

(the aforementioned guaranties are collectively referred to as the "Secured Guaranties");

WHEREAS, in order to effect the restructuring of the Outstanding Indebtedness of the Company, the Company and the Lenders are entering into the Harnischfeger Corporation Restructuring Agreement dated as of October 31, 1983 (as amended, modified or supplemented from time to time hereafter, the "Harnischfeger Restructuring Agreement");

WHEREAS, in order to induce the Lenders to enter into the Harnischfeger Restructuring Agreement, and the beneficiaries of the Secured Guaranties to accept such Guaranties, the Company has agreed to secure, subject to the terms and conditions of this Agreement and the Harnischfeger Security Documents, the payment of all Secured Debt;

WHEREAS, the effectiveness of the Harnischfeger Restructuring Agreement is conditioned upon this Agreement and the related Harnischfeger Security Documents having been duly executed and delivered and not terminated; and

WHEREAS, the Company hereby confirms the granting of the liens and security interests in favor of the Trustees or either of them under each of the Harnischfeger Security Documents.

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