FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

09-19-2000

U.S. Department of Commerce
Patent and Trademark Office
**TRADEMARK**

101462952

MRO 9.5.00

# RECORDATION FORM COVER SHEET
# TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

## Submission Type

- [X] New
- [ ] Resubmission (Non-Recordation) Document ID #
- [ ] Correction of PTO Error Reel # Frame #
- [ ] Corrective Document Reel # Frame #

## Conveyance Type

- [ ] Assignment
- [ ] License
- [X] Security Agreement
- [ ] Nunc Pro Tunc Assignment
- [ ] Merger
- [ ] Change of Name
- [ ] Other

Effective Date Month Day Year: 07282000

## Conveying Party

[ ] Mark if additional names of conveying parties attached

Execution Date Month Day Year: 07282000

Name: Team Tires Plus, Ltd.

Formerly:

[ ] Individual [ ] General Partnership [ ] Limited Partnership [X] Corporation [ ] Association

[ ] Other

[ ] Citizenship/State of Incorporation/Organization: Minnesota

## Receiving Party

[ ] Mark if additional names of receiving parties attached

Name: Bank of America, N.A., as Agent

DBA/AKA/TA:

Composed of:

Address (line 1): 101 N. Tryon Street, NC1-001-15-04

Address (line 2):

Address (line 3): Charlotte (City) NC (State/Country) 28255 (Zip Code)

[ ] Individual [ ] General Partnership [ ] Limited Partnership

[ ] Corporation [ ] Association

[X] Other: National Association

[ ] Citizenship/State of Incorporation/Organization:

[ ] If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. *(Designation must be a separate document from Assignment.)*

09/18/2000 MTHAI1 00000229 2295087

01 FC:481 40.00 OP
02 FC:482 300.00 OP

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments , Washington, D.C. 20231

## Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name: R. Malloy McKeithen, Esq.

Address (line 1): Smith Helms Mulliss & Moore, L.L.P.

Address (line 2): 201 North Tryon Street

Address (line 3): Charlotte, North Carolina 28202

Address (line 4):

## Correspondent Name and Address

Area Code and Telephone Number: 704-343-2104

Name: Terry L. Witcher, Legal Assistant

Address (line 1): Smith Helms Mulliss & Moore, L.L.P.

Address (line 2): 201 North Tryon Street

Address (line 3): Charlotte, North Carolina 28202

Address (line 4):

## Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 45

## Trademark Application Number(s) or Registration Number(s)

[X] Mark if additional numbers attached

*Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).*

| Trademark Application Number(s) | | | Registration Number(s) | | |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |

## Number of Properties

Enter the total number of properties involved. # 13

## Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 340.00

Method of Payment: Enclosed [X] Deposit Account [ ]

Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes [ ] No [ ]

## Statement and Signature

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.*

R. Malloy McKeithen — Name of Person Signing

R. Malloy McKeithen — Signature

8/25/00 — Date Signed

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Expires 06/30/99
OMB 0651-0027

# RECORDATION FORM COVER SHEET
# CONTINUATION
# TRADEMARKS ONLY

U.S. Department of Commerce
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TRADEMARK

## Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name: Team Tires Plus, Ltd.

Formerly:

☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association

☐ Other:

☐ Citizenship State of Incorporation/Organization: Minnesota

## Receiving Party

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name: Bank of America, N.A., as Agent

DBA/AKA/TA:

Composed of:

Address (line 1): 101 N. Tryon Street, NC1-001-15-04

Address (line 2):

Address (line 3): Charlotte (City) NC (State/Country) 28255 (Zip Code)

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☒ Other: National Association

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached *(Designation must be a separate document from the Assignment.)*

☐ Citizenship/State of Incorporation/Organization:

## Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

*Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).*

| Trademark Application Number(s) | | | Registration Number(s) | | |
|---|---|---|---|---|---|
| | | | 2295087 | 1537813 | |
| | | | 2292064 | 1440305 | |
| | | | 2351166 | 1237623 | |
| | | | 2002103 | 1896430 | |
| | | | 2288560 | 1757155 | |
| | | | 2288559 | 2292065 | |
| | | | 2336129 | | |

# SECURITY AGREEMENT

**THIS SECURITY AGREEMENT** (this "Security Agreement") is made and entered into as of July 28, 2000 by **EACH OF THE UNDERSIGNED** (each a "Grantor" and collectively the "Grantors"), and **BANK OF AMERICA, N.A.**, a national banking association, as Agent (the "Agent") for each of the lenders (the "Lenders", and collectively, with the Agent, the "Secured Parties") now or hereafter party to the Credit Agreement (as defined below). All capitalized terms used but not otherwise defined herein shall have the respective meanings assigned thereto in the Credit Agreement (as defined below).

## WITNESSETH:

**WHEREAS**, the Secured Parties have agreed to provide to Morgan Tire & Auto, Inc. (the "Borrower") certain credit facilities, including a term loan facility and a revolving credit facility with a swing line and letter of credit sublimit pursuant to the terms of that certain Credit Agreement dated as of December 20, 1999, as amended, among the Borrower, Morgan Equity Investors, Inc., the Agent and the Lenders (as from time to time amended, supplemented or replaced, the "Credit Agreement"); and

**WHEREAS**, as collateral security for payment and performance of its Obligations, the Borrower has granted to the Agent for the benefit of the Secured Parties a security interest in all of its personal property and assets pursuant to the terms of the Security Agreement dated December 20, 1999; and

**WHEREAS**, each Grantor (each a "Guarantor", and collectively, the "Guarantors") is, directly or indirectly, a wholly owned Subsidiary of the Borrower and will therefore materially benefit from the Loans and Advances heretofore made and to be made, and the Letters of Credit to be issued, under the Credit Agreement; and

**WHEREAS**, each Guarantor is a party to that certain Guaranty Agreement (the "Facility Guaranty") dated as of the date hereof pursuant to which each Guarantor guaranteed the Obligations of the Borrower; and

**WHEREAS**, as collateral security for payment and performance of its obligations under the Facility Guaranty, each Guarantor is willing to grant to the Agent for the benefit of the Secured Parties a security interest in all of its personal property pursuant to the terms of this Security Agreement; and

**WHEREAS**, the Secured Parties are unwilling to continue to make Loans pursuant to the Loan Documents unless the Grantors enter into this Security Agreement;

**NOW, THEREFORE**, in order to induce the Secured Parties to make Loans and Advances and issue Letters of Credit and in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:



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1. **Grant of Security Interest**. As collateral security for the payment and performance by the Borrower of its now or hereafter existing Obligations and the payment and performance by each Guarantor of its now or hereafter existing obligations under the Facility Guaranty (collectively, as applicable, the "Secured Obligations"), each Grantor hereby affirms, grants, pledges and assigns to the Agent for the benefit of the Secured Parties and grants to the Agent for the benefit of the Secured Parties a continuing security interest in and to all the personal property of such Grantor, whether now owned or existing or hereafter acquired or arising and wheresoever located, including without limitation the following:

(a) All accounts, accounts receivable, contracts, notes, bills, acceptances, choses in action, chattel paper, instruments, documents and other forms of obligations at any time owing to each Grantor arising out of goods sold or leased or for services rendered by such Grantor, the proceeds thereof and all of such Grantor's rights with respect to any goods represented thereby, whether or not delivered, goods returned by customers and all rights as an unpaid vendor or lienor, including rights of stoppage in transit and of recovering possession by proceedings including replevin and reclamation, together with all customer lists, books and records, ledger and account cards, computer tapes, disks, printouts and records, whether now in existence or hereafter created, relating thereto (collectively referred to hereinafter as "Accounts");

(b) All inventory of each Grantor wherever located in any state or district of the United States of America or any political subdivision thereof, including without limitation, all goods manufactured or acquired for sale or lease, and any piece goods, raw materials, work in process and finished merchandise, findings or component materials, and all supplies, goods, incidentals, office supplies, packaging materials and any and all items used or consumed in the operation of the business of such Grantor or which may contribute to the finished product or to the sale, promotion and shipment thereof, in which such Grantor now or at any time hereafter may have an interest, whether or not the same is in transit or in the constructive, actual or exclusive occupancy or possession of such Grantor or is held by such Grantor or by others for such Grantor's account (collectively referred to hereinafter as "Inventory");

(c) All goods of each Grantor, including without limitation, all machinery, equipment, parts, supplies, apparatus, appliances, tools, patterns, molds, dies, blueprints, fittings, furniture, furnishings, fixtures and articles of tangible personal property of every description now or hereafter owned by such Grantor or in which such Grantor may have or may hereafter acquire any interest, at any location (collectively referred to hereinafter as "Equipment");

(d) All general intangibles of each Grantor in which a Grantor now has or hereafter acquires any rights, including but not limited to, causes of action, corporate or business records, inventions, designs, goodwill, trade names (including all rights to the names set forth on Exhibit D), trade secrets, trade processes, licenses, permits, franchises, customer lists, computer programs, all claims under guaranties, tax refund claims, rights and claims against carriers and shippers, claims under insurance policies, all rights to indemnification and all other intangible personal property and intellectual property (other



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than non-exclusive licenses granted to a Grantor in connection with the purchase of generally available commercial software) (collectively referred to hereinafter as "General Intangibles");

(e) All rights now or hereafter accruing to each Grantor under contracts, leases, agreements or other instruments to perform services, to hold and use land and facilities, and to enforce all rights thereunder, other than those contracts, leases, agreements or other such instruments (i) whose terms prohibit the granting of such security interest and (ii) the cancellation or termination of which would not have a Material Adverse Effect (collectively referred to hereinafter as "Contract Rights");

(f) All books and records relating to any of the Collateral (as hereinafter defined) (including without limitation, customer data, credit files, computer programs, printouts, and other computer materials and records of each Grantor pertaining to any of the foregoing); and

(g) All accessions to, substitutions for and all replacements, products and proceeds of the foregoing, including without limitation proceeds of insurance policies insuring the Collateral (as hereinafter defined).

All of the property and interests in property described in subsections (a) through (g) and all other personal property and interests in personal property which shall, from time to time, secure the Secured Obligations are herein collectively referred to as the "Collateral."

2. **Financing Statements.** At the time of execution of this Security Agreement, each Grantor shall have furnished the Agent with properly executed financing statements, registrar's certificates, amendments and assignments as prescribed by the Uniform Commercial Code as presently in effect in the states where the Collateral is located, prepared and approved by the Agent in form and number sufficient for filing wherever required with respect to the Collateral, in order that the Agent, for the benefit of the Secured Parties, shall have a duly perfected security interest of record in the Collateral, to the extent a security interest in such Collateral can be perfected by filing a financing statement, following the filing of such financing statements with the appropriate local and state governmental authorities, subject only to liens permitted under Section 10.2 of the Credit Agreement ("Permitted Liens"). Each Grantor shall execute as reasonably required by the Agent any additional financing statements or other documents to effect the same, together with any necessary continuation statements so long as this Security Agreement remains in effect.

