:

The part of Lots 2 and 4 in 58-62 Venture Subdivision of part of Sections 8 and 9, Township 41 North, Range 11, East of the Third Principal Meridian, according to the Plat thereof recorded March 2, 1970 as Document No. 21092384, described as follows: Beginning at the Southeast Corner of said Lot 4 (the West line of said Lot 4 having an assumed bearing of North 00 degrees 17 minutes 57 seconds West for this legal description); thence North 89 degrees 51 minutes 05 seconds West along the South line of said Lots 2 and 4 334.79 feet to an angle point in the South line of said Lot 2; thence South 83 degrees 15 minutes 10 seconds West along the South line of said Lot 2, 145.03 feet to an intersection with a line 17.0 feet, as measured at right angles, East of and parallel with the West line of said Lots 2 and 4; thence North 00 degrees 17 minutes 57 seconds West along said last described parallel line, being the East line of Wilke Road as widened, 1128.33 feet:

Thence North 89 degrees 42 minutes 03 seconds East, 137.00 feet;
Thence South 00 degrees 17 minutes 57 seconds East, 159.65 feet;
Thence South 50 degrees 40 minutes 22 seconds East, 149.69 feet;
Thence South 00 degrees 17 minutes 57 seconds East, 19.37 feet;
Thence South 89 degrees 42 minutes 03 seconds East, 227.47 feet;

To a point on the East line of said Lot 4, 853.38 feet, as measured along said East line, North of the Southeast corner of said Lot 4; thence South 00 degrees 17 minutes 57 seconds East along the East Line of said Lot 4, 853.38 feet to the place of beginning, in Cook County, Illinois.

together with

THAT PART OF LOT 4 IN 58-62 VENTURE SUBDIVISION OF PART OF SECTIONS 8 AND 9, TOWNSHIP 41 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 2, 1970 AS DOCUMENT NO. 21092384, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF LOT 2 IN SAID 58-62 VENTURE SUBDIVISION WITH THE EAST LINE OF WILKE ROAD AS WIDENED, BEING A LINE 17.00 FEET, AS MEASURED AT RIGHT ANGLES, EAST OF AND PARALLEL WITH THE WEST LINE OF SAID LOTS 2 AND 4 (THE WEST LINE OF SAID LOT 4 HAVING AN ASSUMED BEARING OF NORTH 00 DEGREES 17 MINUTES 57 SECONDS WEST FOR THIS LEGAL DESCRIPTION); THENCE NORTH 00 DEGREES 17 MINUTES 57 SECONDS WEST ALONG SAID EAST LINE OF WILKE ROAD AS WIDENED, 1128.93 FEET TO A POINT FOR A PLACE OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES 17 MINUTES 57 SECONDS WEST ALONG SAID EAST LINE OF WILKE ROAD AS WIDENED, 122.38 FEET TO AN INTERSECTION WITH A LINE 234.00 FEET, AS MEASURED ALONG THE WEST LINE OF SAID LOT 4, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID LOT 4, SAID NORTH LINE OF LOT 4 BEING ALSO THE SOUTH LINE OF LOT 6 IN SAID 58-62 VENTURE SUBDIVISION; THENCE SOUTH 87 DEGREES 31 MINUTES 53 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, 215.00 FEET TO AN INTERSECTION WITH A LINE 232.02 FEET, AS MEASURED ALONG THE NORTH LINE OF SAID LOT 4, EAST OF AND PARALLEL WITH THE WEST LINE OF SAID LOT 4; THENCE NORTH 00 DEGREES 17 MINUTES 57 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE, 234.00 FEET TO THE NORTH LINE OF SAID LOT 4; THENCE SOUTH 87 DEGREES 31 MINUTES 53 SECONDS EAST ALONG SAID NORTH LINE OF LOT 4, 65.18 FEET TO A CORNER OF SAID LOT 4; THENCE SOUTH 12 DEGREES 10 MINUTES 10 SECONDS WEST ALONG THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF SAID LOT 4, SAID NORTHWESTERLY LINE OF LOT 4 BEING ALSO THE SOUTHEASTERLY LINE OF SAID LOT 6, 20.03 FEET (MEASURE SOUTH 19 DEGREES 40 MINUTES 58 SECONDS WEST, 19.63 FEET); THENCE SOUTH 64 DEGREES 18 MINUTES 39 SECONDS EAST (MEASURE SOUTH 56 DEGREES 47 MINUTES 51 SECONDS EAST), 123.39 FEET; THENCE NORTH 21 DEGREES 25 MINUTES 20 SECONDS EAST, 297.37 FEET (MEASURE NORTH 28 DEGREES 56 MINUTES 08 SECONDS EAST, 297.57 FEET) TO A POINT ON THE NORTHEASTERLY LINE OF SAID LOT 4, ARC DISTANCE 170.02 FEET SOUTHEASTERLY OF THE MOST NORTHERLY CORNER OF SAID LOT 4; THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 4, BEING A CURVED LINE CONVEX NORTHEASTERLY AND HAVING A RADIUS OF 2814.79 FEET, AN ARC DISTANCE OF 425.08 FEET TO THE NORTHEAST CORNER OF SAID LOT 4; THENCE SOUTH 39 DEGREES 19 MINUTES 38 SECONDS WEST ALONG THE SOUTHEASTERLY LINE OF SAID LOT 4, 608.68 FEET TO A CORNER OF SAID LOT 4; THENCE SOUTH 00 DEGREES 17 MINUTES 57 SECONDS EAST ALONG THE EAST LINE OF SAID LOT 4, 76.25 FEET TO A POINT ON THE EAST LINE OF SAID LOT 4, 853.38 FEET, AS MEASURED ALONG SAID EAST LINE, NORTH OF THE SOUTHEAST CORNER OF SAID LOT 4;

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THENCE SOUTH 89 DEGREES 42 MINUTES 03 SECONDS WEST, 227.47 FEET;
" NORTH 00 " 17 " 57 " WEST, 19.37 " ;
" NORTH 50 " 40 " 22 " WEST, 149.69 " ;
" NORTH 00 " 17 " 57 " WEST, 159.65 " ;
" SOUTH 89 " 42 " 03 " WEST, 137.00 " ;
TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PROPERTY INDEX NO. 0808403021

Property of Cook County Clerk's Office

UNIFORM SCHEDULE TO COLLATERAL TRUST DOCUMENTS

by and among

TRANSAMERICAN NATURAL GAS CORPORATION

and

CERTAIN SUBSIDIARIES AND AFFILIATES
OF TRANSAMERICAN NATURAL GAS CORPORATION

and

FIRST REPUBLICBANK DALLAS, NATIONAL ASSOCIATION,
as Institutional Trustee

and

RICHARD J. NOBLETT, as Individual Trustee

Dated as of October 9, 1987

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UNIFORM SCHEDULE TO COLLATERAL TRUST DOCUMENTS

THIS SCHEDULE, dated as of October 9, 1987 (herein, as amended or modified and in effect from time to time, called this "Schedule"), is entered into among TRANSAMERICAN NATURAL GAS CORPORATION, a Texas corporation (formerly known as GHR Energy Corp. and Good Hope Refineries, Inc. and herein, together with any successor by merger or other corporate reorganization, called the "Company"), each Subsidiary (this and other capitalized terms herein being defined in the exhibit referred to in Section 1.1) and Affiliate of the Company listed on the signature pages hereto (herein, together with the Company, collectively called the "Debtors" and individually called a "Debtor"), FIRST REPUBLICBANK DALLAS, NATIONAL ASSOCIATION, a national banking institution (herein, together with its successors in trust hereunder, called the "Institutional Trustee"), and RICHARD J. NOBLETT (herein, together with his successors in trust hereunder, called the "Individual Trustee"; the Institutional Trustee and the Individual Trustee being herein collectively called the "Trustees" and individually called a "Trustee"), as trustees for certain of the beneficiaries of the Plan as hereinafter provided.

W I T N E S S E T H:

WHEREAS, certain Debtors have filed voluntary petitions for reorganization under the Bankruptcy Code in cases which have been assigned case numbers by the Bankruptcy Court as follows:

<u>Debtor</u>	<u>Case Number</u>
TransAmerican Natural Gas Corporation, f/k/a GHR Energy Corp. and Good Hope Refineries, Inc.	84-03474-H1-5
TransAmerican Pipeline Corporation, f/k/a GHR Pipeline Corp. and Southern Pipe Line Corporation	84-03475-H2-5
TransAmerican Gas Transmission Corporation, f/k/a GHR Transmission Corp. and Southern Gas Transmission Company	84-03480-H1-5
Laredo Exploration, Inc.	84-03478-H3-5
Southern Petroleum Trading Company, Ltd.	84-03479-H1-5

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Southern States, Inc.	84-03476-H1-5
Southern States Exploration, Inc.	84-03477-H2-5
JRS Realty, Inc.	86-05539-H2-11
Procedurally consolidated under Case No.	84-03474-H1-5

WHEREAS, the Bankruptcy Court will enter the Confirmation Order in such cases in order to confirm a plan of reorganization (herein, as the same may at any time be amended, modified or modified in accordance with its terms and in effect, called the "Plan"); and

WHEREAS, pursuant to the Plan, the Debtors shall from time to time execute and deliver, or cause to be executed and delivered, the Collateral Trust Documents, and the Debtors desire that this Schedule be incorporated by reference in each such Collateral Trust Document and the Collateral Trust Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained in the Plan and the Ancillary Documents, the parties hereto agree as follows:

SECTION 1

DEFINITIONS AND OTHER MATTERS

1.1 Definitions. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to those terms in Exhibit A to the Plan, and such Exhibit A is attached hereto as Annex I and incorporated herein by reference as though set forth in full herein.

1.2 Cross-References. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Schedule shall refer to this Schedule as a whole and not to any particular provision of this Schedule and references to sections, schedules and appendices are to sections, schedules and appendices of this Schedule unless otherwise specified.

SECTION 2

INCORPORATION BY REFERENCE; CERTAIN RIGHTS AND REMEDIES

2.1 Incorporation by Reference. This Schedule is hereby incorporated by reference into, and made a part of, each Col-

lateral Trust Document, and each Collateral Trust Document shall be interpreted as if the provisions of, and the rights and remedies provided under, this Schedule were set forth in full therein. If any Collateral Trust Document is recorded or filed in any jurisdiction, this Schedule shall be recorded or filed therewith as part thereof; provided, however, that, with respect to any Collateral Trust Document to be recorded or filed in the State of Louisiana, the Trustees may elect to expressly set forth all or part of the provisions hereof (with appropriate revisions to reflect any differences in the use of defined terms as between this Schedule and such Collateral Trust Document) in such Collateral Trust Document in lieu of incorporating such provisions by reference.

2.2 Certain Rights of Trustees.

(a) All of the powers, remedies and rights of the Trustees as set forth in this Schedule may be exercised by the Trustees in respect of any other Collateral Trust Document as though set forth at length therein and all the powers, remedies and rights of the Trustees and the Obligees set forth in any Collateral Trust Document may be exercised from time to time as herein and therein provided.

(b) The Trustees shall not be obligated to pursue or exhaust any rights or remedies as against any part of the Collateral before pursuing or enforcing any rights or remedies as against any other part of the Collateral.

