





SCHEDULE IV

Trademarks

Trademark	Registered Owner	Registration Number	Expiration Date
ANN PAGE ®	The Great Atlantic & Pacific Tea Company, Inc.	0,507,581	2009/03/15
BALDERSON'S ®	The Great Atlantic & Pacific Tea Company, Inc.	0,765,268	2004/02/18
 ®	The Great Atlantic & Pacific Tea Company, Inc.	855,682	2008/08/27
 ®	The Great Atlantic & Pacific Tea Company, Inc.	1,304,288	2004/11/06
A & P ®	The Great Atlantic & Pacific Tea Company, Inc.	2,024,122	2006/12/17
FUTURE STORE ®	The Great Atlantic & Pacific Tea Company, Inc.	1,355,968	2005/08/20
EIGHT O'CLOCK ®	The Great Atlantic & Pacific Tea Company, Inc.	1,409,722	2006/09/16
BOKAR ®	The Great Atlantic & Pacific Tea Company, Inc.	1,409,723	2006/09/16
SAV-A-CENTER ®	The Great Atlantic & Pacific Tea Company, Inc.	1,412,706	2006/10/07
 ®	The Great Atlantic & Pacific Tea Company, Inc.	2,073,501	2007/06/24

Trademark	Registered Owner	Registration Number	Expiration Date
	The Great Atlantic & Pacific Tea Company, Inc.	1,519,019	2009/01/03
THE GREAT STORE JUST NEXT DOOR	The Great Atlantic & Pacific Tea Company, Inc.	1,826,728	2004/03/15
SUPER FRESH	The Great Atlantic & Pacific Tea Company, Inc.	2,085,126	2007/08/05
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	2,019,444	2006/11/26
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	1,861,428	2004/11/01
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	1,860,494	2004/10/25

U.S. SECURITY AGREEMENT dated as of February 23, 2001, among The Great Atlantic & Pacific Tea Company, Inc. (the "Company"), a Maryland corporation, each subsidiary of the Company listed on Schedule I hereto (each such subsidiary individually a "Guarantor" and collectively, together with the Company, the "Guarantors"; the Guarantors are also referred to collectively herein as the "Grantors") and The Chase Manhattan Bank, a New York banking corporation, as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein).

Reference is made to (a) the Credit Agreement dated as of February 23, 2001 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Company, the other Borrowers party thereto, the lenders from time to time party thereto (the "Lenders"), The Chase Manhattan Bank ("Chase"), as U.S. Administrative Agent, and The Chase Manhattan Bank of Canada, as Canadian Administrative Agent and (b) the U.S. Guarantee Agreement dated as of February 23, 2001, (as amended, supplemented or otherwise modified from time to time, the "U.S. Guarantee Agreement"), among the U.S. Loan Parties and the Collateral Agent.

The Lenders have agreed to make Loans to the Borrowers, and the Issuing Bank has agreed to issue Letters of Credit for the account of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Credit Agreement. Each of the Guarantors has agreed to guarantee, among other things, all the obligations of the Borrowers under the Credit Agreement. The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Grantors of an agreement in the form hereof to secure (a) the due and punctual payment by the Borrowers of (i) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) each payment required to be made by any Borrower under the Credit Agreement in respect of any Letter of Credit, when and as due, including payments in respect of reimbursement of disbursements, interest thereon and obligations to provide cash collateral, (iii) obligations, including the repayment of all overdraft amounts plus interest, if any, customarily applied on overdrafts, if any, owed to Chase or any Affiliate of Chase arising from the treasury, depository and cash management services in connection with any automated clearinghouse transfer of funds and (iv) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrowers to the Secured Parties under the Credit Agreement and the other Loan Documents, (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrowers under or pursuant to the Credit Agreement and the other Loan Documents, (c) the due and punctual payment and performance of all the covenants, agreements, obligations and liabilities of each Loan Party under or pursuant to this Agreement and the other Loan Documents and (d) the due and punctual payment and performance of all obligations of the Borrowers under each Hedging Agreement entered into with any counterparty that was a Lender or an Affiliate of a Lender at the time such Hedging Agreement was entered into (all the monetary and

other obligations described in the preceding clauses (a) through (d) being collectively called the "Obligations").

Accordingly, the Grantors and the Collateral Agent, on behalf of itself and each Secured Party (and each of their respective successors or assigns), hereby agree as follows:

ARTICLE I

Definitions

SECTION 1.01. *Definition of Terms Used Herein.* Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Credit Agreement and all references to the Uniform Commercial Code shall mean the Uniform Commercial Code in effect in the State of New York as of the date hereof.

SECTION 1.02. *Definition of Certain Terms Used Herein.* As used herein, the following terms shall have the following meanings:

"*Account Debtor*" shall mean any person who is or who may become obligated to any Grantor under, with respect to or on account of an Account.

"*Accounts*" shall mean any and all right, title and interest of any Grantor to payment for goods and services sold or leased, including any such right evidenced by chattel paper, whether due or to become due, whether or not it has been earned by performance, and whether now or hereafter acquired or arising in the future, including accounts receivable from Affiliates of the Grantors.

"*Accounts Receivable*" shall mean all Accounts and all right, title and interest in any returned goods, together with all rights, titles, securities and guarantees with respect thereto, including any rights to stoppage in transit, replevin, reclamation and resales, and all related security interests, liens and pledges, whether voluntary or involuntary, in each case whether now existing or owned or hereafter arising or acquired.

"*Cash Concentration Account*" shall mean the cash concentration account in the name of the Collateral Agent for the benefit of the Secured Parties established with the Cash Concentration Bank located at 270 Park Avenue, New York, NY 10017, to which the Company will cause to be transferred, on each Business Day, collected amounts deposited in the Collection Deposit Accounts on such Business Day other than those amounts contemplated in Section 5.01(b).

"*Cash Concentration Bank*" shall mean The Chase Manhattan Bank.

"*Cash Concentration Letter Agreement*" shall mean the agreement among the Cash Concentration Bank, the Company and the Collateral Agent, in substantially the form of Annex 1-A hereto, pursuant to which the Company shall maintain the Cash Concentration Account, as such Cash Concentration Letter Agreement may be amended, modified or supplemented from time to time in accordance with the terms thereof.

“Collateral” shall mean all (a) Accounts Receivable, (b) Documents, (c) General Intangibles, (d) Inventory, (e) cash and cash accounts (including the Concentration Account, the Collection Deposit Accounts and the General Fund Account) and (f) Proceeds; provided, however, that Collateral shall not include any lease, license, contract, agreement, lease or other instrument to which any Grantor is a party to the extent such Grantor is prohibited from granting a Lien in its rights thereunder pursuant to the terms of such license, contract, agreement, lease or other instrument or under applicable law.

“Collection Deposit Account” shall mean one of the respective collection deposit accounts maintained by the Company and the other Grantors pursuant to the Collection Deposit Letter Agreements (and prior to the execution of the Collection Deposit Letter Agreements, any other collection deposit accounts maintained by the Company and the other Grantors) into which the Company and the other Grantors will deposit all Daily Receipts.

