Recorded: 11/25/2013 at 12:34:46.0 PM
Fee Amount: $222.00
Revenue Tax:
Delaware County, Iowa
DEBORAH PEYTON, RECORDER
BK: 2013 PG: 3668

ehg

2011-3612

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING
THE IOWA STATE BAR ASSOCIATION
Official Form No. 154
Recorder's Cover Sheet

Preparer Information and Return Document To:	**Fried, Frank, Harris, Shriver & Jacobson LLP** One New York Plaza New York, NY 10004 Attn: Brian Murphy 212-859-8929
Taxpayer Information:	Paladin Brands Group, Inc. 2211 York Road, Suite 320 Oak Brook, IL 60523
Mortgagor:	Paladin Brands Group, Inc. 2211 York Road, Suite 320 Oak Brook, IL 60523
Mortgagee:	Bank of America, N.A., as collateral agent 101 S. Tyron Street Mail Code: NC1-002-15-36 Charlotte, North Carolina 28255 Attention: Kimberly D. Williams
Legal Description:	(See Attached Exhibit "A", Pages 39 & 40)

Document or instrument number of previously recorded documents: N/A

THIS MORTGAGE AND ANY LIEN CREATED HEREIN IS SUBJECT TO THE LIEN PRIORITY AND OTHER PROVISIONS SET FORTH IN THAT CERTAIN INTERCREDITOR AGREEMENT DATED AS OF AUGUST 16, 2013 AMONG PNC BANK, NATIONAL ASSOCIATION, AS ABL AGENT, BANK OF AMERICA, N.A., AS SENIOR TERM CREDIT AGREEMENT AGENT AND AS INITIAL TERM REPRESENTATIVE, KPS CAPITAL FINANCE MANAGEMENT, LLC, AS JUNIOR TERM CREDIT AGREEMENT AGENT, PALADIN BRANDS HOLDING, INC., CRENLO CAB PRODUCTS, INC., EMCOR ENCLOSURES, INC., INTERNATIONAL EQUIPMENT SOLUTIONS, LLC, IES GLOBAL B.V., THE OTHER SUBSIDIARIES OF IES GLOBAL B.V. FROM TIME TO TIME PARTY THERETO AND EACH ADDITIONAL REPRESENTATIVE FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME.

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT

(Collateral is or includes fixtures)

dated as of November 21, 2013

by

PALADIN BRANDS GROUP, INC.,
as Mortgagor,

to

BANK OF AMERICA, N.A.,
as Agent for the benefit of the Secured Parties referred to herein,
as Mortgagee

Property: 503 Gay Street, Delhi, Iowa

This Instrument when recorded should be returned to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attn: Michael J. Feinman

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY PROVISIONS AND SECURES OBLIGATIONS CONTAINING PROVISIONS FOR CHANGES IN INTEREST RATES. THIS INSTRUMENT ALSO SECURES FUTURE ADVANCES WHICH ARE OBLIGATORY SUBJECT TO THE PROVISIONS OF THE LOAN DOCUMENTS.

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF $3,110,000.00 LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

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MORTGAGE, ASSIGNMENT OF LEASES AND RENTS SECURITY AGREEMENT AND FINANCING STATEMENT

COLLATERAL IS OR INCLUDES FIXTURES

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT (as amended, supplemented or modified from time to time, this "Mortgage") is dated as of November 21, 2013, and is made by PALADIN BRANDS GROUP, INC., a DELAWARE CORPORATION, as mortgagor, having an office at 2211 York Road, Suite 320, Oak Brook, IL 60523 (the "Mortgagor"), to BANK OF AMERICA, N.A., as agent (together with its successor or successors in such capacity, the "Agent") for the benefit of the Secured Parties referred to in the Credit Agreement (as defined below), having an office at 101 S. Tryon Street, Mail Code: NC1-002-15-36, Charlotte, North Carolina 28255, Attention: Kimberly D. Williams (in such capacity, together with its successors, substitutes and assigns, the "Mortgagee").

Paladin Brands Holding, Inc., Crenlo Cab Products, Inc. and Emcor Enclosures, Inc., each a Delaware corporation (each a "Borrower" and collectively, the "Borrowers"), entered into a Term Credit Agreement dated as of August 16, 2013 (as amended, restated, modified or supplemented from time to time and including any agreement extending the maturity of, refinancing or otherwise amending, amending and restating or otherwise modifying or restructuring all or any portion of the obligations of the Borrowers under such agreement or any successor agreement, the "Credit Agreement") among International Equipment Solutions, LLC, a Delaware limited liability company ("IES"), IES Global B.V., a Dutch *besloten vennootschap* ("Parent Holdings"), the Borrowers, the banks and other lending institutions from time to time party thereto (each a "Lender" and, collectively, the "Lenders"), Bank of America, N.A., as Administrative Agent (together with its successor or successors in each such capacity, the "Administrative Agent"), any syndication agents party thereto and any documentation agents party thereto.

Certain Lenders and their affiliates acting as Hedge Banks may from time to time provide forward rate agreements, options, swaps, caps, floors and other Swap Contracts to the Loan Parties (as defined below). The Lenders, the Administrative Agent, the Syndication Agent, the Collateral Agent, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to the Credit Agreement and each Indemnitee and their respective successors and assigns are herein referred to individually as a "Senior Credit Party" and collectively as the "Senior Credit Parties" and the Senior Credit Parties, the Hedge Banks and their respective successors and assigns are herein referred to individually as a "Secured Party" and collectively as the "Secured Parties".

To induce the Lenders to enter into the Credit Agreement and the other Loan Documents and the Hedge Banks to enter into Secured Hedge Agreements permitted under the Credit Agreement (collectively with the Loan Documents, the "Finance Documents"), and as a condition precedent to the obligations of the Lenders under the Credit Agreement, Parent Holdings, IES, Paladin Brands International Holdings, Inc., a Delaware corporation ("Paladin Brands International"), IES Global Holdings B.V., a Dutch *besloten vennootschap* ("IESGHBV"), CWS Industries (Mfg) Corp., a Canadian corporation ("CWS") and certain other

Subsidiaries of the Borrowers (each a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors" and, together with Parent Holdings, IES, Paladin Brands International, IESGHBV and CWS, the "Guarantors") agreed, jointly and severally, to provide a guaranty of all obligations of the Borrowers and the other Loan Parties under or in respect of the Finance Documents.

The Mortgagor, as a Subsidiary of Parent Holdings, will receive not insubstantial benefits from the credit accommodations made and to be made by the Secured Parties under the Finance Documents. As an inducement to the Lenders to enter into the Finance Documents and the Hedge Banks to enter into the Secured Hedge Agreements, the Mortgagor agreed to mortgage, grant a lien on and grant a security interest in the Encumbered Property (as hereinafter defined) to secure the Finance Obligations and its obligations under the Guaranties.

Accordingly, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. Definitions. Terms used herein without definition which are defined in the introductory section hereof or in the Credit Agreement shall have the respective meanings set forth therein. The following additional terms, as used herein, have the following meanings:

"Actionable Default" means an Event of Default under Section 8.01(a), 8.01(f) or 8.01(g) of the Credit Agreement or any other Event of Default which has resulted in the Agent exercising any of its rights under Section 8.02 of the Credit Agreement.

"Article 9 Collateral" means that portion of the Encumbered Property in which a security interest under Article 9 of the UCC may be perfected by filing a UCC financing statement or this Mortgage in the property records of the county in which such Encumbered Property is located.

"Encumbered Property" means:

(i) all of the Mortgagor's right, title and interest in and to the parcel or parcels of land located in Delaware County, Iowa, as more particularly described on Exhibit A hereto (the "Land"), together with any after-acquired estate of the Mortgagor in the Land, and together with all of Mortgagor's rights appurtenant thereto, including without limitation, all strips and gores within or adjoining the Land, all estate, right, title, interest, claim or demand of the Mortgagor in the streets, roads, sidewalks, alleys and ways adjacent thereto (whether or not vacated and whether public or private and whether open or proposed), all of Mortgagor's right, title and interest in all easements over adjoining land granted by any easement agreements, covenants or restrictive agreements, all of Mortgagor's right, title and interest in all of the tenements, hereditaments, easements, reciprocal easement agreements, rights pursuant to any trackage agreement, rights to the use of common drive entries, rights-of-way and other rights, privileges and appurtenances thereunto belonging or in any way pertaining thereto, all of Mortgagor's right, title and interest in all reversions, remainders, dower and right of dower, curtesy and right of

curtesy, all of Mortgagor's right, title and interest in all of the air space and right to use air space above such property, all of Mortgagor's right, title and interest in all transferable development rights arising therefrom or transferred thereto, all of Mortgagor's right, title and interest in all water and water rights and water rights applications (whether riparian, littoral, appropriative or otherwise, and whether or not appurtenant), all pumps, pumping plants, pipes, flumes and ditches thereunto appertaining, all of Mortgagor's right, title and interest in all ditches for irrigation, all utility rights, sewer rights, and shares of stock evidencing the same, all of Mortgagor's right, title and interest in all oil, gas and other minerals and mineral substances (which term shall include all gypsum, anhydrite, coal, lignite, hydrocarbon or other fossil materials or substances, fissionable materials or substances and all other minerals of any kind or character, whether gaseous, liquid or hard minerals, whether similar or dissimilar to those named, whether now or hereafter found to exist and whether associated with the surface or mineral estate) in, on or under the Land or produced, saved or severed from the Land, all of Mortgagor's right, title and interest in all mineral, mining, gravel, oil, gas, hydrocarbon rights and other rights to produce or share in the production of anything related to such property, all of Mortgagor's right, title and interest in all drainage, crop, timber, agricultural, and horticultural rights with respect to such property, and all of Mortgagor's right, title and interest in all other appurtenances appurtenant to such property, including without limitation, any now or hereafter belonging or in any way appertaining thereto, and all claims or demands of the Mortgagor, either at law or in equity, in possession or expectancy, now or hereafter acquired, of, in or to the same (the Land and all of the foregoing being sometimes referred to herein collectively as the "Premises");

(ii) all of the Mortgagor's right, title and interest in and to all buildings, improvements, fixtures and other structures or improvements of any kind now or hereafter erected or located upon the Land, including, but not limited to, all building materials, water, sanitary and storm sewers, drainage, electricity, steam, gas, telephone and other utility facilities, parking areas, roads, driveways, walks and other site improvements; and all additions and betterments thereto and all renewals, substitutions and replacements thereof, owned or to be owned by the Mortgagor or in which the Mortgagor has or shall acquire an interest, to the extent of the Mortgagor's interest therein, now or hereafter erected or located upon the Land (collectively, the "Improvements");

(iii) all of the Mortgagor's right, title and interest in and to the following (collectively, the "Personal Property"):