2.3 Right to Initiate Judicial Proceedings, etc. If a Period of Actionable Default shall have commenced and be continuing, (i) the Trustees, subject to Section 2.3 of the Collateral Trust Agreement, shall have the right and power to institute and maintain such suits and proceedings as they may deem appropriate to protect and enforce the rights vested in them by the Plan, this Schedule and each other Collateral Trust Document, and (ii) the Trustees, subject to Section 2.3 of the Collateral Trust Agreement, may, either after entry or without entry, proceed by suit or suits at law or in equity to enforce such rights and to foreclose upon the Collateral and to sell all or, from time to time, any of the Collateral in the manner provided in the Collateral Trust Documents.

2.4 Remedies Not Exclusive.

(a) No remedy conferred upon or reserved to the Trustees herein or in the other Collateral Trust Documents is intended to be exclusive of any other remedy or remedies, but every such remedy shall be cumulative and shall be in addition to every other remedy conferred herein or in the other Collateral Trust

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Documents or now or hereafter existing at law or in equity or by statute.

(b) In case the Trustees shall have proceeded to enforce any right, remedy or power under this Schedule or any other Collateral Trust Document and the proceeding for the enforcement thereof shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustees, then and in every such case each Debtor, the Trustees and the Obligees shall, subject to any determination in such proceeding and the doctrines of collateral estoppel and res judicata, severally and respectively be restored to their former positions and rights hereunder and under such Collateral Trust Document with respect to the Collateral and in all other respects, and thereafter all rights, remedies and powers of the Trustees shall, subject to any such determination and such doctrines, continue as though no such proceeding had been taken.

(c) All rights of action and rights to assert claims upon or under the Plan and the Ancillary Documents may be enforced by the Trustees without the possession of any Note or other debt instrument or the production thereof in any trial or other proceeding relative thereto, and any such suit or proceeding instituted by the Trustees shall be brought in their names as Trustees and any recovery of judgment shall be held as part of the Collateral and shall be distributed in accordance with the Collateral Trust Agreement; provided, however, that this Section 2.4(c) shall not be construed to relieve the Trustees of their obligation in any proceeding to meet applicable standards of proof as to the existence of any Obligation.

2.5 Waiver of Certain Rights.

(a) Each Debtor agrees to the extent it may lawfully do so, on behalf of itself and all who may claim through or under it, that it will not at any time in any manner whatsoever claim or take the benefit or advantage of, any extension, moratorium or turnover law, or any law permitting it to direct the order in which the Collateral shall be sold, now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance or enforcement of any Collateral Trust Document and hereby waives all benefit or advantage of all such laws and covenants; provided, that nothing contained in this Section 2.5(a) shall be construed as a waiver of any rights of any Debtor which, under any applicable bankruptcy law, cannot be waived.

(b) Each Debtor to the extent it may lawfully do so, on behalf of itself and all who may claim through or under it, including, without limitation, any and all subsequent creditors, vendees, assignees and lienors, expressly waives and releases

any, every and all rights to demand or to have all or any portion of the Collateral marshalled upon any sale, or sold in inverse order of alienation, in any case whether made under any power of sale granted herein or in any other Collateral Trust Document or pursuant to judicial proceedings or upon any foreclosure or any enforcement of this Schedule or any other Collateral Trust Document, and consents and agrees that all the Collateral may at any such sale be offered and sold as an entirety.

(c) Each Debtor hereby waives, to the extent it may lawfully do so, presentment, demand and protest in connection with this Schedule and the other Collateral Trust Documents and any action taken by the Trustees with respect to the Collateral.

2.6 Limitation on Duties in Respect of Collateral; Standard of Care.

(a) Beyond their duties set forth in the Collateral Trust Documents as to the custody of the Collateral and the accounting to the Debtors, the Plan Committee and the Obligees for moneys and other property received by them under any Collateral Trust Document, the Trustees shall not have any duty to the Debtors as to any Collateral in their possession or control or in the possession or control of any agent or nominee of them or to any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto; provided, however, that the Trustees shall, at the Debtors' joint and several expense, take such actions as the Debtors shall reasonably request to preserve the rights of the Debtors and the Trustees against other parties (other than the Secured Obligees) with respect to the Collateral or any other rights pertaining thereto. No Debtor shall be entitled to any right or remedy against the Trustees on account of (i) any failure by the Trustees to have exercised reasonable care in the custody and preservation of the Collateral if the Trustees shall have taken such action for that purpose as the Debtors shall have requested in writing, or (ii) any failure by the Trustees to do any act with respect to the preservation of the Collateral not so requested by the Debtors, and the failure of the Trustees to comply with any request described in clause (i) of this sentence shall not of itself be deemed a failure to exercise reasonable care.

(b) Subject to Section 2.3 of the Collateral Trust Agreement, neither Trustee shall be liable for any failure to enforce the collection of, or realize on, any Collateral or any proceeds of Collateral (and no such failure shall be deemed to be a waiver of any right of the Trustees hereunder) and the Trustees shall have no other responsibility in connection with such collection or realization, except the responsibility to account to the Debtors and the Obligees for funds actually received.

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2.7 Limitation by Law. All rights, remedies and powers provided by this Schedule and the Collateral Trust Documents may be exercised only to the extent that the exercise thereof does not violate any applicable provision of the Plan, the Collateral Trust Agreement or applicable law, and all the provisions of this Schedule and the Collateral Trust Documents are intended to be subject to all such applicable mandatory provisions and to be limited to the extent necessary so that they will not render this Schedule and the Collateral Trust Documents invalid, unenforceable in whole or in part or not entitled to be recorded, registered or filed under the provisions of any applicable law.

SECTION 3

AGREEMENTS WITH TRUSTEES

3.1 Recording, Further Assurances.

(a) The Trustees acknowledge that, pursuant to the Confirmation Order, certain Collateral Trust Documents (including, without limitation, UCC financing statements and assignments of accounts receivable) were recorded, registered, deposited and filed in various public offices, and that the Debtors have provided the Trustees with a schedule of information with respect to such recording, registration, deposit and filing. The Trustees will promptly, and at the Debtors' joint and several expense (subject to Section 3.5), record, register, deposit and file each Additional Collateral Trust Document and every other instrument in addition or supplemental to the Collateral Trust Documents in such offices and places and at such times and as often as may be necessary to preserve, protect, perfect and renew the Liens and priorities created thereby (subject to the Permitted Encumbrances) and to preserve, protect and renew the rights and remedies of the Trustees. In addition, at any time and from time to time, upon the written request of either Trustee, and at the joint and several expense of the Debtors (subject to Section 3.5), the Debtors will promptly execute and deliver any and all such further instruments and documents and take such further action (including, without limitation, the delivery to the Institutional Trustee or any agent of the Institutional Trustee of instruments and chattel paper which constitute Collateral) as either Trustee or the Plan Committee reasonably deems necessary in obtaining the full benefits of this Schedule and the other Collateral Trust Documents and of the rights and powers herein and therein granted, including, without limitation, (i) the filing of any financing or continuation statements under the UCC or any other applicable law in effect in any jurisdiction with respect to the Liens granted thereby, (ii) the prompt correction of any defect which may hereafter be discovered in the execution, delivery and

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acknowledgment of any Collateral Trust Document or the description of any Collateral, (iii) the execution and delivery of all division orders, transfer orders or letters in lieu of transfer orders which, in the opinion of either Trustee or the Plan Committee, are reasonably needed in order to transfer effectually or to assist in transferring effectually to the Trustees the assigned proceeds of Hydrocarbons produced from Property constituting part of the Collateral, and (iv) with respect to each material contract, either providing in such contract, or causing the parties to such contract to acknowledge in writing for the benefit of the Trustees, that such contract has been assigned. The Debtors also hereby authorize the Trustees to file any such financing or continuation statement without the signature of any Debtor to the extent permitted by applicable law. Each Debtor shall, in all of its financial statements, indicate by footnote or otherwise that the Secured Obligations are secured pursuant to the Plan and the Collateral Trust Documents.

3.2 Actions To Be Taken by the Debtors. The Trustees may from time to time, at their option, (i) perform any agreement of any Debtor hereunder or under any Collateral Trust Document or the Covenant Agreement which such Debtor shall fail to perform and (ii) take any other action which the Trustees deem necessary for the maintenance or preservation of any of the Collateral or their interests therein, and the Debtors, jointly and severally, agree to forthwith reimburse the Trustees for all expenses of the Trustees (including, without limitation, reasonable fees and disbursements of their respective counsel but subject to Section 3.5) in connection with the foregoing and to pay interest to the Trustees on the amount of such expenses from the date demand is made therefor until the date reimbursed at the Prime Rate from time to time in effect; provided, however, that the Trustees shall take action under this Section 3.2 only after they shall have requested in writing that the Debtors take such action and the Debtors shall have failed to do so within a reasonable time, unless such action is taken by the Trustees on an emergency basis in response to an event or circumstance which threatens the value of any Collateral or the Trustees' interest therein. No such action by the Trustees shall be deemed to relieve the Debtors from any default under any Collateral Trust Document or the Covenant Agreement.

3.3 Appointment as Attorney-in-Fact. Each Debtor hereby irrevocably constitutes and appoints the Trustees and any officer or agent of either thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of such Debtor or in its own name, from time to time in either Trustee's discretion, whether before or after the maturity of any Obligation (except to the extent that this Section 3.3 specifies that certain actions may be taken only if a

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Period of Actionable Default shall have occurred and be continuing), for the purpose of carrying out the terms of this Schedule, the Collateral Trust Documents and the Covenant Agreement (a) to execute any and all documents or instruments which, under the terms of this Schedule, any Collateral Trust Document or the Covenant Agreement, such Debtor is expressly required to execute or deliver and which such Debtor, after a request by either Trustee, fails to so execute and deliver, and (b) to take any and all appropriate action and to execute any and all documents and instruments which may be necessary to accomplish the purposes hereof and thereof (which appointment as attorney-in-fact is irrevocable and coupled with an interest) and, without limiting the generality of the foregoing, hereby gives each Trustee, acting alone, the power and right on behalf of such Debtor, without notice to or assent by such Debtor, to do the following:

(i) to receive, take, endorse, assign, deliver and collect any and all Cash Instruments and other negotiable and non-negotiable instruments and documents taken or received by the Institutional Trustee or the Paying Agent in connection herewith and therewith,

(ii) if a Period of Actionable Default shall have commenced and be continuing, to ask for, demand, sue for, collect, receive and give acquittance for any and all moneys due or to become due to any Debtor from any Person under or in respect of the Collateral or any part thereof,

(iii) if a Period of Actionable Default shall have commenced and be continuing, to commence, file, prosecute, defend, settle, compromise or adjust any claim, suit, action or proceeding on behalf of any Debtor with respect hereto and thereto or in connection herewith and therewith,

(iv) if a Period of Actionable Default shall have commenced and be continuing, to sell, transfer, assign or otherwise deal in or with the Collateral or any part thereof as fully and effectually as if the Trustees were the absolute owners thereof, and

(v) to do, at its option and at the expense and for the account of the Debtors (subject to Section 3.5), at any time or from time to time, all acts and things which either Trustee deems reasonably necessary or appropriate to protect or preserve the Collateral and, if a Period of Actionable Default shall have occurred and be continuing, to realize upon the Collateral.

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3.4 Certain Actions Permitted To Be Taken by the Trustees.