3. **Maintenance of Security Interest.** Each Grantor will, from time to time, upon the request of the Agent, deliver specific assignments of Collateral, together with such other instruments and documents, financing statements, amendments thereto, assignments or other writings as the Agent may request to carry out the terms of this Security Agreement or to protect or enforce the Agent's security interest in the Collateral.

With respect to any and all Collateral to be secured and conveyed under this Security Agreement, each Grantor agrees to do and cause to be done all things necessary to perfect and keep in full force the security interest granted in favor of the Agent for the benefit of the Secured



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Parties, including, but not limited to, the prompt payment of all fees and expenses incurred in connection with any filings made to perfect or continue a security interest in the Collateral in favor of the Agent for the benefit of the Secured Parties.

4. **Receipt of Payment.** In the event an Event of Default shall occur and be continuing and a Grantor (or any of its subsidiaries) shall receive any proceeds of Collateral, including without limitation monies, checks, notes, drafts or any other items of payment, each Grantor shall hold all such items of payment in trust for the Agent, for the benefit of the Secured Parties, and as the property of the Agent, for the benefit of the Secured Parties, separate from the funds of such Grantor, and no later than the first Business Day following the receipt thereof, at the election of the Agent, such Grantor shall cause the same to be forwarded to the Agent for its custody and possession on behalf of the Secured Parties as additional Collateral.

5. **Covenants.** Each Grantor covenants with the Agent that from and after the date of this Security Agreement until termination hereof in accordance with Section 27 hereof:

(a) **Inspection**. The Agent (by any of its officers, employees and agents), on behalf of the Secured Parties, shall have the right upon prior notice to an executive officer of the Borrower, and at any reasonable times during such Grantor's usual business hours, to inspect the Collateral, all records related thereto (and to make extracts or copies from such records), and the premises upon which any of the Collateral is located, to discuss (in its efforts to obtain information) such Grantor's affairs and finances with any Person (other than Account Debtors) and to verify with any Person other than Account Debtors the amount, quality, quantity, value and condition of, or any other matter relating to, the Collateral and, if an Event of Default has occurred and is continuing, to discuss such Grantor's affairs and finances with such Grantor's Account Debtors and to verify the amount, quality, value and condition of, or any other matter relating to, the Collateral and such Account Debtors. Upon or after the occurrence and during the continuation of an Event of Default, the Agent may at any time and from time to time employ and maintain on such Grantor's premises a custodian selected by the Agent who shall have full authority to do all acts necessary to protect the Agent's (for the benefit of the Secured Parties) interest. All expenses incurred by the Agent, on behalf of the Secured Parties, by reason of the employment of such custodian shall be paid by such Grantor, added to the Secured Obligations and secured by the Collateral.

(b) **Assignments, Records and Schedules of Accounts.** Each Grantor shall keep accurate and complete records of its Accounts ("Account Records") and from time to time at intervals designated by the Agent such Grantor shall provide the Agent with a schedule of Accounts in form and substance acceptable to the Agent describing all Accounts created or acquired by such Grantor ("Schedule of Accounts"); provided, however, that such Grantor's failure to execute and deliver any such Schedule of Accounts shall not affect or limit the Agent's security interest or other rights in and to any Accounts for the benefit of the Secured Parties. If requested by the Agent, each Grantor shall furnish the Agent with copies of proof of delivery and other documents relating to the Accounts so scheduled, including without limitation repayment histories and present status reports (collectively, "Account Documents") and such other matter and



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information relating to the status of then existing Accounts as the Agent shall request. No Grantor shall remove any Account Records or Account Documents or change its chief executive offices from the locations set forth in Exhibit A hereto without 30 days prior written notice to the Agent as provided in Section 28 hereof and delivery to the Agent by the applicable Grantor prior to such removal of executed financing statements, amendments and other documents necessary in the determination of the Agent to maintain the security interests granted hereunder; provided, however that no Default or Event of Default shall be deemed to exist if the removal occurs in the ordinary course of such Grantor's business and either the Borrower or the applicable Grantor shall give written notice to the Agent of such removal and complies with any additional filing or other Lien protection requirements within 30 days after such removal.

(c) **Notice Regarding Disputed Accounts.** In the event any amounts due and owing in excess of $100,000 individually, or $500,000 in the aggregate amount, are in dispute between any Account Debtor and a Grantor (which shall include without limitation any dispute in which an offset claim or counterclaim may result), such Grantor shall provide the Agent with written notice thereof as soon as practicable, explaining in detail the reason for the dispute, all claims related thereto and the amount in controversy.

(d) **Change of Trade Styles.** No Grantor shall amend, alter, or otherwise change its material trade names or styles under which it sells Inventory as of the date of this Security Agreement ("Trade Styles"), or use additional Trade Styles, without giving the Agent at least 30 days prior written notice and delivery to the Agent by the applicable Grantor prior to such amendment, alteration, or change or use executed financing statements, amendments and other documents necessary in the determination of the Agent to maintain the security interests granted hereunder; provided, however that no Default or Event of Default shall be deemed to exist if the amendment, alteration or change or use occurs and either the Borrower or the applicable Grantor shall give written notice to the Agent of such amendment, alteration or change or use and complies with any additional filing or other Lien protection requirements within 30 days after such removal.

(e) **Safekeeping of Inventory.** Each Grantor shall be responsible for the safekeeping of its Inventory, and, subject to Section 13 hereof, in no event shall the Agent have any responsibility for:

(i) Any loss or damage to Inventory or destruction thereof occurring or arising in any manner or fashion from any cause;

(ii) Any diminution in the value of Inventory; or

(iii) Any act or default of any carrier, warehouseman, bailee or forwarding agency thereof or other Person in any way dealing with or handling Inventory.



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(f) **Location, Records and Schedules of Inventory.** Each Grantor shall keep correct and accurate records itemizing and describing the kind, type, location and quantity of Inventory, its cost therefor and the selling price of Inventory held for sale, and shall furnish to the Agent from time to time at reasonable intervals designated by the Agent, a current schedule of Inventory ("Schedule of Inventory") based upon its most recent physical inventory. Each Grantor shall conduct a physical inventory, no less than annually, and shall furnish to the Agent such other documents and reports thereof as the Agent shall reasonably request with respect to the Inventory. Subject to compliance at all times with Sections 8(c), (d) and (e), no Grantor shall, other than in the ordinary course of business in connection with its sale, remove any material amount of Inventory from the locations set forth on Exhibit B hereto to a location not also set forth on Exhibit B hereto, each of such locations being owned or leased by a Grantor as indicated, without 30 days prior written notice to the Agent as provided in Section 28 hereof and delivery to the Agent by the applicable Grantor prior to such removal of executed financing statements, amendments and other documents necessary in the determination of the Agent to maintain the security interests granted hereunder; provided, however that no Default or Event of Default shall be deemed to exist if the removal occurs in the ordinary course of such Grantor's business and either (i) the Borrower or the applicable Grantor shall give written notice to the Agent of such removal and complies with any additional filing or other Lien protection requirements within 30 days after such removal or (ii) such Inventory remains in the possession or control of such Grantor.

(g) **Returns of Inventory.** If any Account Debtor returns any Inventory to a Grantor after shipment thereof, and such return generates a credit in excess of $100,000 on any individual Account or $500,000 in the aggregate on any Accounts of such Account Debtor, such Grantor shall notify the Agent in writing of the same as soon as practicable.

(h) **Evidence of Ownership of Equipment.** The Grantors, as soon as practicable following a request therefor by the Agent, shall deliver to the Agent any and all evidence of ownership of any of the Equipment (including without limitation certificates of title and applications for title).

(i) **Location, Records and Schedules of Equipment.** The Grantors shall maintain accurate, itemized records itemizing and describing the kind, type, quality, quantity and value of its Equipment and shall furnish the Agent upon request with a current schedule containing the foregoing information, but, other than during the continuance of an Event of Default, not more often than once per fiscal quarter. No Grantor shall remove any material portion of the Equipment from the locations set forth in Exhibit C hereto to a location not also set forth on Exhibit C hereto without at least 30 days prior written notice to the Agent as provided in Section 28 hereof and delivery to the Agent by the applicable Grantor prior to such removal of executed financing statements, amendments and other documents necessary to maintain the security interests granted hereunder; provided, however that no Default or Event of Default shall be deemed to exist if the removal occurs in the ordinary course of such Grantor's business and either (i) the Borrower or the applicable Grantor shall give written notice to the Agent of such



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removal and complies with any additional filing or other Lien protection requirements within 30 days after such removal or (ii) such Equipment remains in the possession or control of such Grantor.

(j) **Sale or Mortgage of Equipment.** Other than in the ordinary course of business with respect to disposition of obsolescent Equipment or replacement of Equipment with other Equipment performing similar functions and having similar or better utility and value, and except as permitted by the Credit Agreement prior to the occurrence and continuance of an Event of Default, no Grantor shall sell, exchange, lease, mortgage, encumber, pledge or otherwise dispose of or transfer any of the Equipment or any part thereof without the prior written consent of the Agent.

(k) **Maintenance of Equipment.** Each Grantor shall keep and maintain its Equipment in good operating condition and repair, ordinary wear and tear excepted. No Grantor shall permit any such items to become a fixture to real property (unless such Grantor has granted the Agent for the benefit of the Lenders a lien on such real property) or accessions to other personal property.

(l) **Transfers and Other Liens.** No Grantor shall (i) sell, assign (by operation of law or otherwise) or otherwise dispose of any, or grant any option with respect to, the Collateral, except for dispositions permitted under the Credit Agreement and Section 5(j) hereof, (ii) create or suffer to exist any Lien, security interest or other charge or encumbrance upon or with respect to any of the Collateral except for Permitted Liens; or (iii) take any other action in connection with any of the Collateral that would materially impair the value of the interest or rights of such Grantor in the Collateral taken as a whole or that would materially impair the interest or rights of the Agent for the benefit of the Lenders.

6. **Warranties and Representations Regarding Collateral Generally.** Each Grantor warrants and represents that:

(a) It is and, except as permitted by the Credit Agreement and Section 5(l) hereof, will continue to be the owner of the Collateral hereunder, now owned and upon the acquisition of the same, free and clear of all Liens, other than Permitted Liens, and that it will defend such Collateral and any products and proceeds thereof against all material claims and demands of all Persons (other than holders of Permitted Liens) at any time claiming the same or any interest therein adverse to the Secured Parties.

(b) It has the unqualified right to enter into this Security Agreement and to perform its terms.

(c) Except (i) for the filings required by the applicable Uniform Commercial Code and (ii) as may be needed for compliance with the Federal Assignment of Claims Act and any filings required by the U. S. Patent and Trademark Office, no authorization, consent, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other Person is required either (i) for the grant by



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such Grantor of the security interests granted hereby or for the execution, delivery or performance of this Security Agreement by such Grantor, or (ii) for the perfection of or the exercise by the Agent, on behalf of the Secured Parties, of its rights and remedies hereunder.

(d) None of the Collateral is or will be subject to any Lien other than Permitted Liens and no effective financing statement or other instrument similar in effect covering all or any part of the Collateral purported to be granted by such Grantor hereunder is on file in any recording office, except such as may have been filed with respect to Permitted Liens.