“Collection Deposit Letter Agreement” shall mean an agreement among the Company or another Grantor, any Lender or other bank and the Collateral Agent, in substantially the form of Annex 1-B hereto or such other form reasonably satisfactory to the Collateral Agent, pursuant to which, the Company and the other Grantors shall maintain a Collection Deposit Account, as such Collection Deposit Letter Agreement may be amended, modified or supplemented from time to time in accordance with the terms thereof.

“Copyright License” shall mean any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by any Grantor or which such Grantor otherwise has the right to license, or granting any right to such Grantor under any Copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

“Copyrights” shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all copyright rights in any work subject to the copyright laws of the United States or Canada, whether as author, assignee, transferee or otherwise, and (b) all registrations and applications for registration of any such copyright in the United States or Canada, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, including those listed on Schedule II.

“Credit Agreement” shall have the meaning assigned to such term in the preliminary statement of this Agreement.

“Daily Receipts” shall mean all amounts received by the Company and the other Grantors, whether in the form of cash, checks, any moneys received or receivable in respect of charges made by means of credit cards, and other negotiable instruments, in each case as a result of the sale of Inventory.

“Documents” shall mean all instruments, files, records, ledger sheets and documents covering or relating to any of the Collateral.

“General Intangibles” shall mean all choses in action and causes of action and all other assignable intangible personal property of any Grantor of every kind and nature (other than Accounts

Receivable) to the extent relating to any of the Collateral now owned or hereafter acquired by any Grantor, including all rights and interests in partnerships, limited partnerships, limited liability companies and other unincorporated entities (excluding such entities, however, to the extent the same are not wholly owned by the Company), corporate or other business records, indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, Hedging Agreements and other agreements), Intellectual Property, goodwill, registrations, franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor to secure payment by an Account Debtor of any of the Accounts Receivable.

“Intellectual Property” shall mean all intellectual and similar property of any Grantor of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

“Inventory” shall mean all goods of any Grantor, whether now owned or hereafter acquired, held for sale or lease, or furnished or to be furnished by any Grantor under contracts of service, or consumed in any Grantor’s business, including raw materials, intermediates, work in process, packaging materials, finished goods, semi-finished inventory, scrap inventory, manufacturing supplies and spare parts, and all such goods that have been returned to or repossessed by or on behalf of any Grantor.

“License” shall mean any Patent License, Trademark License, Copyright License or other license or sublicense to which any Grantor is a party, including those listed on Schedule III.

“Obligations” shall have the meaning assigned to such term in the preliminary statement of this Agreement.

“Patent License” shall mean any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a Patent, now or hereafter owned by any Grantor or which any Grantor otherwise has the right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement.

“Patents” shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all letters patent of the United States or Canada, all registrations and recordings thereof, and all applications for letters patent of the United States or Canada, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in Canada, including those listed on Schedule IV, and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

"Perfection Certificate" shall mean a certificate substantially in the form of Annex 2, completed and supplemented with the schedules and attachments contemplated thereby, and duly executed by a Financial Officer and the chief legal officer of the Company.

"Proceeds" shall mean any consideration received from the sale, exchange, license, lease or other disposition of any asset or property that constitutes Collateral, any value received as a consequence of the possession of any Collateral and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft, damage or other involuntary conversion of whatever nature of any asset or property which constitutes Collateral, and shall include (a) all cash and negotiable instruments received by or held on behalf of the Collateral Agent pursuant to the provisions of Section 5.01 of this Agreement or otherwise, (b) any claim of any Grantor against any third party for (and the right to sue and recover for and the rights to damages or profits due or accrued arising out of or in connection with) (i) past, present or future infringement of any Patent now or hereafter owned by any Grantor, or licensed under a Patent License, (ii) past, present or future infringement or dilution of any Trademark now or hereafter owned by any Grantor or licensed under a Trademark License or injury to the goodwill associated with or symbolized by any Trademark now or hereafter owned by any Grantor, (iii) past, present or future breach of any License and (iv) past, present or future infringement of any Copyright now or hereafter owned by any Grantor or licensed under a Copyright License and (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Secured Parties" shall mean (a) the U.S. Lenders, (b) the U.S. Administrative Agent, (c) the U.S. Collateral Agent, (d) the U.S. Issuing Bank, (e) each counterparty to an Hedging Agreement entered into with any Borrower if such counterparty was a Lender or an Affiliate of a Lender at the time the Agreement was entered into, (f) the beneficiaries of each indemnification obligation undertaken by any Grantor under any Loan Document, (g) for purposes of the U.S. Guarantee Agreement only, Chase and any Affiliate of Chase in respect of obligations owed to Chase or any Affiliate of Chase arising from treasury, depository and cash management services in connection with any automated clearinghouse transfer of funds and (h) the successors and assigns of each of the foregoing.

"Security Interest" shall have the meaning assigned to such term in Section 2.01.

"Trademark License" shall mean any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned by any Grantor or which any Grantor otherwise has the right to license, or granting to any Grantor any right to use any Trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement.

"Trademarks" shall mean all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office, any State of the United States or any similar offices in Canada or any political subdivision thereof, and all extensions or renewals thereof, including those listed on

Schedule V, (b) all goodwill associated therewith or symbolized thereby and (c) all other assets, rights and interests that uniquely reflect or embody such goodwill.

SECTION 1.03. *Rules of Interpretation.* The rules of interpretation specified in Section 1.03 of the Credit Agreement shall be applicable to this Agreement.

ARTICLE II

Security Interest

SECTION 2.01. *Security Interest.* As security for the payment or performance, as the case may be, in full of the Obligations, each Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under the Collateral (the "*Security Interest*"). Without limiting the foregoing, the Collateral Agent is hereby authorized to file one or more financing statements, continuation statements, filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in Canada) or other documents as it determines reasonably necessary for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party.

SECTION 2.02. *No Assumption of Liability.* The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral.

ARTICLE III

Representations and Warranties

The Grantors jointly and severally represent and warrant to the Collateral Agent and the Secured Parties that:

SECTION 3.01. *Title and Authority.* Each Grantor has good and valid rights in and title to the Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Collateral Agent the Security Interest in such Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other person other than any consent or approval which has been obtained except where the failure to obtain such consent or approval, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.02. Filings. (a) The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein is correct and complete in all material respects. Fully executed Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations containing a description of the Collateral have been delivered to the Collateral Agent for filing in each governmental, municipal or other office specified in Schedule 6 to the Perfection Certificate, which are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office in order to perfect the Security Interest in Collateral consisting of United States Patents, Trademarks and Copyrights) that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the ratable benefit of the Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements.

(b) Each Grantor shall ensure that fully executed security agreements in the form hereof and containing a description of all Collateral consisting of Intellectual Property shall have been received for recording and shall make commercially reasonable efforts to ensure such security agreements are in fact recorded within three months after the execution of this Agreement with respect to United States Patents and United States registered Trademarks (and Trademarks for which United States registration applications are pending) and within one month after the execution of this Agreement with respect to United States registered Copyrights have been delivered to the Collateral Agent for recording by the United States Patent and Trademark Office and the United States Copyright Office pursuant to 35 U.S.C. § 261, 15 U.S.C. § 1060 or 17 U.S.C. § 205 and the regulations thereunder, as applicable, and otherwise as may be reasonably required pursuant to the laws of any other reasonably necessary jurisdiction, to protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the ratable benefit of the Secured Parties) in respect of all Collateral consisting of Patents, Trademarks and Copyrights in which a security interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, or in any other reasonably necessary jurisdiction, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary (other than such actions as are necessary to perfect the Security Interest with respect to any Collateral consisting of Patents, Trademarks and Copyrights (or registration or application for registration thereof) acquired or developed after the date hereof).

