

101 North Oakley **883060**
Lowell, Indiana

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MORTGAGE MODIFICATION AGREEMENT

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CHICAGO TITLE INSURANCE COMPANY

This Mortgage Modification Agreement ("Modification") dated as of January 1, 1987, by GLOBE INDUSTRIES, INC., a Delaware corporation with its principal place of business at 2638 East 126th Street, Chicago, Illinois 60633 ("Mortgagor"), in favor of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association with its principal place of business at 33 North LaSalle Street, Chicago, Illinois 60690 ("Mortgagee"). Unless otherwise defined herein, all capitalized terms used herein will have the same meaning as provided in the Mortgage (hereafter defined).

W I T N E S S E T H :

WHEREAS, Mortgagee is the holder of that certain Mortgage ("Mortgage") made by Mortgagor dated March 25, 1986 and recorded on October 10, 1986 in the Office of the Recorder of Deeds, Lake County, Indiana as Document No. 879766, which Mortgage covers the real estate legally described on Exhibit A attached hereto and made a part hereof;

WHEREAS, the Mortgage secures Mortgagor's Liabilities pursuant to that certain Loan and Security Agreement dated March 25, 1986 between Mortgagor and Mortgagee (the "Loan Agreement");

WHEREAS, pursuant to that certain Amended and Restated Loan and Security Agreement of even date herewith between Mortgagor and Mortgagee (the "New Loan Agreement"), Mortgagee has agreed to increase the principal amount of Loans (as defined in the Loan Agreement) to Mortgagor by \$7,000,000.00 for the purchase of certain buildings and equipment (the "Additional Property"), and in connection therewith Mortgagor has executed and delivered to Mortgagee that certain Installment Note of even date herewith ("New Note") in the principal amount of \$7,000,000.00; and

WHEREAS, Mortgagor and Mortgagee desire to modify the Mortgage by increasing Mortgagor's Liabilities to include the New Note and cross-collateralizing and cross-defaulting the Mortgage with the lien created by the Additional Property.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. All references in the Mortgage to the "Loan Agreement" shall be deemed to refer to the New Loan Agreement.

2. Section 1.1 (J) of the Mortgage is hereby deleted in its entirety and the following is substituted therefor:

"(J) "Mortgagor's Liabilities": (a) the payment of any and all monies, including, without limitation, the payment, when due or declared due, of the principal sum thereof and interest thereon (including all additional interest set forth therein), now and/or hereafter owed or to become owing by Mortgagor to Mortgagee under

CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION

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and/or pursuant to the terms and provisions of the Loan Agreement; (b) the payment of any and all monies, including, but not limited to, the payment, when due or declared due, of the principal sum thereof and interest thereon, now and/or hereafter owed or to become owing by Mortgagor to Mortgagee under and/or pursuant to the terms and provisions of (i) that certain Demand Note dated March 25, 1986 payable to the order of Mortgagee in the principal amount of Fifteen Million and No/100 Dollars (\$15,000,000.00), or such lesser amount as may be disbursed thereon, a portion of which principal amount may be borrowed, repaid and reborrowed in accordance with the terms and conditions of the Loan Agreement, which note bears interest and is payable to Mortgagee as more fully described therein, and which note shall be payable on demand (said note, together with all notes issued in substitution or exchange therefor, and as any of the foregoing may from time to time be amended, is hereinafter called the "Demand Note"), (ii) those certain two Installment Notes dated March 25, 1986 payable to the order of Mortgagee in an aggregate principal amount of Seven Million and No/100 Dollars (\$7,000,000.00), or such lesser amount as may be disbursed thereon, which notes will bear interest and be payable to Mortgagee as more fully described therein, and which notes shall mature on May 31, 1989 (said notes, together with all notes issued in substitution or exchange therefor and as any of same from time to time may be amended, are hereinafter called the "Installment Notes"), and (iii) that certain Installment Note dated December 18, 1986 payable to the order of Mortgagee in the aggregate principal amount of Seven Million and No/100 Dollars (\$7,000,000.00), or such lesser amount as may be disbursed thereon, which note will bear interest and be payable to Mortgagee as more fully described therein, and which notes shall mature on May 31, 1989 (said note, together with all notes issued in substitution or exchange therefor, and as any of the sums from time to time may be amended, are hereinafter called the "New Note") (the Demand Note, Installment Notes and the New Note are sometimes referred to herein collectively as the "Notes"); and (c) the payment of any and all other debts, claims, obligations, demands, monies, liabilities and/or indebtedness (of any and every kind or nature) now and/or hereafter owing, arising, due or payable from Mortgagor to Mortgagee under and/or pursuant to the terms and provisions of this Mortgage (including, without limitation, all advances made to protect and preserve the value of the Mortgaged Property and the priority of Mortgagee's lien thereon). Notwithstanding anything herein to the contrary, the principal amount of Mortgagor's Liabilities shall in no event exceed two thousand percent (2000%) of the total face amount of the Notes".

3. The term "Other Agreements" as defined in Section 1.1 (L) of the Mortgage shall be deemed to expressly include, without limitation, all agreements, instruments, documents, security agreements, guaranties, mortgages, deeds of trust, notes, letters of credit, advices of credit, banker's contracts, notices, leases,

financing statements and all other matter executed by Mortgagor in connection with the Additional Property being secured pursuant to the New Loan Agreement.

4. Except as amended hereby, nothing herein contained shall invalidate, impair or release any covenant, condition, agreement, stipulation or provision in the Mortgage, all of which shall continue in full force and effect and are hereby ratified and confirmed.

IN WITNESS WHEREOF, this Mortgage Modification Agreement has been duly executed and delivered as of the day and year first above written.