7. **Account Warranties and Representations.** With respect to its Accounts, each Grantor warrants and represents to the Agent for the benefit of the Secured Parties that:

(a) All Account Records and Account Documents are located only at such Grantor's l

(b) The Accounts are genuine, are in all material respects what they purport to be, are not evidenced by an instrument or document or, if evidenced by an instrument or document, are only evidenced by one original instrument or document;

(c) The Accounts cover bona fide sales and deliveries of Inventory by or on behalf of such Grantor, or the rendition by or on behalf of such Grantor of services, to an Account Debtor in the ordinary course of business;

(d) The amounts of the face value shown on any Schedule of Accounts or invoice statement delivered to the Agent with respect to any Account, are actually owing to such Grantor and are not contingent for any reason (other than retainages pursuant to ordinary course of business contract terms); and there are no setoffs, discounts, allowances, claims, counterclaims or disputes of any kind or description in an amount greater than $750,000 in the aggregate, or greater than $150,000 individually asserted with respect thereto and such Grantor has not made any agreement with any Account Debtor thereunder for any deduction therefrom, except, in each case, as may be stated in the Schedule of Accounts and reflected in the calculation of the face value of each respective invoice related thereto;

(e) Except for conditions generally applicable to such Grantor's industry and markets, there are no facts, events, or occurrences known to such Grantor pertaining particularly to any Accounts which are reasonably expected to materially impair in any way the validity, collectibility or enforcement of Accounts that would reasonably be likely, in the aggregate, to be of material economic value, or in the aggregate materially reduce the amount payable thereunder from the amount of the invoice face value shown on any Schedule of Accounts, and on all contracts, invoices and statements delivered to the Agent, with respect thereto;

(f) The goods or services giving rise thereto are not, and were not at the time of the sale or performance thereof, subject to any Lien other than Permitted Liens;



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(g) The location of its chief executive office and each other location in which filing could reasonably be required to perfect the security interest granted hereunder is set forth on Exhibit A attached hereto and incorporated herein by reference or with respect to which each Grantor has complied with the requirements of Section 5(b).

**8. Inventory Warranties and Representations.** With respect to its Inventory, each Grantor warrants and represents to the Agent for the benefit of the Lenders that:

(a) All Inventory, other than Inventory having a value of less than $100,000 in the aggregate for all such Grantor's locations, is located only (i) at such Grantor's locations as set forth on Exhibit B attached hereto and incorporated herein by reference or (ii) at such other locations as to which the Grantor has complied with the requirements of Section 5(f);

(b) No Inventory of such Grantor that would reasonably be likely, in the aggregate with the Inventory of all Grantors, to be of value in excess of $100,000 is, and shall not at any time or times hereafter be, stored with a bailee, warehouseman, or similar party without the Agent's prior written consent which consent shall not be unreasonably withheld and, if the Agent gives such consent, such Grantor will concurrently therewith cause any such bailee, warehouseman, or similar party to execute and deliver to the Agent upon its request therefor, in form and substance reasonably acceptable to the Agent, a Warehouseman's Estoppel Certificate and to take such other action and be party to such document as deemed necessary or prudent by the Agent to maintain the security interest of the Lenders in such Inventory;

(c) No Inventory, other than Inventory with an aggregate value of up to $500,000, is, nor shall at any time be, under consignment to any Person; and

(d) No Inventory is, nor shall be kept, at any location that is leased by such Grantor from any other Person, unless such location and lessee is set forth on Exhibit B hereto or the Grantor has caused the lessor to execute and deliver to the Agent a Landlord Waiver pursuant to which such lessor waives or subordinates its rights with respect to such Inventory in form and substance acceptable to the Agent prior to any Inventory being at such one or more locations.

**9. Equipment Representations and Warranties.** With respect to its Equipment, each Grantor warrants and represents to the Agent for the benefit of the Lenders that:

(a) All Equipment (other than Equipment located at facilities of Grantor's suppliers and Equipment having a value of less than $100,000 in the aggregate for all such Grantor's locations) is located only at such Grantor's locations set forth in Exhibit C hereto or at such other locations as to which such Grantor has complied with the requirements of Section 5(j) hereof;



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(b) No Equipment of such Grantor is at or shall be kept at any location that is leased by such Grantor from any other Person unless such location and lessee is set forth on Exhibit C hereto or the Grantor has caused the lessor to execute and deliver to the Agent a Landlord Waiver pursuant to which such lessor waives its rights with respect to such Equipment in form and substance acceptable to the Agent prior to any Equipment being at such one or more locations.

**10. Casualty and Liability Insurance Required.** (a) Each Grantor will keep the Collateral continuously insured against such risks as are customarily insured against by businesses of like size and type engaged in the same or similar operations including:

(i) casualty insurance on the Inventory and the Equipment in an amount not less than the full insurable value thereof, against loss or damage by theft, fire, lightning and other hazards ordinarily included under uniform broad form standard extended coverage policies, limited only as may be provided in the standard broad form of extended coverage endorsement at the time in use in the states in which the Collateral is located;

(ii) comprehensive general liability insurance against claims for bodily injury, death or property damage occurring with or about such Collateral (such coverage to include provisions waiving subrogation against the Secured Parties), with the Agent and the Lenders as additional insureds thereunder, in amounts as shall be reasonably satisfactory to Agent;

(iii) liability insurance with respect to the operation of its facilities under the workers' compensation laws of the states in which such Collateral is located, in amounts as shall be reasonably satisfactory to Agent; and

(iv) business interruption insurance in amounts as shall be reasonably satisfactory to Agent.

(b) Each insurance policy obtained in satisfaction of the requirements of Section 10(a):

(i) by each or any Grantor or by the Borrower;

(ii) shall be issued by such insurer (or insurers) as shall be financially responsible, of recognized standing and reasonably acceptable to the Agent;



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(iii) shall be in such form and have such provisions (including without limitation the loss payable clause, the waiver of subrogation clause, the deductible amount, if any, and the standard mortgagee endorsement clause) as are generally considered standard provisions for the type of insurance involved and are reasonably acceptable in all respects to the Agent;

(iv) shall prohibit cancellation or substantial modification, termination or lapse in coverage by the insurer without at least 30 days' prior written notice to the Agent, except for non-payment of premium, as to which such policies shall provide for at least ten (10) days' prior written notice to the Agent;

(v) without limiting the generality of the foregoing, all insurance policies where applicable under Section 10(a)(i) carried on the Collateral shall name the Agent, for the benefit of the Secured Parties, as loss payee and the Agent and Lenders as parties insured thereunder in respect of any claim for payment.

(c) Prior to expiration of any such policy, such Grantor shall furnish the Agent with evidence satisfactory to the Agent that the policy or certificate has been renewed or replaced or is no longer required by this Security Agreement.

(d) Each Grantor hereby makes, constitutes and appoints the Agent (and all officers, employees or agents designated by the Agent), for the benefit of the Secured Parties, as such Grantor's true and lawful attorney (and agent-in-fact) for the purpose of making, settling and adjusting claims under such policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item or payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect to such policies of insurance, which appointment is coupled with an interest and is irrevocable; provided, however, that the powers pursuant to such appointment shall be exercisable only upon the occurrence and during the continuation of an Event of Default.

(e) In the event such Grantor shall fail to maintain, or fail to cause to be maintained, the full insurance coverage required hereunder or shall fail to keep any of its Collateral in good repair and good operating condition, the Agent may (but shall be under no obligation to), without waiving or releasing any Secured Obligation or Default or Event of Default by such Grantor hereunder, contract for the required policies of insurance and pay the premiums on the same or make any required repairs, renewals and replacements; and all sums so disbursed by Agent, including reasonable attorneys' fees, court costs, expenses and other charges related thereto, shall be payable on demand by such Grantor to the Agent, shall be additional Secured Obligations secured by the Collateral, and (in addition to other rights and remedies resulting from such nonpayment) shall bear interest from the date of demand until paid in full at the Default Rate.



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(f) Each Grantor agrees that to the extent that it shall fail to maintain, or fail to cause to be maintained, the full insurance coverage required by Section 10(a), it shall in the event of any loss or casualty pay promptly to the Agent, for the benefit of the Secured Parties, to be held in a separate account for application in accordance with the provisions of Sections 10(h), such amount as would have been received as Net Proceeds (as hereinafter defined) by the Agent, for the benefit of the Secured Parties, under the provisions of Section 10(h) had such insurance been carried to the extent required.

(g) The Net Proceeds of the insurance carried pursuant to the provisions of Sections 10(a)(ii) and 10(a)(iii) shall be applied by such Grantor toward satisfaction of the claim or liability with respect to which such insurance proceeds may be paid.

(h) The Net Proceeds of the insurance carried with respect to the Collateral pursuant to the provisions of Section 10(a)(i) hereof shall be paid to such Grantor and held by such Grantor in a separate account and applied, as long as no Event of Default shall have occurred and be continuing, as follows: after any loss under any such insurance and payment of the proceeds of such insurance, each Grantor shall have a period of 30 days after payment of the insurance proceeds with respect to such loss to elect to either (x) repair or replace the Collateral so damaged, (y) deliver such Net Proceeds to the Agent, for the benefit of the Secured Parties, as additional Collateral or (z) apply such Net Proceeds to the acquisition of tangible assets constituting Collateral used or useful in the conduct of the business of such Grantor, subject to the provisions of this Security Agreement. If such Grantor elects to repair or replace the Collateral so damaged, such Grantor agrees the Collateral shall be repaired to a condition substantially similar to or of better quality or higher value than its condition prior to damage or replaced with Collateral in a condition substantially similar to or of better quality or higher value than the condition of the Collateral so replaced prior to damage. At all times during which an Event of Default shall have occurred and be continuing, the Agent shall be entitled to receive direct and immediate payment of the proceeds of such insurance and such Grantor shall take all action as the Agent may reasonably request to accomplish such payment. Notwithstanding the foregoing, in the event such Grantor shall receive any such proceeds, such Grantor shall immediately deliver such proceeds to such Agent for the benefit of the Secured Parties as additional Collateral, and pending such delivery shall hold such proceeds in trust for the benefit of the Secured Parties and keep the same segregated from its other funds.

(i) "Net Proceeds" when used with respect to any insurance proceeds shall mean the gross proceeds from such proceeds, award or other amount, less all taxes, fees and expenses (including attorneys' fees) incurred in the realization thereof.



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(j) In case of any material damage to, destruction or loss of, or claim or proceeding against, all or any material part of the Collateral pledged hereunder by a Grantor, such Grantor shall give prompt notice thereof to the Agent. Each such notice shall describe generally the nature and extent of such damage, destruction, loss, claim or proceeding. Subject to Section 10(d), each Grantor is hereby authorized and empowered to adjust or compromise any loss under any such insurance other than losses relating to claims made directly against any Secured Party as to which the insurance described in Section 10(a)(ii) or (iii) is applicable.

(k) The provisions contained in this Security Agreement pertaining to insurance shall be cumulative with any additional provisions imposing additional insurance requirements with respect to the Collateral or any other property on which a Lien is conferred under any Security Instrument.