(A) all personal property and fixtures of every kind and nature whatsoever which are now or hereafter located on, attached to, incorporated in (regardless of where located) or affixed to the Premises or the Improvements or used or in connection with the ownership, construction, maintenance, repair, reconstruction, alteration, addition, improvement, operation, mining, use or occupancy of the Premises or the Improvements, including, without limitation, all goods, inventory, construction materials, equipment, mining equipment, tools, furniture, furnishings, fittings, fixtures, supplies, computers and computer

programs, carpeting, draperies, blinds, window treatments, racking and shelving systems, heating, lighting, plumbing, ventilating, air conditioning, refrigerating, incinerating and/or compacting plants, systems and equipment, elevators, escalators, appliances, stoves, ranges, refrigerators, vacuum, window washing and other cleaning and building service systems, call systems, sprinkler systems and other fire prevention and extinguishing apparatus and materials, cables, antennae, pipes, ducts, conduits, machinery, apparatus, motors, dynamos, engines, compressors, generators, boilers, stokers, furnaces, pumps, tanks, appliances, garbage systems and pest control systems and all of Mortgagor's present and future "goods", "equipment" and "fixtures" (as such terms are defined in the UCC) and other personal property, including without limitation any such personal property and fixtures which are leased, and all repairs, attachments, betterments, renewals, replacements, substitutions and accessions thereof and thereto; and

(B) all general intangibles now owned or hereafter acquired by the Mortgagor and relating to the design, development, operation, management and use of the Premises or the Improvements, including, but not limited to, all contract rights, trademarks, trade names, logos, symbols, books, records, chattel paper, claims, deposits, accounts, escrows and other rights relating to the name and style under which the Premises and the Improvements are operated;

(iv) all of Mortgagor's right, title and interest, if any, in and to all approvals, authorizations, building permits, certificates of occupancy, zoning variances, use permits, certifications, entitlements, exemptions, franchises, licenses, orders, variances, plat plan approvals, environmental approvals, air pollution authorities to construct and permits to operate, sewer and waste discharge permits, national pollutant discharge elimination system permits, water permits, zoning and land use entitlements and all other permits, whether now existing or hereafter issued to or obtained by or on behalf of the Mortgagor, with respect to the Premises or the Improvements and are given or issued by any governmental or quasi-governmental authority, whether now existing or hereafter created (as the same may be amended, modified, renewed or extended from time to time, and including all substitutions and replacements therefor), all rights under and pursuant to all construction, service, engineering, consulting, management, access, supply, leasing, architectural and other similar contracts with respect to the design, construction, management, operation, occupancy and/or use of the Premises and Improvements, all rights under all purchase agreements, sales agreements, option contracts, land contracts and contracts for the sale of oil, gas and other minerals or any of them, with respect to the Premises or the Improvements, all abstracts of title, architectural, engineering or construction drawings, plans, specifications, operating manuals, computer programs, computer data, maps, surveys, soil tests, feasibility studies, appraisals, environmental studies, engineering reports and similar materials with respect to the Premises and Improvements, and all payment and performance bonds or warranties or guarantees relating to the Premises or the Improvements, all of the foregoing, to the extent assignable (collectively, the "Permits, Plans and Contracts");

(v) the Mortgagor's interest in and rights under all leases, occupancy agreements or licenses (under which the Mortgagor is landlord or licensor) and subleases

(under which the Mortgagor is sublandlord), concession, franchise, management, mineral or other agreements relating to the use or occupancy of the Premises or the Improvements or any part thereof for any purpose, or the extraction or taking of any gas, oil, water or other minerals from the Premises, whether now or hereafter existing or entered into (including any use or occupancy arrangements created pursuant to Section 365(d) of the Bankruptcy Code or otherwise in connection with the commencement or continuance of any bankruptcy, reorganization, arrangement, insolvency, dissolution, receivership or similar proceedings, or any assignment for the benefit of creditors, in respect of any tenant or occupant of any portion of the Premises or the Improvements), and all guaranties thereof and all amendments, modifications, supplements, extensions or renewals thereof, all to the extent assignable (collectively, the "Leases"), and all rents, issues, profits, revenues, charges, fees, receipts, royalties, proceeds from the sale of oil, gas and/or other minerals (whether gaseous, liquid or hard minerals, whether similar or dissimilar to those named and whether associated with the surface or mineral estate), accounts receivable, cash or security deposits and other deposits (subject to the prior right of the tenants making such deposits) and income, and other benefits now or hereafter derived from any portion of the Premises or the Improvements or the use or occupancy thereof (including any payments received pursuant to Section 502(b) of the Bankruptcy Code or otherwise in connection with the commencement or continuance of any bankruptcy, reorganization, arrangement, insolvency, dissolution, receivership or similar proceedings, or any assignment for the benefit of creditors, in respect of any tenant or other occupants of any portion of the Premises or the Improvements and all claims as a creditor in connection with any of the foregoing) and all payments of a similar nature, now or hereafter, including during any period of redemption, derived from the Premises or the Improvements or any other portion of the Encumbered Property and all proceeds from the cancellation, surrender, sale or other disposition of the Leases (collectively, the "Rents");

(vi) all of the Mortgagor's right, title and interest in and to all insurance policies and the proceeds thereof, now or hereafter in effect with respect to all or any of the Premises, the Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, including, without limitation, any and all title insurance proceeds, and all unearned premiums and premium refunds, accrued, accruing or to accrue under such insurance policies, and all awards made for any taking of or damage to all or any of the Premises, the Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, by eminent domain, or by any purchase in lieu thereof, and all awards resulting from a change of grade of streets or for severance damages, and all other proceeds of the conversion, voluntary or involuntary, of all or any of the Premises, Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, into cash or other liquidated claims, and all judgments, damages, awards, settlements and compensation (including interest thereon) heretofore or hereafter made to the present and all subsequent owners of the Premises, Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, or any part thereof for any injury to or decrease in the value thereof for any reason;

(vii) all of the Mortgagor's right, title and interest in and to the following:

(A) all right, in the name and on behalf of the Mortgagor, to appear in and defend any action or proceeding brought with respect to all or any of the Premises, Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, and to commence any action or proceeding to protect the interest of the Mortgagor in all or any of the Premises, Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts;

(B) all right and power to encumber further all or any of the

(C) Premises, Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts, or any part thereof;

(D) all rights, titles, interests, estates or other claims, both in law and in equity, which the Mortgagor now has or may hereafter acquire in any of the Premises, the Improvements, the Personal Property, the Leases, the Rents or the Permits, Plans and Contracts, or in and to any greater estate in all or any of the Premises, the Improvements, the Personal Property, the Leases, the Rents and the Permits, Plans and Contracts; and

(E) all property hereafter acquired or constructed by the Mortgagor of the type described above relating to the Premises which shall forthwith, upon acquisition or construction thereof by the Mortgagor and without any act or deed by any party, become subject to the lien and security interest of this Mortgage as if such property were now owned by the Mortgagor and were specifically described in this Mortgage and were specifically conveyed or encumbered hereby; and

(viii) all accessions, additions or attachments to, and proceeds or products of, any of the foregoing.

"Impositions" shall mean all taxes, water rates, sewer rents, fees, assessments, levies, utility charges, insurance premiums payable on any insurance the Mortgagee is required to maintain hereunder, amounts required to be paid to obtain or renew permits and other similar charges (whether or not required by a governmental body) which are now or hereafter assessed, levied or imposed against the Encumbered Property (or any part thereof) or the Mortgagee's interest therein and all water rates, sewer rents, ground rents, maintenance charges and other charges now or hereafter assessed, levied or imposed against the Encumbered Property (or any part thereof) or the Mortgagee's interest therein or incurred in the ownership, operation, occupancy, maintenance and use of the Encumbered Property.

"UCC" means at any time the Uniform Commercial Code as the same may from time to time be in effect in the state where the Premises are located, provided that, if, by reason of mandatory provisions of law, the validity, perfection or the effect of perfection or non-perfection of any security interest granted herein is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the state where the Premises are located then, as to the validity or perfection of such security interest, "UCC" shall mean the Uniform Commercial Code

in effect in such other jurisdiction for purposes of the provisions hereof relating to such validity or perfection or effect of perfection or non-perfection.

Section 1.02. Interpretation. As used in this Mortgage, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (i) "including" shall mean "including but not limited to"; (ii) "provisions" shall mean "provisions, terms, covenants and/or conditions"; (iii) "lien" shall mean "lien, charge, encumbrance, security interest, mortgage and deed of trust"; (iv) "obligation" shall mean "obligation, duty, covenant and/or condition"; and (v) "any of the Encumbered Property" shall mean "the Encumbered Property or any part thereof or interest therein." Any act that the Mortgagee is permitted to perform hereunder may be performed at any time and from time to time by the Mortgagee or any person or entity designated by the Mortgagee. Any act which is prohibited to the Mortgagor hereunder is also prohibited to all lessees of any of the Encumbered Property. Each appointment of the Mortgagee as attorney-in-fact for the Mortgagor under this Mortgage is irrevocable, with power of substitution and coupled with an interest. Subject to the applicable provisions hereof, the Mortgagee has the right to refuse to grant its consent, approval or acceptance or to indicate its satisfaction, in its sole discretion, whenever such consent, approval, acceptance or satisfaction is required hereunder unless the standard for such consent is expressly stated to be otherwise in the Credit Agreement, in which instance such other standard contained in the Credit Agreement shall be the standard that is applied under this Mortgage.

ARTICLE II
CONVEYANCE OF ENCUMBERED PROPERTY

Section 2.01. Grant. To secure the full and punctual payment of the Finance Obligations in accordance with the terms thereof, including the performance of all of the obligations of the Mortgagor hereunder, of the Borrowers under the Credit Agreement and the other Loan Documents, of each Loan Party in respect of its Hedge Liability and Cash Management Liabilities, of each Guarantor under the Guaranties and of each Loan Party under any other Loan Document, the Mortgagor hereby grants, bargains, sells, transfers, sets over, assigns and conveys as security, grants a lien upon and a security interest in, hypothecates, mortgages, pledges and sets over to the Mortgagee and to its substitutes, successors and assigns, the Encumbered Property, subject only to the Permitted Encumbrances; and

TO HAVE AND TO HOLD the Encumbered Property unto Mortgagee, subject to the terms and conditions of this Mortgage, forever, and Mortgagor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title to the Encumbered Property unto Mortgagee against every person whomsoever lawfully claiming or to claim the same or any part thereof, subject, however, to the Permitted Encumbrances; and

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, to the Mortgagee and the Mortgagee's successors, substitutes and assigns to secure the Finance Obligations; provided, always, this instrument is upon the express condition that should the Finance Obligations be paid according to the tenor and effect thereof when the same shall be due and payable and should the Mortgagor timely and fully discharge its obligations hereunder, this Mortgage and the estate hereby granted shall cease and become void.

ARTICLE III
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE MORTGAGOR

Mortgagor agrees, covenants, represents and warrants as follows:

Section 3.01. Title.

(a) Mortgagor has indefeasible record title in fee simple to the Premises and the Improvements. The Mortgagor has good and sufficient title to, or valid leasehold interests in, all of the other Encumbered Property. This Mortgage is and will remain a valid and enforceable lien on, and security interest in, the Encumbered Property subject to no Liens other than the exceptions and encumbrances set forth in Exhibit B attached hereto and Permitted Liens which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (collectively, the "Permitted Encumbrances"). The Permitted Encumbrances are all permitted under Section 7.01(x) of the Credit Agreement.