The Trustees may, if and to the extent otherwise permitted by the terms of the Plan and the Ancillary Documents, from time to time, whether before or after any of the Secured Obligations shall become due and payable, without notice to any Debtor and without incurring responsibility to, or discharging or otherwise affecting any liability of any Debtor, in the name of either Trustee or any Debtor, (i) retain or obtain a security interest in any Property, in addition to the Collateral, to secure payment of any of the Secured Obligations, (ii) retain or obtain the primary or secondary liability of any Person, in addition to the Debtors, with respect to any of the Secured Obligations, and (iii) only after any of the Secured Obligations have become due and payable, resort to the Collateral for payment of any due and payable Secured Obligations whether or not the Trustees shall have resorted to any other Property securing payment of the Secured Obligations or shall have proceeded against any Person primarily or secondarily liable on any of the Secured Obligations; provided, however, that this Section 3.4 shall not be construed to be a grant of a Lien on any Property.

3.5 Deductions Under the Plan.

Amounts payable by the Debtors to the Trustees under this Section 3 shall be paid, as more fully described in the Paying Agency Agreement, by (x) deducting such amounts as are permitted to be deducted from the Debtors' Share pursuant to Section 4.01(c) of the Plan, (y) to the extent necessary after the deductions referred to in clause (x) of this sentence, deducting such amounts from Total Revenues as are permitted by Section 4.01(a), Clause First (F) of the Plan, and (z) to the extent necessary after the deductions referred to in clauses (x) and (y) of this sentence, deducting such amounts from Creditors' Revenues as are permitted by Section 4.02 of the Plan; it being understood and agreed that, notwithstanding anything else in this Section 3, except as expressly provided in such Sections of the Plan and for so long as the Plan remains in effect, the Trustees shall have no recourse against any Person for payment of the amounts referred to in this Section 3.

SECTION 4

THE TRUSTEES

4.1 Exculpatory Provisions.

(a) The Trustees shall not be responsible in any manner whatsoever for the correctness of any recitals, statements, representations or warranties contained in the Plan or the Ancillary

Documents. The Trustees make no representations as to the value or condition of the Collateral or any part thereof, or as to the title of any Debtor thereto or as to the security afforded by the Collateral Trust Documents, or as to the valid perfection of any Lien on any Collateral or the priority of such Lien, or as to the validity, execution (except their own execution), enforceability (except as to each Trustee with respect to its obligations hereunder), legality or sufficiency of the Plan or the Ancillary Documents or the Obligations secured by the Collateral Trust Documents, and the Trustees shall incur no liability or responsibility in respect of any such matters. The Trustees shall not be responsible for insuring the Collateral or for the payment of taxes, charges, assessments or liens upon the Collateral or otherwise as to the maintenance of the Collateral, except that the Institutional Trustee or Individual Trustee, as the case may be, shall, subject to Section 2.6, preserve any part of the Collateral in its possession.

(b) The Trustees shall not be required to ascertain or inquire as to the performance by any Debtor of any of the covenants or agreements contained in the Plan or the Ancillary Documents.

(c) Notwithstanding anything in any Collateral Trust Document to the contrary, neither the Trustee nor any of the directors, officers, employees, agents or bailees of either Trustee, nor any other Person acting on behalf of either Trustee, nor any stockholder of the Institutional Trustee, shall be personally liable for any action taken or omitted to be taken by them in accordance with any Collateral Trust Document except for their own gross negligence, willful misconduct or bad faith.

(d) No provision of any Collateral Trust Document shall be deemed to impose any duty or obligation on the Trustees to perform any act or exercise any right or power in any jurisdiction in which it shall be illegal and, without limiting the generality of the foregoing, the Trustees shall be under no obligation to follow any Instructing Notice which is in conflict with any provision of applicable law, the Plan or the Ancillary Documents. No provision of any Collateral Trust Document shall be deemed to impose any duty or obligation on the Institutional Trustee to perform any act or exercise any right or power in any jurisdiction in which the Institutional Trustee shall be incompetent.

(e) The Institutional Trustee (in its capacity as such) and its officers, directors, employees, agents, servants and affiliates may become the owner of, or acquire any interest in, any of the Collateral, with the same rights that it or they would have had if it were not the Institutional Trustee hereunder, and may engage or be interested in any financial or other transaction

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with any Debtor, and may act on behalf of, or as depository, trustee or agent for any Debtor, as freely as if it were not the Institutional Trustee hereunder; provided, however, that an officer, director, employee, agent, servant or affiliate of the Institutional Trustee may become the owner of, or acquire any interest in, any of the Collateral only on behalf of the Institutional Trustee, and not in such Person's individual capacity.

(f) Nothing in the Debtor Pledge Agreement, this Schedule or any other Collateral Trust Document shall impose any obligation on the Trustees to monitor the voting by any Debtor of shares constituting Pledged Securities or Pledged Stock.

4.2 Delegation of Duties. The Trustees may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by or through agents or attorneys-in-fact (including, without limitation, the Paying Agent). Without limiting the foregoing, the Mortgage Trustee acting under any Mortgage, or his successor or substitute, is hereby authorized and empowered to appoint any one or more persons as his attorney(s)-in-fact to act as Mortgage Trustee under him and in his name, place and stead, such appointment to be evidenced by a written instrument executed by such Mortgage Trustee, or his successor or substitute, to perform any one or more act or acts necessary or incident to any sale under the power of sale under such Mortgage, including, without limitation, the posting and filing of any notices, the conduct of the sale and the execution and delivery of any instruments conveying the Mortgaged Property (as defined in such Mortgage) as a result of the sale, but in the name and on behalf of such Mortgage Trustee, or his successor or substitute; and all acts done or performed by said attorney(s)-in-fact shall be valid, lawful and binding as if done or performed by such Mortgage Trustee, or his successor or substitute. The Trustees shall be entitled to advice of counsel concerning all matters pertaining to the trusts or powers hereof and their duties hereunder.

4.3 Moneys To Be Held in Trust. Subject to the Debtor Reserve Provisions, all moneys received by the Trustees or the Paying Agent under or pursuant to any provision of this Schedule or any other Collateral Trust Document (except amounts payable to either Trustee or the Paying Agent for its or his own account) shall be held in trust for the purposes for which they were paid or are held.

4.4 Resignation and Removal of Trustees.

Either Trustee may resign or be removed at any time, and a successor Trustee may be appointed, as provided in the Collateral Trust Agreement. Any document with respect to any such resigna-

tion, removal or appointment signed by an officer of the Plan Committee and recorded where any of the Collateral Trust Documents are recorded shall be full evidence of all facts therein recited, and upon any such appointment all Collateral Trust Documents shall vest in the named successor Trustee all properties, rights, title and interest of the prior Trustee under the Collateral Trust Documents and in all of the Collateral, and such successor Trustee shall thereupon succeed to all of the rights, powers, privileges, immunities and duties conferred by the Plan and Ancillary Documents upon the prior Trustee. All references in the Collateral Trust Documents to the Trustees shall be deemed to refer to the Trustees from time to time acting thereunder.

4.5 Action by One Trustee. Any Trustee from time to time serving under the Collateral Trust Documents shall have the absolute right, acting individually, to take any action and to give any consent and to exercise any right, remedy, power, privilege or authority conferred upon the Trustees, and any action taken by either Trustee from time to time serving under the Collateral Trust Documents shall be binding upon the other Trustee. Nothing in this Section 4.5 shall be construed so as to grant either Trustee powers or rights other than the powers and rights of such Trustee set forth in the Collateral Trust Agreement; provided, however, that no Person dealing with either Trustee from time to time serving under the Collateral Trust Documents shall be obligated to confirm the power and authority of such Trustee to act without the concurrence of the other Trustee.

SECTION 5

COVENANTS

5.1 Covenant Agreement. The parties agree that the Covenant Agreement is hereby incorporated by reference into, and made a part of, this Schedule, and this Schedule shall be interpreted as if the provisions of, and the rights and remedies provided under, the Covenant Agreement were set forth in full herein.

SECTION 6

MISCELLANEOUS

6.1 Notices. All notices, requests, demands and other communications provided for or permitted under each Collateral Trust Document shall be given as provided in Section 12.01 of the Plan.

6.2 Headings. Section, subsection and other headings used in this Schedule and in the other Collateral Trust Documents are for convenience of reference only and shall not affect the construction of this Schedule or the other Collateral Trust Documents.

6.3 Severability. Any provision of this Schedule or any other Collateral Trust Document which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof or thereof, and the remaining provisions thereof shall be liberally construed in favor of the Trustees and the Obligees in order to effectuate the provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the generality of the foregoing, any remedies provided herein or in any other Collateral Trust Document which shall be valid under the laws of the jurisdiction where proceedings for the enforcement of such mortgage shall be taken shall not be affected by the invalidity of any such remedies under the laws of the State of Texas. Any reference in any Collateral Trust Document to a statute or law of a state in which no part of the Collateral is situated shall be deemed inapplicable to, and not used in, the interpretation thereof.

6.4 Ratification by Refinery Corporation. As provided in Section 5.03 of the Plan, the Refinery Corporation has become a party to this Schedule and is deemed to be a "Debtor" for all purposes of the Plan and the Ancillary Documents. Without limiting the provisions of the Plan, the Refinery Corporation shall execute an Assumption Agreement substantially in the form of Appendix 11 to the Collateral Trust Agreement to evidence its ratification of, and assumption of all obligations of a Debtor under, this Schedule.

6.5 Binding Effect. This Schedule and the Collateral Trust Documents shall be binding upon and inure to the benefit of each of the parties hereto and shall inure to the benefit of the Plan Committee, the Obligees and their respective successors and assigns. Nothing herein or in any other Collateral Trust Document is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of this Schedule, any other Collateral Trust Document or the Collateral.

6.6 No Waivers. No failure on the part of the Trustees, any co-trustee, any separate trustee, the Plan Committee or any Obligee to exercise, no course of dealing with respect to, and no delay in exercising, any right, power or privilege under the Plan or any Ancillary Document shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No amendment, waiver or supplement in any way affecting any Collateral Trust Document shall in any event be effective unless set out in writing signed by the Trustees.

6.7 Governing Law. This Schedule and the other Collateral Trust Documents shall be governed by, and construed and interpreted in accordance with, the internal laws of the State of Texas, without reference to principles of conflict of laws, except as required by mandatory provisions of applicable law; provided that insofar as the waivers provided for in Section 2.5 apply to real property interests, the same shall be governed by, and construed and interpreted in accordance with, the internal laws of the state where the real property is located.

6.8 Counterparts. This Schedule may be executed in separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

6.9 Joint and Several Obligations. The Obligations of the Debtors under the Plan, this Schedule and the Ancillary Documents are joint and several obligations. The release, compromise or modification of the liability of one Debtor with respect to any Obligation or Collateral shall not discharge or otherwise affect the liability of any other Debtor with respect to such Obligation or Collateral or the liability of any Debtor with respect to any other Obligation or Collateral, and no Person shall incur any responsibility to any Debtor as a result of such release, compromise or modification. If any Person other than a Debtor becomes primarily or secondarily liable with respect to any Obligation or Collateral, the release, compromise or modification of such Person's liability shall not discharge or otherwise affect the liability of any Debtor with respect to such Obligation or Collateral or any other Obligation or Collateral, and no Person shall incur any responsibility to any Debtor with respect to such release, compromise or modification.

IN WITNESS WHEREOF, the parties hereto have executed this Schedule or caused this Schedule to be duly executed by their duly authorized respective officers as of the day and year first above written.

