

#6-4788

R-61065

This instrument prepared by
Conrad V. Pavuk, Loan Officer
2293 N. Main St., C.P.

14 097719

LOAN AGREEMENT

THIS AGREEMENT made this 20th day of April, 1990, by and between THE LAKE COUNTY ECONOMIC DEVELOPMENT DEPARTMENT (the "Lender"), with offices at 2293 North Main Street, Crown Point, Indiana 46307 and D & M Manufacturing, Inc. (the "Borrower"), a corporation whose principal place of business is located at 1300 Summit Street, Crown Point, Indiana 46307

WITNESSETH, THAT:

In consideration of the mutual agreements herein contained, the Lender and the Borrower hereby agree as follows:

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ARTICLE I
COMMITMENT

1.1. Subject to the terms and conditions of this Loan Agreement ("Agreement"), the Borrower agrees to borrow from the Lender and the Lender agrees to loan to the Borrower the sum of Five Hundred Seventy Thousand Dollars (\$570,000.00) (hereinafter the "Loan").

1.2. The obligation to repay the loan hereunder shall be evidenced by a Promissory Note (the "Promissory Note") of the Borrower in the principal amount of Five Hundred Seventy Thousand Dollars (\$ 570,000.00), bearing interest at the rate of Six Percent percent (6%) annually, amortized over a Three (3) year period, with principal and interest payable in arrears in 36 equal monthly installments commencing on the first day of the second calendar month following the date the Loan is made (hereinafter the "Closing Date") and continuing on the first day of each month thereafter until paid in full. ~~one (1) year~~ ~~two (2) year~~ ~~three (3) year~~ ~~four (4) year~~ ~~five (5) year~~ ~~six (6) year~~ ~~seven (7) year~~ ~~eight (8) year~~ ~~nine (9) year~~ ~~ten (10) year~~ ~~eleven (11) year~~ ~~twelve (12) year~~ ~~thirteen (13) year~~ ~~fourteen (14) year~~ ~~fifteen (15) year~~ ~~sixteen (16) year~~ ~~seventeen (17) year~~ ~~eighteen (18) year~~ ~~twenty (20) year~~ ~~twenty-five (25) year~~ ~~thirty (30) year~~ ~~thirty-five (35) year~~ ~~forty (40) year~~ ~~forty-five (45) year~~ ~~fifty (50) year~~ ~~sixty (60) year~~ ~~seventy (70) year~~ ~~eighty (80) year~~ ~~ninety (90) year~~ ~~one hundred (100) year~~ and the first installment which shall be an uneven amount.

1.3. Prepayment. The Promissory Note shall be subject to prepayment at any time, in whole or in part, without penalty or premium. Payment amounts shall be applied first to payment of interest on the unpaid principal balance through the date of prepayment and then to payment of installments of principal in inverse order of maturity. After any prepayment, monthly payments shall continue to be due and payable, in the same amount as prior to prepayment, until the Loan is repaid in full.

REV. 10-1-88

Lot 1, Homeier Addition to the City of Crown Point, as shown in Plat Book 66, page 54, in Lake County, Indiana.

CHICAGO TITLE INSURANCE COMPANY
INDIANA STATE OF INDIANA/S.S. NO.
FILED IN RECORD
LAKE COUNTY

APR 30 1990
ROBERT J. TELFER

[Handwritten signature]

[Handwritten initials]
23.50

ARTICLE II
CONDITIONS PRECEDENT

The Lender shall not be obligated to make the loan hereunder unless at the Closing Date:

- X 2.1. The Borrower shall have performed all of its agreements and warranties hereunder and the Lender shall have received a certificate dated the date of the closing and signed by the Borrower or to the effect that (i) the Borrower has complied, and is then in compliance, with all the terms and covenants of this Agreement which are binding upon it; (ii) there exists no event of default as defined in Article VI and no event which, with the giving of notice or the lapse of time, or both, would constitute such an event of default; and (iii) the representations and warranties contained in Article III are true as of the time of the closing.
- X 2.2. Since the date of the Loan application, the Borrower has not incurred any material liabilities, direct or contingent, except in the ordinary course of business, and there has been no adverse change in the Borrower's financial condition, property, or operations unless there is a written action agreed to by both the Borrower and the Lender.
- 2.3. The Lender has certified copies of a resolution of the Board of Directors of the Borrower in form satisfactory to the Lender or, in the case of a partnership, appropriate written statements signed by all partners, authorizing the execution and delivery to the Lender of this Agreement, the Promissory Note, the Mortgage, and all security Agreements and other documents required hereunder including a written commitment from a financial source to repay this Loan in full when the construction period plus sixty (60) days has elapsed.
- X 2.4. The Borrower has confirmed to the Lender's satisfaction that the Borrower owns a fee simple title to the premises at 1300 Summit Street
Crown Point, Indiana or has furnished the Lender with a copy of a valid and binding lease for said premises for a remaining term of at least _____ (_____) years.
- 2.5. The Borrower has provided evidence satisfactory to the Lender that the total cost of the project being financed in part by the Lender is at least \$6,100,000.00 and that the principals of the Borrower have contributed at least Thirty Thousand
DOLLARS (\$30,000.00) in capital to the Borrower since _____ and that no capital has been withdrawn since that date.
- 2.6. The Borrower has obtained financing to complete the project, in the amount of at least \$5,500,000.00, the loan closing for this financing has occurred, and the funds have been or will be disbursed to the Borrower.

2.7. The Lender has received an opinion of counsel for the Borrower that, as of the Closing Date:

- (a) The Borrower has been duly incorporated, is validly existing and is in good standing as a corporation under the laws of the State of Indiana; or, in the case of partnership, the Borrower is a validly created and existing partnership under Indiana law;
- (b) This Agreement has been duly authorized, executed and delivered on behalf of the Borrower and is a valid and binding Agreement of the Borrower in accordance with its terms;
- (c) The Promissory Note issued under this Agreement has been duly authorized, executed and delivered on behalf of the Borrower and is valid and binding on the Borrower in accordance with its terms;
- (d) The Borrower's lease for its premises is valid and binding on the Borrower and Landlord, in accordance with its terms, and counsel has no knowledge of any default by either party under said lease;
- (e) To counsel's knowledge, as of the closing, all conditions of this Agreement are satisfied, all representations made by the Borrower are accurate, and this Agreement does not conflict with any provision of the Articles of Incorporation, Code of Regulations, partnership agreement or any other agreement or regulation by which the Borrower is bound;
- (f) To counsel's knowledge, the Borrower is not a party to any pending action, suit or proceeding before or by any court or governmental agency or body, the outcome of which, either individually or in the aggregate, could be materially adverse to the Borrower.

2.9. Guarantees. The principals of the Borrower, including the following: Dawn Food Products, Inc. have jointly and severally guaranteed the payment of all principal and interest on the Note by guarantees satisfactory to the Lender.

2.10 Collateral. As security for repayment, the Borrower has delivered to the Lender a written commitment, from a satisfactory financial source, to repay this loan in full within sixty (60) days after completion of the construction project for which this loan was made.

As security for repayment of Loan, the Borrower has granted to the Lender a security interest in all furniture, fixtures and equipment of the Borrower, now or hereafter acquired by execution of a security agreement and financing statements satisfactory to the Lender.

The security interest granted shall constitute a perfected first lien on the collateral, subject only to the following permitted encumbrances: Industrial Revenue Bonds issued through the City of Crown Point, Indiana favor of the First National Bank of Louisville.

The Borrower shall, throughout the term of this Agreement, execute all documents and perform all acts necessary to perfect and continue the security interest of the Lender in the collateral. As security for repayment of the Loan, the Borrower has executed and delivered to the Lender a mortgage on the premises at 1300 Summit Street Crown Point, Indiana. Said mortgage shall constitute a valid first lien on the premises, subject only to taxes and assessments not yet due and payable, and building ordinances, zoning ordinances, easements and restrictions of record which do not impair the Lender's security.

The Lender shall have received UCC lien search reports and title examinations confirming that the Lender will have the required lien priority in all such collateral. At the Lender's discretion, the Lender may order a mortgagee's title insurance policy insuring Lender's interest, and Borrower shall pay all costs for such title insurance.

