

the obligations of the Mortgagor described in the succeeding Recital B, a security interest, lien or mortgage on certain property of the Mortgagor, including, without limitation, the Real Estate (defined hereinafter). The Mortgagor and the Mortgagee have also entered into a Harnischfeger Corporation Security Agreement, dated as of October 31, 1983, under which the Mortgagor has granted to the Mortgagee a security interest in certain personal property, including, without limitation, all equipment located on such Real Estate and all insurance policies covering such Real Estate and real or personal property located thereon.

B. Secured Obligations. The obligations secured by this Mortgage are comprised at any time of all Secured Debt howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing or due to become due. (All such obligations secured hereby being herein called the "Secured Obligations", and the holders thereof at any time, the "Secured Parties".) The maximum principal amount of all obligations secured by this Mortgage at any given time shall not exceed THREE MILLION NINE HUNDRED THOUSAND (\$3,900,000) Dollars. The various Secured Obligations mature, in accordance with the provisions of the respective agreements, instruments and documents creating, evidencing, securing or otherwise relating to them, on various dates; the latest stated maturity date for any of the Secured Obligations is October 31, 1987.

C. Defined Terms. Terms defined in Schedule X to the Harnischfeger Corporation Restructuring Agreement shall have the same respective meanings when used in this Mortgage, except that the term "Collateral" when used in this Mortgage shall have the meaning set forth in Part I of this Mortgage.

D. Incorporation of Trust Agreement. The terms of the Trust Agreement (including, without limitation, the terms of Sections 2.6 and 5.5 of the Trust Agreement) are incorporated herein by reference as though set forth in full herein.

NOW THEREFORE, for and in consideration of the Secured Parties' extension to the Mortgagor of the Secured Obligations and the mutual agreements contained herein and in the Harnischfeger Corporation Restructuring Agreement and the Trust Agreement and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by the Mortgagor, the parties hereto agree as follows:

#### I. GRANT OF SECURITY

The Mortgagor hereby, as continuing security for payment and performance of the Secured Obligations in accordance with the terms thereof, irrevocably GRANTS, CONVEYS, TRANSFERS, MORTGAGES, and ASSICNS to the Mortgagee and its successors and

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