SECTION 3.03. Validity of Security Interest. The Security Interest constitutes (a) a legal and valid security interest in all the Collateral securing the payment and performance of the Obligations, (b) subject to the filings described in Section 3.02 above, a perfected security interest in all Collateral in which a security interest may be perfected by filing, recording or registering a financing statement or analogous document in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the Uniform Commercial Code or other applicable law in such jurisdictions and (c) a security interest that shall be perfected in all Collateral in which a security interest may be perfected upon the receipt and recording of this Agreement with the United States Patent and Trademark Office and the United States Copyright Office, as applicable, within the three month period (commencing as of the date hereof) pursuant to 35 U.S.C. § 261 or 15 U.S.C.

§ 1060 or the one month period (commencing as of the date hereof) pursuant to 17 U.S.C. § 205 and otherwise as may be required pursuant to the laws of any other necessary jurisdiction. The Security Interest is and shall be prior to any other Lien on any of the Collateral, other than Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement.

SECTION 3.04. *Absence of Other Liens.* The Collateral is owned by the Grantors free and clear of any Lien, except for Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement. The Grantor has not filed or consented to the filing of (a) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Collateral, (b) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office or (c) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Liens expressly permitted pursuant to Section 6.02 of the Credit Agreement.

SECTION 3.05. *Investments.* The Grantors have no loans to employees, joint ventures with third parties, commodity accounts, debt or equity securities of third parties and other "investment property" (as defined in the UCC) that, in the aggregate, exceed an aggregate book value of U.S.\$5,000,000 (other than investments relating to Canadian franchisees).

ARTICLE IV

Covenants

SECTION 4.01. *Change of Name; Location of Collateral; Records; Place of Business.* (a) Each Grantor agrees promptly to notify the Collateral Agent in writing of any change (i) in its corporate name or in any trade name used to identify it in the conduct of its business or in the ownership of its properties, (ii) in the location of its chief executive office, its principal place of business, any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which Collateral owned by it is located (including the establishment of any such new office or facility), (iii) in its identity or corporate structure or (iv) in its Federal Taxpayer Identification Number. Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Collateral. Each Grantor agrees promptly to notify the Collateral Agent if any material portion of the Collateral owned or held by such Grantor is damaged or destroyed.

(b) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged, but in any event to include complete accounting records indicating all payments and proceeds received with respect to any part of the Collateral, and, at such time or times as the Collateral Agent may reasonably request, promptly to prepare and

deliver to the Collateral Agent a duly certified schedule or schedules in form and detail reasonably satisfactory to the Collateral Agent showing the identity, amount and location of any and all Collateral.

SECTION 4.02. *Periodic Certification.* Each year, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to Section 5.01 of the Credit Agreement, the Borrower shall deliver to the Collateral Agent a certificate executed by a Financial Officer and the chief legal officer of the Borrower (a) setting forth the information required pursuant to Section 2 of the Perfection Certificate or confirming that there has been no change in such information since the date of such certificate or the date of the most recent certificate delivered pursuant to this Section 4.02 and (b) certifying that all Uniform Commercial Code financing statements or other appropriate filings, recordings or registrations, including all refilings, rerecordings and reregistrations, containing a description of the Collateral have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified pursuant to clause (a) above to the extent necessary to protect and perfect the Security Interest for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period). Each certificate delivered pursuant to this Section 4.02 shall identify in the format of Schedule II, III, IV or V, as applicable, all Intellectual Property of any Grantor in existence on the date thereof and not then listed on such Schedules or previously so identified to the Collateral Agent.

SECTION 4.03. *Protection of Security.* Each Grantor shall, at its own cost and expense, take any and all actions necessary to defend title to the Collateral against all persons and to defend the Security Interest of the Collateral Agent in the Collateral and the priority thereof against any Lien not expressly permitted pursuant to Section 6.02 of the Credit Agreement.

SECTION 4.04. *Further Assurances.* Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent may from time to time reasonably request to assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements or other documents in connection herewith or therewith. If any amount payable by parties other than the Loan Parties under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, other than any notes receivable from the Canadian franchisees constituting Investments permitted by Section 6.04 of the Agreement, in a principal amount in excess of \$5,000,000, such note or instrument shall be immediately pledged and delivered to the Collateral Agent, duly endorsed in a manner satisfactory to the Collateral Agent.

Without limiting the generality of the foregoing, each Grantor hereby authorizes the Collateral Agent, with prompt notice thereof to the Grantors, to supplement this Agreement by supplementing Schedule II, III, IV or V or adding additional schedules hereto to specifically identify any asset or item that may constitute Copyrights, Licenses, Patents or Trademarks; *provided, however,* that any Grantor shall have the right, exercisable within 10 days after it has been notified by the Collateral Agent of the specific identification of such Collateral, to advise the Collateral Agent in writing of any inaccuracy of the representations and warranties made by such Grantor hereunder with respect to such Collateral. Each Grantor agrees that it will use commercially

reasonable efforts to take such action as shall be necessary in order that all representations and warranties hereunder shall be true and correct with respect to such Collateral within 30 days after the date it has been notified by the Collateral Agent of the specific identification of such Collateral.

SECTION 4.05. *Inspection and Verification.* The Collateral Agent and such persons as the Collateral Agent may reasonably designate shall have the right, at the Grantors' own cost and expense, to inspect the Collateral, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Collateral is located, to discuss the Grantors' affairs with the officers of the Grantors and their independent accountants and to verify under reasonable procedures, in accordance with Section 5.09 of the Credit Agreement, the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral, including, but only upon the occurrence and during the continuance of a Default, in the case of Accounts or Collateral in the possession of any third person, by contacting Account Debtors or the third person possessing such Collateral for the purpose of making such a verification. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any Secured Party (it being understood that any such information shall be deemed to be "Information" subject to the provisions of Section 9.12 of the Credit Agreement).

SECTION 4.06. *Taxes; Encumbrances.* At its option, the Collateral Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral and not permitted pursuant to Section 6.02 of the Credit Agreement, and may pay for the maintenance and preservation of the Collateral to the extent any Grantor fails to do so as required by the Credit Agreement or this Agreement, and each Grantor jointly and severally agrees to reimburse the Collateral Agent on demand for any payment made or any expense reasonably incurred by the Collateral Agent pursuant to the foregoing authorization; *provided, however*, that nothing in this Section 4.06 shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Collateral Agent or any Secured Party to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

SECTION 4.07. *Assignment of Security Interest.* Upon the occurrence and during the continuance of an Event of Default, if at any time any Grantor shall take a security interest in any property of an Account Debtor or any other person to secure payment and performance of an Account, such Grantor shall promptly assign such security interest to the Collateral Agent. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security interest against creditors of and transferees from the Account Debtor or other person granting the security interest.

SECTION 4.08. *Continuing Obligations of the Grantors.* Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the Collateral Agent and the Secured Parties from and against any and all liability for such performance; provided that such indemnity shall not, as to the Collateral Agent or any of the Secured Parties, be available to the extent that such losses, claims, damages, liabilities or related expenses

are determined by a court of competent jurisdiction by final judgment to have resulted from the gross negligence or wilful misconduct of such party.