2.11 Payment of Fees and Expenses. Borrower has paid all expenses incurred by the Lender for title examinations and title insurance, lien searches, appraisal fees, credit checks, legal fees, and filing fees in connection with this transaction. In addition, the Borrower has paid the Lender a non-refundable fee of Two Hundred Fifty (\$250.00) Dollars.

2.12 Other Conditions. Borrower has satisfied all other conditions stated in this Agreement.

RECORDER'S OFFICE
SEAL
ARTICLE III
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

3.1. Organization and Authority. The Borrower is a corporation duly organized and legally existing and in good standing under the laws of the State of Indiana; or, in the case of a partnership, the Borrower is a partnership duly organized and validly existing as such under the laws of the State of Indiana; and the Borrower is duly authorized to do business in each jurisdiction in which the business is conducted.

3.2. Authorization; Approval. The making and performance of this Agreement and all of Borrower's obligations hereunder have been duly authorized by all necessary corporate or partnership action and will not violate any provisions of the law, any agreement, judgment or order by which the Borrower is bound, or any provision of the Articles of Incorporation, Code of Regulations or partnership agreements of the Borrowers.

3.3. Financial Statements. The Borrower has furnished to the Lender an unaudited balance sheet of D & M Manufacturing, Inc. & Dawn Food Products, Inc. (the "Unaudited Balance Sheet") and an unaudited statement of income for the Twelve (12) months then ended (collectively "Financial Statements"). Such Financial Statements are complete and correct, have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods specified, and fairly present the financial position of the Borrower as of their respective dates and the results of the Borrower's operations for the periods then ended. Since the date of the Unaudited Balance Sheet, there have been no changes in the condition of the Borrower, financial or otherwise, which constitute Material Adverse Events.

3.4. Additional Information. The Borrower has furnished certain additional information about the Borrower, its officers and directors or partners, its past, current and future operations and background in a form requested by the Lender in order to induce the Lender to provide the financing hereunder. Such information is true, complete and correct.

3.5. Absence of Undisclosed Liabilities. As of the date of this Agreement and the date of closing, the Borrower does not know, and has no reasonable ground to know, of any basis for the assertion against the Borrower of any liabilities which individually or in the aggregate would constitute a Material Adverse Event, as defined in Section 3.10. below.

3.6. Title to Property. The Borrower has good title, free and clear of all liens and encumbrances to all property and assets reflected in the Unaudited Balance Sheet, except property or assets sold or otherwise disposed of in the ordinary course of business subsequent to the date of the Unaudited Balance Sheet.

3.7. Litigation. There is no litigation, legal or administrative proceeding, or other action pending or threatened against or affecting the Borrower which if adversely determined would constitute a Material Adverse Event. Details of all litigation, legal or administrative proceedings, investigation or other action of similar nature pending or threatened against the Borrower, if any, whether covered by insurance, or deemed materially adverse or not, are set forth in Exhibit "A" attached hereto and made a part of this Agreement by reference. (Borrower is to attach details to this Agreement and these will become Exhibit "A").

3.8. Taxes. All federal, state and other tax returns and reports of the Borrower required by law to be filed, have been duly filed and all federal, state and other taxes, assessments, fees and other governmental charges imposed upon the Borrower or upon its assets or property which are due and payable have been paid.

3.9. Not in Default. The Borrower is not in default of any obligation, covenant or condition contained in any bond, debenture, note or other evidence of indebtedness or any mortgage or collateral instrument securing the same.

3.10 Material Adverse Event. For purposes of this Agreement, a "Material Adverse Event" shall mean an occurrence having a consequence that either (i) is materially adverse as to the business, properties or financial condition of the Borrower or (ii) is reasonably foreseeable, has a reasonable likelihood of occurring, and if it were to occur would be materially adverse as to the business, properties or financial condition of the Borrower.

**Document is
NOT OFFICIAL!**
ARTICLE IV
AFFIRMATIVE COVENANTS

So long as any part of the principal or of the interest on the Promissory Note remains unpaid, the Borrower covenants that:

4.1. Payment of Note. The Borrower will duly and punctually pay the principal and the interest on the Promissory Note on the dates and in the manner provided in this Agreement and in the Promissory Note according to the tenor and effect thereof.