(b) Except as set forth on Exhibit C attached hereto, to the knowledge of Mortgagor, there are no Leases, track agreements, easement agreements, access agreements, management contracts, pipeline agreements or other contracts or agreements affecting any portion of the Encumbered Property which could, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect (collectively, the "Material Agreements"). Each Material Agreement is in full force and effect. Except as set forth on Exhibit C attached hereto, the Mortgagor has not given, nor has it received, any notice of default with respect to any obligation under any Material Agreement that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Mortgagor's interest in the Material Agreements is not subject to any Lien, other than this Mortgage and the Permitted Encumbrances and the Permitted Liens (pursuant to Section 7.01(x) of the Credit Agreement).

(c) The Mortgagor has good and lawful right and full power and authority to encumber or grant a security interest in the Encumbered Property. The possession of the Encumbered Property has been peaceful and undisturbed and title hereto has not been disputed or questioned to the knowledge of Mortgagor. The Mortgagor will forever warrant, defend and preserve its title to the Encumbered Property, the rights of the Mortgagee and the Mortgagee's successors, substitutes and assigns therein under this Mortgage and the validity and priority of the lien of this Mortgage thereon against the claims of all persons and parties lawfully claiming or to claim the same of any part thereof by and through Mortgagor except those having rights under the Permitted Encumbrances and Permitted Liens to the extent of those rights.

(d) This Mortgage, when duly recorded in the appropriate public records and when financing statements are duly filed in the appropriate public records, will create a valid, perfected and enforceable lien upon and security interest in the Premises, the Improvements, the Rents and the Article 9 Collateral. There will be no defenses or offsets to this Mortgage for so long as any portion of the Finance Obligations is outstanding.

(e) The Permitted Encumbrances do not and will not materially and adversely affect (i) the ability of the Mortgagor to perform its obligations under this Mortgage and the

other Loan Documents to which it is a party or (ii) the use of the Encumbered Property for the use currently being made thereof or the operation of the Encumbered Property as currently being operated.

(f) The Premises and the Improvements have adequate rights of access to public ways and is served by adequate water, sewer, sanitary sewer and storm drain facilities for its current use. All roads necessary for the full utilization of the Premises and the Improvements for its current purpose have been completed and dedicated to public use and accepted by all governmental authorities or are the subject of access easements for the benefit of the Premises and the Improvements.

(g) There are no pending or, to the knowledge of the Mortgagor, proposed special or other assessments for public improvements or otherwise affecting the Premises or the Improvements, nor, to the knowledge of the Mortgagor, are there any contemplated improvements to the Premises or the Improvements that may result in such special or other assessments.

(h) All parties furnishing labor and materials have been paid in full and, except for such liens or claims insured against by the policy of title insurance to be issued in connection with this Mortgage, there are no mechanics', laborers' or materialmen's liens or claims outstanding for work, labor or materials affecting the Premises or the Improvements, whether prior to, equal with or subordinate to the lien of this Mortgage, except as otherwise permitted under the Credit Agreement.

Section 3.02. Compliance with Law. All of the Improvements and the use of the Encumbered Property comply in all material respects with all applicable statutes, rules, regulations, Laws and private covenants now or hereafter relating to the ownership, construction, use or operation of the Encumbered Property, including, without limitation, all applicable statutes, rules and regulations pertaining to requirements for equal opportunity, antidiscrimination, fair housing, environmental protection, zoning and land use (including without limitation any subdivision and parking requirements), except in such instances in which (i) such requirements are being contested in good faith by appropriate proceedings diligently conducted or (ii) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. All certifications, permits, licenses and approvals, including, without limitation, certificates of completion and occupancy permits which to Mortgagor's knowledge are required for the legal use, occupancy and operation of the Encumbered Property for its current use have been obtained and are in full force and effect except in such instances in which (i) such requirements are being contested in good faith by appropriate proceedings diligently conducted or (ii) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 3.03. No Litigation. There are no actions, suits, proceedings claims or disputes pending for which service of process or other written notice has been received or, to the knowledge of the Mortgagor after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Encumbered Property that (i) purport to affect or pertain to Mortgagor's performance under this

Mortgage or any Loan Document to which it is a party, or (ii) either individually or in the aggregate, in which there is a reasonable possibility of an adverse decision and which, if determined adversely, could reasonably be expected to have a Material Adverse Effect.

Section 3.04. Taxes Paid. The Mortgagor has paid all real estate taxes and assessments which have become due and payable in respect of the Encumbered Property.

Section 3.05. Condition of Improvements.

(a) The Encumbered Property has not been damaged by any fire, water, wind or other cause of loss which such fire, wind, water or other cause of loss would have a Material Adverse Effect and any previous damage to the Encumbered Property has been fully restored to the extent that the non-restoration of which would have a Material Adverse Effect.

(b) No part of any property subject to this Mortgage has been taken in condemnation or other like proceeding such that there would be a Material Adverse Effect nor does Mortgagor have knowledge of any proceeding pending, threatened or known to be contemplated for the partial or total condemnation or taking of the Encumbered Property such that there would be a Material Adverse Effect.

Section 3.06. Options. To the knowledge of Mortgagor, no tenant, person, party, firm, corporation or other entity has an option to purchase the Encumbered Property, any portion thereof or any interest therein.

Section 3.07. Credit Agreement and Guaranties.

(a) This Mortgage is given pursuant to the Credit Agreement and the Guaranties. Each and every term and provision of the Guaranties (except for the governing law provisions thereof), including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the Mortgagor shall be considered as if a part of this Mortgage.

(b) If any remedy or right of the Mortgagee pursuant hereto is acted upon by the Mortgagee or if any actions or proceedings (including any bankruptcy, insolvency or reorganization proceedings) are commenced in which the Mortgagee is made a party and is obliged to defend or uphold or enforce this Mortgage or the rights of the Mortgagee hereunder or the terms of any Lease, or if a condemnation proceeding is instituted affecting the Encumbered Property, the Mortgagor will pay all sums, including reasonable attorneys' fees and disbursements, actually incurred (not as imposed by statute) by the Mortgagee related to the exercise of any remedy or right of the Mortgagee pursuant hereto or for the expense of any such action or proceeding together with all statutory or other costs, disbursements and allowances, interest thereon from the date of demand for payment thereof at a rate equal to the default rate provided for under the Credit Agreement (the "Default Rate"), and such sums and the interest thereon shall, to the extent permissible by law, be a lien on the Encumbered Property prior to any right, title to, interest in or claim upon the Encumbered Property attaching or accruing subsequent to the recording of this Mortgage and shall be secured by this Mortgage to the extent permitted by applicable law.

(c) Any payment of amounts due under this Mortgage not made on or before the due date for such payments shall accrue interest daily without notice from the due date until paid at the Default Rate, and such interest at the Default Rate shall be immediately due upon demand by the Mortgagee.

Section 3.08. Payment of Taxes, Liens and Charges.

(a) The Mortgagor will pay and discharge (i) all material taxes, assessments and other governmental charges or levies imposed upon the Premises and the Improvements in accordance with applicable Law and (ii) all lawful claims (including claims for labor, materials and supplies) which, if unpaid, might give rise to a lien (other than a Permitted Lien) upon the Premises or the Improvements; provided, however, that the Mortgagor shall not be required to pay any such tax, assessment, charge, levy, claim or Indebtedness (A) not yet due, (B) which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP or (C) with respect to which the failure to make payment could not reasonably be expected to have a Material Adverse Effect.

(b) In the event of the passage of any state, Federal, municipal or other governmental law, order, rule or regulation subsequent to the date hereof (i) deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or in any manner changing or modifying the laws now in force governing the taxation of this Mortgage or debts secured by mortgages or deeds of trust (other than laws governing income, franchise and similar taxes generally) or the manner of collecting taxes thereon and (ii) imposing a tax to be paid by the Mortgagee, either directly or indirectly, on this Mortgage, or to require an amount of taxes to be withheld or deducted therefrom, the Mortgagor will promptly notify the Mortgagee of such event. In such event the Mortgagor shall (i) agree to enter into such further instruments as may be reasonably necessary to obligate the Mortgagor to make any applicable additional payments, and (ii) the Mortgagor shall make all such additional payments.

Section 3.09. Payment of Closing Costs. Pursuant to the provisions of Section 10.04(a) of the Credit Agreement, the Mortgagor shall pay all reasonable out-of-pocket costs in connection with, relating to or arising out of the preparation, execution and recording of this Mortgage, including title company premiums and charges, inspection costs, survey costs, recording fees and taxes, attorneys', engineers', appraisers' and consultants' fees and disbursements and all other similar expenses of every kind.

Section 3.10. Alterations and Waste; Plans; Use.

(a) No Improvements will be altered in any material respect or demolished or removed in whole or in part by the Mortgagor except for the normal replacement of the Personal Property and as otherwise permitted under the Credit Agreement without the consent of the Mortgagee. The Mortgagor will maintain and preserve the Encumbered Property as required by Section 6.05 of the Credit Agreement.

(b) To the extent the same exist on the date hereof or are obtained in connection with future permitted alterations, the Mortgagor shall use commercially reasonable

efforts to maintain a complete set of final plans, specifications, blueprints and drawings for the Improvements either at the Encumbered Property or in a particular office at the headquarters of the Mortgagor to which the Mortgagee shall have access upon reasonable advance notice.

(c) In accordance with Section 6.07 of the Credit Agreement, the Mortgagor shall cause the Premises and the Improvements to comply in all material respects with the requirements of all Laws. The Mortgagor shall promptly notify the Mortgagee of any proposed zoning reclassification, variance, conditional or special use permit, subdivision plat or annexation affecting the Land that would be reasonably likely to have a Material Adverse Effect.

Section 3.11. Insurance.

(a) During the term of this Mortgage, Mortgagor, at its sole cost and expense, shall maintain, or cause to be maintained all insurance on the Encumbered Property that is required to be maintained under the Credit Agreement. In addition, Mortgagor, at its sole cost and expense, shall maintain or cause to be maintained such other insurance as may, from time to time, be reasonably required by Mortgagee in order to protect its interests in the Encumbered Property. In addition to any insurance requirements under the Credit Agreement, Mortgagor, at its sole cost and expense, shall maintain, or cause to be maintained the following policies of insurance, with respect to the Encumbered Property:

(i) Casualty (property) insurance against loss or damage by fire, lightning and such other perils as are included in a standard "special form" policy (formerly known as an "all-risk" endorsement policy), and against loss or damage by all other risks and hazards covered by a standard extended coverage insurance policy including, without limitation (except as the same is subject to the limitations and conditions within the policy form), riot and civil commotion, vandalism, malicious mischief, burglary and theft, in an amount equal to the then full replacement cost of the improvements, without deduction for physical depreciation. The policies of insurance required under this Section 3.11 shall contain a "Replacement Cost" endorsement and an "Agreed Amount" or "No Coinsurance" endorsement and shall otherwise comply with the Credit Agreement.

