

or any part thereof, except, in each case, as permitted by the Harnischfeger Corporation Restructuring Agreement and the Trust Agreement. In the event of any such permitted sale, assignment, transfer or conveyance of any portion of the Collateral, this Mortgage will continue in full force and effect with respect to all remaining Collateral.

2. Eminent Domain. The Mortgagor hereby empowers the Mortgagee to collect and receive all compensation which may be paid for any property taken by condemnation or eminent domain or for damages to any property not taken (all of which is hereby assigned to the Mortgagee); to deposit all condemnation money so received by the Mortgagee into the Collateral Account pursuant to the Trust Agreement (herein called the "Collateral Account") to be held and applied as provided therein; and, while a Period of Actionable Default shall have commenced and be continuing, and at the Mortgagee's discretion, to settle, compromise and adjust any and all claims or rights arising under any condemnation or eminent domain proceeding relating to the Collateral or any portion thereof.

3. Mortgagee's Performance. The Mortgagor agrees that if it shall fail to pay or perform any of its obligations herein contained (including payment of expenses of foreclosure and court costs) or under any provision contained in Section 8 of the Harnischfeger Corporation Restructuring Agreement with respect to any Collateral, the Mortgagee may, but need not, make any such payment or perform (or cause to be performed) any such obligation of the Mortgagor hereunder or thereunder, in any form and manner deemed reasonably expedient by the Mortgagee, and any amount so paid or expended (plus reasonable compensation to the Mortgagee for its out-of-pocket and other expenses (including legal expenses) for each matter for which it acts under this Mortgage), with interest thereon at three per cent (3%) per annum above the Prime Rate, shall be added to the Secured Obligations and shall be repaid to the Mortgagee upon demand. By way of illustration and not in limitation of the foregoing, the Mortgagee may, but need not, make payments of principal or interest or otherwise on any obligations secured by a Permitted Exception or other lien or charge; purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof; pay any premium owing on any insurance policy covering the Collateral; or redeem from any tax sale or forfeiture affecting the Premises or contest any tax or assessment. In making any payment or securing any performance relating to any such obligation of the Mortgagor hereunder or thereunder, the Mortgagee, so long as it acts in good faith, shall be the sole judge of the legality, validity and amount of any lien or encumbrance and of all other matters necessary to be determined in satisfaction thereof. No such action of the Mortgagee shall ever be considered as a waiver of any right accruing to it on account of the occurrence of any default on the part of the Mortgagor under this Mortgage, any

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