SECTION 4.09. *Use and Disposition of Collateral.* None of the Grantors shall make or permit to be made an assignment, pledge or hypothecation of the Collateral or shall grant any other Lien in respect of the Collateral, except as expressly permitted by Section 6.02 of the Credit Agreement. None of the Grantors shall make or permit to be made any transfer of the Collateral and each Grantor shall remain at all times in possession of the Collateral owned by it, except that (a) Inventory may be sold in the ordinary course of business and (b) unless and until the Collateral Agent shall notify the Grantors that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any Collateral (which notice may be given by telephone if promptly confirmed in writing), the Grantors may use and dispose of the Collateral in any lawful manner not inconsistent with the provisions of this Agreement, the Credit Agreement or any other Loan Document.

SECTION 4.10. *Limitation on Modification of Accounts.* None of the Grantors will, without the Collateral Agent's prior written consent, grant any extension of the time of payment of any of the Accounts Receivable, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof or allow any credit or discount whatsoever thereon, other than extensions, credits, discounts, compromises or settlements granted or made in the ordinary course of business and consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged.

SECTION 4.11. *Insurance.* The Grantors, at their own expense, shall maintain or cause to be maintained insurance covering physical loss or damage to the Inventory and Equipment in accordance with Section 5.07 of the Credit Agreement. Each Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that any Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Collateral Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Collateral Agent deems commercially reasonable. All sums disbursed by the Collateral Agent in connection with this Section 4.11, including reasonable attorneys' fees, court costs, expenses and other reasonable charges relating thereto, shall be payable, upon demand, by the Grantors to the Collateral Agent and shall be additional Obligations secured hereby.

SECTION 4.12. *Legend.* To the extent that the Collateral Agent may reasonably request, in order to perfect the Security Interest or to enable the Collateral Agent to exercise its rights and remedies hereunder, each Grantor shall legend, in form and manner satisfactory to the Collateral Agent, its Accounts Receivable and its books, records and documents evidencing or pertaining thereto with an appropriate reference to the fact that such Accounts Receivable have been assigned

to the Collateral Agent for the benefit of the Secured Parties and that the Collateral Agent has a security interest therein.

SECTION 4.13. *Covenants Regarding Patent, Trademark and Copyright Collateral.*

(a) Each Grantor agrees that it will not, and will use commercially reasonable efforts not to permit any of its licensees to, do any act, or omit to do any act, whereby any Patent which is material to the conduct of such Grantor's business may become invalidated or dedicated to the public, and agrees that it shall continue to mark any products covered by a Patent with the relevant patent number as necessary and sufficient to establish and preserve its maximum rights under applicable patent laws.

(b) Each Grantor (either itself or through its licensees or its sublicensees) will, for each Trademark material to the conduct of such Grantor's business, (i) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use other than such claims contested in good faith by such Grantor in appropriate proceedings in the proper forums, (ii) maintain the quality of products and services offered under such Trademark, (iii) display such Trademark with notice of Federal or foreign registration to the extent necessary and sufficient to establish and preserve its rights under applicable law and (iv) not knowingly use or knowingly permit the use of such Trademark in violation of any third party rights.

(c) Each Grantor (either itself or through licensees) will, for each work covered by a material Copyright, continue to publish, reproduce, display, adopt and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its rights under applicable copyright laws.

(d) Each Grantor shall notify the Collateral Agent promptly if it knows or has reason to know that any Patent, Trademark or Copyright material to the conduct of its business may become abandoned, lost or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, United States Copyright Office or any court or similar office of any country) regarding such Grantor's ownership of any material Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(e) In no event shall any Grantor, either itself or through any agent, employee, licensee or designee, file an application for any Patent, Trademark or Copyright (or for the registration of any Trademark or Copyright) with the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other country or any political subdivision thereof, unless it promptly informs the Collateral Agent, and, upon request of the Collateral Agent, executes and delivers any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's security interest in such Patent, Trademark or Copyright, and each Grantor hereby appoints the Collateral Agent as its attorney-in-fact to execute and file such writings for the foregoing purposes to the extent that such Grantor fails to promptly do so, all acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable.

(f) Each Grantor will take all necessary steps that are consistent with customary practice in any proceeding before the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other

country or any political subdivision thereof, to maintain and pursue each material application relating to the Patents, Trademarks and/or Copyrights (and to obtain the relevant grant or registration) and to maintain each issued Patent and each registration of the Trademarks and Copyrights that is material to the conduct of any Grantor's business, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent with good business judgment, to initiate opposition, interference and cancellation proceedings against third parties.

(g) In the event that any Grantor has reason to believe that any Collateral consisting of a Patent, Trademark or Copyright material to the conduct of any Grantor's business has been or is about to be infringed, misappropriated or diluted by a third party, such Grantor promptly shall notify the Collateral Agent and shall, if consistent with good business judgment, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and take such other actions as are appropriate under the circumstances to protect such Collateral.

(h) Upon and during the continuance of an Event of Default, each Grantor shall use its commercially reasonable efforts to obtain all requisite consents or approvals by the licensor of each Copyright License, Patent License or Trademark License to effect the assignment of all of such Grantor's right, title and interest thereunder to the Collateral Agent or its designee.

SECTION 4.14. *Maintenance of Threshold Percentage for Deposit of Proceeds.* The Grantors shall use commercially reasonable efforts to receive duly authorized, executed and delivered Collection Deposit Letter Agreements from each of the regional banks and local depository banks listed on Schedule VI. Within 90 days after the Effective Date, the Grantor shall have received duly authorized, executed and delivered Collection Deposit Letter Agreements from a group of banks listed on Schedule VI with Collection Deposit Accounts that received 70% of the Proceeds received and directly deposited in respect of Accounts Receivable and Inventory (calculated without giving effect to such Proceeds that are in the form of credit or debit card receivables) over the fourth fiscal quarter in the fiscal year ended February 24, 2001; provided, however, that in the event the Grantors shall not have received the Collection Deposit Letter Agreements contemplated in this sentence within such 90-day period, the Collateral Agent may in its sole discretion extend such period for an additional 90 days. If less than 70% of the Proceeds received in respect of Accounts Receivable and Inventory (calculated without giving effect to such Proceeds that are in the form of credit or debit card receivables) over any fiscal quarterly period (commencing with the first fiscal quarter that begins at least 90 days after the Effective Date) is directly deposited into the Collection Deposit Accounts, the Grantors shall make, within 90 days after the end of any such fiscal period, such modifications to the cash management system (including executing additional Collection Deposit Letter Agreement and increasing the amount of such Proceeds of Accounts Receivable and Inventory to be deposited directly into the Collection Deposit Accounts) so that if such modifications had been in place during such fiscal period at least 70% of the Proceeds received in respect of Accounts Receivable and Inventory would have been directly deposited into the Collection Deposit Accounts; provided, however, that in the event the Grantors shall not have made such modifications within such 90-day period, the Collateral Agent may in its sole discretion extend such period for an additional 90 days. The Grantor shall have the right, from time to time, to substitute any bank party to a Collection Deposit Letter Agreement with any other Bank so long as at least 70% of the

Proceeds received in respect of Accounts Receivable and Inventory are directly deposited into the Collection Deposit Accounts during the periods contemplated in this Section 4.14.