(ii) Commercial General Liability insurance, including a broad form comprehensive general liability endorsement and coverages for broad form property damage, contractual damages and personal injuries (including death resulting therefrom) and containing minimum limits per occurrence of $1,000,000.00 and $2,000,000.00 in the aggregate for any policy year with no deductible greater than $250,000.

(iii) Rental loss and/or business interruption insurance in an amount equal to the estimated gross earnings or profits from the operations of the Encumbered Property for a period of twelve (12) months.

(iv) Insurance against loss or damage from (A) leakage of sprinkler systems and (B) explosion of steam boilers, air conditioning equipment, high pressure piping, machinery and equipment, pressure vessels or similar apparatus now or hereafter installed on the improvements (without exclusion for explosions).

(v) Flood insurance if all or any portion of the Encumbered Property is located in an area now or hereafter designated by the Federal Emergency Management Agency ("FEMA") as an area having special flood hazards (including, without limitation, those areas designated as Zone A or Zone V), in the amount of the full replacement cost of the buildings, fixtures and personalty now or hereafter located on the Encumbered Property or such other amount as may be reasonably agreed to by Mortgagee in writing, but not greater than $50,000,000. In addition, if flood insurance has been made available under the U.S. National Flood Insurance Program ("NFIP"), Mortgagor's flood insurance policy shall be in an amount not less than the maximum amount available under the NFIP. All flood insurance required under this clause may be obtained pursuant to a private flood insurance policy provided (i) such policy is issued in accordance with the FEMA Mandatory Purchase of Flood Insurance Guidelines ("FEMA Guidelines"), (ii) if such flood insurance is not issued by NFIP, such policy is issued by an insurance company who satisfies the requirements contained within the FEMA Guidelines, and (iii) such policy and issuing insurance company are approved by Mortgagee, which approval shall not be unreasonably withheld, delayed or conditioned.

(vi) If the Encumbered Property is or ever becomes non-conforming with respect to zoning, ordinance or law coverage to compensate for loss of value or property resulting from operation of law and the cost of demolition and the increased cost of construction in such amounts as may be requested by Mortgagee.

(vii) Any other insurance with respect to the Encumbered Property that may be required under the Credit Agreement.

(viii) Such other insurance as may from time to time be reasonably required by Mortgagee in order to protect its interests.

(b) All such insurance policies with respect to the Encumbered Property shall contain a standard, non-contributory mortgagee clause naming Mortgagee, and its successors and assigns, as an additional insured under all liability insurance policies, as the first mortgagee and loss payee on all property insurance policies, and as the sole loss payee on all rental loss or business interruption insurance policies as their interest may appear. Mortgagor shall not take out separate insurance with respect to the Encumbered Property concurrent in form or contributing in the event of loss with that required to be maintained hereunder or under the Credit Agreement unless Mortgagee is named as an additional insured thereon under a standard mortgagee clause acceptable to Mortgagee and each such policy is otherwise in form and substance reasonably acceptable to Mortgagee.

(c) In the event of the foreclosure of this Mortgage, or in the event of any transfer of title to the Encumbered Property, or any part thereof, by foreclosure sale or by power of sale or deed in lieu of foreclosure, the purchaser of the Encumbered Property, or such part thereof, shall succeed to all of Mortgagor's rights with respect to the Encumbered Property, including any rights to unexpired, unearned or returnable insurance premiums, subject to limitations on the assignment of blanket policies, but limited to such rights as relate to the Encumbered Property or such part thereof. If Mortgagee acquires title to the Encumbered Property, or any part thereof, in any manner, Mortgagee shall thereupon (as

between Mortgagor and Mortgagee) become the sole and absolute owner, as their interest may appear, of the insurance policies with respect to the Encumbered Property, and all insurance proceeds payable thereunder with respect to the Encumbered Property, with the sole right to collect and retain all unearned or returnable premiums thereon with respect to the Encumbered Property, or such part thereof, if any.

Section 3.12. Casualty; Restoration of Casualty Damage. The Mortgagor shall give the Mortgagee prompt written notice of any fire or other casualty to all or any portion of the Encumbered Property constituting ABL Priority Collateral (a "Casualty") to the extent required under Section 6.03 or 6.06 of the Credit Agreement. In the event of a Casualty, the proceeds, damages, awards, claims and rights of award (collectively, the "Insurance Proceeds") with respect to any such Casualty shall be paid to the Mortgagee to the extent required by the Credit Agreement, subject to the ABL/Term Intercreditor Agreement. If Insurance Proceeds are required to be paid to the Agent pursuant to the Credit Agreement and the ABL/Term Intercreditor Agreement, then payments made by the insurer or other party with respect to such Casualty shall be made directly in their entirety to the Mortgagee for remittance to the Agent and the Insurance Proceeds relating to such Casualty shall be remitted by the Mortgagee to the Agent for application in accordance with the Credit Agreement. Otherwise, proceeds received by the Mortgagee from any Casualty shall be paid to Mortgagor within five Business Days after request.

Section 3.13. Condemnation/Eminent Domain. The Mortgagor shall notify the Mortgagee promptly upon obtaining knowledge of any pending or threatened condemnation or taking of all or any portion of the Encumbered Property constituting ABL Priority Collateral (a "Condemnation") to the extent required under Section 6.03 or 7.05 of the Credit Agreement. No settlement or compromise of any claim in connection with any such action or proceeding or transfer in lieu of a Condemnation shall be made without the consent of the Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed. In the event of a Condemnation, all proceeds of any such Condemnation or transfer in lieu thereof (collectively, the "Condemnation Proceeds") shall be paid to the Mortgagee to the extent required by the Credit Agreement and subject to the ABL/Term Intercreditor Agreement. If the Condemnation Proceeds are required to be paid to the Agent pursuant to the Credit Agreement and the ABL/Term Intercreditor Agreement, then all such Condemnation Proceeds will be paid directly to the Agent and such Condemnation Proceeds shall be remitted by the Mortgagee to the Agent for application in accordance with the Credit Agreement. Otherwise, any Condemnation Proceeds received by the Mortgagee shall be paid to the Mortgagor within five Business Days after request.

Section 3.14. Assignment of Leases and Rents.

(a) The Mortgagor hereby irrevocably, unconditionally and absolutely grants, transfers and assigns to the Mortgagee all of its right, title and interest in and to all Rents and Leases, together with any and all extensions and renewals thereof for purposes of securing and discharging the Finance Obligations. The Mortgagor has not assigned or executed any assignment of, and will not assign or execute any assignment of, any Lease or its respective Rents to anyone other than to the Mortgagee.

(b) Without the Mortgagee's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, the Mortgagor will not (i) enter into, modify, amend, terminate or consent to the cancellation or surrender of any Lease if such entrance, modification, amendment, termination or consent would, in the reasonable judgment of the Mortgagee, be adverse in any material respect to the Secured Parties or the liens and security interests created by this Mortgage or (ii) consent to an assignment of any tenant's interest in any Lease or to a subletting thereof covering a material portion of the Encumbered Property, except, in each case, as may be permitted by this Mortgage or the other Loan Documents.

(c) The Mortgagor has assigned and transferred to the Mortgagee all of the Mortgagor's right, title and interest in and to the Rents now or hereafter arising, it being intended that this assignment establish, subject to Section 3.14(d) below, an absolute transfer and assignment of all Rents and all Leases to the Mortgagee and not merely to grant a security interest therein. Such assignment to the Mortgagor shall not be construed to bind the Mortgagee to the performance of any of the covenants, conditions or provisions contained in any Lease or otherwise impose any obligation upon the Mortgagee. Notwithstanding the foregoing, the Mortgagor shall have the license and right, subject to automatic revocation as provided in Section 3.14(d) below, to operate and rent, lease or let all or any portion of the Encumbered Property and to collect, but not more than one month prior to accrual, all of the Rents. As provided in Section 3.14(d) below, the license granted by this Section 3.14(c) is subject to automatic revocation and thereafter the Mortgagee may, in the Mortgagor's name and stead (with or without first taking possession of any of the Encumbered Property personally or by receiver as provided herein) operate the Encumbered Property and rent, lease or let all or any portion of any of the Encumbered Property to any party or parties at such rental and upon such terms as the Mortgagee shall, in its sole discretion, determine, and may collect and have the benefit of all of such Rents arising from or accruing at any time thereafter or that may thereafter become due.

(d) As long as no Event of Default has occurred and is continuing, the license granted under Section 3.14(c) above shall be effective and the Mortgagee shall not exercise any of its rights under Section 3.14(c) above, and the Mortgagor shall receive and collect the Rents accruing under any Lease pursuant to the revocable license granted therein; but upon the occurrence and during the continuance of any Event of Default, the license granted under Section 3.14(c) above shall be deemed to be automatically revoked and shall terminate automatically without notice and the Mortgagee shall be entitled to all of the Rents without the necessity of the Mortgagee's taking any action whatsoever, and the Rents shall thereupon be deemed to be cash collateral for all purposes, including without limitation for purposes of Section 363 of the Bankruptcy Code. Upon the occurrence and during the continuance of any Event of Default, the Mortgagee may receive and collect all Rents and enter upon the Premises and Improvements through its officers, agents, employees or attorneys for such purpose and for the operation and maintenance thereof. Upon the occurrence and during any continuance of an Event of Default, the Mortgagor hereby irrevocably authorizes and directs each tenant, if any, and each successor, if any, to the interest of any tenant under any Lease, respectively, to rely upon any notice of a claimed Event of Default sent by the Mortgagee to any such tenant or any of such tenant's successors in interest, and thereafter to pay Rents to the Mortgagee without any obligation or right to inquire as to whether an Event of Default actually exists and even if notice to the contrary is received from the Mortgagor, who shall have no right or claim against any such tenant or successor in interest for any such Rents so paid to the Mortgagee. Each tenant or any

of such tenant's successors in interest from whom the Mortgagee or any officer, agent, attorney or employee of the Mortgagee shall have collected any Rents, shall be authorized to pay Rents to the Mortgagor only after such tenant or any of such tenant's successors in interest shall have received written notice from the Mortgagee that the Event of Default is no longer continuing, which notice the Mortgagee shall be obligated to give if the Mortgagee determines in its reasonable discretion that such Event of Default is no longer continuing (or if ordered by a court or arbitrator with jurisdiction), unless and until a further notice of an Event of Default is given by the Mortgagee to such tenant or any of such tenant's successors in interest.

(e) The Mortgagee will not become a mortgagee in possession so long as it does not enter and take actual possession of the Encumbered Property. In addition, the Mortgagee shall not be responsible or liable for performing any of the obligations of the landlord under any Lease, for any waste by any tenants, or others, for any dangerous or defective conditions of any of the Encumbered Property, for negligence in the management, upkeep, repair or control of any of the Encumbered Property or any other act or omission by any other person, unless Mortgagee takes possession of the Encumbered Property.