**11. Rights and Remedies Upon Event of Default.** So long as an Event of Default shall exist, the Agent shall have the following rights and remedies on behalf of the Lenders in addition to any rights and remedies set forth elsewhere in this Security Agreement, all of which may be exercised with or, if allowed by law, without notice to a Grantor:

(a) Except as otherwise provided in this Agreement, all of the rights and remedies of a secured party under the Uniform Commercial Code of the state where such rights and remedies are asserted, or under other applicable law, all of which rights and remedies shall be cumulative, and none of which shall be exclusive, to the extent permitted by law, in addition to any other rights and remedies contained in this Security Agreement, the Facility Guaranty or any other Loan Document;

(b) The right, after the occurrence of an Event of Default, to foreclose the Liens and security interests created under this Security Agreement by any available judicial procedure or without judicial process;

(c) The right, after the occurrence of an Event of Default, to (i) enter upon the premises of a Grantor through self-help and without judicial process, without first obtaining a final judgment or giving such Grantor notice and opportunity for a hearing on the validity of the Agent's claim and without any obligation to pay rent to such Grantor, or any other place or places where any Collateral is located and kept, and remove the Collateral therefrom to the premises of the Agent or any agent of the Agent, for such time as the Agent may desire, in order effectively to collect or liquidate the Collateral, and (ii) require such Grantor to assemble the Collateral and make it available to the Agent at a place to be designated by the Agent that is reasonably convenient to both parties;

(d) The right to (i) demand payment of the Accounts; (ii) enforce payment of the Accounts, by legal proceedings or otherwise; (iii) exercise all of a Grantor's rights and remedies with respect to the collection of the Accounts and General Intangibles; (iv) settle, adjust, compromise, extend or renew the Accounts, General Intangibles and Contract Rights; (v) settle, adjust or compromise any legal proceedings brought to collect the Accounts; (vi) if permitted by applicable law and after the occurrence of an Event of



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Default, sell or assign the Accounts, General Intangibles and Contract Rights upon such terms, for such amounts and at such time or times as the Agent deems advisable; (vii) discharge and release the Accounts; (viii) take control, in any manner, of any item of payment or proceeds referred to in Section 4 above; (ix) prepare, file and sign a Grantor's name on a Proof of Claim in bankruptcy or similar document against any Account Debtor; (x) prepare, file and sign a Grantor's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Accounts; (xi) endorse the name of a Grantor upon any chattel paper, document, instrument, invoice, freight bill, bill of lading or similar document or agreement relating to the Accounts, Inventory or Equipment; (xii) use the information recorded on or contained in any data processing equipment and computer hardware and software relating to any Collateral to which a Grantor has access; (xiii) to open such Grantor's mail and collect any and all amounts due to such Grantor from Persons obligated on any Accounts ("Account Debtors"); (xiv) to take over such Grantor's post office boxes or make other arrangements as the Agent, on behalf of the Secured Parties, deems necessary to receive such Grantor's mail, including notifying the post office authorities to change the address for delivery of such Grantor's mail to such address as the Agent, on behalf of the Secured Parties, may designate; and (xv) to notify any or all Account Debtors that the Accounts have been assigned to the Agent for the benefit of the Lenders and that Agent has a security interest therein for the benefit of the Lenders (provided that the Agent may at any time give such notice to an Account Debtor that is a department, agency or authority of the United States government); each Grantor hereby agrees that any such notice, in the Agent's sole discretion, may be sent on such Grantor's stationery, in which event such Grantor shall co-sign such notice with the Agent; and (xvi) do all acts and things and execute all documents necessary, in Agent's sole discretion, to collect the Accounts and General Intangibles; and

(e) The right, after the occurrence of an Event of Default, to sell, assign, lease or to otherwise dispose of all or any Collateral in its then existing condition, or after any further manufacturing or processing thereof, at public or private sale or sales, with such notice as may be required by law, in lots or in bulk, for cash or on credit, with or without representations and warranties, all as the Agent, in its sole discretion, may deem advisable. The Agent shall have the right to conduct such sales on a Grantor's premises or elsewhere and shall have the right to use a Grantor's premises without charge for such sales for such time or times as the Agent may see fit. The Agent may, if it deems it reasonable, postpone or adjourn any sale of the Collateral from time to time by an announcement at the time and place of such postponed or adjourned sale, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Grantor agrees that the Agent has no obligation to preserve rights to the Collateral against prior parties or to marshall any Collateral for the benefit of any Person. The Agent is hereby granted a license or other right to use, without charge, each Grantor's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral and a Grantor's rights under any license and any franchise agreement shall inure to the Agent's benefit. If any of the Collateral shall require repairs, maintenance, preparation or



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the like, or is in process or other unfinished state, the Agent shall have the right, but shall not be obligated, to perform such repairs, maintenance, preparation, processing or completion of manufacturing for the purpose of putting the same in such saleable form as the Agent shall deem appropriate, but the Agent shall have the right to sell or dispose of the Collateral without such processing and no Guarantor shall have any claim against the Agent for the value that may have been added to such Collateral with such processing. In addition, each Grantor agrees that in the event notice is necessary under applicable law, written notice mailed to such Grantor in the manner specified herein ten (10) days prior to the date of public sale of any of the Collateral or prior to the date after which any private sale or other disposition of the Collateral will be made shall constitute commercially reasonable notice to such Grantor. All notice is hereby waived with respect to any of the Collateral which threatens to decline speedily in value or is of a type customarily sold on a recognized market. The Agent may purchase all or any part of the Collateral at public or, if permitted by law, private sale, free from any right of redemption which is hereby expressly waived by such Grantor and, in lieu of actual payment of such purchase price, may set off the amount of such price against the Secured Obligations. The net cash proceeds resulting from the collection, liquidation, sale, lease or other disposition of the Collateral shall be applied first to the expenses (including all attorneys' fees) of retaking, holding, storing, processing and preparing for sale, selling, collecting, liquidating and the like, and then to the satisfaction of all Secured Obligations in accordance with the terms of Section 11.5 of the Credit Agreement. Any sale or other disposition of the Collateral and the possession thereof by the Agent shall be in compliance with all provisions of applicable law (including applicable provisions of the Uniform Commercial Code). Each Grantor shall be liable to the Agent, for the benefit of the Lenders, and shall pay to the Agent, for the benefit of the Lenders, on demand any deficiency which may remain after such sale, disposition, collection or liquidation of the Collateral.

**12. Anti-Marshaling Provisions.** The right is hereby given by each Grantor to the Agent, for the benefit of the Secured Parties, to make releases (whether in whole or in part) of all or any part of the Collateral agreeable to the Agent without notice to, or the consent, approval or agreement of other parties and interests, including junior lienors, which releases shall not impair in any manner the validity of or priority of the Liens in the remaining Collateral conferred under such documents, nor release such Grantor from personal liability for the Secured Obligations hereby secured. Notwithstanding the existence of any other security interest in the Collateral held by the Agent, for the benefit of the Secured Parties, the Agent shall have the right to determine the order in which any or all of the Collateral shall be subjected to the remedies provided in this Security Agreement. The proceeds realized upon the exercise of the remedies provided herein shall be applied by the Agent, for the benefit of the Secured Parties, in the manner provided in Section 11.5 of the Credit Agreement. Each Grantor hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.



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13. **Indemnity and Expenses.**

(a) Each Grantor agrees to indemnify the Agent, for the benefit of the Secured Parties, from and against any and all claims, losses and liabilities growing out of or resulting from this Security Agreement that are incurred by the Agent (including without limitation enforcement of this Security Agreement), except claims, losses or liabilities directly resulting from the Agent's gross negligence or willful misconduct.

(b) Each Grantor will upon demand pay to the Agent, for the benefit of the Secured Parties, the amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, that the Agent, for the benefit of the Lenders, may incur in connection with (i) the custody, preservation, use or operation of, or the sale of, collection from or other realization upon, any of the Collateral, (ii) the exercise or enforcement of any of the rights of the Secured Parties, or (iii) the failure by such Grantor to perform or observe any of the provisions hereof.

14. **Appointment of Agent as Grantor's Lawful Attorney.** Without limitation of any other provision of this Security Agreement, to the extent permitted by applicable law, each Grantor irrevocably designates, makes, constitutes and appoints the Agent (and all Persons designated by the Agent), for the benefit of the Secured Parties, as the Grantor's true and lawful attorney (and agent-in-fact) at all times on and after the occurrence and during the continuation of an Event of Default, to take all actions and to do all things required to be taken or done by the Grantor under this Security Agreement, including without limitation:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(b) to receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with clause (a) above;

(c) to endorse such Grantor's name on any checks, notes, drafts or any other payment relating to or constituting proceeds of the Collateral which comes into the Agent's possession or Agent's control, and deposit the same to the account of the Agent, for the benefit of the Secured Parties, on account and for payment of the Secured Obligations.

(d) to file any claims or take any action or institute any proceedings that the Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Agent, for the benefit of the Secured Parties, with respect to any of the Collateral; and

(e) to execute, in connection with the sale provided for in Section 11, any endorsement, assignments, or other instruments of conveyance or transfer with respect to the Collateral.



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All acts of the Agent or its designee taken pursuant to this Section 14 are hereby ratified and confirmed by each Grantor and the Agent or its designee shall not be liable for any acts of omission or commission nor for any error of judgment or mistake of fact or law, other than as a result of its gross negligence or willful misconduct. This power, being coupled with an interest, is irrevocable by such Grantor until this Security Agreement has been terminated in accordance with Section 28 hereof.

**15. Supplemental Documentation.** At the Agent's request, each Grantor shall execute and deliver to the Agent, at any time or times hereafter, all documents, instruments and other written matter that the Agent may request to perfect and maintain perfected the Agent's (for the benefit of the Secured Parties) security interest in the Collateral, in form and substance acceptable to the Agent, and pay all charges, expenses and fees the Agent may reasonably incur in filing any of such documents, and all taxes relating thereto. Each Grantor agrees that a carbon, photographic, photostatic, or other reproduction of this Security Agreement or a financing statement is sufficient as a financing statement and may be filed by the Agent in any filing office.

**16. Waivers.** In addition to the other waivers contained herein, each Grantor hereby expressly waives, to the extent permitted by law: presentment for payment, demand, protest, notice of demand, notice of protest, notice of default or dishonor, notice of payments and nonpayments and all other notices and consents to any action taken by the Agent unless expressly required by this Security Agreement.

**17. Trade Names.** Each Grantor represents that as of the date of this Agreement the only trade name(s) or style(s) used by such Grantor are as set forth on Exhibit D, next to the name of such Grantor.