GLOBE INDUSTRIES, INC., a
Delaware corporation

By: Robert G. Christy
President

Attest: L. H. Hedden

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO

By: Thomas R. White
Vice President

Attest: Karen J. Hunt

STATE OF Illinois)
COUNTY OF Cook) SS

I, Marlene J. Outerbridge, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on December 31, 1986, R.A. Christy, personally known to me to be the President of Globe Industries, Inc., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument pursuant to due power and authority conferred by the Board of Directors of said corporation, on behalf of the aforesaid corporation as his free and voluntary act and as the free and voluntary act of said corporation.

GIVEN under my hand and Notarial Seal this 31 day of December, 1986.

Marlene J. Outerbridge
Notary Public

My commission expires:

3-31-87

STATE OF Illinois)
COUNTY OF Cook) SS

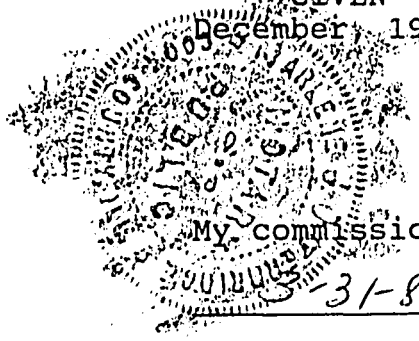
I, Marlene J. Outerbridge, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on December 31, 1986, L.S. Loden, personally known to me to be the Secretary of Globe Industries, Inc., a Delaware corporation partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument pursuant to due power and authority on behalf of the aforesaid partnership as his free and voluntary act and as the free and voluntary act of said corporation.

GIVEN under my hand and Notarial Seal this 31 day of December, 1986.

Marlene J. Outerbridge
Notary Public

My commission expires:

3-31-87



STATE OF Illinois)
) SS
COUNTY OF Cook)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that the above named Vice President and _____ Secretary of American National Bank and Trust Company of Chicago, an Illinois banking corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instruments as such Vice President and _____ Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said banking corporation, as Trustee, for the uses and purposes therein set forth; and the said _____ Secretary did also then and there acknowledge that he, as custodian of the corporate seal of said banking corporation, did affix the said corporate seal of said banking corporation to said instrument as his own free and voluntary act, and as the free and voluntary act of said banking corporation, as Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 31st day of December, 1986

Leah Thomas
Notary Public

My commission expires:
6-6-88



EXHIBIT A

PARCEL 1:

A part of the South half of the North half of Section 26, Township 33 North, Range 9 West of the 2nd P.M., described as follows: Commencing at the intersection of the North line of said South half of the North half and the Westerly right of way line of Chicago, Indianapolis and Louisville Railroad, thence South 24 degrees 54 minutes 00 seconds East along said Westerly right of way line, 640.02 feet, thence North 57 degrees 33 minutes 29 seconds West, 336.76 feet, thence South 89 degrees 47 minutes 03 seconds West parallel to North line of said South half of the North half of Section 26, Township 33 North, Range 9 West of the 2nd P.M., 130.17 feet, thence North 24 degrees 54 minutes 00 seconds West parallel to said Westerly right of way line of the Chicago, Indianapolis and Louisville Railroad 440.02 feet to the North line of said South half of the North half of Section 26, Township 33 North, Range 9 West of the 2nd P.M., thence North 89 degrees 47 minutes 03 seconds East, 330.17 feet to the point of beginning, in Lake County, Indiana.

PARCEL 2:

Part of the Northeast Quarter of the Northwest Quarter of Section 26, Township 33 North, Range 9 West of the 2nd P.M., in the Town of Lowell, Lake County, Indiana, described as commencing at the point of intersection of the South line of Oakley Avenue, in the Town of Lowell, with the Westerly line of the right-of-way line of the Chicago, Indianapolis and Louisville Railroad and running thence South along said Westerly right of way line to its intersection with the South line of the Northeast Quarter of the Northwest Quarter of said Section, thence West along said South line 671.6 feet to the East line of property deeded to the Oakland Park Association, thence North along the East line of said Oakland Park Association tract 842.2 feet to the South line of said Oakley Avenue, thence East on the South line of said Oakley Avenue 310 feet to the point of beginning, except that part of said premises described as beginning at the intersection of the Westerly line of right-of-way of the Chicago, Indianapolis and Louisville Railroad with the Southerly line of Oakley Avenue. thence Westerly on the Southerly line of Oakley Avenue 120 feet, thence Southeasterly on a line parallel to the Westerly line of the right-of-way 68.68 feet to the Northwest corner of the tract of land conveyed by Standard Oil Company (Indiana) to Manufacturers Specialty Company by Warranty Deed dated May 22, 1944 and recorded June 13, 1944 in Deed Record 700, page 162, thence Easterly along the Northerly line of said tract to a point on said Westerly right of way line, 65 feet Southeasterly of the point of beginning, thence Northwesterly along said Westerly right of way line 65 feet to the point of beginning, also except that part of said premises described as commencing at the intersection of the West line of Chicago, Indianapolis and Louisville Railroad right of way and the South line of Oakley Avenue, thence Southerly along the Westerly line of the Chicago, Indianapolis and Louisville Railroad right of way 100 feet for the point of beginning; thence Southwesterly at right angles with railroad right of way 105 feet; thence Northerly parallel with the West line of railroad right of way 80 feet to a point; thence Easterly approximately 114 feet to the Westerly line of railroad right of way at a point 35 feet Northerly from the point of beginning; thence Southerly along the Westerly line of the railroad right of way 35 feet to the point of beginning.