(f) The Mortgagor shall furnish to the Mortgagee, within 30 days after a request by the Mortgagee to do so, a written statement containing the names of all tenants, subtenants and concessionaires of the Premises or Improvements, the terms of any Lease, the space occupied and the rentals or license fees payable thereunder.

(g) If an Actionable Default occurs and is continuing, and if there is any applicable law requiring the Mortgagee to take actual or constructive possession of the Premises (or some action equivalent thereto, such as securing the appointment of a receiver) in order for the Mortgagee to "perfect" or "activate" its rights and remedies as set forth herein, the Mortgagor hereby waives the benefits of any such laws to the maximum extent allowable.

Section 3.15. Restrictions on Transfers and Encumbrances. Except as permitted hereby or by any of the other Loan Documents, in the event Mortgagor sells, conveys, alienates, assigns, leases, subleases, licenses, mortgages, pledges, encumbers or otherwise transfers, creates, consents to or suffers the creation of any lien, charges or any form of encumbrance upon any interest in or any part of the Encumbered Property, an Event of Default shall be deemed to have occurred, and the provisions of Section 7.05 of the Credit Agreement shall apply; provided, however, that the Mortgagor may in the ordinary course of business, upon reasonable prior written notice to Mortgagee (which notice shall include the contemplated document), enter into easement agreements, licenses and similar agreements that relate to and/or benefit the operation of the Encumbered Property or that do not materially adversely affect the use and operation of the same (including customary utility easements that service the Encumbered Property).

Section 3.16. Security Agreement. This Mortgage is both a mortgage and grant of real property and a grant of a security interest in personal property, and shall constitute and serve as a "security agreement" within the meaning of the UCC. The Mortgagor hereby grants unto the Mortgagee for the benefit of the Secured Parties a security interest in and to all the Encumbered Property described in this Mortgage that is not real property, and substantially contemporaneously with the recording of this Mortgage, the Mortgagor has filed or will file

UCC financing statements, and will file continuation statements prior to the lapse thereof, at the appropriate offices in the state in which the Premises are located and as otherwise may be required or advisable to perfect the security interest granted by this Mortgage in all the Encumbered Property that is not real property. Mortgagor shall perform each and every act and thing requisite and necessary to be done to perfect the security interest hereby granted. If Mortgagor shall fail to comply with the immediately preceding sentence, Mortgagor hereby appoints the Mortgagee as its true and lawful attorney in fact and agent, for the Mortgagor and in its name, place and stead, and upon ten Business Days' notice to Mortgagor, Mortgagee shall have the right but not the obligation to execute any document and to file the same in the appropriate offices (to the extent it may lawfully do so), and to perform each and every act and thing requisite and necessary to be done to perfect the security interest hereby granted. The Mortgagee shall have all rights with respect to the Article 9 Collateral afforded by the UCC in addition to, but not in limitation of, the other rights afforded the Mortgagee hereunder. The Mortgagor agrees, to the extent permitted by Law, that: (i) all of the goods described within the definition of the word "Personal Property" are or are to become fixtures on the Land; (ii) this Mortgage upon recording or registration in the real estate records of the proper office shall constitute a financing statement filed as a "fixture filing" within the meaning of Sections 9.334 and 9.502 of the UCC; (iii) the Mortgagor is the record owner of the Premises; (iv) the addresses of Mortgagor and Mortgagee are as set forth in Section 5.02 of this Mortgage; (v) the name of Mortgagor as set forth in the preamble is the debtor; (vi) the name of Mortgagee as set forth in the preamble is the secured party and (vii) the organizational number of Mortgagor is 2594324. Additionally, this Mortgage shall constitute a financing statement covering fixtures and/or Mortgagor's right, title and interest in and to all minerals or the like (including oil and gas) and/or accounts resulting from the sale thereof at the wellhead or minehead and, as such, shall be filed for record in the real estate records of each county in which the Land, or any part thereof, is located.

Section 3.17. Filing and Recording. The Mortgagor will cause this Mortgage, any other security instrument creating a security interest in or evidencing the lien hereof upon the Encumbered Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and to protect fully the liens and security interests of the Mortgagee hereby granted in and upon the Encumbered Property. The Mortgagor will pay all filing, registration or recording fees, and all expenses incidental to the execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Encumbered Property, and any instrument of further assurance and all Federal, state, county and municipal recording, documentary or intangible taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution, delivery and recording of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Encumbered Property or any instrument of further assurance.

Section 3.18. Further Assurances. Upon demand by the Mortgagee, the Mortgagor will, at the sole cost of the Mortgagor and without expense to the Mortgagee, do, execute, acknowledge and deliver all such further acts, deeds, conveyances, deeds of trust, assignments, notices of assignment, transfers and assurances as the Mortgagee shall from time to time reasonably require for the better assuring, conveying, assigning, transferring and confirming unto the Mortgagee the property and rights hereby conveyed or assigned or intended now or

hereafter so to be, or which the Mortgagor may be or may hereafter become bound to convey or assign to the Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage, and if Mortgagor shall fail to do so, on demand, the Mortgagor will also execute and deliver and hereby appoints the Mortgagee as its true and lawful attorney-in-fact and agent for the Mortgagor and in its name, place and stead, to execute and file to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments reasonably required by the Mortgagee to evidence or perfect the liens and security interests hereby granted and to perform each and every act and thing requisite and necessary to be done to accomplish the same.

Section 3.19. Additions to Encumbered Property. All right, title and interest of the Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Encumbered Property hereafter acquired by or released to the Mortgagor or constructed, assembled or placed by the Mortgagor upon the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance, assignment or other act by the Mortgagor, shall become subject to the liens and security interests of this Mortgage as fully and completely and with the same effect as though now owned by the Mortgagor and specifically described in the grant of the Encumbered Property above, but at any and all times the Mortgagor will execute and deliver to the Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the liens and security interests of this Mortgage.

Section 3.20. No Claims Against the Mortgagee. Nothing contained in this Mortgage shall constitute any consent or request by the Mortgagee, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Encumbered Property or any part thereof, nor as giving the Mortgagor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against the Mortgagee in respect thereof.

Section 3.21. Environmental. The provisions of the Loan Documents relating to Hazardous Materials (as such term is defined in the Credit Agreement) are incorporated herein by reference as if set forth in full herein, including, without limitation, any indemnification provisions.

ARTICLE IV
DEFAULTS AND REMEDIES

Section 4.01. Events of Default. It shall be an Event of Default under this Mortgage if any Event of Default (as defined in the Credit Agreement) shall exist under the Credit Agreement.

Section 4.02. Demand for Payment. If an Event of Default has occurred and is continuing, in addition to any other rights and remedies the Mortgagee may have pursuant to the

Collateral Documents, or as provided at law or in equity, and without limitation, the Finance Obligations and all other amounts payable with respect to the Loans, the Credit Agreement, the Guaranties, this Mortgage and the other Loan Documents shall become due and payable as provided in the Credit Agreement. The Mortgagor shall pay to the Mortgagee upon demand all such amounts and such further amounts as shall be reasonably incurred (without regard to statutory presumption) to cover the costs and expenses of collection, including reasonable attorneys' fees, disbursements and expenses incurred by the Mortgagee. The Mortgagor hereby waives notice of presentment, demand, protest, acceleration and notice of acceleration hereunder. In case the Mortgagor shall fail to pay such amounts or any amounts due under the Credit Agreement, the Guaranties or any provision of this Mortgage upon the Mortgagee's demand as required hereunder or thereunder (subject to applicable notice and cure periods, if any), the Mortgagee, in addition to any other rights or remedies provided herein or at law or equity, shall be entitled and empowered to institute an action or proceedings at law or in equity as advised by counsel for the collection of the sums so due and unpaid, to prosecute any such action or proceedings to judgment or final decree, to enforce any such judgment or final decree against the Mortgagor and to collect, in any manner provided by law, all moneys adjudged or decreed to be payable.

Section 4.03. Rights to Take Possession, Operate and Apply Revenues.

(a) If an Actionable Default shall occur and be continuing, the Mortgagor shall, upon demand of the Mortgagee, forthwith surrender to the Mortgagee actual possession of the Encumbered Property and, if and to the extent permitted by applicable law, the Mortgagee itself, or by such officers or agents as it may appoint, may then enter and take possession of all the Encumbered Property with or without the appointment of a receiver or an application therefor, exclude the Mortgagor and its agents and employees wholly therefrom, and have access to the books, papers and accounts of the Mortgagor.

(b) If the Mortgagor shall for any reason fail to surrender or deliver the Encumbered Property or any part thereof after such demand by the Mortgagee, the Mortgagee may obtain a judgment or decree conferring upon the Mortgagee the right to immediate possession or requiring the Mortgagor to deliver immediate possession of the Encumbered Property to the Mortgagee, to the entry of which judgment or decree the Mortgagor hereby specifically consents. The Mortgagor will pay to the Mortgagee, upon demand, all reasonable expenses of obtaining such judgment or decree, including compensation to the Mortgagee's attorneys (for reasonable fees actually incurred (not as imposed by statute)) and agents with interest thereon at the Default Rate; and all such expenses and compensation shall, until paid, be secured by this Mortgage.

(c) If an Actionable Default shall occur and be continuing, the Mortgagee may hold, store, use, operate, manage and control the Encumbered Property, conduct the business thereof and, from time to time, (i) make all necessary, proper and reasonable maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon, (ii) purchase or otherwise acquire additional fixtures, personalty and other property, (iii) insure or keep the Encumbered Property insured, (iv) manage and operate the Encumbered Property and exercise all the rights and powers of the Mortgagor to the same extent as the Mortgagor could in its own name or otherwise with respect to the same or (v) enter into any and

all agreements with respect to the exercise by others of any of the powers herein granted to the Mortgagee, all as may from time to time be directed or determined by the Mortgagee to be in its best interest and to perform any of the foregoing acts. If an Actionable Default shall occur and be continuing, regardless of whether or not the Mortgagee has entered or taken possession, the Mortgagee may collect and receive all the Rents, issues, profits and revenues from the Encumbered Property, including those past due as well as those accruing thereafter, and, after deducting (i) all expenses of taking, holding, managing and operating the Encumbered Property (including compensation for the services of all persons employed for such purposes), (ii) the costs of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions, (iii) the costs of insurance, (iv) such taxes, assessments and other similar charges as the Mortgagee may at its option pay, (v) other proper charges upon the Encumbered Property or any part thereof and (vi) the compensation, expenses and disbursements of the attorneys and agents of the Mortgagee, the Mortgagee shall apply the remainder of the moneys and proceeds so received first to the payment of the Mortgagee for the payment in full and satisfaction of the Finance Obligations, and second, if there is any surplus, to the Mortgagor, subject to the entitlement of others thereto under applicable law.

(d) Whenever, before any sale of the Encumbered Property under Section 4.06 hereof, all Finance Obligations that are then due shall have been paid and all Events of Default fully cured, the Mortgagee will surrender possession of the Encumbered Property back to the Mortgagor, its successors or assigns. The same right of taking possession shall, however, arise again if any subsequent Actionable Default shall occur and be continuing.