**18. Absolute Rights and Obligations.** All rights of the Secured Parties in the security interests granted hereunder, and each of the Secured Obligations, shall be absolute and unconditional irrespective of:

(a) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to departure from, the Credit Agreement or any other Loan Document, including, but not limited to, (i) an increase or decrease in the Secured Obligations and (ii) an amendment of any Loan Document to permit the Agent or the Lenders or any one or more of them to extend further or additional credit to the Borrower in any form including credit by way of loan, purchase of assets, guarantee or otherwise, which credit shall thereupon be and become subject to the Credit Agreement and the other Loan Documents as a Secured Obligation;

(b) any taking and holding of collateral or guarantees (including without limitation any collateral pledged as security for the Secured Obligations under the other Security Instruments) for all or any of the Secured Obligations; or any amendment, alteration, exchange, substitution, transfer, enforcement, waiver, subordination, termination or release of any such collateral or guarantees, or any non-perfection of any such collateral, or any consent to departure from any such guaranty;



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(c) any manner of application of collateral, or proceeds thereof, securing payment or enforcement of all or any of the Secured Obligations, or the manner of sale of any such collateral;

(d) any consent by the Secured Parties to the change, restructure or termination of the corporate structure or existence of the Borrower or any Grantor and any corresponding restructure of the Secured Obligations, or any other restructure or refinancing of the Secured Obligations or any portion thereof;

(e) any modification, compromise, settlement or release by the Secured Parties, by operation of law or otherwise, collection or other liquidation of the Secured Obligations or the liability of the Borrower, any Grantor or any Guarantor (other than the Grantor against which this Security Agreement is to be enforced), or of any collateral for the Secured Obligation (including without limitation any collateral pledged as security for the Secured Obligations under the other Security Instruments), in whole or in part, and any refusal of payment by the Agent or any Lender in whole or in part, from any obligor or Guarantor (other than the Grantor against which this Security Agreement is sought to be enforced) in connection with any of the Secured Obligations, whether or not with notice to, or further assent by, or any reservation of rights against, any Grantor; or

(f) any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower, any Guarantor or a Grantor.

The granting of a security interest in the Collateral shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Secured Obligations is rescinded or must otherwise be returned by any Secured Party, upon the insolvency, bankruptcy or reorganization of the Borrower or any Grantor or otherwise, all as though such payment had not been made.

**19. Definitions.** All terms used herein which are not defined herein or in the Credit Agreement shall be defined in accordance with the appropriate definitions appearing in the Uniform Commercial Code as in effect in Florida, and such definitions are hereby incorporated herein by reference and made a part hereof.

**20. Entire Agreement.** This Security Agreement, together with the Credit Agreement, the Facility Guaranty and other Loan Documents, constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings, inducements, commitments or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. Except as provided for in Section 27, neither this Security Agreement nor any portion or provision hereof may be changed, altered, modified, supplemented, discharged, canceled, terminated, or amended orally or in any manner other than by an agreement, in writing signed by the parties hereto.



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21. **Further Assurances.** Each Grantor agrees at its own expense to do such further acts and things, and to execute and deliver such additional conveyances, assignments, financing statements, agreements and instruments, as the Agent may at any time reasonably request in connection with the administration or enforcement of this Security Agreement or related to the Collateral or any part thereof or in order better to assure and confirm unto the Agent its rights, powers and remedies for the benefit of the Secured Parties hereunder. Each Grantor hereby consents and agrees that the issuers of or obligors in respect of the Collateral shall be entitled to accept the provisions hereof as conclusive evidence of the right of the Agent, on behalf of the Secured Parties, to exercise its rights hereunder with respect to the Collateral, notwithstanding any other notice or direction to the contrary heretofore or hereafter given by any Grantor or any other Person to any of such issuers or obligors.

22. **Binding Agreement; Assignment.** This Security Agreement, and the terms, covenants and conditions hereof, shall be binding upon and inure to the benefit of the parties hereto, and to their respective successors and assigns, except that no Grantor shall make any assignment hereof without the prior written consent of the Required Lenders, unless permitted by Sections 10.4 or 10.6 of the Credit Agreement. All references herein to the Agent shall include any successor thereof, each Lender and any other obligees from time to time of the Secured Obligations.

23. **Swap Agreements.** All obligations of the Borrower under Swap Agreements shall be deemed to be Secured Obligations secured hereby, and each Lender or affiliate of a Lender party to any such Swap Agreement shall be deemed to be a Secured Party hereunder.

24. **Severability.** The provisions of this Security Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, but this Security Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

25. **Counterparts.** This Security Agreement may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original and it shall not be necessary in making proof of this Security Agreement to produce or account for more than one such fully-executed counterpart.

26. **Remedies Cumulative.** All remedies hereunder are cumulative and are not exclusive of any other rights and remedies of the Agent provided by law or under the Credit Agreement, the other Loan Documents. The making of the Loans to the Borrower pursuant to the Credit Agreement and the extension of the Revolving Credit Facility and the Term Loan to the Borrower pursuant to the Credit Agreement shall be conclusively presumed to have been made or extended, respectively, in reliance upon each Grantor's grant to the Agent for the benefit of the Secured Parties of a security interest in the Collateral pursuant to the terms hereof.

27. **Termination.** This Security Agreement and all obligations of each Grantor hereunder shall terminate on the Facility Termination Date, at which time the Liens and rights granted to the Agent for the benefit of the Secured Parties hereunder shall automatically



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terminate and no longer be in effect, and the Collateral shall automatically be released from the Liens created hereby. Upon such termination of this Security Agreement, the Agent shall, at the sole expense of the Grantors, reassign and redeliver to each applicable Grantor such Collateral then held by or for the Agent and execute and deliver to such Grantor such documents as such Grantor shall reasonably request and take such further actions as may be necessary to effect the same and as shall be reasonably acceptable to the Agent.

28. Notices. Any notice required or permitted hereunder shall be given, (a) with respect to the Borrower or any Grantor, at the Borrower's address indicated in Section 14.2 of the Credit Agreement and (b) with respect to the Agent or a Lender, at the Agent's address indicated in Section 14.2 of the Credit Agreement. All such notices shall be given and shall be effective as provided in Section 14.2 of the Credit Agreement.

29. Governing Law; Venue; Waiver of Trial by Jury.

(a) **THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF FLORIDA APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE, NOTWITHSTANDING ANY OTHERWISE APPLICABLE CONFLICTS OF LAWS PRINCIPLES.**

(b) **TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH GRANTOR HEREBY EXPRESSLY AND IRREVOCABLY AGREES AND CONSENTS THAT ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO OR IN CONNECTION WITH THIS SECURITY AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREIN MAY BE INSTITUTED IN ANY STATE OR FEDERAL COURT SITTING IN THE COUNTY OF PINELLAS, STATE OF FLORIDA, UNITED STATES OF AMERICA AND, BY THE EXECUTION AND DELIVERY OF THIS SECURITY AGREEMENT, EACH GRANTOR EXPRESSLY WAIVES ANY OBJECTION THAT IT MAY HAVE NOW OR HEREAFTER TO THE LAYING OF THE VENUE OR TO THE JURISDICTION OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND IRREVOCABLY SUBMITS GENERALLY AND UNCONDITIONALLY TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING.**

(c) **TO THE EXTENT PERMITTED BY LAW, EACH GRANTOR AGREES THAT SERVICE OF PROCESS MAY BE MADE BY PERSONAL SERVICE OF A COPY OF THE SUMMONS AND COMPLAINT OR OTHER LEGAL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING, OR BY REGISTERED OR CERTIFIED MAIL (POSTAGE PREPAID) TO THE ADDRESS OF THE BORROWER PROVIDED BY SECTION 14.2 OF THE CREDIT AGREEMENT, OR BY ANY OTHER METHOD OF SERVICE PROVIDED FOR UNDER THE APPLICABLE LAWS IN EFFECT IN THE STATE OF FLORIDA.**

(d) NOTHING CONTAINED IN SUBSECTIONS (b) OR (c) HEREOF SHALL PRECLUDE THE AGENT OR ANY LENDER FROM BRINGING ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO OR IN CONNECTION WITH THIS SECURITY AGREEMENT OR THE OTHER LOAN DOCUMENTS IN THE COURTS OF ANY PLACE WHERE EACH GRANTOR OR ANY OF SUCH GRANTOR'S PROPERTY OR ASSETS MAY BE FOUND OR LOCATED. TO THE EXTENT PERMITTED BY THE APPLICABLE LAWS OF ANY SUCH JURISDICTION, EACH GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT AND EXPRESSLY WAIVES, IN RESPECT OF ANY SUCH SUIT, ACTION OR PROCEEDING, OBJECTION TO THE EXERCISE OF JURISDICTION OVER IT AND ITS PROPERTY BY ANY SUCH OTHER COURT OR COURTS WHICH NOW OR HEREAFTER MAY BE AVAILABLE UNDER APPLICABLE LAW.

(e) IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES UNDER OR RELATED TO THIS SECURITY AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR THAT MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THE FOREGOING, EACH GRANTOR AND THE AGENT ON BEHALF OF THE LENDERS HEREBY AGREE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY AND EACH PARTY HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT SUCH PERSON MAY HAVE TO TRIAL BY JURY IN ANY SUCH ACTION OR PROCEEDING.

[Signature pages follow]

**IN WITNESS WHEREOF,** the parties have duly executed this Security Agreement on the day and year first written above.

**GRANTORS:**

**TEAM TIRES PLUS, LTD.**

By: _____
Name:
Title: Kevin Slattery
Vice President and CFO

359019.01

**AGENT:**

**BANK OF AMERICA, N.A.,** as Agent for the Lenders

By: Sadahri W. Berry
Name: Sadahri W. Berry
Title: Vice President



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EXHIBIT A

Location of Accounts

2021 Sunnydale Boulevard
Clearwater, Florida 33765

EXHIBIT B

Location of Inventory

| Store # | Location | Address | City | State |
|---|---|---|---|---|
| 21 | Eastgate | 1534 East Euclid Road | Des Moines | IA |
| 22 | Southridge | 600 E. Amy Post Road | Des Moines | IA |
| 23 | W. Des Moines | 2800 University Avenue | Des Moines | IA |
| 25 | Cedar Rapids | 120 Collins Road | Cedar Rapids | IA |
| 26 | Cedar Falls | 4105 University Avenue | Cedar Falls | IA |
| 27 | Cedar Rapids SW | 3760 Williams Boulevard, SW | Cedar Rapids | IA |
| 29 | Waterloo | 2710 Crossroads Boulevard | Waterloo | IA |
| 92 | Davenport | 309 East Kimberly Road | Davenport | IA |
| 136 | Council Bluff | 2103 West Broadway | Council Bluffs | IA |
| 30 | Merle Hay | 3130 Marie Hay Road | Des Moines | IA |
| 87 | Moline | 3700 - 39th Avenue Drive | Moline | IL |
| 118 | Rockford | 1956 Dalmier Road | Rockford | IL |
| 153 | Peoria | 4700 North Brandywine | Peoria | IL |
| 110 | N Overland Park TPU | 7425B Metcalf | Overland Park | KS |
| 113 | State Avenue | 7815 State Avenue | Kansas City | KS |
| 114 | Shawnee | 6224 Long | Shawnee | KS |
| 124 | Olathe | 13512 Allen Street | Olathe | KS |
| 125 | South Overland Park | 7601 West 119th Street | Overland Park | KS |
| 159 | Wichita East | 3745 North Rock Road | Wichita | KS |
| 160 | Wichita West | 6500 West Kellogg | Wichita | KS |
| 6 | Hopkins | 1035 - 2nd Avenue South | Hopkins | MN |
| 7 | Coon Rapids | 3510 Northdale Boulevard | Coon Rapids | MN |
| 9 | Eden Pointe | 8453 Joiner Way | Eden Prairie | MN |
| 10 | New Hope | 3520 Winnelka Drive | New Hope | MN |