ARTICLE V

Collections

SECTION 5.01. *Collection Deposit Accounts.* (a) From and after the Effective Date, each Grantor agrees to deposit all Daily Receipts into the Collection Deposit Accounts on a daily basis.

(b) From and after the Effective Date, the Grantors agree to transfer, or cause to be transferred, on each Business Day, all collected amounts on deposit in any Collection Deposit Account to the Cash Concentration Account to the extent required by the applicable Collection Deposit Letter Agreement, except, if not otherwise provided for in such Collection Deposit Letter Agreement, such amounts necessary (i) for the payment of routine bank service fees, (ii) for change orders and (iii) to reconcile deposit balances.

(c) Unless and until the occurrence and during the continuance of an Event of Default and delivery of the notices contemplated in Sections 3 and 15 of Annex 1-A and Sections 3 and 12 of Annex 1-B, respectively, the Company may instruct the Cash Concentration Bank to withdraw any of the funds contained in the Cash Concentration Account and the Cash Concentration Bank shall immediately deliver such funds to the Company for use, subject to the provisions of the Credit Agreement, for general corporate purposes.

(d) Upon the occurrence and during the continuance of an Event of Default and delivery of the notices contemplated in Sections 3 and 15 of Annex 1-A and Sections 3 and 12 of Annex 1-B, respectively, each Collection Deposit Account and the Cash Concentration Account will, without any further action taken on the part of any Grantor or the Collateral Agent, automatically convert into a closed account under the exclusive dominion and control of the Collateral Agent in which funds are held subject to the rights of the Collateral Agent hereunder. No Grantor shall thereafter have any right or power to withdraw any funds from any Collection Deposit Account or the Cash Concentration Account without the prior written consent of the Collateral Agent.

(e) In the event that a Grantor directly receives any remittances on Accounts Receivable, notwithstanding the arrangements for payment directly into the Collection Deposit Accounts pursuant to Section 5.02, such remittances shall be held for the benefit of the Collateral Agent and the Secured Parties and shall be segregated from other funds of such Grantor, subject to the Security Interest granted hereby, and such Grantor shall cause such remittances and payments to be deposited into a Collection Deposit Account or the Cash Concentration Account as soon as practicable after such Grantor's receipt thereof.

(f) All payments by any Grantor into any Collection Deposit Account or the Cash Concentration Account pursuant to this Section 5.01, whether in the form of cash, checks, notes, drafts, bills of exchange, money orders or otherwise, in the relevant Collection Deposit Account or Cash Concentration Account in precisely the form in which received (but with any endorsements of such Grantor necessary for deposit or collection), and until they are so deposited such payments shall

be held in trust by such Grantor for the benefit of the Collateral Agent subject to the Security Interest granted hereby.

SECTION 5.02. Collections. Each Grantor agrees that with respect to Account Debtors and every other Person obligated to make payments with respect to the Accounts Receivable it shall have instructed each such Account Debtor and other Person to make all such payments to a Collection Deposit Account established by it or the Cash Concentration Account. Each Grantor shall use commercially reasonable efforts to cause each Account Debtor and every other Person identified in the preceding sentence to make all payments with respect to the Accounts Receivable directly to such Collection Deposit Account or the Cash Concentration Account.

(b) Without the prior written consent of the Collateral Agent, no Grantor shall, in a manner materially adverse to the Lenders, change the general instructions given to Account Debtors in respect of payment on Accounts to be deposited in any Collection Deposit Accounts or the Cash Concentration Account. Until the Collateral Agent shall have advised the Grantors to the contrary, each Grantor shall, and the Collateral Agent hereby authorizes each Grantor to, enforce and collect all amounts owing on the Inventory and Accounts Receivable, for the benefit and on behalf of the Collateral Agent and the other Secured Parties; *provided, however*, that such privilege may at the option of the Collateral Agent be terminated upon the occurrence and during the continuance of any Event of Default.

SECTION 5.03. Power of Attorney. Each Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent and attorney-in-fact, and in such capacity the Collateral Agent shall have the right, with power of substitution for each Grantor and in each Grantor's name or otherwise, for the use and benefit of the Collateral Agent and the Secured Parties, upon the occurrence and during the continuance of an Event of Default (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (c) to sign the name of any Grantor on any invoice or bill of lading relating to any of the Collateral; (d) to send verifications of Accounts Receivable to any Account Debtor; (e) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (f) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (g) to notify, or to require any Grantor to notify, Account Debtors to make payment directly to the Collateral Agent; and (h) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Collateral Agent were the absolute owner of the Collateral for all purposes; *provided, however*, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent or any Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent or any Secured Party, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby, and no action taken or omitted to be taken by the Collateral Agent or any Secured Party with respect to the Collateral or any part thereof shall give rise to any defense, counterclaim or offset in favor of any

Grantor or to any claim or action against the Collateral Agent or any Secured Party other than arising out of the gross negligence or wilful misconduct of the Collateral Agent or any such Secured Party. It is understood and agreed that the appointment of the Collateral Agent as the agent and attorney-in-fact of the Grantors for the purposes set forth above is coupled with an interest and is irrevocable. The provisions of this Section shall in no event relieve any Grantor of any of its obligations hereunder or under any other Loan Document with respect to the Collateral or any part thereof or impose any obligation on the Collateral Agent or any Secured Party to proceed in any particular manner with respect to the Collateral or any part thereof, or in any way limit the exercise by the Collateral Agent or any Secured Party of any other or further right which it may have on the date of this Agreement or hereafter, whether hereunder, under any other Loan Document, by law or otherwise.

ARTICLE VI

Remedies

SECTION 6.01. *Remedies upon Default.* Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral to the Collateral Agent on demand, and it is agreed that the Collateral Agent shall have the right to take any of or all the following actions at the same or different times: (a) with respect to any Collateral consisting of Intellectual Property, on demand, to cause the Security Interest to become an assignment, transfer and conveyance of any of or all such Collateral by the applicable Grantors to the Collateral Agent, or to license or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any such Collateral throughout the world on such terms and conditions and in such manner as the Collateral Agent shall reasonably determine (other than in violation of any then-existing licensing arrangements to the extent that waivers cannot be obtained), and (b) with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral and without liability for trespass to peaceably enter any premises where the Collateral may be located for the purpose of taking possession of or removing the Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, each Grantor agrees that the Collateral Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the Grantors 10 days' written notice (which each Grantor agrees is reasonable notice within the meaning of Section 9-504(3) of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Section, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Collateral Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full; provided, however, that the Collateral Agent shall apply the proceeds from any such sale in the manner provided in Section 6.02. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

SECTION 6.02. *Application of Proceeds.* After the occurrence and during the continuance of an Event of Default, the Collateral Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash, as follows:

FIRST, to the payment of all reasonable costs and expenses incurred by the U.S. Administrative Agent or the Collateral Agent (in its capacity as such hereunder or under any other Loan Document) in connection with such collection or sale or otherwise in connection with this Agreement or any of the Obligations, including all court costs and the reasonable

fees and expenses of its agents and legal counsel, the repayment of all reasonable advances made by the Collateral Agent hereunder or under any other Loan Document on behalf of any Grantor and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution); and

THIRD, to the Grantors, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

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

SECTION 6.03. *Grant of License to Use Intellectual Property.* For the purpose of enabling the Collateral Agent to exercise rights and remedies under this Article at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Collateral Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sub-license any of the Collateral consisting of Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Collateral Agent shall be exercised, at the option of the Collateral Agent, upon the occurrence and during the continuation of an Event of Default; *provided* that any license, sub-license or other transaction entered into by the Collateral Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

ARTICLE VII

Miscellaneous

SECTION 7.01. *Notices.* All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 9.01 of the Credit Agreement. All communications and notices hereunder to any subsidiary listed in Schedule I shall be given to it at its address or telecopy number set forth on Schedule I, with a copy to Company.

