MIAS
ECONO-PAY AGREEMENT FOR
MONTGOMERY WARD CATALOG
SALES AGENCY TO BE USED FOR
...Display Merchandise
...Fixtures and Equipment

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8-13-1979
4:44PM

Prepare in Triplicate:
Original to Catalog House
1 copy to District Manager
1 copy to Sales Agent

Winterset, Iowa #6020

Montgomery Ward & Co., Incorporated

Kansas City, Missouri
(Catalog House Location)

June 13, 1977
(Date)

In order to obtain financing for the value of certain merchandise (Display Merchandise) and certain Fixtures and Equipment sold to me by Montgomery Ward & Co., Incorporated, I agree to the following regarding all such purchases:

1. With respect to Display Merchandise financed by you, I promise to pay to your order, upon demand, the total amount advanced from time to time by you, with interest thereon at the rate of 7 1/2 % per annum. All payments of interest will be made weekly on the total amount advanced, as shown on my Sales Agency Sales and Commission Statement, commencing immediately, and continuing until such amount is paid in full.

2. With respect to Fixtures and Equipment financed by you, as shown on Exhibit C of the Catalog Sales Agency Agreement, I promise to pay to your order $ -0- in monthly payments of -0-, plus interest monthly at the rate of -0- % per annum, with the first payment commencing immediately, and continuing until the total amount advanced is paid in full.

3. It is understood and agreed that the interest rates on Display Merchandise may be changed from time to time by you and in such event, you will notify me of the new rate and the date this rate will become effective. Such change in rate shall not be in excess of the prime rate plus 1%.

4. In consideration of the amounts advanced from time to time by you, I hereby grant you as security for all my debts and obligations, presently existing or that may arise in the future, under this or any other Agreement between us, a security interest in all the Display Merchandise, described in the Sales Agency Monthly Report of Display Merchandise, Form No. 30031, and in all the Fixtures and Equipment, described in Exhibit C of the Catalog Sales Agency Agreement, and in any other equipment and replacement parts used or intended for use in conjunction therewith and in all proceeds of sale or other disposition of all the aforementioned merchandise, Fixtures and Equipment, until my entire indebtedness to you, whether now or hereafter arising, is paid in full.

5. So long as I am not in default under any of my obligations under this Agreement or otherwise, I shall have the right to sell all Display Merchandise financed hereunder in the normal course of business. I will, on or before the tenth day of each fiscal month, submit to you a report setting forth the total dollar value, by merchandise article number, of Display Merchandise on hand as of the end of the preceding fiscal month. You, or any of your authorized agents, shall have the right at all reasonable times to inspect the Display Merchandise, Fixtures and Equipment financed by you and to make extracts from the books and records relating

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to such Display Merchandise, Fixtures and Equipment. I will keep the Display Merchandise and Fixtures and Equipment insured for their full value against all risk of loss or damage.

6. In the event that (i) I fail to pay when due any amount owing and payable on any advance made by you hereunder or on any other indebtedness of mine, (ii) I shall fail to observe or perform any of the provisions of this Agreement, (iii) the Catalog Sales Agency Agreement between myself and Wards is terminated, (iv) any voluntary petition in bankruptcy shall be filed by me, or an involuntary petition in bankruptcy shall be filed against me, or a receiver shall be appointed for me or my property, or should I enter into an assignment for the benefit of my creditors, (v) I shall encumber or permit the encumberance of any of the Display Merchandise, Fixtures or Equipment by anyone not a party to this Agreement, I shall be in default hereunder. Upon such default, all indebtedness secured hereby shall, at your option, become immediately due and payable, without notice to me, and you may proceed to enforce payment and to exercise any or all of the rights and remedies afforded to you by law. I agree that you may at any time voluntarily enter and re-enter the premises where the Display Merchandise and Fixtures and Equipment are located in order to repossess same in the event of my default hereunder. I further agree that the items listed by me on my latest Sales Agency Monthly Report of Display Merchandise, Form No. 30031, together with the additional items of Display Merchandise acquired by me thereafter from you under this Agreement, and the Fixtures and Equipment listed on Exhibit C of the Catalog Sales Agency Agreement, shall be repossessed by you in the event of default hereunder. I agree to pay reasonable attorneys' fees incurred by you in enforcing your rights and remedies after default under this Agreement. If more than one person signs this Agreement, the obligation shall be joint and several.

7. This Agreement may not be assigned by me without your prior written consent. Except as limited by the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, legal representatives, successors and assigns.

8. No modification or amendments of any of the terms of this Agreement shall be valid or binding unless made in writing and signed by me and by an officer of Montgomery Ward.

Norman Gordon — 64 Court Street — Winterset, Iowa

Signature of Agent — Street Address — City, State

Norman Gordon

Charlotte Gordon

Charlotte Gordon

Accepted by Montgomery Ward & Co., Incorporated

By B. Sims

Title Catalog General Manager