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|---|---|---|---|---|
| 11 | Stillwater | 14304 North 60th | Stillwater | MN |
| 12 | Duluth | 621 West Central Entrance | Duluth | MN |
| 14 | Midway | 300 North Snelling Avenue | Saint Paul | MN |
| 17 | Brooklyn Park | 8140 Lakeland Avenue | Brooklyn Park | MN |
| 19 | Eagen | 3595 Krestwood Lane | Eagen | MN |
| 31 | Ridgedale | 12700 Wayzala Boulevard | Minnetonka | MN |
| 34 | Rosedale | 2730 Lincoln Drive | Roseville | MN |
| 35 | Maple Grove | 13562 80th Circle | Maple Grove | MN |
| 37 | Uptown | 1103 West Lake Street | Minneapolis | MN |
| 38 | Apple Valley | 7740 -149th Street West | Apple Valley | MN |
| 39 | Forest Lake | 979 West Broadway | Forest Lake | MN |
| 40 | Burnsville | 1975 County Road 42 W | Burnsville | MN |
| 41 | Brooklyn Center | 5927 John Martin Drive | Brooklyn Center | MN |
| 42 | Southdale | 3020 West 66th Street | Richfield | MN |
| 44 | Maplewood | 1935 East County Road D | Maplewood | MN |
| 45 | Northtown | 8700 Springbrook Drive | Coon Rapids | MN |
| 46 | Richfield | 500 West 78th Street | Richfield | MN |
| 47 | Rochester | 1228 SW Apache Drive | Rochester | MN |
| 48 | Saint Cloud | 3207 Division Street | Saint Cloud | MN |
| 49 | Plymouth | 14350 - 28th Place | Plymouth | MN |
| 50 | Mankalo | 1661 Madison Avenue | Mankalo | MN |
| 83 | Woodbury | 600 Commons Drive | Woodbury | MN |
| 84 | Chanhassen | 580 West 79th Street | Chanassen | MN |
| 18 | Moorhead | 3001 Frontage Road South | Moorhead | MN |
| 109 | Independence | 13901 E 42nd St Terr - Ste A | Independence | MO |
| 111 | Raytown | 9067 East Highway 350 | Raytown | MO |
| 115 | Antioch Mall (Vivian) | 3009 NE Vinton Road | Kansas City | MO |
| 116 | Barry Road (KS North) | 8116 Prairie View Road | Kansas City | MO |

| | | | | |
|---|---|---|---|---|
| 117 | Grandview | 11924 Blue Ridge Blvd | Grandview | MO |
| 13 | Fargo | 2825 - 13th Avenue | Fago | ND |
| 20 | Grand Forks | 3450 S Columbia Road | Grand Forks | ND |
| 33 | Bismarck | 930 E Bismarck Expressway | Bismarck | ND |
| 131 | Ames Avenue | 5912 Ames Avenue | Omaha | NE |
| 132 | Pacific Street | 7437 Pacific Street | Omaha | NE |
| 133 | L Street | 4178 L Street | Omaha | NE |
| 134 | Bellevue | 519 Fort Crook Road N | Bellevue | NE |
| 138 | 90th Street | 3716 North 90th Street | Omaha | NE |
| 139 | Papillion | 1220 Royal Drive | Papillon | NE |
| 141 | Maple (Eagle Run) | 4120 N 132nd Street | Omaha | NE |
| 143 | Harvey Oaks | 2610 South 144th | Omaha | NE |
| 16 | Sioux Falls | 3516 West 41st Street | Sioux Falls | SD |
| 93 | Rapid City | 2333 Haines Avenue | Rapid City | SD |
| 28 | Lacrosse | 1247 Crossing Meadows Drive | Onalaska | WI |
| 36 | Superior | 2419 Tower Avenue | Superior | WI |
| 85 | Appleton | 4210 W Wisconsin Avenue | Grand Chute | WI |
| 86 | Green Bay SW | 887 Pilgram Way | Ashwaubenon | WI |
| 94 | Green Bay | 2175 Main Street | Green Bay | WI |
| 119 | Madison West | 458 Commerce Drive | Madison | WI |
| 120 | Madison East | 1450 McArthur Road | Madison | WI |
| 121 | Waukesha | 2310 E. Moreland Blvd. | Waukesha | WI |
| 122 | Germantown | W184 N9641 Appleton Ave | Germantown | WI |
| 123 | Oak Creek | 6746 South 27th Street | Oak Creek | WI |
| 128 | Brown Deer | 9101 North Deerbrook Trail | Brown Deer | WI |
| 157 | Delafield | 3322 Hillside Drive | Dalefield | WI |
| 62 | Alexandria | 6921 Hwy 29 S | Alexandria | MN |
| 51 | Apache | 3800 Silver Lake Road | St. Anthony | MN |

| | | | | |
|---|---|---|---|---|
| 52 | Chaska | 1305 Crystal Lane | Chaska | MN |
| 53 | Northfield | 600 South Division | Northfield | MN |
| 54 | Oakdale | 1007 Geneva Avenue | Oakdale | MN |
| 55 | Roseville | 1329 Larpenieur Avenue | Roseville | MN |
| 56 | West St. Paul | 1517 South Robert | West St Paul | MN |
| 57 | Cottage Grove | 7199 E Point Douglas Rd | Cottage Grove | MN |
| 58 | Highland Park | 2185 Ford Parkway | St. Paul | MN |
| 59 | Wilmer | 1801 South 1st Street | Wilmar | MN |
| 60 | Lake Street | 3421 East Lake Street | Minneapolis | MN |
| 61 | East St. Paul | 393 East Maryland | St. Paul | MN |
| 63 | New Um | 1807 South Broadway | New Um | MN |
| 67 | Eau Claire | 3440 Hamilton Ave E | Eau Claire | WI |
| 70 | Watertown, SD | 615 9th Street SE | Watertown | SD |
| 71 | Hastings | 1211 N Frontage Road | Hastings | MN |
| 72 | Elk River | 285 Carson Street | Elk Rive | MN |
| 73 | Hudson | 1201 Gateway Boulevard | Hudson | WI |
| 74 | Red Wing | 828 Main Street | Red Wing | MN |
| 75 | Buffalo | 1002 3rd Street S. | Buffalo | MN |
| 76 | Columbia Heights | 5126 Central Avenue NE | Columbia Heights | MN |
| 77 | Brainard | 510 Dellwood Drive N | Brainard | MN |
| 78 | Detroit Lakes | 300 West Main Street | Detroit Lakes | MN |
| 79 | Marshall | 1100 East Main Street | Marshall | MN |
| 80 | Winona | 1252 Service Drive | Winona | MN |
| 88 | Manitowoc | 3820 Calmut Avenue | Manitowoc | WI |
| 89 | Minot | 1301 - 20th Avenue SW | Minot | ND |
| 90 | Waukagan | 650 Lakehurst Mall | Waukagan | IL |
| 95 | Oshkosh | 1850 South Koeler | Oskhosh | WI |
| 96 | Ames | 214 SE 5th Street | Ames | IA |

| | | | | |
|---|---|---|---|---|
| 97 | Kenosha | 7424 - 74th Place | Kenosha | WI |
| 98 | Grand Rapids | 2056 S Pokegama Ave | Grand Rapids | MN |
| 99 | Shawno | 1229 East Green Bay St | Shawno | WI |
| 101 | Watertown, WI | 1718 South Church Street | Watertown | WI |
| 102 | White Bear Lake | 4612 Centerville Road | White Bear Lake | MN |
| 103 | W. Broadway | CLOSED | | |
| 104 | Chippewa Falls | 2618 US Highway 53 South | Chippewa Falls | WI |
| 105 | Ankany | 310 NE Delware Avenue | Ankany | IA |
| 106 | Galesburg | 1150 W Carl Sanders Dr | Galesburg | IL |
| 126 | Mason City | 519 Village Green Drive | Mason City | IA |
| 127 | St. Croix Falls | 2145 Hwy 8 East | St. Croix Falls | WI |
| 129 | Norfolk | 2201 Pasewalk | Norfolk | NE |
| 130 | Wausau | 4007 Rib Mountain Drive | Rib Mountain | WI |
| 144 | Marshfield | 111 McMillan Street | Marshfield | WI |
| 145 | Sturgeon Bay | 1201 Egg Harbor Road | Sturgeon Bay | WI |
| 146 | Bemidji | 2525 Middle School Road | Bemidji | MN |
| 148 | Janesville | 3005 Deerwood Drive | Janesville | WI |
| 155 | Huron | 101 2nd Street SW | Huron | SD |
| 156 | Newton | 220 - 1st Avenue East | Newton | IA |
| 158 | Burlington | 550 Gear Avenue | West Burlington | IA |
| 161 | Lexington | 9280 Lake Drive | Lexington | MN |
| 162 | Sterling | 2930 East Lincolnway | Sterling | IL |
| 163 | Champaign | 807 West Market View | Champaign | IL |
| 201 | Beloit | 2746 Milwaukee Road | Beloit | WI |
| 202 | Lawrence | 1801 W 31st Street | Lawrence | KS |
| 203 | Stevens Point | 5382 Highway 10E | Stevens Point | WI |
| 205 | West Bend | 1300 South Main Street | West Bend | WI |
| 208 | Fergus Falls | 1915 West Lincoln Avenue | Fergus Falls | MN |

| | | | | |
|---|---|---|---|---|
| 213 | Fremont | 405 N Broad Street | Fremont | NE |
| 214 | Sioux City | 2501 Hamilton Boulevard | Sioux City | IA |
| 216 | Dubuque | 4103 McDonald Drive | Dubuque | MN |
| 1 | Burnsville Wholesale | 600 W Travelers Trail | Burnsville | MN |
| 5 | Burnsville-Auto Dealer | 701 Ladybird LN | Burnsville | MN |