TRANSAMERICAN NATURAL GAS CORPORATION,
formerly known as GHR Energy Corp.
and Good Hope Refineries, Inc.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

TRANSAMERICAN PIPELINE CORPORATION,
formerly known as GHR Pipeline Corp.
and Southern Pipe Line Corporation

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

TRANSAMERICAN GAS TRANSMISSION
CORPORATION, formerly known as GHR
Transmission Corp. and Southern Gas
Transmission Company

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

LAREDO EXPLORATION, INC.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

SOUTHERN STATES EXPLORATION, INC.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

SOUTHERN PETROLEUM TRADING
COMPANY, LTD.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

SOUTHERN STATES, INC.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

JRS REALTY, INC.

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

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TRANSAMERICAN REFINING CORPORATION

[Seal]

By: _____
David S. Gamble,
Executive Vice President

Attest: _____
Franklin D. Dodge,
Secretary

FIRST REPUBLICBANK DALLAS, NATIONAL
ASSOCIATION, as Institutional
Trustee

[Seal]

By: _____
Richard J. Noblett,
Vice President

Attest: _____
Paula K. Dick,
Trust Officer

RICHARD J. NOBLETT,
as Individual Trustee

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DEFINITIONS

For purposes of the Plan, the Collateral Trust Agreement, the Paying Agency Agreement, all other Ancillary Documents and all Exhibits to any of them (unless otherwise indicated in such Exhibits), the following terms shall have the respective meanings set forth below. Unless otherwise indicated, all Section and Article references are to the respective Section or Article of the Plan, as the same may be amended, waived or modified from time to time in accordance with the provisions of the Plan.

Capitalized terms not defined herein which are defined in Bankruptcy Code § 101 shall have the meanings ascribed to them therein unless the context otherwise requires. Terms not defined herein or in Bankruptcy Code § 101 shall have the meanings ascribed to them in Articles 1, 8 or 9 of the UCC unless the context otherwise requires.

Account: the meaning ascribed to such term in Section 3.1 of the Paying Agency Agreement.

Account Debtor: Person which is obligated to any Debtor on or under any Receivable.

Acting Creditors: the meaning ascribed to such term in Section 9.02(b) of the Plan.

Action: any action brought by any Person at law or in equity, including without limitation any counterclaim in response to an action brought by any other Person at law or in equity.

Additional Collateral Trust Documents: the meaning ascribed to such term in the fifth recital of the Collateral Trust Agreement.

Additional Rig Account: the meaning ascribed to such term in Section 3.2 of the Heads-Up Drilling Covenants.

Additional Rig Program: the meaning ascribed to such term in Section 1.1 of the Heads-Up Drilling Covenants.

Adjusted T-Bill Rate. on any date, a rate per annum equal to 1% per annum less than the rate specified under the heading "U.S. Government Securities, 3-month Treasury Bills (auction average)" for the first week of the Month in which such date occurs, as currently published in the weekly statistical release designated "H.15 (519)", or any successor publication, published by the Board of Governors of the Federal Reserve System (the "FRB"); provided, however, that if no auction of 3-month

Treasury Bills is conducted for such week, "Adjusted T-Bill Rate" shall mean a rate per annum equal to 1% per annum less than the rate specified under the heading "U.S. Government Securities, 3-month Treasury Bills" as published for such week in the statistical release designated "E.9 (511)", or any successor publication, published by the FRB.

Affected Portion: the meaning ascribed to that term in Section 2.2(d) of the Collateral Trust Agreement.

Affiliate: with respect to any Person, any Person who is or has been at any time an insider, as such term is defined in Bankruptcy Code § 101, of such first mentioned Person; if the identity of such first mentioned Person has not been specified, it shall be deemed to be each Debtor.

Agency: the meaning ascribed to such term in Section 2.1(b) of the Covenant Agreement.

Allowed Administrative Expense: (a) a Trade Administrative Expense or (b) another expense (other than (i) an administrative expense forgiven pursuant to Section 3.05(a) of the Plan or (ii) an administrative expense payable pursuant to Section 4.01(a) Clause First of the Plan) allowed as an administrative expense pursuant to Bankruptcy Code § 503(b).

Allowed Affiliate Claim: an Allowed Claim held at any time by an Affiliate of any Debtor, other than any Claim held by Stanley in respect of payments actually made by him under the Final Judgment dated July 8, 1985 in the proceeding entitled Bessie K. Welder v. Jack R. Stanley in the United States District Court for the Southern District of Texas, Corpus Christi Division (C.A. No. C-85-73).

Allowed Claim: a Claim (a) in respect of which a proof of claim has been filed with the Bankruptcy Court within the applicable period of limitation fixed pursuant to Bankruptcy Rule 3003(c)(3) or filed thereafter with leave of the Bankruptcy Court pursuant to a Final Order, or (b) deemed filed with the Bankruptcy Court pursuant to Bankruptcy Code § 1111(a) and not listed as disputed, contingent or unliquidated as to amount, in either case as to which no objection to the allowance thereof has been interposed within any applicable period of limitation fixed by the Bankruptcy Court, or, if any such objection has been interposed, to the extent allowed by a Final Order.

Allowed Priority Claim: an Allowed Claim (other than an Allowed Subordinated Claim) entitled to priority pursuant to Bankruptcy Code § 507(a)(3), (4), (6) or, if applicable in the Bankruptcy Code case of the relevant Debtor, § 507(a)(5).

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Allowed Secured Claim: an Allowed Claim secured by a Lien on or against Property in which a Debtor has an interest, or which Property is subject to setoff under Bankruptcy Code § 553, to the extent of the value (determined in accordance with Bankruptcy Code § 506(a)) of the interest of the Holder of such Allowed Claim in such Debtor's interest in such Property or to the extent of the value (as so determined) of the Property subject to such setoff, as the case may be. An Allowed Secured Claim includes all amounts allowed to the Holder thereof pursuant to Bankruptcy Code § 506(b), except to the extent expressly limited by the Plan.

Allowed Secured Non-Bank Claim: a Claim (other than a Bellarmine Bank Amount, an Allowed Term Loan Claim, an Allowed Settlement Fund Claim, an Allowed Secured Refinery Claim, or an Allowed Subordinated Claim) secured by a Lien, including without limitation materialmen's or mechanics' liens or judgment liens, to the extent such Claim is an Allowed Secured Claim.

Allowed Secured Refinery Claim: an Allowed Claim (other than an Allowed Term Loan Claim or an Allowed Subordinated Claim) secured by a Lien on or against the Refinery or any part thereof, regardless of whether such Allowed Claim is an Allowed Secured Claim.

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Allowed Secured Shopping Center Claim: a Claim secured by a Lien on the Shopping Centers to the extent such Claim is an Allowed Secured Claim.

Allowed Secured Term Refinery Claims: an Allowed Secured Refinery Claim evidenced by a Class 3a Note.

Allowed Settlement Fund Claim: an Allowed Claim with respect to which the Holder thereof has elected to participate in, and fulfilled the terms and conditions for participating in, the Settlement Fund Stipulation.

Allowed Small Claim: an Allowed Claim (other than an Allowed Secured Claim) in a principal amount of \$5,000 or less (prior to any subdivision thereof), or whose Holder has elected to reduce the principal amount of such Claim to \$5,000.

Allowed Subordinated Claim: an Allowed Claim which is subordinated as a matter of law to Class 5 and 6 Claims.

Allowed Tax Claim: an Allowed Claim (other than an Allowed Subordinated Claim) entitled to priority pursuant to Bankruptcy Code § 507(a)(7).

Allowed Term Loan Claim: an Allowed Claim of a Bank Lender for all amounts owing to it under or in connection

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with the Bank Credit Agreement, including all interest accrued thereon prior to the Petition Date plus (a) amounts advanced after January 26, 1983 by such Bank Lender to refinance indebtedness owed to Occidental Petroleum, Inc. and (b) if applicable, all costs and expenses which were incurred in connection with efforts after August 19, 1985 to arrive at a consensual plan of reorganization and in connection with drafting the Plan, its accompanying Disclosure Statement and any Ancillary Document to the extent such costs and expenses are allowed pursuant to Bankruptcy Code § 506(b) or § 503(b)(3) or (b)(4) or otherwise.

Ancillary Documents: the Exhibits to the Plan, the Covenant Agreement, the Plan Committee Document, the Bellarmine Reconveyance Documents, the Bank Lender Guaranties, the Collateral Trust Documents, the Debtor Corporate Restructuring Documents, the Notes, the Voting Trust Documents, the Banks' Stock Pledge Documents, JRS Intercreditor Agreement, the JRS Payment Agreement and all other documents, instruments or orders executed or approved by any officer or director of any Debtor or entered by the Bankruptcy Court (and referred to in Section 8.02 of the Plan) in connection therewith, collectively.

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Assignment Agreement: the meaning ascribed to such term in the fourth recital to the Collateral Trust Agreement.

Assumption Agreement: the meaning ascribed to such term in Section 7.8 of the Collateral Trust Agreement.

Available Cash: the meaning ascribed to such term in Section 3.4(a)(i) of the Paying Agency Agreement.

Bank: the meaning ascribed to such term in the introduction to any Bank Lender Guaranty.

Bank Agent: Continental Illinois National Bank and Trust Company of Chicago in its capacity as agent for the Bank Lenders as contemplated by the Plan and the Ancillary Documents, its successors and assigns, and the Bank Pledgee.

Bank Contract Rate: the Prime Rate plus 2.5% per annum.

Bank Credit Agreement: the Amendment and Restatement of Secured Revolving Credit Agreement dated as of December 23, 1981, as amended, to which Energy, Pipeline, Trading, Transmission and the 14 bank signatories thereto (or their successors) are parties, and all documents and instruments

executed and delivered in connection therewith (other than the guaranty executed and delivered by Stanley, but only to the extent governing his liability).

Bank Debt: the meaning ascribed to such term in Section 2 of any Bank Lender Guaranty.

Bank Lender: a bank party to the Bank Credit Agreement, any successor to such a bank (including, without limitation, the New Lender) and any assignee of all or part of any claim which this Plan classifies as a Class 5 Claim held by such a bank. As used in any provision of the Plan or any Ancillary Document, the term "Bank Lender" shall include a Bank Lender in its individual capacity or, if applicable, as administrator for the FDIC. Whenever an action under the Plan or any Ancillary Document (a) requires the consent or vote of, or (b) may be taken with the consent or vote of, the Bank Lenders, such consent or vote shall be obtained and shall be effective upon the written agreement of Holders of Class 5 Claims representing at least two-thirds in amount and more than one-half in number of Allowed Claims which are Class 5 Claims.

Bank Lender Guaranties: the meaning ascribed to such term in Section 7.02(e) of the Plan.

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Bank Obligation: any Obligation payable to a Bank Lender.

Bank Pledgee: the meaning ascribed to such term in the introduction to the Trustee Stock Pledge Agreement.

Bankruptcy Act: the Bankruptcy Act of 1898, 11 U.S.C. §§ 1 et seq. (1976), as effective through September 30, 1979.

Bankruptcy Cases: all cases under the Bankruptcy Code or Bankruptcy Act with respect to (a) GHR Parent or (b) any of the Debtors set forth in the caption to the Plan.

Bankruptcy Code: the Bankruptcy Code, 11 U.S.C. §§ 101 et seq., effective October 1, 1979, and any applicable amendments thereto.

Bankruptcy Court: the United States Bankruptcy Court for the Southern District of Texas, and any court having competent jurisdiction to hear appeals or certiorari proceedings therefrom.

Banks' Production Payment: the meaning ascribed to such term in Section 3.05(g) of the Plan.

Banks' Share: the meaning ascribed to such term in Section 4.03(a) of the Plan.

Banks' Stock Pledge Documents: the documents under which Stanley pledges all New Company Stock to secure payment of the obligations under the Bank Lender Guaranties.