SECTION 7.02. *Security Interest Absolute.* All rights of the Collateral Agent hereunder, the Security Interest and all obligations of the Grantors hereunder shall be absolute and

unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Obligations or this Agreement.

SECTION 7.03. *Survival of Agreement.* All covenants, agreements, representations and warranties made by any Grantor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the Secured Parties and shall survive the making by the Lenders of the Loans, and the execution and delivery to the Lenders of any notes evidencing such Loans, regardless of any investigation made by the Lenders or on their behalf, and shall continue in full force and effect until this Agreement shall terminate.

SECTION 7.04. *Binding Effect; Several Agreement.* This Agreement shall become effective as to any Grantor when a counterpart hereof executed on behalf of such Grantor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Grantor and the Collateral Agent and their respective successors and assigns, and shall inure to the benefit of such Grantor, the Collateral Agent and the other Secured Parties and their respective successors and assigns, except that no Grantor shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Grantor and may be amended, modified, supplemented, waived or released with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.

SECTION 7.05. *Successors and Assigns.* Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Grantor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

SECTION 7.06. *Collateral Agent's Fees and Expenses; Indemnification.* (a) Each Grantor jointly and severally agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees, disbursements and other charges of its counsel and of any experts or agents, which the Collateral Agent may incur in connection with (i) the administration of this Agreement (including the customary fees and charges of the Collateral Agent for any monitoring or audits conducted by it or on its behalf with respect to the Accounts Receivable or Inventory), (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the rights of the

Collateral Agent hereunder or (iv) the failure of any Grantor to perform or observe any of the provisions hereof.

(b) Without limitation of its indemnification obligations under the other Loan Documents, each Grantor jointly and severally agrees to indemnify the Collateral Agent and the other Indemnitees against, and hold each of them harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable fees, disbursements and other charges of counsel, asserted against or reasonably incurred by any of them arising out of, in any way connected with, or as a result of, the execution, delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating hereto or to the Collateral, whether or not any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section 7.06 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Collateral Agent or any Lender. All amounts due under this Section 7.06 shall be payable on written demand therefor.

SECTION 7.07. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 7.08. *Waivers; Amendment.* (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the Collateral Agent, the Issuing Bank, the Administrative Agent and the Lenders under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or any other Loan Document or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Grantor in any case shall entitle such Grantor or any other Grantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Collateral Agent and the Grantor or Grantors with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 9.02 of the Credit Agreement.

SECTION 7.09. **WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.09.

SECTION 7.10. *Severability.* In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7.11 *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract (subject to Section 7.04), and shall become effective as provided in Section 7.04. Delivery of an executed signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 7.12. *Headings.* Article and Section headings used herein are for the purpose of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 7.13. *Jurisdiction; Consent to Service of Process.* (a) Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, New York and of the United States District Court for the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent, the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Grantor or its properties in the courts of any jurisdiction.

(b) Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any court referred to in paragraph (a) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 7.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

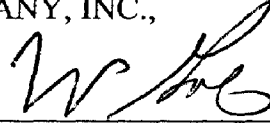
SECTION 7.14. *Termination.* This Agreement and the Security Interest shall terminate when all the Obligations have been indefeasibly paid in full (other than contingent obligations which, pursuant to the terms of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations hereunder, survive the termination of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations hereunder), the U.S. Lenders have no further commitment to lend, the U.S. L/C Exposure has been reduced to zero and the U.S. Issuing Bank has no further commitment to issue Letters of Credit under the Credit Agreement, at which time the Collateral Agent shall execute and deliver to the Grantors, at the Grantors' expense, all Uniform Commercial Code termination statements and similar documents which the Grantors shall reasonably request to evidence such termination. Any execution and delivery of termination statements or documents pursuant to this Section 7.14 shall be without recourse to or warranty by the Collateral Agent. A Subsidiary Guarantor shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Subsidiary Guarantor shall be automatically released in the event that all the capital stock of such Subsidiary Guarantor shall be sold, transferred or otherwise disposed of to a person that is not an Affiliate of the Borrower in accordance with the terms of the Credit Agreement; *provided* that the Required Lenders shall have consented to such sale, transfer or other disposition (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise.

SECTION 7.15. *Additional Grantors.* Pursuant to Section 5.12 of the Credit Agreement, each Subsidiary of the Company that is a U.S. Loan Party that was not in existence or not a Subsidiary on the date of the Credit Agreement is required to enter into this Agreement as a Guarantor upon being a Subsidiary if such Subsidiary owns or possesses property of a type that would be considered Collateral hereunder. Upon execution and delivery by the Collateral Agent and such Subsidiary of an instrument in the form of Annex 3, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of any such instrument shall not require the consent of any Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

THE GREAT ATLANTIC & PACIFIC TEA
COMPANY, INC.,

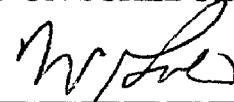
by



Name:
Title:

EACH OF THE OTHER LOAN PARTIES
LISTED ON SCHEDULE I HERETO,

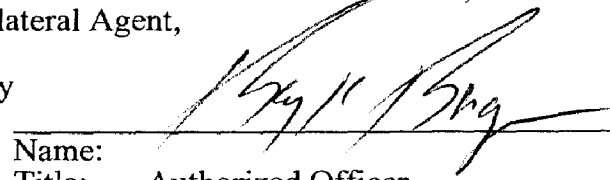
by



Name:
Title: Authorized Officer

THE CHASE MANHATTAN BANK, as
Collateral Agent,

by



Name:
Title: Authorized Officer

TRADEMARK

REEL: 002254 FRAME: 0515

SCHEDULE I

Grantor	Federal Taxpayer Identification Number	State of Incorporation
The Great Atlantic & Pacific Tea Company, Inc.	13-1890974	Maryland
A&P Wine and Spirits, Inc.	04-3210452	Massachusetts
ANP Properties I Corp.	22-2151866	Delaware
ANP Sales Corp.	22-2384378	Maryland
APW Produce Company, Inc.	11-1785084	New York
APW Supermarket Corporation	11-2857132	Delaware
APW Supermarkets, Inc.	22-3119509	New York
Big Star, Inc.	22-2630238	Georgia
Borman's, Inc. d/b/a Farmer Jack	38-1339761	Michigan
Compass Foods, Inc.	13-2640653	Delaware
Family Center, Inc. d/b/a Family Mart	22-2121119	Delaware
Futurestore Food Markets, Inc.	22-2576786	Delaware
The Great Atlantic & Pacific Tea Company of Vermont, Inc.	13-1953865	Vermont
Hopelawn Property I, Inc.	22-3596590	Delaware
Kohl's Food Stores, Inc.	22-2472508	Wisconsin
Kwik Save Inc.	23-1658636	Pennsylvania
Limited Foods, Inc.	22-3365137	Delaware
LO-LO Discount Stores, Inc.	13-2378662	Texas
Montvale Holdings, Inc.	22-3486664	New Jersey
Richmond, Incorporated d/b/a Pantry Pride & Sun Inc.	22-2561246	Delaware
Regina Properties, Inc.	22-3497261	New Jersey
Shopwell, Inc. d/b/a Food Emporium	13-1703304	Delaware
Southern Acquisition Corporation	22-3169659	Delaware
Southern Development, Inc. of Delaware	22-2613925	Delaware
Super Fresh Food Markets, Inc.	22-2402491	Delaware
Super Fresh Food Markets of Maryland, Inc.	22-2433850	Maryland
Super Fresh/Sav-A-Center, Inc.	22-2630228	Delaware
Super Fresh Food Markets of Virginia, Inc.	22-2709413	Delaware
Super Market Service Corp.	24-0835014	Pennsylvania
Super Plus Food Warehouse, Inc.	22-2419532	Delaware
Supermarket Distribution Service Corp.	22-2213135	New Jersey
Supermarket Distribution Service- Florence, Inc.	22-2435824	New Jersey
Supermarket Distribution Services, Inc.	22-2323850	Delaware
Supermarket Systems, Inc.	22-2132106	Delaware
Tea Development Co., Inc.	22-3397431	Delaware
The South Dakota Great Atlantic & Pacific Tea Company, Inc.	22-2524647	South Dakota
Transco Service-Milwaukee, Inc.	22-2507978	New Jersey

Grantor	Federal Taxpayer Identification Number	State of Incorporation
Waldbaum, Inc. d/b/a Waldbaum, Inc. and Food Mart	11-1448599	New York
W.S.L. Corporation	22-2539534	New Jersey
2008 Broadway, Inc.	22-2340986	New York

SCHEDULE II

Copyrights

None.

SCHEDULE III

Licenses




None.


SCHEDULE IV

Patents

None.

SCHEDULE IV**Trademarks**

Trademark	Registered Owner	Registration Number	Expiration Date
ANN PAGE ®	The Great Atlantic & Pacific Tea Company, Inc.	0,507,581	2009/03/15
BALDERSON'S ®	The Great Atlantic & Pacific Tea Company, Inc.	0,765,268	2004/02/18
 ®	The Great Atlantic & Pacific Tea Company, Inc.	855,682	2008/08/27
 ®	The Great Atlantic & Pacific Tea Company, Inc.	1,304,288	2004/11/06
A & P ®	The Great Atlantic & Pacific Tea Company, Inc.	2,024,122	2006/12/17
FUTURE STORE ®	The Great Atlantic & Pacific Tea Company, Inc.	1,355,968	2005/08/20
EIGHT O'CLOCK ®	The Great Atlantic & Pacific Tea Company, Inc.	1,409,722	2006/09/16
BOKAR ®	The Great Atlantic & Pacific Tea Company, Inc.	1,409,723	2006/09/16
SAV-A-CENTER ®	The Great Atlantic & Pacific Tea Company, Inc.	1,412,706	2006/10/07
 ®	The Great Atlantic & Pacific Tea Company, Inc.	2,073,501	2007/06/24

Trademark	Registered Owner	Registration Number	Expiration Date
	The Great Atlantic & Pacific Tea Company, Inc.	1,519,019	2009/01/03
THE GREAT STORE JUST NEXT DOOR	The Great Atlantic & Pacific Tea Company, Inc.	1,826,728	2004/03/15
SUPER FRESH	The Great Atlantic & Pacific Tea Company, Inc.	2,085,126	2007/08/05
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	2,019,444	2006/11/26
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	1,861,428	2004/11/01
AMERICA'S CHOICE	The Great Atlantic & Pacific Tea Company, Inc.	1,860,494	2004/10/25

Regional Banks
[7 Regional Banks]

SEE ATTACHED

Local Depository Banks
[27 Local Depository Banks]

SEE ATTACHED

Regional Banks (depository/lockbox/concentration accounts)

Bank of America
Bank of New York
Chase Manhattan Bank
European American Bank
Fleet
First Union
Summit Bank
Mellon Bank
Firststar
Hibernia
Michigan National Bank
National City Bank

Local Banks (depository)

Hudson United Bank
Tupperlake National Bank
Tompkins County Bank
Edgartown National Bank
Chittenden Bank
Pacific National Bank
Cape Cod Bank & Trust
ALBANK (Divis. of Charter One Final. Inc.)
Granite Bank
National Bank & Trust
Hancock Bank
People's Bank
M&T Bank (Keystone)
York Bank
FCNB
First National Bank of St. Mary's scheduled to close 3/01
F&M Bank-Winchester
Second Bank & Trust
BB&T
Independent Bank
Old Kent
Signature Bank
Century Bank & Trust scheduled to close 2/24/01
Johnson Bank

CASH CONCENTRATION LETTER AGREEMENT dated as of February [], 2001 among THE GREAT ATLANTIC & PACIFIC TEA COMPANY, INC., a Maryland corporation (the "*Company*"), THE CHASE MANHATTAN BANK, a New York banking corporation (the "*Cash Concentration Bank*"), and THE CHASE MANHATTAN BANK, as collateral agent (in such capacity, the "*Collateral Agent*") for the Secured Parties (as defined in the U.S. Security Agreement referred to below).

A. The Company, certain subsidiaries of the Company and the Collateral Agent are parties to a U.S. Security Agreement dated as of February 23, 2001 (the "*U.S. Security Agreement*"). Pursuant to the terms of the U.S. Security Agreement, the Grantors have granted to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Grantors' Accounts Receivable and other Collateral, to secure the payment and performance of the Obligations. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the U.S. Security Agreement.

B. The Cash Concentration Bank has agreed to act as collection sub-agent of the Collateral Agent to receive (a) amounts transferred to the Cash Concentration Account (as defined below) by or on behalf of the Grantors in accordance with the provisions of the U.S. Security Agreement (such amounts, the "*Transferred Receipts*") and (b) payments on the Accounts Receivable.

C. The parties hereto desire to define hereunder certain rights and obligations among them with respect to the appointment of the Cash Concentration Bank.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. The Collateral Agent hereby appoints the Cash Concentration Bank as its collection sub-agent under the U.S. Security Agreement and authorizes the Cash Concentration Bank, on the terms and subject to the conditions set forth herein, to receive and hold on deposit (a) Transferred Receipts and (b) payments on the Accounts Receivable.