4.2. Payment of Other Debts. The Borrower will pay and promptly discharge when due all lawful claims, including taxes, assessments, governmental charges and claims for labor, materials, supplies and rents, except in those cases where the validity or amount thereof is being contested in good faith and by appropriate proceedings.

4.3. Financial Statements. The Borrower shall provide to the Lender complete financial statements, including a balance sheet, income statement, and a statement of changes in financial position, as of the end of each fiscal year, on or before the fifteenth (15th) day of the second calendar month following the close of each fiscal year. These financial statements need not be audited, but shall be prepared by a certified public accountant, acceptable to the Lender. In addition, the Lender may require quarterly income statements and an unaudited balance sheet as of the end of each calendar or fiscal quarter within (15) days after the close of each quarter as the occasion may arise. These statements may be so ordered only by written notice from the Lender to the Borrower.

4.4. Insurance. The Borrower shall maintain insurance with respect to its properties and business against such casualties and contingencies and in such amounts as are customary in the Borrower's industry and satisfactory to the Lender.

With respect to insurance covering any collateral for the Loan, the Borrower shall maintain hazard insurance covering fire and extended coverage, the amount of the insurance shall not be less than the principal amount of the Loan plus any monetary liens having priority over the Lender's security interest, the Lender shall be named as a loss payee, and the Borrower shall deliver certificates for such insurance to the Lender at the closing.

4.5. Litigation. The Borrower shall give prompt notice in writing to the Lender of any legal proceedings or suits brought against the Borrower and of any notice received by the Borrower concerning violation of applicable governmental regulations or laws.

4.6. Use of Proceeds. The Borrower shall use the net proceeds from the Loan for the following purposes: Purchase equipment for operation of the business located at 1300 Summit Street, Crown Point, Indiana 46307 as set forth in the Loan application made by Borrower. No portion of the proceeds shall be used to reimburse shareholders or officers for expenses previously incurred. In the event any of the Loan proceeds are used for construction purposes, Borrower shall insure that prevailing wages are paid in connection with all such construction work and that all provisions of the Davis-Bacon Act have been complied with. Upon request, Borrower shall provide Lender with satisfactory evidence of such compliance.

4.7. Job Creation and Hiring. The Borrower shall comply with all requirements of the U.S. Department of Housing and Urban Development regarding job creation or retention and hiring of low and moderate income persons. Upon request, Borrower shall provide Lender with satisfactory evidence of such compliance, which shall include the affidavit attached hereto as Exhibit B and reports identifying the number of employees hired and/or retained, salary levels for each employee, last date of previous employment for each new employee, and other relevant information including family income.

4.8. Examination. The Borrower shall maintain adequate accounting records and administrative records. At such times as may be reasonable and will not interfere with the conduct of the Borrower's business, the Borrower shall permit the Lender, its officers and authorized representatives to visit and inspect the property of the Borrower and to examine its books of account and other records.

4.9. Other Information. Upon reasonable request by the Lender, the Borrower will deliver other information and data pertaining to its business, financial or corporate affairs and all information required of the Lender by Lake County, Indiana, or by the U.S. Department of Housing and Urban Development. Keep records for 3 years

(?).

4.10 Exclusivity of Principals. Robert Lau will devote his exclusive, full-time and best efforts to managing the affairs of the Borrower.

4.11 Location of Borrower's Business. Borrower's principal place of business shall be located within Lake County, Indiana, and all collateral securing the Loan shall be kept within Lake County, Indiana.

4.12 Non-Discrimination. The Borrower will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry or handicap. The Borrower will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, sex, national origin, ancestry or handicap. Such action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The Borrower further assures that no person will be denied equal access to or excluded from participation in any activity in which these funds are used or expended. The Borrower will adhere to the non-discrimination provisions promulgated pursuant to the Executive Orders and federal statutes referenced in Appendix A attached hereto. The Borrower understands that the Lender may request certain data or reports related to Equal Employment Opportunity/Affirmation Action and ensures the cooperation of its staff in the compilation and submission of such information.