Bellarmino: The Bellarmine Foundation, Inc., an Illinois not-for-profit corporation.

Bellarmino Bank Amount: as to any Bank Lender (a) the sum of (i) (x) for the period from and including the Confirmation Date to and including the Consummation Date, the principal of indebtedness outstanding under the Original Bellarmine Agreements as of the Petition Date and (y) for all periods after the Consummation Date, all amounts owing to such Bank Lender on the Petition Date in respect of the indebtedness of Bellarmine to the Bank Lender to be assumed by the Debtors (or any of them) pursuant to the Bellarmine Reconveyance Documents, (ii) to the extent not used in determining the amount of indebtedness in either clauses (i)(x) or (i)(y), all advances made to the Debtors (or any of them) by or on behalf of the Bank Lenders after the Petition Date including without limitation payments made to the Debtors or payments made to the Paying Agent on or after the Consummation Date pursuant to Sections 4.03(b) Clause First or 5.01(e) of the Plan; provided, however, that any amounts deemed to have been advanced under agreed modifications

to the revenue sharing orders in effect at various times since the Petition Date shall be excluded unless the sum advanced had already been applied to the Bellarmine indebtedness on the books of the Bank Lender, and (iii) all amounts owing to such Bank Lender on account of any letter of credit issued for a Debtor as account party to the extent drawn and not paid, and any fees owed on account of such letters of credit drawn or undrawn, net of (b) all payments received and retained by the Bank Lender from the Debtors after the Petition Date and before the Confirmation Date to the extent such payments should have been applied to principal and any interest accrued prior to the Petition Date.

Bellarmino Reconveyance Documents: the

agreements to which Bellarmine, the Bank Agent and some or all of the Debtors are parties, and all documents, instruments and other writings delivered pursuant thereto or in connection therewith, whereby, among other things, (a) Bellarmine shall reconvey to the Debtors specified therein, all remaining rights and interests in Property conveyed to Bellarmine pursuant to the Original Bellarmine Agreements, and (b) the Debtors specified therein shall assume the indebtedness of Bellarmine to the Bank Lenders in respect of principal and interest (other than any indebtedness with respect to any net profits interest), all as the same may be amended, waived, modified or supplemented from time to time in

accordance with the provisions thereof; provided, however, that the amount of any indebtedness so assumed by the Debtors shall not exceed the amounts owed, prior to giving effect to such reconveyance, by the Debtors to Bellarmine; and provided, further, that such amounts shall not include any fees, expenses, indemnities or similar costs.

Board of Directors: the meaning ascribed to such term in Section 5.02(a) of the Plan.

Borrowing Entity: the meaning ascribed to such term in Section 13(2) of the Covenant Agreement.

Business Day: a day on which banks are open for business in Chicago, Illinois; Houston, Texas and New York, New York.

Calculation Report: the meaning ascribed to such term in Section 3.7 of the Paying Agency Agreement.

Calculation Statement: the meaning ascribed to such term in Section 3.13(g) of the Plan.

Cash Flow Default: the Debtors shall fail to comply with their obligations under Sections 3.1(i) or 3.3 of the Paying Agency Agreement, or the Debtors shall have acted in bad faith in causing or permitting to exist any Event of Default.

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Cash Instruments: all cash and all checks, drafts and other similar writings for the immediate payment of money.

Cash-Out Account: the meaning ascribed to such term in Section 5.01(d) of the Plan.

Cash-Out Date: the later of (a) 30 days after the Confirmation Date, or (b) the earlier of (i) June 30, 1987 or (ii) the Consummation Date.

Cash-Out Fraction: the meaning ascribed to such term in Section 3.06(a)(i) of the Plan.

Cash-Out Multiple: the meaning ascribed to such term in Section 3.06(a)(i) of the Plan.

Cash-Out Release: the meaning ascribed to such term in Section 3.06(a) of the Plan.

CEO Certificate: the meaning ascribed to such term in Section 8.02(b)(x) of the Plan.

Chapter 11 Interest: the meaning ascribed to such term in Section 3.05(e)(i) of the Plan.

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Claim: any right to payment against any Debtor, or right to an equitable remedy for breach of performance if such breach gives rise to a right of payment against any Debtor, determined as of the Petition Date, whether or not such right to payment or right to an equitable remedy is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured.

Class: a Class specified in Section 2.01 of the Plan.

Class 1 Claim, Class 2 Claim, Class 3 Claim, Class 4 Claim, Class 5 Claim, Class 6 Claim, Class 7 Claim, Class 8 Claim, Class 9 Claim, Class 10 Claim, Class 11 Interest, Class 12 Interest and Class 13 Claim: a Claim or Interest so classified or deemed classified pursuant to Article II of the Plan.

Class 3a Note: a promissory note in substantially the form of Exhibit D to the Plan, the payee of which shall be a Person who has not elected to participate in the Cash-Out Account (or who has revoked such election) and who has asserted that such Person has a pre-petition Lien on the Refinery which Lien is asserted to be superior to the Bank Agent's pre-petition Lien on the Refinery, which assertion was made by voting to reject the Plan.

Coastal Purchase Agreement: the Gas Purchase Agreement dated effective as of June 8, 1987 by and between the Company as seller and The Coastal Corporation as buyer executed in connection with the Settlement Agreement by and among the Debtors, The Coastal Corporation and certain of its affiliates, as amended from time to time with the prior written consent (i) prior to the Confirmation Date, of the Bank Lenders and the Creditors Committees and (ii) on the Confirmation Date and thereafter, the Plan Committee.

Collateral: at any time, Property (whether presently existing or hereafter arising or acquired) then subject to or covered by the Liens granted by the Debtors to the Trustees pursuant to the Collateral Trust Documents, created by the Plan in favor of the Trustees or transferred to the Trustees pursuant to Sections 3.05(k) and 3.14(b) of the Plan.

Collateral Trust: the trust created to hold the Collateral for the benefit of the Secured Obligees.

Collateral Trust Agreement: the Collateral Trust Agreement among the Debtors, the Institutional Trustee and the Individual Trustee creating the Collateral Trust.

Collateral Trust Documents: the Collateral Trust Agreement, the Paying Agency Agreement and the agreements to which one or more of the Debtors and one or more of the Trustees or the Paying Agent are parties, including without limitation the assignment creating the Creditors' Override, the mortgages, security agreements and other security documents creating the Liens in favor of all Secured Obligees, and all documents, instruments and other writings delivered pursuant thereto or in connection therewith, whereby, among other things, (a) Liens are created in all or substantially all of the assets and stock of the Debtors for the benefit of the Secured Obligees to secure the payment and performance of the Secured Obligations, (b) a trust is formed and trustees are appointed to hold such Liens for the benefit of the Secured Obligees, (c) certain rights and remedies of the Secured Obligees are set forth in respect of amounts to be paid under the Plan and (d) the rights and remedies of the parties thereto and other interested Persons are set forth, all as the same may be amended, waived, modified or supplemented from time to time in accordance with the provisions thereof.

Collected Funds: at the time any determination thereof is to be made and when used with reference to any Account, an amount equal to the amount of the excess, if any, of

(i) collected funds then on deposit in such Account other than any such funds (x) representing provisional credits still subject in any manner to chargeback or (y) subject to any writ, judgment, warrant of attachment, execution or similar process over (ii) the amount of checks drawn on such Account which have not been paid.

Commercial Movables: when used in any of the Louisiana Oil and Gas Mortgage Documents or any of the Refinery Mortgage Documents, the meaning ascribed to such term in such Mortgage.

Company: TransAmerican Natural Gas Corporation, formerly known as GHR Energy Corp. and as Good Hope Refineries, Inc., one of the debtors captioned in the Plan and any successor thereto.

Completion Costs: the meaning ascribed to such term in Section 1.1 of the Heads-Up Drilling Covenants.

Condemnation Event: the acquisition by the United States of America or any State, municipality or other governmental authority or any other Person of all or any part of the Collateral by (a) the exercise of the power of condemnation or eminent domain or (b) any sale or conveyance by one or more of the Debtors in lieu of, and in reasonable anticipation of, the impending exercise of such a power.

Confirmation Date: the meaning ascribed to such term in Section 8.02(a)(i) of the Plan.

Confirmation Order: the order of the Bankruptcy Court (a) confirming the Plan in the cases of all the Debtors captioned in the Plan, (b) conveying title to the Corpus Christi Property pursuant to Section 363(f) of the Bankruptcy Code.

Consummation Date: the meaning ascribed to such term in Section 7.03 of the Plan.

Consummation Escrow Account: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Corpus Christi Amount: the meaning ascribed to such term in Section 3.06(a)(iii) of the Plan.

Corpus Christi Deed: the meaning ascribed to such term in Section 8.02(b)(iii) of the Plan.

Corpus Christi Proceeds: the meaning ascribed to such term in Section 5.01(b) of the Plan.

Corpus Christi Property: certain real property in Corpus Christi, Texas described in Exhibit C to the Plan.

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Covenant Agreement: those certain covenants, agreements, terms, conditions and other provisions contained in a separate agreement agreed to by the Debtors, as the same may be amended, waived, modified or supplemented from time to time in accordance with the terms of the Plan.

Creditor Revenues: the meaning ascribed to such term in Section 4.02 of the Plan.

Creditors' Account: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Creditors' Committees: the official unsecured creditors' committees appointed in the chapter 11 cases of GHR Energy Corp. (herein referred to as the Company) and Pipeline, et al.

Creditors' Override: the meaning ascribed thereto in Section 3.06(e) of the Plan.

Creditors' Override Account: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Creditors' Override Conveyance: the agreement which creates the Creditors' Override, which shall be in form and

substance satisfactory to the Creditors' Committees, the Bank Lenders and the Debtors.

Customer: the meaning ascribed to such term in the first paragraph of each Appendix to the Paying Agency Agreement.

Daily Report: the meaning ascribed to that term in Section 3.3(c) of the Paying Agency Agreement.

Debtor: any of the debtors captioned in the Plan, the Refinery Corporation, and any successor (by reorganization, merger or otherwise) to any of them.

Debtor Corporate Restructuring Documents: the resolutions or other actions of the boards of directors of the Debtors, by-laws, charters, certificates, Plan of Merger or articles of incorporation of such Debtors or amendments thereto, agreements to which some or all of such Debtors are parties, and all documents, instruments and other writings delivered pursuant thereto or in connection therewith, whereby, among other things, such Debtors will, on or prior to the Consummation Date, take specified corporate actions, restructuring corporate relationships among certain Debtors, issuing stock and including in the charter, certificate or articles of incorporation of each

Debtor a provision prohibiting the issuance of nonvoting equity securities, all in furtherance and contemplation of consummation of the Plan and as the same may be amended, waived, modified or supplemented from time to time in accordance with the terms of the Plan.

Debtor Pledge Agreement: the meaning ascribed to the term in the fourth recital of the Collateral Trust Agreement.

Debtor Reserve Provisions: Sections 3.1(c), 3.1(d), 3.4(a)(i), 3.4(a)(iii) Clause Seventh, 3.4(g), 3.4(j) Clause Third, 3.4(m) Clause Seventh, 3.4(n) and 3.4(r) of the Paying Agency Agreement and Section 5.2 of the Collateral Trust Agreement.

Debtor Stock Pledge Agreement: the meaning ascribed to the term "Debtor Pledge Agreement" in the fourth recital of the Collateral Trust Agreement.