EXHIBIT C

Location of Equipment

| Store # | Location | Address | City | State |
|---|---|---|---|---|
| 21 | Eastgate | 1534 East Euclid Road | Des Moines | IA |
| 22 | Southridge | 600 E. Amy Post Road | Des Moines | IA |
| 23 | W. Des Moines | 2800 University Avenue | Des Moines | IA |
| 25 | Cedar Rapids | 120 Collins Road | Cedar Rapids | IA |
| 26 | Cedar Falls | 4105 University Avenue | Cedar Falls | IA |
| 27 | Cedar Rapids SW | 3760 Williams Boulevard, SW | Cedar Rapids | IA |
| 29 | Waterloo | 2710 Crossroads Boulevard | Waterloo | IA |
| 92 | Davenport | 309 East Kimberly Road | Davenport | IA |
| 136 | Council Bluff | 2103 West Broadway | Council Bluffs | IA |
| 30 | Merle Hay | 3130 Marie Hay Road | Des Moines | IA |
| 87 | Moline | 3700 - 39th Avenue Drive | Moline | IL |
| 118 | Rockford | 1956 Dalmier Road | Rockford | IL |
| 153 | Peoria | 4700 North Brandywine | Peoria | IL |
| 110 | N Overland Park TPU | 7425B Metcalf | Overland Park | KS |
| 113 | State Avenue | 7815 State Avenue | Kansas City | KS |
| 114 | Shawnee | 6224 Long | Shawnee | KS |
| 124 | Olathe | 13512 Allen Street | Olathe | KS |
| 125 | South Overland Park | 7601 West 119th Street | Overland Park | KS |
| 159 | Wichita East | 3745 North Rock Road | Wichita | KS |
| 160 | Wichita West | 6500 West Kellogg | Wichita | KS |
| 6 | Hopkins | 1035 - 2nd Avenue South | Hopkins | MN |
| 7 | Coon Rapids | 3510 Northdale Boulevard | Coon Rapids | MN |
| 9 | Eden Pointe | 8453 Joiner Way | Eden Prairie | MN |
| 10 | New Hope | 3520 Winnelka Drive | New Hope | MN |
| 11 | Stillwater | 14304 North 60th | Stillwater | MN |

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| 12 | Duluth | 621 West Central Entrance | Duluth | MN |
| 14 | Midway | 300 North Snelling Avenue | Saint Paul | MN |
| 17 | Brooklyn Park | 8140 Lakeland Avenue | Brooklyn Park | MN |
| 19 | Eagen | 3595 Krestwood Lane | Eagen | MN |
| 31 | Ridgedale | 12700 Wayzala Boulevard | Minnetonka | MN |
| 34 | Rosedale | 2730 Lincoln Drive | Roseville | MN |
| 35 | Maple Grove | 13562 80th Circle | Maple Grove | MN |
| 37 | Uptown | 1103 West Lake Street | Minneapolis | MN |
| 38 | Apple Valley | 7740 -149th Street West | Apple Valley | MN |
| 39 | Forest Lake | 979 West Broadway | Forest Lake | MN |
| 40 | Burnsville | 1975 County Road 42 W | Burnsville | MN |
| 41 | Brooklyn Center | 5927 John Martin Drive | Brooklyn Center | MN |
| 42 | Southdale | 3020 West 66th Street | Richfield | MN |
| 44 | Maplewood | 1935 East County Road D | Maplewood | MN |
| 45 | Northtown | 8700 Springbrook Drive | Coon Rapids | MN |
| 46 | Richfield | 500 West 78th Street | Richfield | MN |
| 47 | Rochester | 1228 SW Apache Drive | Rochester | MN |
| 48 | Saint Cloud | 3207 Division Street | Saint Cloud | MN |
| 49 | Plymouth | 14350 - 28th Place | Plymouth | MN |
| 50 | Mankalo | 1661 Madison Avenue | Mankalo | MN |
| 83 | Woodbury | 600 Commons Drive | Woodbury | MN |
| 84 | Chanhassen | 580 West 79th Street | Chanassen | MN |
| 18 | Moorhead | 3001 Frontage Road South | Moorhead | MN |
| 109 | Independence | 13901 E 42nd St Terr - Ste A | Independence | MO |
| 111 | Raytown | 9067 East Highway 350 | Raytown | MO |
| 115 | Antioch Mall (Vivian) | 3009 NE Vinton Road | Kansas City | MO |
| 116 | Barry Road (KS North) | 8116 Prairie View Road | Kansas City | MO |
| 117 | Grandview | 11924 Blue Ridge Blvd | Grandview | MO |

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| 13 | Fargo | 2825 - 13th Avenue | Fago | ND |
| 20 | Grand Forks | 3450 S Columbia Road | Grand Forks | ND |
| 33 | Bismarck | 930 E Bismarck Expressway | Bismarck | ND |
| 131 | Ames Avenue | 5912 Ames Avenue | Omaha | NE |
| 132 | Pacific Street | 7437 Pacific Street | Omaha | NE |
| 133 | L Street | 4178 L Street | Omaha | NE |
| 134 | Bellevue | 519 Fort Crook Road N | Bellevue | NE |
| 138 | 90th Street | 3716 North 90th Street | Omaha | NE |
| 139 | Papillion | 1220 Royal Drive | Papillon | NE |
| 141 | Maple (Eagle Run) | 4120 N 132nd Street | Omaha | NE |
| 143 | Harvey Oaks | 2610 South 144th | Omaha | NE |
| 16 | Sioux Falls | 3516 West 41st Street | Sioux Falls | SD |
| 93 | Rapid City | 2333 Haines Avenue | Rapid City | SD |
| 28 | Lacrosse | 1247 Crossing Meadows Drive | Onalaska | WI |
| 36 | Superior | 2419 Tower Avenue | Superior | WI |
| 85 | Appleton | 4210 W Wisconsin Avenue | Grand Chute | WI |
| 86 | Green Bay SW | 887 Pilgram Way | Ashwaubenon | WI |
| 94 | Green Bay | 2175 Main Street | Green Bay | WI |
| 119 | Madison West | 458 Commerce Drive | Madison | WI |
| 120 | Madison East | 1450 McArthur Road | Madison | WI |
| 121 | Waukesha | 2310 E. Moreland Blvd. | Waukesha | WI |
| 122 | Germantown | W184 N9641 Appleton Ave | Germantown | WI |
| 123 | Oak Creek | 6746 South 27th Street | Oak Creek | WI |
| 128 | Brown Deer | 9101 North Deerbrook Trail | Brown Deer | WI |
| 157 | Delafield | 3322 Hillside Drive | Dalefield | WI |
| 62 | Alexandria | 6921 Hwy 29 S | Alexandria | MN |
| 51 | Apache | 3800 Silver Lake Road | St. Anthony | MN |
| 52 | Chaska | 1305 Crystal Lane | Chaska | MN |

| | | | | |
|---|---|---|---|---|
| 53 | Northfield | 600 South Division | Northfield | MN |
| 54 | Oakdale | 1007 Geneva Avenue | Oakdale | MN |
| 55 | Roseville | 1329 Larpenieur Avenue | Roseville | MN |
| 56 | West St. Paul | 1517 South Robert | West St Paul | MN |
| 57 | Cottage Grove | 7199 E Point Douglas Rd | Cottage Grove | MN |
| 58 | Highland Park | 2185 Ford Parkway | St. Paul | MN |
| 59 | Wilmer | 1801 South 1st Street | Wilmar | MN |
| 60 | Lake Street | 3421 East Lake Street | Minneapolis | MN |
| 61 | East St. Paul | 393 East Maryland | St. Paul | MN |
| 63 | New Um | 1807 South Broadway | New Um | MN |
| 67 | Eau Claire | 3440 Hamilton Ave E | Eau Claire | WI |
| 70 | Watertown, SD | 615 9th Street SE | Watertown | SD |
| 71 | Hastings | 1211 N Frontage Road | Hastings | MN |
| 72 | Elk River | 285 Carson Street | Elk Rive | MN |
| 73 | Hudson | 1201 Gateway Boulevard | Hudson | WI |
| 74 | Red Wing | 828 Main Street | Red Wing | MN |
| 75 | Buffalo | 1002 3rd Street S. | Buffalo | MN |
| 76 | Columbia Heights | 5126 Central Avenue NE | Columbia Heights | MN |
| 77 | Brainard | 510 Dellwood Drive N | Brainard | MN |
| 78 | Detroit Lakes | 300 West Main Street | Detroit Lakes | MN |
| 79 | Marshall | 1100 East Main Street | Marshall | MN |
| 80 | Winona | 1252 Service Drive | Winona | MN |
| 88 | Manitowoc | 3820 Calmut Avenue | Manitowoc | WI |
| 89 | Minot | 1301 - 20th Avenue SW | Minot | ND |
| 90 | Waukagan | 650 Lakehurst Mall | Waukagan | IL |
| 95 | Oshkosh | 1850 South Koeler | Oskhosh | WI |
| 96 | Ames | 214 SE 5th Street | Ames | IA |
| 97 | Kenosha | 7424 - 74th Place | Kenosha | WI |

| | | | | |
|---|---|---|---|---|
| 98 | Grand Rapids | 2056 S Pokegama Ave | Grand Rapids | MN |
| 99 | Shawno | 1229 East Green Bay St | Shawno | WI |
| 101 | Watertown, WI | 1718 South Church Street | Watertown | WI |
| 102 | White Bear Lake | 4612 Centerville Road | White Bear Lake | MN |
| 103 | W. Broadway | CLOSED | | |
| 104 | Chippewa Falls | 2618 US Highway 53 South | Chippewa Falls | WI |
| 105 | Ankany | 310 NE Delware Avenue | Ankany | IA |
| 106 | Galesburg | 1150 W Carl Sanders Dr | Galesburg | IL |
| 126 | Mason City | 519 Village Green Drive | Mason City | IA |
| 127 | St. Croix Falls | 2145 Hwy 8 East | St. Croix Falls | WI |
| 129 | Norfolk | 2201 Pasewalk | Norfolk | NE |
| 130 | Wausau | 4007 Rib Mountain Drive | Rib Mountain | WI |
| 144 | Marshfield | 111 McMillan Street | Marshfield | WI |
| 145 | Sturgeon Bay | 1201 Egg Harbor Road | Sturgeon Bay | WI |
| 146 | Bemidji | 2525 Middle School Road | Bemidji | MN |
| 148 | Janesville | 3005 Deerwood Drive | Janesville | WI |
| 155 | Huron | 101 2nd Street SW | Huron | SD |
| 156 | Newton | 220 - 1st Avenue East | Newton | IA |
| 158 | Burlington | 550 Gear Avenue | West Burlington | IA |
| 161 | Lexington | 9280 Lake Drive | Lexington | MN |
| 162 | Sterling | 2930 East Lincolnway | Sterling | IL |
| 163 | Champaign | 807 West Market View | Champaign | IL |
| 201 | Beloit | 2746 Milwaukee Road | Beloit | WI |
| 202 | Lawrence | 1801 W 31st Street | Lawrence | KS |
| 203 | Stevens Point | 5382 Highway 10E | Stevens Point | WI |
| 205 | West Bend | 1300 South Main Street | West Bend | WI |
| 208 | Fergus Falls | 1915 West Lincoln Avenue | Fergus Falls | MN |
| 213 | Fremont | 405 N Broad Street | Fremont | NE |

| | | | | |
|---|---|---|---|---|
| 214 | Sioux City | 2501 Hamilton Boulevard | Sioux City | IA |
| 216 | Dubuque | 4103 McDonald Drive | Dubuque | MN |
| 1 | Burnsville Wholesale | 600 W Travelers Trail | Burnsville | MN |
| 5 | Burnsville-Auto Dealer | 701 Ladybird LN | Burnsville | MN |