Section 4.04. Right to Cure the Mortgagor's Failure to Perform. After the occurrence and during the continuance of an Event of Default, should the Mortgagor fail in the payment, performance or observance of any term, covenant or condition required by this Mortgage, the Credit Agreement, the Guaranties or any other Loan Document (with respect to the Encumbered Property), the Mortgagee may pay, perform or observe the same, and all payments made or costs or expenses incurred by the Mortgagee in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by the Mortgagor to the Mortgagee with interest thereon at the Default Rate. The Mortgagee shall make the determination as to the necessity for any such actions and of the amounts to be paid. Subject to the notice provisions of the first sentence of this Section 4.04, the Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or the Improvements or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without having any obligation to so perform or observe and without thereby becoming liable to the Mortgagor, to any person in possession holding under the Mortgagor or to any other person.

Section 4.05. Right to a Receiver. If an Actionable Default shall occur and be continuing, the Mortgagee, upon application to a court of competent jurisdiction, shall be entitled as a matter of right to the appointment of a receiver to take possession of and to operate the Encumbered Property and to collect and apply the Rents. The Mortgagor hereby consents to such appointment and acknowledges and agrees that the Mortgagee shall be entitled to such appointment without notice and without regard for the adequacy of security for the Finance or the solvency of the Mortgagor or any party liable for the Finance Obligations. The receiver shall have all of the rights and powers permitted under the laws of the state wherein the Encumbered

Property is located. The Mortgagor will pay to the Mortgagee upon demand all expenses, including receiver's fees, reasonable attorneys' fees and disbursements that are actually incurred (not as imposed by statute), costs and agent's compensation incurred pursuant to the provisions of this Section 4.05; and all such expenses shall be secured by this Mortgage and shall be, upon demand, immediately repaid by the Mortgagor to the Mortgagee with interest thereon at the Default Rate.

Section 4.06. Foreclosure and Sale. If an Actionable Default shall occur and be continuing, the Mortgagee may, with or without entry or taking possession as herein permitted, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to specifically enforce payment of some or all of the terms of the Loan Documents or the performance of any term, covenant, condition or agreement of this Mortgage or any other right or (ii) to pursue any other remedy available to it, at law or in equity, all as the Mortgagee shall determine most effectual for such purposes.

Section 4.07. Other Remedies.

(a) In case an Event of Default shall occur and be continuing, the Mortgagee may also exercise, to the extent not prohibited by applicable law, any or all of the remedies available to a secured party under the UCC, including, to the extent not prohibited by applicable law, the following:

(i) in the case of personal property, exercise those rights and remedies under Article VII of the Pledge and Security Agreements;

(ii) to make such payments and do such acts as the Mortgagee may deem necessary to protect its security interest in the Personal Property including paying, purchasing, contesting or compromising any encumbrance, charge or lien that is prior or superior to the security interest granted hereunder, and, in exercising any such powers or authority, paying all expenses incurred in connection therewith; or

(iii) to enter upon any or all of the Premises or Improvements to exercise the beneficiary's rights hereunder.

(b) In connection with a sale of the Encumbered Property and the application of the proceeds of sale as provided in Section 4.08 of this Mortgage, the Mortgagee shall be entitled to enforce payment of and to receive up to the principal amount of the Finance Obligations, plus all other charges, payments and costs due under this Mortgage, and to recover a deficiency judgment for any portion of the aggregate principal amount of the Finance Obligations remaining unpaid, with interest.

Section 4.08. Application of Sale of Proceeds and Rents.

(a) After any foreclosure sale of all or any of the Encumbered Property, Mortgagee shall receive the proceeds of sale and apply the proceeds thereto together with any Rents that may have been collected and any other sums that then may be held by the Mortgagee under this Mortgage for application as provided in Section 8.03 of the Credit Agreement.

(b) It is understood that nothing contained in this Mortgage shall exculpate the Mortgagor as to, or otherwise limit the liability of the Mortgagor for, any deficiency between the amount of the proceeds of the Encumbered Property and the amount of the Finance Obligations, unless otherwise expressly provided in this Mortgage or any of the other Loan Documents.

(c) Except as required by applicable law and subject to the Credit Agreement, the Mortgagee shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Mortgage. Upon any sale of the Encumbered Property by the Mortgagee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Mortgagee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Encumbered Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Mortgagee or such officer or be answerable in any way for the misapplication thereof.

Section 4.09. The Mortgagor as Tenant Holding Over. If the Mortgagor remains in possession of any of the Encumbered Property after any foreclosure sale by the Mortgagee without the prior written consent of the Mortgagee, at the Mortgagee's election the Mortgagor shall be deemed a tenant holding over and shall forthwith surrender possession to the purchaser or purchasers at such sale or be summarily dispossessed or evicted according to provisions of law applicable to tenants holding over.

Section 4.10. Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws.

(a) The Mortgagor will not object to any sale of the Encumbered Property pursuant hereto, and for itself and all who may claim under it, the Mortgagor waives, to the extent that it lawfully may, all right to have the Encumbered Property marshaled or to have the Encumbered Property sold as separate estates, parcels, tracts or units in the event of any foreclosure of this Mortgage.

(b) To the full extent permitted by the law of the state wherein the Encumbered Property is located or other applicable law, neither the Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension, homestead-exemption or redemption laws now or hereafter in force in order to prevent or hinder the enforcement or foreclosure of this Mortgage, the absolute sale of the Encumbered Property or the final and absolute putting of the purchasers into possession thereof immediately after any sale; and the Mortgagor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully do so, the benefit of all such laws and any and all right to have the assets covered by the security interest created hereby marshaled upon any foreclosure of this Mortgage.

Section 4.11. Discontinuance of Proceedings. In case the Mortgagee shall proceed to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall be discontinued or abandoned for any reason, or shall be determined adversely to the Mortgagee, then and in every such case the Mortgagor and the

Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Mortgagee shall continue as if no such proceeding had been taken.

Section 4.12. Suits to Protect the Encumbered Property. The Mortgagee shall have power (i) to institute and maintain suits and proceedings to prevent any impairment of the Encumbered Property by any acts which may be unlawful or in violation of this Mortgage, (ii) to preserve or protect its interest in the Encumbered Property and in the Rents arising therefrom and (iii) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of or compliance with such enactment, rule or order would impair the security or be prejudicial to the interest of the Mortgagee hereunder.

Section 4.13. Filing Proofs of Claim. In case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting the Mortgagor, the Mortgagee shall, to the extent permitted by applicable law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Mortgagee allowed in such proceedings for the Finance Obligations secured by this Mortgage at the date of the institution of such proceedings and for any interest accrued, late charges and additional interest or other amounts due or that may become due and payable hereunder after such date.

Section 4.14. Possession by the Mortgagee. Notwithstanding the appointment of any receiver, liquidator or trustee of the Mortgagor, any of its property or the Encumbered Property, the Mortgagee shall be entitled, to the extent not prohibited by applicable law, to remain in possession and control of all parts of the Encumbered Property now or hereafter granted under this Mortgage in accordance with the terms hereof and applicable law.

Section 4.15. Waiver.

(a) No delay or failure by the Mortgagee to exercise any right, power or remedy accruing upon any breach or Event of Default shall exhaust or impair any such right, power or remedy or be construed to be a waiver of any such breach or Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to the Mortgagee may be exercised from time to time and as often as may be deemed expedient by the Mortgagee. No consent or waiver by the Mortgagee to or of any breach or default by the Mortgagor in the performance of the Finance Obligations shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or any other Finance Obligations by the Mortgagor hereunder. No failure on the part of the Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall constitute a waiver by the Mortgagee of its rights hereunder or impair any rights, powers or remedies consequent on any future Event of Default by the Mortgagor.

(b) Even if the Mortgagee (i) grants some forbearance or an extension of time for the payment of any sums secured hereby, (ii) takes other or additional security for the payment of any sums secured hereby, (iii) waives or does not exercise some right granted herein or under the Collateral Documents, (iv) releases a part of the Encumbered Property from this

Mortgage, (v) agrees to change some of the terms, covenants, conditions or agreements of any of the Collateral Documents, (vi) consents to the filing of a map, plat or replat affecting the Premises, (vii) consents to the granting of an easement or other right affecting the Premises or (viii) makes or consents to an agreement subordinating the Mortgagee's lien on the Encumbered Property hereunder; no such act or omission shall preclude the Mortgagee from exercising any other right, power or privilege herein granted or intended to be granted in the event of any breach or Event of Default then made or of any subsequent default; nor, except as otherwise expressly provided in an instrument executed by the Mortgagee, shall this Mortgage be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or part of the Encumbered Property, the Mortgagee is hereby authorized and empowered to deal with any vendee or transferee with reference to the Encumbered Property secured hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.

Section 4.16. Remedies Cumulative. No right, power or remedy conferred upon or reserved to the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, and each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

ARTICLE V
MISCELLANEOUS

Section 5.01. Partial Invalidity. If any provision hereof or of any of the other Loan Documents is invalid or unenforceable in any jurisdiction or under any circumstances, the other provisions hereof or of those Loan Documents shall remain in full force and effect in such jurisdiction and the remaining provisions hereof will be liberally construed in favor of the Mortgagee in order to carry out the provisions hereof and of such other Loan Documents. The invalidity of any provision of this Mortgage in any jurisdiction or under any circumstances will not affect the validity or enforceability of any such provision in any other jurisdiction or under any other circumstances. If any lien, encumbrance or security interest evidenced or created by this Mortgage is invalid or unenforceable, in whole or in part, as to any part of the Finance Obligations, or is invalid or unenforceable, in whole or in part, as to any part of the Encumbered Property, such portion, if any, of the Finance Obligations as is not secured by all of the Encumbered Property hereunder shall be paid prior to the payment of the portion of the Finance Obligations and shall, unless prohibited by applicable laws or unless Mortgagee, in its sole and absolute discretion, otherwise elects, be deemed to have been first paid on and applied to payment in full of the unsecured or partially secured portion of the Finance Obligations, and the remainder to the secured portion of the Finance Obligations.

Section 5.02. Notices. Subject to Section 10.02 of the Credit Agreement, unless otherwise specified herein or except with respect to any notice required under, and sent in compliance with, the Iowa Code Chapter 654 and Chapter 655A and/or the UCC, which such notices shall be deemed received as and when provided, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows:

(a) To the Mortgagee:

Bank of America, N.A.
101 S. Tryon Street
Mail Code: NC1-002-15-36
Charlotte, North Carolina 28255
Attention: Kimberly D. Williams

with a copy (which shall not constitute notice) to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004
Attention: Brian D. Murphy
Fax: (212) 859-4000

(b) To the Mortgagor:

2211 York Road
Suite 320
Oak Brook, IL 60523

with a copy (which shall not constitute notice) to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Thomas V. de la Bastide III
Fax: (212) 492-0031

Each such notice, demand, request and other communication shall be effective if given pursuant to Section 10.02 of the Credit Agreement.