Debtors' Account: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Debtors' All-In Gas Price: for any calendar month, the weighted average price received for gas produced from Gas Leases constituting Property (hereinafter referred to in this

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definition as "Debtors' Gas") per Mcf and sold or exchanged by Debtors during such month to a Person who is not an Affiliate of any Debtor, plus (except to the extent the following items are already reflected in the aforesaid price) all proceeds or fees Debtors receive for: (i) severance tax reimbursements and similar reimbursements; (ii) the sale of Debtors' Gas at the Wellhead (i.e., the point such gas is severed from the well in which it was produced and put into a gas transmission or gathering facility); (iii) the transportation of Debtors' Gas through Debtors' own gathering and transmission facilities; (iv) the compression or similar services of Debtors' Gas performed by Debtors in connection with the delivery of such gas pursuant to a sale; and (v) any by-products processed from Debtors' Gas and sold by Debtors for separate consideration (adjusted back to an Mcf equivalent price) net of Debtors' direct cost incurred in connection with processing any such by products, and minus all proceeds Debtors receive as a part of the aforesaid price of Debtors' Gas which are expressly received and actually paid by Debtors in respect of the cost of transportation of Debtors' Gas through gathering and transmission facilities owned by any Person who is not an Affiliate of any Debtor.

Debtors' Available Cash: the meaning ascribed to that term in Section 3.4(a)(i) of the Paying Agency Agreement.

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Debtors' Schedule: the schedule furnished by the Debtors on or before the first Business Day after the 23rd day of each calendar month listing certain expenses and payments to be made, including without limitations those expenses and payments listed in Section 4.01(a) of the Plan.

Debtors' Share: the meaning ascribed to such term in Section 4.01(b)(ii) of the Plan.

Debtors' Subsidy Amount: at any time, the result of multiplying the number of Months completed since the Confirmation Date by \$750,000 (or such higher amount as may be agreed to from time to time by the Plan Committee in its sole discretion), pro rating any partial Months.

Default Level: the meaning ascribed to such term in Section 9.01(a) of the Plan.

Department: the meaning ascribed to such term in Section 2.1(b) of the Covenant Agreement.

Discharge Amount: the meaning ascribed thereto in Section 3.06(a)(ii) of the Plan.

Discharged Portion: the meaning ascribed to such term in Section 3.06(a)(ii) of the Plan.

Disclosure Statement: the disclosure statement (or statements) relating to the Plan in the cases of all Debtors captioned in the Plan which is approved as containing adequate information by an order of the Bankruptcy Court, as such disclosure statement may from time to time be amended, modified or supplemented.

Discount Override: the meaning ascribed to such term in Section 3.05(c) of the Plan.

Discount Period: the meaning ascribed to such term in Section 3.05(c) of the Plan.

Disgorgement Order: the meaning ascribed to such term in Section 8.02(a)(iv) of the Plan.

Disposition Securities: the meaning ascribed to such term in Section 2(a)(iv) of the Debtor Pledge Agreement.

Disposition Value: the meaning ascribed to that term in Section 5.2 of the Collateral Trust Agreement.

Dispute Cash-Out Account: the meaning ascribed to such term in Section 3.13(f)(i) of the Plan.

Dispute Escrow Account: the meaning ascribed to such term in Section 3.13(e)(1) of the Plan.

Disputed Administrative Expense: any administrative expense of the Debtors' Bankruptcy Code cases (other than a Trade Administrative Expense, any administrative expense forgiven pursuant to Section 3.05(a) of the Plan or an administrative expense payable pursuant to Section 4.01(a) Clause First of the Plan) which has not been allowed or disallowed by the Confirmation Date.

Disputed Claim: any Claim other than an Electing Claim or a Class 10 Claim which has not been allowed or disallowed by the Confirmation Date.

Disputed Class 1, 2, 3, 4, 6, 7, 8, 9, 10 or 13 Claim: a Disputed Claim which if allowed would be classified as a Class 1, 2, 3, 4, 6, 7, 8, 9, 10 or 13 Claim.

Disputed Electing Claim: the meaning ascribed to such term in Section 3.13(f)(1) of the Plan.

Distribution Period: the meaning ascribed to that term in Section 3.2(a) of the Paying Agency Agreement.

Dollar & "\$": lawful money of the United States of America.

Drilling Accounts: the Existing Rig Account and each Additional Rig Account.

Drilling Program Revenues: the meaning ascribed to such term in the Heads-Up Drilling Covenants.

Electing Claim: the meaning ascribed to such term in Section 3.06(a) of the Plan.

Electing Class 6 Claim: the meaning ascribed to such term in Section 3.06(a) of the Plan.

Electing Class 7 Claim: the meaning ascribed to such term in Section 3.07 of the Plan.

Energy Stock: prior to the Consummation Date, the Old Company Stock; on and after the Consummation Date, the New Company Stock.

Equipment: all of the following, whether presently existing or hereafter arising or acquired: all equipment, trucks, automobiles, trailers and all other vehicles (whether or not covered by a certificate of title), machinery, chattels, tools, dies, jigs, molds, parts, machine tools, furniture, furnishings, fixtures and supplies, of every nature, wherever located, and all additions, accessories, parts and

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equipment which may be attached to or which are necessary for the operation and use of such personal property or fixtures, whether or not the same shall be deemed to affix to real property, and all rights under or arising out of present or future contracts relating to the foregoing.

Escrow Accounts: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Event of Default: the meaning ascribed to such term in Section 5.01 of the Plan.

Excepted Assets: the meaning ascribed to such term in Section 17(c)(vi) of the Covenant Agreement.

Excepted Property: the meaning ascribed to such term in Section 8.02(b)(xi) of the Plan.

Excepted Reserve Account: the meaning ascribed to such term in Section 3.4(j) of the Paying Agency Agreement.

Excepted Reserves: the meaning ascribed to such term in Section 3.14(d) of the Plan.

Excess Amount: the meaning ascribed to such term in Sections 2.3 and 2.6 of the Heads-Up Drilling Covenants.

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Excess Cash: the meaning ascribed to that term in Section 3.4(a)(i) of the Paying Agency Agreement.

Excess Cash-Out Funds: the meaning ascribed to such term in Section 3.06(a) of the Plan.

Excess Class 13 Claim: the indebtedness outstanding under the Shopping Center Note.

Excess Escrowed Funds: the meaning ascribed to such term in Section 3.13(e)(ii) of the Plan.

Excess Refinery Operating Recoveries: the meaning ascribed to that term in Section 3.4(g)(iv) of the Paying Agency Agreement.

Exculpated Person: the meaning ascribed to such term in Section 5.05(a) of the Plan.

Existing Pledge Agreement: the pledge agreement among GHR Parent and Bank Agent entered into in connection with the Bank Credit Agreement.

Existing Program: the meaning ascribed to such term in Section 1.1 of the Heads-Up Drilling Covenants.

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Existing Rig Account: the meaning ascribed to such term in Section 1.1 of the Heads-Up Drilling Covenants.

Expected Expenditures: the meaning ascribed to such term in Section 3.2(a) of the Paying Agency Agreement.

Expense Account: the meaning ascribed to such term in Section 5.01(c) of the Plan.

FDIC: the Federal Deposit Insurance Corporation.

Fed Funds Interest: the meaning ascribed to such term in Section 3.05(e)(ii) of the Plan.

Fed Funds Rate: in any calendar month, the weighted average for such calendar month of the rates on overnight federal funds transactions arranged by federal funds brokers, as published daily by the Federal Reserve Bank of New York in the Composite Closing Quotations for U.S. Government Securities (or in any successor quotation service).

Final Order: an order or judgment which is no longer subject to rehearing, reconsideration, appeal or certiorari proceeding and as to which no such appeal or certiorari proceeding is pending and no such rehearing has been ordered or reconsideration granted.

Finkelstein Group: Hubert Finkelstein, any Affiliate of Hubert Finkelstein holding a Claim against any Debtor, and any assignee or transferee of any Claim or any right or interest which resulted in a Claim originally held in whole or in part by Hubert Finkelstein or any Affiliate of Hubert Finkelstein.

Full Amount: the meaning ascribed thereto in Section 3.12(f)(i) of the Plan.

Gas Leases: oil and gas leases, oil, gas and mineral leases and oil or gas and sulphur leases or other similar agreements which constitutes Property, including, without limitation, concessions, licenses and profit a prendre, and which, inter alia, create the right to enter the land described therein and to explore for, develop, produce, and market Hydrocarbons therefrom, and all ratifications, extensions and renewals of the foregoing.

Gas Price Interest: the meaning ascribed to such term in Section 3.05(e)(iv) of the Plan.

GATX Lease: the meaning ascribed to such term in Refinery Mortgage.

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General Intangibles: all of the following, whether presently existing or hereafter arising or acquired: all inventions, processes, production methods, proprietary information and know-how; and all licenses or other agreements granted to any Debtor with respect to any of the foregoing; all information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials, standards, processing standards, performance standards, catalogs, books, records, computer and automatic machinery software and programs, and the like pertaining to operations by or the business of any Debtor; all field repair data, sales data and other information relating to sales or service of products now or hereafter manufactured or sold; all accounting information and all media in which or on which any of the information or knowledge or data or records may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data; all licenses, consents, permits, variances, certifications and approvals of governmental agencies now or hereafter held by any Debtor pertaining to operations or business now or hereafter conducted; all rights to receive return of deposits and trust payments; all rights to payment under letters of credit and

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similar agreements, all tax refunds (including, without limitation, all federal and state income tax refunds); all causes of action, rights, claims and warranties now or hereafter owned or acquired by any Debtor; and all other types of property included within the meaning of the term general intangibles.

GHR Parent: The GHR Companies, Inc., formerly known as Good Hope Industries, Inc., the direct or indirect owner of the stock of each Debtor.

GHR Parent Bankruptcy Case: the pending Bankruptcy Act case of GHR Parent.

GHR Parent Stock: all issued and outstanding capital stock of GHR Parent.

GHR Parent Trustee: Eugene Berman (or any successor thereto) as GHR Parent's bankruptcy trustee in the GHR Parent Bankruptcy Case.

Gore Lease: the meaning ascribed to such term in the Refinery Mortgage.

Heads-Up Drilling Covenants: the covenants constituting Exhibit A to the Covenant Agreement, as the same may at any time be amended or modified and in effect.

Holder: the holder of any charge, right, claim, interest, or participation in, on, or against any Debtor, GHR Parent or any Property of a Debtor or GHR Parent, or any of the foregoing arising under or affected by the Plan, including without limitation the holder of a Claim, a Recent Parent Claim, a Parent Plan Claim, an administrative expense, a Bellarmine Bank Amount, an Obligation, New Company Stock, Old Company Stock or Non-Company Stock, or any Person claiming through any of the foregoing, including without limitation the New Lender.

Hydrocarbons: one or more or any combination of oil, gas, casinghead gas, gas condensate, distillate, sulfur and any other liquid or vaporous hydrocarbons and other marketable substances produced in association with any such substances or recoverable therefrom by means of treatment or processing operations.

Hydrocarbons Agreements: All contracts, commitments, agreements, arrangements and documents (including, without limitation, Gas Leases, operating agreements, production, exchange, sales, transportation, treatment or processing contracts, division orders, pooling, unitization or communitization agreements, surface leases, permits, licenses, options, spacing, pooling and all other agreements and contracts)

that directly pertain or relate to either the Oil and Gas Interests, the Hydrocarbons Facilities or the exploration, production, storage, treatment, transportation, processing or sale or disposal of either Hydrocarbons, other minerals, water or other substances or any combination thereof, together with any and all amendments, ratifications or extensions of the foregoing.