EXHIBIT D

Trade Names and Styles

*See attached.*

# *TEAM TIRES PLUS, LTD.*

## Federal Service Mark Registrations

As of June 12, 2000

| Name of Mark | Status/Type | Class | Goods and Services | Symbol | Filing Date/ Serial Number | Registration Date/Number | Affidavit of Use Due Dates | Date of Expiration | Comments |
|---|---|---|---|---|---|---|---|---|---|
| CLASSY TIRES PLUS and Design | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories | ® | 12/17/97 75/406,972 | 11/30/99 2,295,087 | Due between 11/30/2004 and 11/30/2005 | 11/30/2009 | |
| Design (Curved Lines) | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories | ® | 12/17/97 75/406,941 | 11/16/99 2,292,064 | Due between 11/16/2004 and 11/16/2005 | 11/16/2009 | |
| LIKE NO OTHER TIRE STORE | Registered Service Mark | 35 | Retail store services for the sale of tires and other automobile and truck accessories | SM | 2/6/98 75/429,721 | 5/23/00 2,351,166 | | | Final refusal Office Action issued; Notice of Appeal filed 11/9/99 |
| LOW WAREHOUSE PRICES... FAST WORLD CLASS SERVICE! | Registered Service Mark | 42 | Retail store services featuring tires, batteries and other automobile and truck accessories | ® | 4/12/94 74/511,668 | 9/24/96 2,002,103 | Due between 9/24/2001 and 9/24/2002 | 9/24/2006 | |
| SPORTY TIRES PLUS and Design | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories | ® | 12/17/97 75/406,973 | 10/26/99 2,288,560 | Due between 10/26/2004 and 10/26/2005 | 10/26/2009 | |
| TEAM TIRES PLUS | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories; franchising services, namely, rendering technical aid and assistance in the establishment of automobile maintenance centers | ® | 12/17/97 75/406,949 | 10/26/99 2,288,559 | Due between 10/26/2004 and 10/26/2005 | 10/26/2009 | |
| TIRES PLUS ALIGNMENTS BRAKES SHOCKS | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories | SM | 6/14/99 75/727,592 | 3/28/00 2,336,129 | | | Published for opposition in the Official Gazette 1/4/00 |
| TIRE CONNECTION and Design | Registered Service Mark | 42 | Retail store services in the field of tires, batteries, and related goods | ® | 9/12/88 73-751,603 | 5/2/89 1,537,813 | Filed 2/23/95 | 5/2/2009 | |

G. Thomas MacIntosh, II
James A. Wahl
Lee M. Wilka

Mackall, Crounse & Moore, PLC
1400 AT&T Tower
Minneapolis, MN 55402

Telephone: (612) 305-1400
Facsimile: (612) 305-1414

TRADEMARK
REEL: 002140 FRAME: 0041

# TEAM TIRES PLUS, LTD.

## Federal Service Mark Registrations

| Name of Mark | Status/Type | Class | Goods and Services | Symbol | Filing Date/ Serial Number | Registration Date/Number | Affidavit of Use Due Dates | Date of Expiration | Comments |
|---|---|---|---|---|---|---|---|---|---|
| TIRES PLUS (Stylized Letters) | Registered Service Mark | 42 | Retail store services for the sale of tires, batteries and other automobile and truck accessories | ® | 10/9/86 73-624,760 | 5/19/87 1,440,305 | Filed 5/15/93 | 5/19/2007 | |
| TIRES PLUS (Stylized Letters) | Registered Service Mark | 35 | Rendering technical aid and assistance in the establishment of automobile maintenance centers | ® | 10/19/81 73-333,006 | 5/10/83 1,237,623 | Filed 9/28/88 | 5/10/2003 | |
| TIRES PLUS | Registered Service Mark | 35<br>42 | Franchising, namely, rendering technical aid and assistance in the establishment of automobile maintenance centers<br>Retail store services featuring tires, batteries and other automobile and truck accessories | ® | 4/12/94 74/511,744 | 5/30/95 1,896,430 | Due between 5/30/2000 and 5/30/2001 | 5/30/2005 | |
| TIRES PLUS HEARTLAND | Registered Service Mark | 35 | Franchising; namely, offering technical aid and assistance in the establishment and operation of automobile tire stores and automobile maintenance centers | ® | 5/5/92 74-272,646 | 3/9/93 1,757,155 | Filed 1/22/99 | 3/9/2003 | |
| TUFFY TIRES PLUS and Design | Registered Service Mark | 35 | Retail stores featuring tires, batteries and other automobile and truck accessories | ® | 12/17/97 75/406,942 | 11/16/99 2,292,065 | Due between 11/16/2004 and 11/16/2005 | 11/16/2009 | |

TRADEMARK
REEL: 002140 FRAME: 0042

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Facsimile: (612) 305-1414

# TEAM TIRES PLUS, LTD.

## State Trademark, Service Mark & Assumed Name Registrations



| Mark | State | Status/Type | Class | Goods and Services | Registration Date and Number | Expiration Date | Comments |
|---|---|---|---|---|---|---|---|
| PNEUS PLUS | Canada | Registered Trademark | | | 3/7/86 312,167 | 3/7/2001 | |
| TIRES PLUS | Canada | Registered Trademark | | | 3/7/86 312,067 | 3/7/2001 | |
| CONDURA MARKETING CORP. | Minnesota | Assumed Name | 50 | | 8/13/96 179594 | 8/13/2006 | Owner is listed as Tires Plus Groupe, Ltd. |
| CONDURA TIRE GROUPE, LTD. | Minnesota | Assumed Name | 50 | | 12/21/92 126032 | 12/21/2002 | Owner is listed as Tires Plus Groupe, Ltd. |
| TBA MARKETING CONCEPTS | Minnesota | Assumed Name | 50 | | 2/27/87 60030 | 2/4/2007 | Owner is listed as Condura Marketing Corp. |
| TIRE BROKERS OF AMERICA | Minnesota | Assumed Name | 50 | | 2/27/87 60031 | 2/4/2007 | Owner is listed as Condura Marketing Corp. |
| TIRE CONNECTION | Minnesota | Assumed Name | 50 | | 5/18/90 0093621 | 5/18/2000 | Owner is listed as Condura Marketing Corp. |
| TIRE CONNECTION and Design | Minnesota | Registered Trademark | 42 | Sale of tires, batteries and related goods | 5/9/90 0016086 | 5/9/2000 | Owner is listed as Condura Marketing Corp. |
| TIRES PLUS | Arizona | Registered Service Mark | 38 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/18/97 40139 | 9/13/2007 | |
| TIRES PLUS | California | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 10/21/97 48685 | 10/21/2007 | |
| TIRES PLUS | Colorado | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 12/11/95 150,788 | 12/10/2005 | |

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Facsimile: (612) 305-1414

TRADEMARK
REEL: 002140 FRAME: 0043

# TEAM TIRES PLUS, LTD.

## State Trademark, Service Mark & Assumed Name Registrations

| Mark | State | Status/Type | Class | Goods and Services | Registration Date and Number | Expiration Date | Comments |
|---|---|---|---|---|---|---|---|
| TIRES PLUS | Connecticut | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/2/97 20259 | 9/2/2002 | |
| TIRES PLUS | Florida | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/15/97 T,971,119 | 9/15/2007 | |
| TIRES PLUS | Illinois | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 12/12/95 77583 | 12/11/2005 | |
| TIRES PLUS | Indiana | Registered Service Mark | 53 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 2/13/96 5010-3587 | 2/12/2006 | |
| TIRES PLUS | Iowa | Registered Service Mark | 42 | Auto service center | 12/9/88 0009301 | 12/8/2003 | Renewed |
| TIRES PLUS | Kentucky | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/4/97 12018 | 9/4/2002 | |
| TIRES PLUS | Michigan | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 3/1/96 M00-787 | 3/1/2006 | |
| TIRES PLUS | Minnesota | Assumed Name | 50 | | 2/27/87 60676 | 2/27/2007 | Owner is listed as Condura Marketing Corp. |
| TIRES PLUS | Minnesota | Registered Trademark | 17 | Tires and accessories | 6/24/87 0012454 | 6/24/2007 | Renewed 1/2/97 |
| TIRES PLUS | Mississippi | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 10/20/97 | 10/20/2007 | |
| TIRES PLUS | Missouri | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 12/12/95 S13439 | 12/11/2005 | |

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TRADEMARK
REEL: 002140 FRAME: 0044

# TEAM TIRES PLUS, LTD.

## State Trademark, Service Mark & Assumed Name Registrations

| Mark | State | Status/Type | Class | Goods and Services | Registration Date and Number | Expiration Date | Comments |
|---|---|---|---|---|---|---|---|
| TIRES PLUS | Montana | Registered Service Mark | 3a | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 12/11/95 T18677-161(5) | 12/10/2005 | |
| TIRES PLUS | Nebraska | Registered Service Mark | 1 | Miscellaneous services | 12/13/95 9523/131 | 12/12/2005 | |
| TIRES PLUS | New Jersey | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 10/1/97 14883 | 10/1/2002 | |
| TIRES PLUS | North Carolina | Pending Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | | | Comments received and responded to |
| TIRES PLUS | Ohio | Pending Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | | | Conflicting tradenameregistration |
| TIRES PLUS | Oklahoma | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/3/97 28923 | 9/3/2007 | |
| TIRES PLUS | Pennsylvania | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 8/29/97 2773137 | 8/29/2007 | |
| TIRES PLUS | Tennessee | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 8/29/97 00268268 | 8/29/2007 | |
| TIRES PLUS | Virginia | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 9/2/97 0598 | 9/2/2007 | |
| TIRES PLUS | Washington | Registered Service Mark | 42 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 8/28/97 26332 | 8/28/2003 | |
| TIRES PLUS | Wisconsin | Registered Service Mark | | The operation of retail/wholesale tire, battery, and automotive accessory sales and service centers | 8/15/90 | 8/15/2000 | |

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## State Trademark, Service Mark & Assumed Name Registrations

| Mark | State | Status/Type | Class | Goods and Services | Registration Date and Number | Expira |
|---|---|---|---|---|---|---|
| TIRES PLUS | Wyoming | Registered Service Mark | 100 | Retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 12/11/95 305515 | 12/10/ |
| TIRES PLUS AUTO SERVICE CENTER | Minnesota | Registered Service Mark | 35 | Sales, installation and servicing of automobile parts and accessories | 9/2/81 0007401 | 9/2/20 |
| TODAY'S TIRE... TOMORROW'S FUEL | Iowa | Registered Service Mark | 42 | Sale, operation and promotion of automobile tire stores and with retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 11/26/90 0011166 | 11/26/ |
| TODAY'S TIRE... TOMORROW'S FUEL | Minnesota | Registered Service Mark | 42 | Sale, operation and promotion of automobile tire stores and with retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 11/27/90 0016970 | 11/27. |
| TODAY'S TIRE... TOMORROW'S FUEL | Wisconsin | Registered Service Mark | 42 | Sale, operation and promotion of automobile tire stores and with retail and wholesale store services for the sale of tires, batteries and other automobile and truck accessories | 11/28/90 0901128 | 11/28 |
| VMI BROKERAGE | Minnesota | Assumed Name | 50 | | 2/4/87 60034 | 2/4/2 |
| VMI TRUCKING | Minnesota | Assumed Name | 50 | | 2/4/87 60035 | 2/4/2 |

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