Section 5.03. Successors and Assigns. The Mortgagee shall have the right to assign or transfer its rights under this Mortgage as permitted pursuant to Section 10.06(b) of the Credit Agreement. Any assignee or transferee shall be entitled to all the benefits afforded the Mortgagee under this Mortgage.

Section 5.04. Mortgagee.

(a) The provisions of Article IX of the Credit Agreement shall inure to the benefit of the Mortgagee in respect of this Mortgage and shall be binding upon the parties to the Credit Agreement and upon the parties hereto in such respect. In furtherance and not in derogation of the rights, privileges and immunities of the Mortgagee therein set forth:

(i) The Mortgagee is authorized to take all such action as is provided to be taken by it as Mortgagee hereunder and all other action reasonably incidental thereto. As to any matters not expressly provided for herein (including, without limitation, the timing

and methods of realization upon the Encumbered Property) the Mortgagee shall act or refrain from acting in accordance with written instructions from the Required Lenders or, in the absence of such instructions, in accordance with its discretion.

(ii) The Mortgagee shall not be responsible for the existence, genuineness or value of any of the Encumbered Property or for the validity, perfection, priority or enforceability of the security interests in any of the Encumbered Property, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder unless such action or omission constitutes gross negligence or willful misconduct. The Mortgagee shall have no duty to ascertain or inquire as to the performance or observance of any of the terms of this Mortgage by the Mortgagee or any other Loan Party.

(b) To the extent permitted under the Credit Agreement, at any time or times, in order to comply with any legal requirement in any jurisdiction, the Mortgagee may appoint another bank or trust company or one or more other persons, either to act as co-agent or co-agents, jointly with the Mortgagee, or to act as separate agent or agents on behalf of the Secured Parties with such power and authority as may be necessary for the effectual operation of the provisions hereof and may be specified in the instrument of appointment (which may, in the discretion of the Mortgagee, include provisions for the protection of such co-agent or separate agent similar to the provisions of Section 5.04(a)). Notwithstanding any such appointment but only to the extent not inconsistent with such legal requirements or, in the reasonable judgment of the Mortgagee, not unduly burdensome to it or any such co-agent, the Mortgagor shall, so long as no Event of Default shall have occurred and be continuing, be entitled to deal solely and directly with the Mortgagee rather than any such co-agent in connection with the Mortgagee's rights and obligations under this Agreement.

(c) If the Mortgagor fails to comply with the provisions of this Mortgage, the Guaranties or any other Loan Document, such that the validity, perfection, or rank of any security interest or lien on the Encumbered Property is thereby diminished or potentially diminished or put at risk, the Mortgagee may, but shall not be required to, effect such compliance on behalf of the Mortgagor, and the Mortgagor shall reimburse the Mortgagee for the costs hereof on demand. All insurance expenses and all reasonable expenses of protecting, preserving, appraising, insuring, and maintaining the Premises and other Encumbered Property, reasonable expenses of conducting any additional title examinations requested by the Mortgagee, any and all excise, property, sales and use taxes imposed by any state, federal or local authority on any of the Encumbered Property, or in respect of periodic appraisals and inspections of the Encumbered Property to the extent the same may be requested by the Mortgagee or in respect of the sale or other disposition thereof shall be borne and paid by the Mortgagor. If the Mortgagor fails to promptly pay any portion thereof when due, the Mortgagee may, at its option, but shall not be required to, pay the same and charge the Mortgagor's account therefor, and the Mortgagor agrees to reimburse the Mortgagee therefor on demand. All sums so paid or incurred by the Mortgagee for any of the foregoing and any and all other sums for which the Mortgagor may become liable hereunder and all costs and expenses (including attorneys' fees, legal expenses and court costs) reasonably incurred by the Mortgagee in enforcing or protecting the security interests and liens granted hereunder or any of its rights or remedies under this Mortgage, shall,

together with interest thereon until paid at the Default Rate, be additional Finance Obligations hereunder.

(d) The Mortgagor agrees (i) to pay or reimburse the Mortgagee for all reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Mortgage and any amendment, waiver, consent or other modification of the provisions hereof (whether or not the transactions contemplated hereby are consummated), and the consummation of the transactions contemplated hereby, including all reasonable fees, disbursements and other charges of Blank Rome LLP, counsel for the Mortgagee, (ii) to pay or reimburse the Mortgagee and the other Secured Parties for all "stamp", transfer, UCC filing, mortgage filing or similar taxes which the Mortgagee or any Secured Party may be required to pay by reason of the security interests granted in the Encumbered Property (including any applicable transfer taxes) or to free any of the Encumbered Property from the lien thereof and (iii) to pay or reimburse Mortgagee, any representative of one or more Hedge Banks and each other Secured Party for all reasonable costs and expenses incurred in connection with the enforcement, attempted enforcement or preservation of any rights and remedies under this Mortgage (including all such costs and expenses incurred during any "workout" or restructuring in respect of the Finance Obligations and during any legal proceeding, including any proceeding under any Debtor Relief Law), including all reasonable fees and disbursements of counsel (including the allocated charges of internal counsel); provided that the Mortgagor shall not be required to reimburse the legal fees and expenses of more than one outside counsel (in addition to any special counsel and up to one local counsel in each applicable local jurisdiction) for all Persons indemnified under this clause (iii) unless, in the written opinion of outside counsel reasonably satisfactory to the Mortgagor and the Mortgagee, representation of all such indemnified persons would be inappropriate due to the existence of an actual or potential conflict of interest. The foregoing costs and expenses shall include all reasonable search, filing, recording, title insurance and appraisal charges and fees and "stamp", transfer, UCC filing, mortgage filing or similar taxes related thereto, and other reasonable out-of-pocket expenses incurred by the Mortgagee and the costs of independent public accountants and other outside experts retained by or on behalf of the Mortgagee and the Secured Parties. The agreements in this paragraph (d) shall survive the termination of the Revolving Commitments and repayment of all Finance Obligations.

(e) Any amounts paid by any Indemnitee as to which such Indemnitee has the right to reimbursement shall constitute Finance Obligations. The indemnity obligations of the Mortgagor contained in this Section 5.04 shall continue in full force and effect notwithstanding the full payment of all Notes issued under the Credit Agreement and all of the other Finance Obligations and notwithstanding the acquisition by the Mortgagee of the Encumbered Property or any portion thereof at foreclosure or by deed in lieu of foreclosure.

Section 5.05. Satisfaction and Cancellation.

(a) The conveyance to the Mortgagee of the Encumbered Property as security and for the benefit of the Mortgagee created and consummated by this Mortgage shall be null and void when all the Finance Obligations (other than contingent liabilities that, by their nature, may accrue after principal and interest on the Loans have been repaid in full and after all

Revolving Commitments terminate) have been repaid in accordance with the terms of the Loan Documents and the Revolving Commitments have been terminated.

(b) In connection with any termination or release pursuant to paragraph (a) to the extent applicable, this Mortgage shall be marked "satisfied" by the Mortgagee, and this Mortgage shall be released of record at the request and at the expense of the Mortgagor. The Mortgagee shall execute any documents reasonably requested by the Mortgagor to accomplish the foregoing or to accomplish any release contemplated by this Section 5.05, and the Mortgagor will pay all reasonable costs and expenses, including reasonable attorneys' fees and disbursements actually incurred (not as imposed by statute) by the Mortgagee in connection with the preparation and execution of such documents.

Section 5.06. Other Loan Documents. The Mortgagor acknowledges that in addition to this Mortgage, other Loan Documents secure the Finance Obligations. The Mortgagor agrees that the lien of this Mortgage shall be absolute and unconditional and, without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by the Mortgagee of any security for or guarantees of any of the Finance Obligations hereby secured, or by any failure, neglect or omission on the part of the Mortgagee to realize upon or protect any Finance Obligation hereby secured or any collateral security therefor including the other Loan Documents. The lien hereof shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Finance Obligations or of any of the collateral security therefor, including the other Loan Documents or of any guarantee thereof, and the Mortgagee may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the other Loan Documents without first exercising or enforcing any of its rights and remedies hereunder. Such exercise of the Mortgagee's rights and remedies under any or all of the other Loan Documents shall not in any manner impair the Finance Obligations or the lien of this Mortgage and any exercise of the rights or remedies of the Mortgagee hereunder shall not impair the lien of any of the other Loan Documents or any of the Mortgagee's rights and remedies thereunder. The undersigned specifically consents and agrees that the Mortgagee may exercise its rights and remedies hereunder and under the other Loan Documents separately or concurrently and in any order that it may deem appropriate, and the undersigned waives any rights of subrogation. In the event of a conflict between the terms and provisions of this Mortgage and the Credit Agreement, both documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of a conflict that cannot be so resolved, the terms and provisions of the Credit Agreement shall control and govern.

Section 5.07. Liability. If Mortgagor consists of more than one person or party, the obligations and liabilities of each such person or party hereunder shall be joint and several.

Section 5.08. Subrogation. This Mortgage is made with full substitution and subrogation of Mortgagee in and to all covenants and warranties by others heretofore given or made in respect of the Encumbered Property or any part thereof. To the extent that proceeds of the Finance Obligations are used to pay any outstanding lien, charge or prior encumbrance against the Encumbered Property, such proceeds have been or will be advanced by Mortgagee at Mortgagor's request, and Mortgagee shall be subrogated to any and all rights and liens held by

any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether those liens, charges or encumbrances are released.

Section 5.09. Mortgagee Powers. Without affecting the liability of any other Person liable for the payment of any obligations herein mentioned and without affecting the lien or charge of this Mortgage upon any portion of the Encumbered Property not then or theretofore released as security for the full amount of all unpaid Finance Obligations, from time to time, regardless of consideration and without notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Encumbered Property, the Mortgagee or any of the Lenders may (i) release any persons liable for or on any Finance Obligation, (ii) extend the maturity or alter any of the terms of any Finance Obligation, (iii) modify the interest rate payable on the principal balance of the Finance Obligations, (iv) grant other indulgences, (v) release or reconvey, or cause to be released or reconveyed at any time at the Mortgagee's option any parcel, portion or all of the Encumbered Property, (vi) take or release any other or additional security for any obligations herein mentioned or (vii) make compositions or other arrangements with debtors in relation thereto.

Section 5.10. Enforceability of Mortgage. This Mortgage is deemed to be and may be enforced from time to time as an assignment, chattel mortgage, contract, mortgage, deed to secure debt, deed of trust, financing statement, real estate mortgage or security agreement, and from time to time as any one or more thereof, as is appropriate under applicable laws. A carbon, photographic or other reproduction of this Mortgage or any financing statement in connection herewith shall be sufficient as a financing statement for any and all purposes.