ARTICLE IV
NEGATIVE COVENANTS

Until payment in full of the Loan and interest thereon, the Borrower agrees that, without the prior written consent of the Lender:

5.1 Other Indebtedness. The Borrower shall not create, incur or assume any mortgage, pledge, lien or encumbrance on any of its properties now owned or hereafter acquired, except as required in the ordinary course of business; nor shall the Borrower agree to acquire any property or assets under any conditional sale agreement or title retention contract; nor shall the Borrower create or assume any additional liability for borrowed money, other than short term working capital loans made in the ordinary course of business and disclosed to the Lender.

5.2 Dividends, Distributions and Stock Acquisitions. The Borrower shall not declare or pay any dividends in cash or in stock or apply property or assets to the acquisition of any stock of the Borrower directly or indirectly, and, in the case of a partnership, the Borrower shall not distribute property or assets to its partners, Unless this is done in the normal course of business and prior notice is given to the Lender. Such actions shall be of reasonable and normal practice.

5.3 Sale of Collateral. The Borrower will not sell, convey, lease or otherwise transfer any property on which the Lender has been granted a mortgage or security interest.

5.4 Acquisition, Merger, Sale. The Borrower shall not create, acquire or hold any subsidiary or affiliate, nor merge or consolidate with any other corporation, firm, association or other enterprise, nor make any sale of a substantial portion of the assets of the Borrower, nor permit any material change in the ownership or control of the Borrower.

5.5 Nature of Business. The Borrower shall not substantially change the nature of its business.

5.6 Management Compensation. The Borrower shall not increase the annual compensation paid to any officer, director, shareholder, partner or key management employee of the Borrower. As used herein, the term "compensation" includes, but is not limited to, salaries, bonuses, dividends, commissions, director's fees, consulting fees, drawing accounts and distributions under profit sharing arrangements paid to or in behalf of the above described principals, except for normal increases given in the normal course of business.

In the event Borrower wishes to take any action prohibited by this Article V, Borrower shall notify Lender in writing in advance of the proposed action and shall request Lender's consent. The Borrower shall not proceed with any such action until the Lender's written consent is obtained, and the Lender shall not unreasonably withhold its consent to any such action.

ARTICLE VI
EVENTS OF DEFAULT

6.1 Default. Any one or more of the following events shall be considered an event of default under this Agreement:

- (a) If the Borrower shall default in the payment of any installment of principal or interest on the Promissory Note or any late charge when the same shall become due and payable, and such default shall continue for a period of ten (10) days; or
- (b) If the Borrower shall fail to pay the entire balance due (including principal and interest) on the Promissory Note on the maturity date of the Note; or
- (c) Any representation or warranty made by the Borrower herein proves to be untrue in any material respect as of the Closing Date; or

- (d) Non-compliance with, or breach of, any of the Affirmative Covenants contained in Article IV hereof or any of the Negative Covenants contained in Article V hereof, and continuation of such default for a period of thirty (30) days after written notice thereof has been given to the Borrower by the Lender; or
- (e) The Borrower (i) discontinues business; or (ii) commits any act of bankruptcy or is adjudged a bankrupt or insolvent as defined in the Federal Bankruptcy Code; or (iii) makes an assignment for the benefit of creditors or applies for or consents to the appointment of a receiver, a trustee or liquidator of the Borrower for a substantial portion of its assets; or (iv) any governmental agency or court of competent jurisdiction assumes custody of control of any part of the assets of the Borrower or any subsidiary.

6.2 Remedies on Default.

- (a) Upon the happening of any event specified in Section 6.1 above, other than the events specified in subsection (e) thereof, and the continuance of the same for the period, if any, specified therein, the entire principal amount of the Promissory Note then outstanding hereunder and the interest accrued thereof shall become immediately due and payable, at the option of the Lender, upon delivery to the Borrower of written notice to that effect, without presentment, demand, protest, notice of protest, or other notice of dishonor of any kind, all of which are hereby expressly waived by the Borrower.
- (b) Upon the happening of any event specified in subparagraph (e) of Section 6.1 above, the entire principal amount of the Promissory Note then outstanding hereunder and the interest accrued thereon shall automatically become, immediately due and payable without presentment, demand, protest, notice of protest, or other notice of dishonor of any kind, all of which are expressly waived by the Borrower.