Hydrocarbons Facilities: all personal and moveable Property of each Debtor (except automotive equipment or motor vehicles) directly but not exclusively incident or directly but not exclusively related to operations for either the exploration, production, storage, transportation, treatment or marketing of Hydrocarbons from the Oil and Gas Interests, including, but not limited to, (a) all wells, christmas trees, fixtures, casing and tubing, (b) all production, gathering, treating, processing, compression, dehydration, disposal, injection equipment and facilities and all pipeline and other transportation equipment and facilities and (c) all other personal property of any nature whatever used in connection with such operations.

Indebtedness: (1) indebtedness or liability for borrowed money, or for the deferred purchase price of property or services (including trade obligations); (2) obligations as lessee

under leases which should have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases; (3) current liabilities in respect of unfunded vested benefits under plans covered by Title IV of the Employee Retirement Income Security Act of 1974; (4) reimbursement obligations in respect of letters of credit issued for the account of a Person; (5) all obligations arising under acceptance facilities; (6) all indebtedness of other Persons directly or indirectly guaranteed, endorsed (other than for collection of deposit in the ordinary course of business) discounted with recourse or with respect to which the Person in question is otherwise directly or indirectly liable, including, without limitation, by way of an agreement of the nature described in the parenthetical clause of the preamble to Section 15 of the Covenant Agreement; (7) obligations secured by any Lien on Property, whether or not the obligations have been assumed; and (8) all other items (except items of capital stock which the issuer cannot be required to redeem or of surplus, general contingency reserves or reserves for deferred income taxes) which have been, or in accordance with generally accepted accounting principles would be, included in determining total liabilities on the liability side of a balance sheet.

Indemnified Bank Agent Amount: at the time any determination thereof is to be made, (i) all fees and indemnities due and payable under the Plan or any Ancillary Document at such time to the Bank Agent, and (ii) all amounts advanced or paid by any Holder prior to such time to the Bank Agent with respect to any amount referred to in clause (i) of this definition to the extent that such amounts have not been theretofore reimbursed to such Holder.

Indemnified Creditor: the Plan Committee or any member (including in the case of the Bank Lenders, all Bank Lenders, whether or not members of the Plan Committee, in connection with their actions taken in voting upon or otherwise directing the actions to be taken by the Bank Lenders which are members of the Plan Committee), officer, attorney, accountant, consultant, agent or employee of the Plan Committee, or any director, officer, agent or employee of any member (or such other Bank Lenders) of the Plan Committee.

Indemnified Creditor Amounts: at the time any determination thereof is to be made, (i) all fees and indemnities due and payable under the Plan or any Ancillary Document at such time to any Indemnified Creditor and (ii) all amounts advanced or paid by any Holder prior to such time to any Indemnified Creditor

with respect to any amount referred to in clause (i) of this definition to the extent that such amounts have not theretofore been reimbursed to such Holder.

Indemnified Fiduciary: either Trustee, the Paying Agent, the Voting Trustee, or any other trustee or fiduciary under any Collateral Trust Document or any Debtor Corporate Restructuring Document, or any director, officer, attorney, accountant, consultant, agent or employee of any of the foregoing.

Indemnified Fiduciary Amounts: at the time any determination thereof is to be made, (i) all fees, indemnities and other amounts due and payable under the Plan or any Ancillary Documents at such time to an Indemnified Fiduciary, and (ii) all amounts advanced or paid by any Holder prior to such time to any Indemnified Fiduciary with respect to any amount referred to in clause (i) of this definition to the extent that such amounts have not been theretofore reimbursed to such Holder.

Independent: with respect to any Person, such a Person who (i) is in fact independent, (ii) does not have any direct financial interest or any material indirect financial interest in any Debtor or any Affiliate of any Debtor, and (iii) is not connected with any Debtor or any Affiliate of any Debtor

as an officer, employee, promoter, underwriter, trustee, partner, director or Person performing similar functions; provided that no Person shall be deemed to have such a financial interest or to be so connected solely by virtue of the fact that such Person at any time shall have been retained by any Debtor as a consultant or other independent contractor. Whenever it is provided that any Independent Person's opinion or certificate shall be furnished to the Institutional Trustee, such Person shall be appointed by a Debtor and approved by the Institutional Trustee in the exercise of reasonable care and such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

Individual Trustee: individual or individuals serving as trustee and holding Liens on Property for the benefit of the Secured Obligees pursuant to the Collateral Trust Documents.

Institutional Trustee: institution or institutions serving as trustee and, inter alia, holding Liens on Property for the benefit of the Secured Obligees pursuant to the Collateral Trust Documents.

Instructing Notice: (i) at any time prior to the New Lender Restructuring, a Plan Committee Notice, and (ii) at any time on or after the New Lender Restructuring, a Plan Committee Notice, a New Lender Notice or a written notice to the Trustees and the Paying Agent from a Non-Bank Member of the Plan Committee, Worcester or the Holder of the Shopping Center Note with respect to any decision, request, demand, authorization, direction, notice, consent, waiver or other action taken by such Person in accordance with the Plan and the Ancillary Documents (including without limitation the Plan Committee Documents).

Insured Event: any damage, claim or loss which is insured resulting from the damage or destruction of all or any part of the Collateral by fire or other casualty.

Inventory: all of the following, whether presently existing or hereafter arising or acquired: all goods held by any Debtor for sale or lease, or furnished or to be furnished by any Debtor under any contract of service, or held by any Debtor as raw materials, work-in-process or materials used or consumed in a business.

Irrevocable Payment Advice: the meaning ascribed to that term in Section 3.2(d) of the Paying Agency Agreement.

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Irrevocable Advice Payee: the meaning ascribed to that term in Section 3.2(d) of the Paying Agency Agreement.

JRS: JRS Realty, Inc., one of the Debtors captioned in the Plan, and any successor thereto.

JRS Intercreditor Agreement: the meaning ascribed to that term in Section 3.4(g) of the Paying Agency Agreement.

JRS Payment Agreement: an agreement among Worcester, PPG and JRS providing for the method of payment of the Shopping Center Note out of the Worcester Lockbox.

JRS Settlement: the meaning ascribed to that term in Section 3.12A of the Plan.

JRS Stock: all of the capital stock of JRS outstanding on the Confirmation Date.

Know-How and Trade Secret Collateral: the meaning ascribed to such term in Section 2 of the Patent and Trademark Security Agreement.

Lands described in Exhibit B: when used in any Mortgage, the meaning ascribed to such term in such Mortgage.

Laredo: Laredo Exploration, Inc., one of the Debtors captioned in the Plan, and any successor thereto.

Lease Burdens: all lessors' royalties, overriding royalties, production payments, net profits interests, and similar burdens upon, payable out of, or measured by Hydrocarbons produced from and attributable to an Oil and Gas Interest.

Lease Maintenance Payments: all delay rentals, shut-in well payments, minimum royalties, or other payments necessary under the terms of any oil and gas lease comprising an Oil and Gas Interest to maintain such lease in full force and effect in the absence of production from, or operations on, the lands covered thereby.

Lien: any lien, security interest, assignment, mortgage, pledge, charge or similar encumbrance.

Loss Compensation Proceeds: the meaning ascribed to such term in Section 3.2(a)(ii) of the Paying Agency Agreement.

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Louisiana Collateral: all Collateral as to which the validity, perfection or priority of a Lien thereon may be governed by the laws of the State of Louisiana.

Louisiana Oil and Gas Mortgage Documents: the meaning ascribed to such term in the fourth recital of the Collateral Trust Agreement.

Make-Up Payment: the meaning ascribed to such term in Section 3.13(e)(iii) of the Plan.

Master Account: the meaning ascribed to such term in Section 3.1(a) of the Paying Agency Agreement.

Mcf: a thousand cubic feet of natural gas.

Merger: the meaning ascribed to such term in Section 3.11 of the Plan.

Minerals: when used in any Mortgage, the meaning ascribed to such term in such Mortgage.

Miscellaneous Instruments: the meaning ascribed to such term in Section 2(a)(v) of the Debtor Pledge Agreement.

MMcf: a million cubic feet of natural gas.

Month: a period of time commencing on the fifteenth day of a calendar month and ending on the fourteenth day of the next calendar month; provided, however, that the Plan Committee may redefine "Month" once. If such redefinition creates a gap between the expiration of the last Month and the commencement of the redefined Month, the last Month shall be deemed to include such gap.

Monthly Payment Date: the first Business Day after the seventeenth day of each calendar month, commencing with the Confirmation Date; provided, however, that for the purposes of making distributions pursuant to the Plan, the Debtors and the Plan Committee may designate such other days, occurring not more than 31 days after the immediately preceding Monthly Payment Date, as substitute or additional Monthly Payment Dates.

Mortgage: the meaning ascribed to such term in the fourth recital of the Collateral Trust Agreement.

Mortgage Note: when used in any of the Louisiana Oil and Gas Mortgage Documents or any of the Refinery Mortgage Documents, the meaning ascribed to such term in such Mortgage.

Mortgage Trustee: when used in any Mortgage, the meaning ascribed to such term in the introduction to such Mortgage.

Mortgaged Property: when used in any Mortgage, the meaning ascribed to such term in such Mortgage.

Mortgagor: when used in any of the Refinery Mortgage Documents, the meaning ascribed to such term in such Mortgage.

Net Revenues: the meaning ascribed to such term in Section 4.01(b) of the Plan.

New Company Stock: the meaning ascribed to such term in Section 3.11 of the Plan.

New Credit: the meaning ascribed to such term in Section 3.14(d) of the Plan.

New Credit Default: the meaning ascribed to such term in Section 3.14(e) of the Plan.

New Credit Documents: the meaning ascribed to such term in Section 3.14(e) of the Plan.

New Lender: the meaning ascribed to such term in Section 3.14(d) of the Plan.

New Lender Account: the meaning ascribed to such term in Section 3.4(m) of the Paying Agency Agreement.

New Lender Amendment: the meaning ascribed to such term in Section 4.01(a) Clause First paragraph (F) of the Plan.

New Lender Notice: at any time, written notice to the Trustees and the Paying Agent from any officer of the New Lender with respect to any decision, request, demand, authorization, direction, notice, consent, waiver or other action taken by the New Lender in accordance with the Plan and the Ancillary Documents (including without limitation the Plan Committee Documents).

New Lender Property: the meaning ascribed to that term in Section 3.4(a)(iv) of the Paying Agency Agreement.

New Lender Restructuring: the Institutional Trustee's receipt of a New Lender Notice given pursuant to Section 3.14(f) of the Plan to the effect that the New Lender shall, upon expiration of the notice period specified in such Section, be entitled to receive the proceeds, products, off

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spring, rents and profits of all Collateral (except for the portion relating to Excepted Reserves, Liens securing only Class 4 or Class 10 Claims, and Liens securing the Refinanced Indebtedness or the Shopping Center Note), or the receipt by the Institutional Trustee or the Paying Agent of any other Instruction Notice to the effect that the New Lender shall have taken other action to foreclose on, or otherwise obtain possession or cause the disposition of, such Collateral.

Non-Bank Member: the meaning ascribed to such term in Section 1.02 of the Plan Committee Documents.

Non-Bank Secured Obligees: the Secured Obligees other than the Bank Lenders; provided, however, that at any time after the New Credit has been extended, in connection with any matter pertaining to the Excepted Reserves, the term "Non-Bank Secured Obligees" shall exclude the Holders of Class 10 Claims.