Section 5.11. Amendments. No amendment, modification or waiver of any provision of this Mortgage and no consent to any departure by the Mortgagor therefrom shall in any event be effective unless the same shall be in writing and shall be executed and delivered in accordance with Section 10.01 of the Credit Agreement, and then such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 5.12. Applicable Law. THE PROVISIONS OF THIS MORTGAGE RELATING TO THE CREATING, VALIDITY, PERFECTION, NATURE OF OR ENFORCEMENT AND FORECLOSURE OF THE LIENS AND SECURITY INTERESTS IN FIXTURES GRANTED IN THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE WHERE THE LAND IS LOCATED WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF. EXCEPT AS SET FORTH IN THE IMMEDIATELY PRECEDING SENTENCE, MORTGAGOR EXPRESSLY ACKNOWLEDGES THAT THIS MORTGAGE SHALL OTHERWISE BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

Section 5.13. Waiver of Jury Trial. MORTGAGOR AND MORTGAGEE HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND FOREVER WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH

REGARD TO THE NOTES, THIS MORTGAGE, OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY MORTGAGOR AND MORTGAGEE, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. MORTGAGOR AND MORTGAGEE ARE HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY THE OTHER.

Section 5.14. Redemption. In the event the waiver of the right of redemption contained in this Mortgage is not effective for any reason and foreclosure of this Mortgage and of the sale of the Encumbered Property by Sheriff's sale in said foreclosure proceeding, Mortgagor hereby agrees:

(a) If the Encumbered Property covers less than ten (10) acres and Mortgagee waives in the foreclosure action any rights to a deficiency judgment against Mortgagor, the redemption period shall be reduced to six (6) months, consistent with the provisions of Section 628.26, Code of Iowa, or any revision or successor thereof;

(b) If the Encumbered Property covers less than ten (10) acres, the Court in the foreclosure action affirmatively finds that such Encumbered Property has been abandoned by the owners and those persons personally liable thereunder at the time of such foreclosure, and Mortgagee waives in the foreclosure action any rights to a deficiency judgment against Mortgagor, the redemption period shall be reduced to sixty (60) days, consistent with the provisions of Section 628.27, Code of Iowa, or any revision or successor thereof; and

(c) If the Encumbered Property is not used for agricultural purposes, as defined in Iowa Code Section 535.13, and is either not the residence of the Mortgagor or owner, or is such a residence but is not a single family or a two family dwelling, and Mortgagee waives its right to a deficiency judgment in the foreclosure action, the redemption period shall be reduced to ninety (90) days, consistent with the provisions of Section 628.28, Code of Iowa, or any revision or successor thereof.

Section 5.15. Surrender of Note. In the event of foreclosure of this Mortgage, Mortgagor hereby agrees that the Iowa District Court may, and requests such Court to, enter a special order directing the Clerk of the Court to enter and record the judgment contained in the foreclosure decree on the Credit Agreement or Note secured by this Mortgage without requiring that the Credit Agreement or the Note be first filed with the Clerk of Court for cancellation. The Mortgagor further agrees, because the Credit Agreement secured by this Mortgage is also secured by other collateral and will be necessary for any realization upon such collateral, that notwithstanding Iowa Rule of Civil Procedure 1.961, as presently enacted or as hereinafter amended or replaced, the Clerk of Court may, in the event of foreclosure of this Mortgage, enter and record the judgment contained in the foreclosure decree on the Credit Agreement or the Note secured by this Mortgage without requirement that the Credit Agreement or the Note be first filed with the Clerk of Court for cancellation.

Mortgagor warrants the Encumbered Property is not used for agricultural purposes as defined in Iowa Code Section 535.13 or 570A.1(2) and is not agricultural land or agricultural property as defined in Iowa Code Section 9I.1 or 175.2. Mortgagor further warrants the Encumbered Property is not a one family or two family dwelling.

The Mortgagor herein acknowledges receipt of a copy of this Mortgage.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, this Mortgage has been duly authorized and has been executed and delivered, under seal, to the Mortgagee by the Mortgagor on the date first above written.

PALADIN BRANDS GROUP, INC.

By: _____
Name: Steve Klyn
Title: Chief Financial Officer

STATE OF ILLINOIS, COUNTY OF DuPage

This instrument was acknowledged before me on November 20, 2013, by Steve Klyn as Chief Financial Officer of Paladin Brands Group, Inc.

Summer H. Ugel
Summer H. Ugel, Notary Public

OFFICIAL SEAL
SUMMER H UGEL
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-10-2016

Exhibit A

Legal Description

Real property in the City of Delhi, County of Delaware, State of Iowa, described as follows:

Tract A:
Lots Five (5), Six (6) and Seven (7), Block Sixteen (16), and Lots One (1), Two (2), Three (3), Four (4), Seven (7), Eight (8), Nine (9) and Ten (10), Block Eighteen (18), Delhi, Iowa and that part of vacated Sixth Street in said Town of Delhi, Iowa lying South of the extended center line of Gay Street and North of the railroad right-of-way, according to plat recorded in Book A L.D., Pages 128-129; and that part of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section Seventeen (17), Township Eighty Eight (88) North, Range Four (4), West of the Fifth P.M.described as commencing at the intersection of the center line of Gay Street with the West line of Sixth Street in the Town of Delhi, Iowa, and running thence West to the East line of Anamosa and Garnavillo State Road, thence Southwesterly along said road to the North Line of the railroad right-of-way, thence Southeasterly along said railroad right-of-way to its intersection with the West line of said Sixth Street, thence North to the point of beginning, except that part described as commencing at the intersection to the North line of the railroad right-of-way with the East line of the Anamosa and Garnavillo State Road and running thence Southeasterly along said railroad right-of-way two hundred fifty (250.0) feet, thence Northwesterly to a point on the East line of said Anamosa and Garnavillo State Road which is one hundred seventy five (175.0) feet from the point of beginning, thence Southwesterly along the East line of said road one hundred seventy five (175.0) feet to the point of beginning; and Lot One (1) of the Subdivision of the Northwest part of the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Twenty (20), Township Eighty Eight (88) North, Range Four (4), West of the Fifth P.M., according to plat recorded in Book A Plats, Page 49; also Fifth Street between the South side of Market Street and the North side of Gay Street, and Fifth Street between the South side of Gay Street and the North side of South Street, and South Street between the East line of Fifth Street and the West line of Sixth Street and the alley in Block Eighteen (18); all in Delhi, Iowa, according to plat recorded in Book A L.D., Pages 128-129, all in Delaware County, Iowa, Except Parcel AA, a part of Lot 7, Block 16, Original Town of Delhi, Delaware County, Iowa, according to the Plat of Survey recorded in Book 2010, Page 1686.

Tract B:
Parcel I, Part of the NE 1/4 of the NW 1/4, Section 20; Parcel 3, Part of the NW 1/4 of the NE 1/4, Section 20; Parcel K, Part of Lot 2 of the Sub. of the NW 1/4 of the NE 1/4, Section 20; Parcel H, Part of Parcel G in Sections 17 and 20; all in Township 88 North, Range 4 West of the Fifth P.M., City Delhi, Delaware County, Iowa, according to plat recorded in Book 2000, Page 506, except Parcel O, Part of Parcel H in Section 17 and 20, Township 88 North, Range 4 West of the Fifth P.M., City of Delhi, Delaware County, Iowa, according to plat recorded in Book 2000, Page 1290; also Parcel N, Part of the SE 1/4 of the SW 1/4 of Section 17 and Part of the NE 1/4 of the NW 1/4 of Section 20, all in Township 88 North, Range 4 West of the Fifth P.M., City of Delhi, Delaware County, Iowa, according to plat recorded in Book 2000, page 880; and also Parcel C, Part of the SE 1/4 of the SW 1/4 of Section 17, Township 88 North, Range 4 West of the Fifth P.M.,

City of Delhi, Delaware County, Iowa, according to plat recorded in Book 2000, Page 1290.

Tract C:
Parcel Q in the Southeast Quarter of the Southwest Quarter of Section 17, Township 88 North, Range 4, West of the 5th P.M. and Parcel S in the Northeast Quarter of the Northwest Quarter of Section 20, Township 88 North, Range 4 West of the 5th P.M., all in the City of Delhi, Delaware County, Iowa, according to the plat recorded in Book 2004, Page 2484.

Exhibit B

Permitted Encumbrances

SCHEDULE B

File No.: **NCS-623407IA1NY** Policy No.: **623407IA1**

EXCEPTIONS FROM COVERAGE

PART I

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Real estate taxes for the second half of fiscal year 2012/2013, payable in 2013/2014, a lien not yet due and payable.

2. Special assessments hereafter levied.

3. Rights of tenants under leases, as tenants only pursuant to the terms of their respective leases with no rights of first refusal or purchase options.

4. Plat of Survey dated February 14, 2000, recorded February 14, 2000, in Book 2000, Page 480, as shown on the Survey. (Affects Tract A)

5. Memorandum of Agreement for Private Redevelopment dated October 20, 1995, recorded October 24, 1995, in Book 6, Misc., Page 11, by and between the City of Delhi, Iowa and ATI Incorporated. (Affects Tract A)

   Amended by unrecorded First Amendment to Agreement for Private Redevelopment dated October 2, 2000.

6. Plat of Survey dated December 29, 1995, recorded January 10, 1996, in Book 7, Plats, Page 166, as shown on the Survey. (Affects Tract A)

7. Easement for public utilities purposes, in favor of the City of Delhi, Iowa, as contained in the Public Utility Easement dated February 27, 2003, recorded March 10, 2003, in Book 2003, Page 1055, as shown on the Survey. (Affects Tract A)

8. Amended and Restated Urban Renewal Plan for the Delhi Economic Development District as provided by by Resolution No. 17-2000, dated August 8, 2000, recorded August 15, 2000, in Book 2000, Page 2456.

   Amended by Amendment No. 1 to the Amended and Restated Urban Renewal Plan for the Delhi Economic Development District as provided in Resolution No. 12-2003, dated November 11, 2003, recorded May 17, 2004, in Book 2004, Page 1691.

9. Rights of the public to use County Road X31/230th Avenue as disclosed by plat of survey, dated October 8, 2003, made by TeKippe Engineering, P.C., Project No. 03188.LS, as shown on the Survey.

10. Easement for ingress and egress purposes, as contained in the Quit Claim Deed dated September 14, 2000, recorded September 21, 2000, in Book 2000, Page 2818, as shown on the Survey.

11. Any facts, rights, interests or claims that may exist or arise by reason of the following matters disclosed by an ALTA/ACSM survey made by Bock & Clark's National Surveyors Network on September 23, 2013 and last revised November 8, 2013, designated Job Number 201302166-001:
(a) Asphalt parking and parking spaces encroach into Gay Street and Market Street.
(b) Building encroaches into 20' zoning setback line.
(c) Overhead electric line encroaches onto adjoining property to the south.
(d) Corrugated metal pipe and reinforced concrete pipe encroach onto adjoining property to the west without the benefit of a recorded easement.
(e) Rights of others to the creek which crosses easterly portions of the property.

The Company insurers against loss or damage sustained by the insured by reason of a final court order or judgment requiring the removal of items (a) and (b) above.

Exhibit C

Material Agreements

Agreement for Private Redevelopment dated October 20, 1995, by and between the City of Delhi, Iowa and ATI Incorporated, as amended by the First Amendment to Agreement for Private Redevelopment dated October 2, 2000.