6.3 Late Charge.

- (a) In the event that any installment of principal or interest under the Promissory Note prior to maturity is received by the Lender more than ten (10) days after the due date thereof, late charges according to the terms of the Promissory Note will be added to the Note and/or the payments. The Borrower agrees to pay the late charge and all additional accrued interest, and such charges and interest will be added to the balance due under the Note.

- (d) Non-compliance with, or breach of, any of the Affirmative Covenants contained in Article IV hereof or any of the Negative Covenants contained in Article V hereof, and continuation of such default for a period of thirty (30) days after written notice thereof has been given to the Borrower by the Lender; or
- (e) The Borrower (i) discontinues business; or (ii) commits any act of bankruptcy or is adjudged a bankrupt or insolvent as defined in the Federal Bankruptcy Code; or (iii) makes an assignment for the benefit of creditors or applies for or consents to the appointment of a receiver, a trustee or liquidator of the Borrower for a substantial portion of its assets; or (iv) any governmental agency or court of competent jurisdiction assumes custody or control of any part of the assets of the Borrower or any subsidiary.

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- (a) Upon the happening of any event specified in Section 6.1 above, other than the events specified in subsection (e) thereof, and the continuance of the same for the period, if any, specified therein, the entire principal amount of the Promissory Note then outstanding hereunder and the interest accrued thereof shall become immediately due and payable, at the option of the Lender, upon delivery to the Borrower of written notice to that effect, without presentment, demand, protest, notice of protest, or other notice of dishonor of any kind, all of which are hereby expressly waived by the Borrower.
- (b) Upon the happening of any event specified in subparagraph (e) of Section 6.1 above, the entire principal amount of the Promissory Note then outstanding hereunder and the interest accrued thereon shall automatically become immediately due and payable without presentment, demand, protest, notice of protest, or other notice of dishonor of any kind, all of which are expressly waived by the Borrower.

6.3 Late Charge.

- (a) In the event that any installment of principal or interest under the Promissory Note prior to maturity is received by the Lender more than ten (10) days after the due date thereof, late charges according to the terms of the Promissory Note will be added to the Note and/or the payments. The Borrower agrees to pay the late charge and all additional accrued interest, and such charges and interest will be added to the balance due under the Note.

Failure to make full payment of all late charges and interest within ten (10) days after the date the late charge is incurred shall constitute a default under Section 6.1 of this Agreement. This late charge and increased interest shall be in addition to all other rights and remedies available to the Lender at law, in equity, or under this Agreement.

- (b) In the event that the entire balance due (including principal and interest) under the Promissory Note is not received by the maturity date of the Note, interest on the entire balance due shall be computed at 18% per annum. This increased interest shall be in addition to all other rights and remedies available to the Lender at law, in equity or under this Agreement.

Document is
NOT LEGAL!
ARTICLE VII
MISCELLANEOUS

This Document is the property of
the Lake County Recorder!

7.1 Closing. The closing of the transaction herein contemplated shall take place on or before April 20, 1990 at the offices of the Lender or its attorney as designated by the Lender.

7.2 Notices. All notices to be given hereunder shall be in writing and mailed to the Lender and to the Borrower at the addresses set forth in the introduction to this Agreement. Either party may by proper written notice to the other party change the address to which notices shall thereafter be given.

7.3 Binding Effect; Construction. This Agreement and all documents delivered pursuant hereto shall be binding upon and inure to the benefit of the parties and their legal successors, representatives and assigns and shall be interpreted according to the laws of the State of Indiana.

7.4 Assignment. The Lender shall be permitted to assign its rights hereunder and to assign the Promissory Note. The Borrower shall not be permitted to assign its rights or obligations hereunder without the prior written consent of the Lender.