Non-Company Stock: capital stock issued by any Debtor other than the Company.

Non-Debtor: each Subsidiary of a Debtor and any other Person (other than a natural person) directly or indirectly controlling, controlled by or under common control with a Debtor, where the term "control" means the possession, directly or

indirectly, of the power to direct or cause the direction of the management and policies of a person.

Non-Debtor Account: has the meaning ascribed to such term in Section 3.1(e) of the Paying Agency Agreement.

Non-Debtor Account Agreement: has the meaning ascribed to such term in Section 3.1(e) of the Paying Agency Agreement.

Non-Debtor Bank: has the meaning ascribed to such term in Section 3.1(e) of the Paying Agency Agreement.

Non-Debtor Reserve: has the meaning ascribed to such term in Section 3.4(a)(1) of the Paying Agency Agreement.

Non-Debtors' Available Cash: has the meaning ascribed to such term in Section 3.4(a)(1) of the Paying Agency Agreement.

Non-Electing Claim: a Class 5 Claim or any Class 3, 4 or 7 Claim or Recent Parent Claim, which pursuant to an election by the Holder thereof or otherwise is treated like a Class 6 Claim under the Plan and (x) is not the subject of an election to participate in the Cash-Out Account or (y) is the portion of a Claim that was the subject of such an election but

which will remain undischarged after all distributions have been made from the Cash-Out Account and the Dispute Cash-Out Account.

Non-Louisiana Oil and Gas Mortgage: the meaning ascribed to such term in the fourth recital of the Collateral Trust Agreement.

Note: any promissory note evidencing any Obligation and any promissory note taken as an extension or renewal of, or in substitution or replacement for, any such promissory note.

Notice of Actionable Default: (x) an Instructing Notice to the effect that a specified Event of Default shall have occurred and be continuing and the Plan Committee (prior to the occurrence of the New Lender Restructuring) or the New Lender or the Non-Bank Members of the Plan Committee (on or after the New Lender Restructuring) are exercising rights and powers under Section 9.02 of the Plan, (y) a New Lender Notice to the effect that the New Lender wishes to cause the New Lender Restructuring to occur, or (z) notice of any kind or the obtaining by either of the Trustees of knowledge that an Event of Default shall have occurred and be continuing under Section 9.01(h) of the Plan.

Obligations: all obligations of the Debtors to Holders, the Trustees, the Paying Agent, Indemnified Creditors, Indemnified Fiduciaries, the Bank Agent, the Plan Committee and its members and the Voting Trustee created under the Plan or the Ancillary Documents, howsoever created, arising or evidenced, whether direct or indirect, primary or secondary, absolute or contingent, joint or several, now or hereafter created or due or to become due.

Obligee: the holder of an Obligation.

Officer's Certificate: the meaning ascribed to such term in Section 2.2(a) of the Covenant Agreement.

Oil and Gas Interests: all Property which is in the nature of either a (i) fee mineral interest; (ii) Working Interest (including, without limitation, any application for a Gas Lease covering lands owned by the United States or any State); (iii) royalty interest, overriding royalty interest, production payment, net profits interest, or other similar interest that constitutes a burden upon, is measured by, or is payable out of, the production of Hydrocarbons or the proceeds realized from the sale or other disposition thereof; (iv) reversionary interest (including, without limitation, possibilities of reverter); (v) money or acreage contribution;

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(vi) option; (vii) concession; (viii) license; (ix) profit a prendre; or (x) other property, economic, or contractual interest of any kind or character that entitles any Debtor either (x) to explore for, develop, produce, and market Hydrocarbons or (y) to receive or participate in Hydrocarbons production or the proceeds from the sale or other disposition thereof.

Oil and Gas Leases: when used in any Mortgage, the meaning assigned to such term in such Mortgage.

Old Company Stock: all capital stock of and any other equity interests in the Company outstanding immediately prior to the Confirmation Date.

Operating Account: the meaning ascribed to such term in Section 3.1(c) of the Paying Agency Agreement.

Operating Account Agreement: the meaning ascribed to that term in Section 3.1(c) of the Paying Agency Agreement.

Operating Account Bank: the meaning ascribed to that term in Section 3.1(c) of the Paying Agency Agreement.

Operating Equipment: when used in any Mortgage, the meaning ascribed to such term in such Mortgage.

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Original Bellarmine Agreements: 2 5 8 8 all agreements

among the Company, Pipeline, Southern States Exploration, Inc., Laredo Exploration, Inc., Southern Petroleum Trading Company, Ltd., Bellarmine, and the Bank Lenders, or any combination thereof, entered into prior to January 26, 1983 and relating to the conveyance by such Debtors to Bellarmine of production payments and the indebtedness of Bellarmine to the Bank Lenders, including all documents, instruments and other writings delivered pursuant thereto or in connection therewith.

Original Indebtedness: the meaning ascribed to such term in Section 14(a)(xviii) of the Covenant Agreement.

Other Revenues: at any time, the sum of (a) cumulative Refinery Gross Revenues received since the Confirmation Date, less cumulative Refinery Operating Expenses and Refinery Maintenance Expenses incurred and paid after the Confirmation Date, less the cumulative amount allocated and paid to the Obligee since the Confirmation Date pursuant to Section 4.01(b)(ii) of the Plan, and (b) other Indebtedness of the Refinery Corporation then outstanding under Section 13 of the Covenant Agreement, other than under clause (xv) thereof.

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Parent Expense: an administrative expense allowed in the GHR Parent Bankruptcy Case pursuant to the Bankruptcy Act.

Parent Expense Amount: the lesser of (x) the sum of all Parent Expenses and (y) \$1,000,000.

Parent Plan Amount: the lesser of (x) 90% of the sum of all Parent Plan Claims and (y) \$5,000,000.

Parent Plan Claim: a claim allowed in the GHR Parent Bankruptcy Case arising from the outstanding obligations of GHR Parent payable in installments in respect of general unsecured claims under its Chapter XI plan of arrangement confirmed on May 9, 1980, as amended; provided, however, that no obligation on which both GHR Parent and any of the Debtors are liable shall give rise to a Parent Plan Claim.

Paying Agency Agreement: the agreement among the Debtors and the Paying Agent providing for the receipt, disbursement and monitoring of the gross receipts of the Debtors.

Paying Agent: the institution receiving, disbursing and monitoring the gross receipts of the Debtors pursuant to the Paying Agency Agreement.

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Paying Agent Error: a failure by the Paying Agent to apply to any Account or otherwise distribute within a time period which was reasonable under the circumstances pursuant to any provision of the Plan or the Paying Agency Agreement any funds actually received by the Paying Agent which constitute Collected Funds, to the extent that such failure constitutes negligence or willful misconduct on the part of, or is otherwise attributable to, the Paying Agent.

Paying Agent's Schedule: the meaning ascribed to that term in Section 3.2(b) of the Paying Agency Agreement.

Payment Deficiency: the meaning ascribed to such term in Section 9.01(a) of the Plan.

Period of Actionable Default: the period from the date of the Trustees' receipt of any Notice of Actionable Default to the date on which the Trustees shall have received a subsequent Instructing Notice rescinding such Notice of Actionable Default.

Permitted Encumbrances: the meaning ascribed to such term in Section 14 of the Covenant Agreement.

Permitted Investment: the meaning ascribed to such term in Section 3.6 of the Paying Agency Agreement.

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Person: any entity, as such term is defined in Bankruptcy Code § 101(14), including without limitation any natural person, partnership, corporation or governmental unit.

Petition Date: the meaning ascribed thereto in Section 3.13(d)(i) of the Plan.

Pipeline: TransAmerican Pipeline Corporation, formerly known as GHR Pipeline Corporation and as Southern Pipeline Corporation, one of the Debtors captioned in the Plan and any successor thereto.

Pipeline Asset: the meaning ascribed to such term in the Pipeline Mortgage.

Pipeline Asset Mortgage: the meaning ascribed to such term in the fourth recital of the Collateral Trust Agreement.

Pipeline Stock: all capital stock of Pipeline outstanding on the Confirmation Date.

Plan: this Negotiated Chapter 11 Plan, as the same may be amended, waived or modified from time to time in accordance with its terms.

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Plan Committee: the meaning ascribed to such term in Section 5.04 of the Plan.

Plan Committee Documents: the documents providing for the constitution, organization and operation of the Plan Committee, all as such documents may be amended, waived, modified or supplemented from time to time in accordance with the provisions thereof.

Plan Committee Notice: at any time, a written notice to the Trustees and the Paying Agent from any officer or other representative of the Plan Committee with respect to any decision, request, demand, authorization, direction, notice, consent, waiver or other action taken by the Plan Committee in accordance with the Plan Committee Documents.

Plan of Merger: the meaning ascribed to such term in Section 3.11 of the Plan.

Pledged Securities: the meaning ascribed to such term in the Debtor Pledge Agreement.

Pledged Stock: the meaning ascribed to such term in the Trustee Stock Pledge Agreement.

PPG: PPG Industries, Inc.

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Prime Rate: at any time, the rate most recently announced by the Bank Agent as its reference rate in the city where its headquarters is located, changing as such announced reference rate changes with each change to be effective on the day such change is announced.

Probable Reserves: those reserves which geological and engineering data demonstrate to be potentially recoverable, but where some element of risk or insufficient data prevent classification as Proved Reserves.

Property: any claim, right, title or interest of a Debtor in, under or to any property or asset whether real, personal or mixed or tangible or intangible or whether now existing or hereafter acquired.

Proved Developed Non-Producing Reserves:
(1) those Proved Reserves expected to be produced from existing completion intervals in existing wells, but due to pending pipeline connections or other mechanical or contractual requirements Hydrocarbons sales have not yet commenced, and
(2) other non-producing reserves which exist behind the casing of existing wells, or at minor depths below the present bottom of such wells, which are expected to be produced through these wells

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in the predictable future, where the cost of making such oil and gas available for production should be relatively small compared to the cost of a new well.

Proved Developed Producing Reserves: those Proved Reserves which are expected to be produced from existing completion intervals now open for production in existing wells.

Proved Reserves: at any time, the estimated quantities of Hydrocarbons which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Proved Reserves are limited to those quantities of Hydrocarbons which can be expected, with little doubt, to be recoverable commercially at then current prices and costs, under then existing regulatory practices and with then existing conventional equipment and operating methods.

Proved Undeveloped Reserves: those Proved Reserves which are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required for recompletion. Proved Reserves on undrilled acreage are limited to those drilling units offsetting productive units that are reasonably certain of production when drilled.

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Published Wellhead Gas Price: on any day, the average price per Mcf of natural gas published in the publication or publications to be identified in, or determined in accordance with the methodology set forth in, the Confirmation Order or any agreement reached between the Debtors and the Bank Lenders.

Receivables: all accounts receivable payable at any time to any Debtor, including without limitation any such item arising out of or in connection with any Debtor's sale or lease of any Property or the rendering of services (whether or not yet earned by performance).

Recent Parent Claim: a claim allowed in the GHR Parent Bankruptcy Case arising from the outstanding obligations of GHR Parent (other than Parent Plan Claims or Allowed Subordinated Claims) in respect of general unsecured claims against GHR Parent under its Chapter XI plan of arrangement confirmed on May 9, 1980, as amended, and all unpaid obligations of GHR Parent incurred after confirmation of such Chapter XI plan, as amended; provided, however, that no obligation on which GHR Parent and any of the Debtors are both liable shall give rise to a Recent Parent Claim.