7.5 Severability. This Agreement shall be severable and divisible. In the event that any provision of this Agreement is held to be unlawful, unenforceable or inconsistent with any applicable law, regulation or decision, the validity of the other provisions of the Agreement shall not be affected and said provisions shall remain in full force and effect.

7.6 Non-Waiver. Any failure of either party to act under this Agreement shall not operate as a waiver of any provisions of this Agreement. This Agreement shall be construed with time being of the essence.

7.7 Entire Agreement. This Agreement constitutes the entire and only agreement of the parties, sets forth all covenants and promises, and supersedes any prior written or oral agreements between the parties relating to the transactions contemplated by this Agreement.

7.8 Survival of Representations and Warranties. All agreements, representations and warranties made by the Borrower herein, or any other document or certificate delivered to the Lender in connection with the transactions contemplated by this Loan Agreement, shall survive the delivery of the Agreement, the Note, the Security Agreement, the Mortgage and the letter of commitment for repayment from a financial source hereunder and shall continue in full force and effect so long as the Note is outstanding.

A resolution, included in the attached minutes of a meeting of the corporation signing the Agreement and any other required documents pertaining to this loan, designating who the signers of this and other documents are on behalf of the corporation, shall be attested to and sealed by the secretary of said corporation and shall become an integral part of this document and other documents pertaining to this Loan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

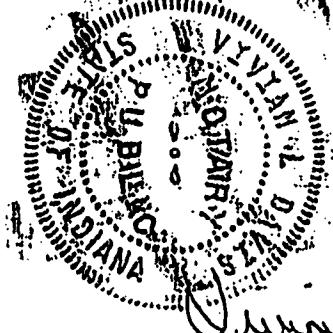
LENDER:
LAKE COUNTY ECONOMIC DEVELOPMENT DEPARTMENT
BY: [Signature]
Director Richard J. Hucker

BORROWER: D & M Manufacturing, Inc.
BY: [Signature]
TITLE: Robert T. President

BY: [Signature]
TITLE: Peter J. Stalens, Treasurer

Individually

State of Indiana, County of Lake SS:
Before me the undersigned, an officer authorized to take acknowledgments (Notary Public, Clerk of the Circuit Court, etc.) in and for _____
County, State of Indiana, personally appeared Robert T. President and Peter J. Stalens, Treasurer and acknowledged the execution of the foregoing instrument this 20th day of April, 1990



VIVIAN L. DAVIS
NOTARY PUBLIC STATE OF INDIANA
LAKE CO.
KY COMMISSION EXP. 4-26-93
ISSUED THRU INDIANA NOTARY ASSOC.

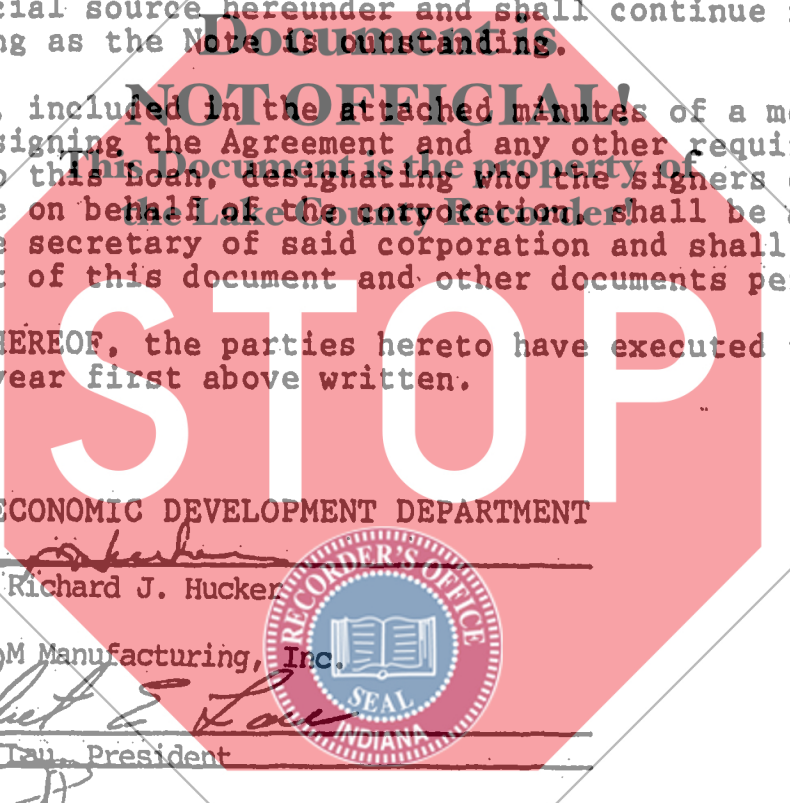


EXHIBIT B

April 20, 1990 ~~1988~~
DATE

AFFIDAVIT

Borrower agrees that:

1. If new positions are created as part of this project at least (51%) fifty-one percent of newly hired employees will meet low to moderate income criteria as established by HUD.
2. If positions are retained as part of this project at least (51%) fifty-one percent of the retained positions meet low to moderate criteria as established by HUD.
3. The "JOBS QUESTIONNAIRE", which is the last (6) six pages of the Lake County Revolving Loan Fund Application, is an integral part of this Exhibit B and will be used in determining adherence to the Loan Agreement, Article IV Section 4.7 (Job Creation and Hiring).

WITNESS

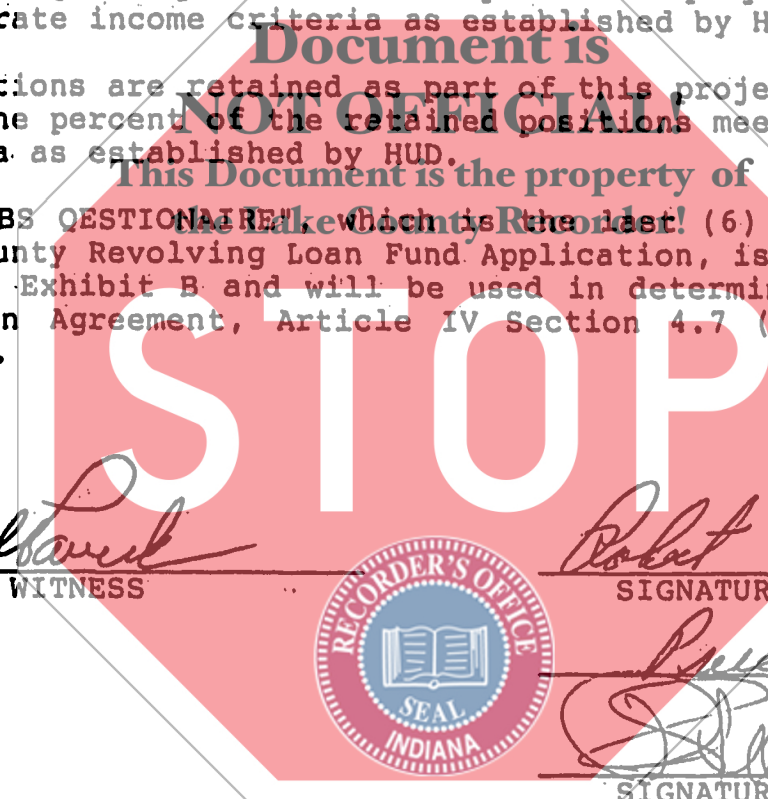


SIGNATURE OF BORROWER

TITLE

SIGNATURE OF BORROWER

TITLE



**Methods for Determining Low to Moderate
Income Eligible Employees**

1. Jobs are provided with no special skills needed beyond high school education and up to one year training.
2. Employee submits to employer his/her family income and family size.
3. Employee gets Section 8 housing assistance.
4. Employee gets (AFDC) Aid it Families with Dependant Children.
5. Employee is hired through the Jobs Training Partnership Act.
6. Employee will sign a certification that his/her family income does not exceed Section 8 income limits. This form must indicate that the certification is subject to verification by the grantee and HUD.

SECTION 8 FAMILY INCOME LIMITS:

SIZE OF FAMILY	FAMILY INCOME
1	\$18,700
2	\$21,350
3	\$24,050
4	\$26,700
5	\$28,350
6	\$30,050
7	\$31,700
8	\$33,400