2. Prior to or contemporaneously with the execution and delivery by the Cash Concentration Bank of this Agreement, and for the purposes of this Agreement, the Cash Concentration Bank has established and will (except as otherwise provided in paragraph 12 below) maintain a cash concentration account in The Chase Manhattan Bank (account number [323017436]) in the name of the Collateral Agent (the "*Cash Concentration Account*"). The Cash Concentration Bank shall deposit in the Cash Concentration Account all Transferred Receipts received by the Cash Concentration Bank and all payments received by the Cash Concentration Bank in respect of the Accounts Receivable. The Cash Concentration Bank agrees to give the Collateral Agent prompt notice if the Cash Concentration Bank receives notice that the Cash Concentration Account is subject to any writ, judgment, warrant of attachment, execution or similar process. As security for the payment and performance of the Obligations, the Company hereby pledges, assigns and transfers to the Cash Concentration Bank, for the benefit of the Collateral Agent and the other Secured Parties, and hereby creates and grants to the

Cash Concentration Bank, for the benefit of the Collateral Agent and the other Secured Parties, a security interest in its right, title and interest in the Cash Concentration Account and all property and assets held therein. The Cash Concentration Bank acknowledges the security interest of the Collateral Agent for the benefit of the Secured Parties in the Cash Concentration Account.

3. The Collateral Agent hereby authorizes the Cash Concentration Bank to comply with the instructions of the Company directing the withdrawal of any of the funds contained in the Cash Concentration Account and to immediately deliver such funds to by the Company, so long as the Cash Concentration Bank has not received prior written notice from the Collateral Agent pursuant to the next succeeding sentence. Promptly upon receipt of written, telex or telecopy notice from the Collateral Agent so directing the Cash Concentration Bank at any time (which direction shall be given by the Collateral Agent only upon the occurrence and during the continuation of an Event of Default and which notice shall be sent simultaneously to the Company), except to the extent and subject to such terms as may be specified in such notice, the Cash Concentration Bank shall no longer permit withdrawals from the Cash Concentration Account to be made by the Company without the written consent of the Collateral Agent, and, if so directed in such notice, shall promptly transmit to the Collateral Agent, at the office specified in such notice, all funds, if any, then on deposit in the Cash Concentration Account (provided that funds on deposit that are subject to collection shall be transmitted promptly upon collection). If so directed in such notice, the Cash Concentration Bank shall deliver directly to the Collateral Agent at the office specified in such notice all checks, drafts and other instruments for the payment of money relating to the Transferred Receipts or Accounts Receivable in the possession of the Cash Concentration Bank without depositing such checks, drafts or other instruments in the Cash Concentration Account.

Upon receipt of written, telex or telecopy notice from the Collateral Agent so directing the Cash Concentration Bank at any time (which direction shall be given by the Collateral Agent in the event an Event of Default shall have been cured or waived in accordance with the Loan Documents and which notice shall be sent simultaneously to the Company), the Cash Concentration Bank shall permit, and the Collateral Agent hereby authorizes the Cash Concentration Bank to comply with the instructions of the Company and deliver funds thereto as contemplated in the first sentence of this Section 3.

4. Upon the occurrence and during the continuation of an Event of Default, the Cash Concentration Bank shall, if requested by the Collateral Agent, furnish the Collateral Agent with monthly statements, in the form and manner typical for the Cash Concentration Bank, of amounts on deposit in, and amounts withdrawn from, the Cash Concentration Account and such other information relating to the Cash Concentration Account at such times as shall be reasonably requested by the Collateral Agent.

5. For purposes of this Agreement, any officer of the Collateral Agent shall be authorized to act, and to give instructions and notice, for the purposes set forth in this Agreement on behalf of the Collateral Agent hereunder.

6. The fees for the services of the Cash Concentration Bank shall be mutually agreed upon between the Company and the Cash Concentration Bank. The Collateral Agent shall not have any responsibility or liability for the payment of any such fee.

7. The Cash Concentration Bank may perform any of its duties hereunder by or through its agents, officers or employees and shall be entitled to rely upon the advice of counsel as to its duties. The Cash Concentration Bank shall not be liable to the Collateral Agent for any action required of the Cash Concentration Bank under the terms of this Agreement, if such action was taken or omitted to be taken by it in the absence of gross negligence or willful misconduct on the part of the Cash Concentration Bank, nor shall the Cash Concentration Bank be responsible to the Collateral Agent or the Company for the consequences of any oversight or error of judgment or be answerable to the Collateral Agent for the same unless the same shall happen through its gross negligence or wilful misconduct.

8. The Company consents to the appointment of the Cash Concentration Bank and agrees that it will not withdraw, or request to withdraw, funds from the Cash Concentration Account upon the occurrence and during the continuation of an Event of Default after receipt of the notice contemplated in Section 3 hereof unless such withdrawal is consented to in writing by the Collateral Agent.

9. The Cash Concentration Bank undertakes to perform only such duties as are expressly set forth in this Agreement.

10. The Cash Concentration Bank accepts its obligations as set forth in this Agreement upon the terms and conditions hereof, including the following, to all of which the Company and the Collateral Agent agree:

(a) The Company shall promptly pay the Cash Concentration Bank the compensation, if any, to be mutually agreed upon with the Company for all services rendered by the Cash Concentration Bank in connection with this Agreement and to reimburse the Cash Concentration Bank for reasonable out-of-pocket expenses (including reasonable counsel fees) incurred by the Cash Concentration Bank in connection with the services rendered hereunder by the Cash Concentration Bank.

(b) The Company agrees to and does hereby indemnify and hold harmless the Cash Concentration Bank from and against any loss, liability, claim, action, cost or expense incurred hereunder or arising directly from its action as Cash Concentration Bank hereunder, except for any action or omission caused by its gross negligence or wilful misconduct (collectively, a "Loss"), as well as the reasonable costs and expenses of defending against any such claim. The Cash Concentration Bank shall promptly notify the Company of the commencement of any claim giving rise to a potential Loss and of the proceedings relating thereto. The Company may, at its option, undertake to defend any such claim against the Cash Concentration Bank.

(c) The Cash Concentration Bank may consult with legal counsel reasonably satisfactory to it, and in no event shall it be liable for action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion of such counsel.

(d) The Cash Concentration Bank shall be protected from and shall incur no liability for or in respect of any action taken or damage suffered by it in reliance upon any certification, notice, direction, consent, affidavit, statement, or other paper or

document reasonably believed by it to be genuine and to have been presented or signed by the proper parties, and the Cash Concentration Bank shall be under no duty whatsoever to inquire into or investigate the authenticity, validity, accuracy or content of any such item.

(e) The Cash Concentration Bank shall have no responsibility, and shall incur no liability, with respect to the validity of this Agreement or any document related hereto.

(f) The Cash Concentration Bank shall not be under any duty to give the items held by it hereunder any greater degree of care than it gives its own similar property, shall not, unless separately agreed to with the Company, be required to invest any funds held hereunder, and shall be under no duty to take any action with respect to the funds held in the Cash Concentration Account, except to keep the same safe and to release and deliver same in accordance with this Agreement. Funds held hereunder shall not earn or accrue interest, unless separately agreed to with the Company. The Cash Concentration Bank's duties and responsibilities shall be limited to the specific duties stated in this Agreement.

(g) The Cash Concentration Bank shall act hereunder as a depository only and shall not be liable or responsible in any manner for the sufficiency, correctness, genuineness or validity of any certificate or information delivered to it, or for the identity or authority of any Person making any deposit hereunder.

11. The Cash Concentration Bank shall be entitled to rely on the information furnished to it for all purposes in connection with carrying out its duties and obligations as Cash Concentration Bank hereunder, notwithstanding any knowledge that the Cash Concentration Bank may have (in any capacity) that conflicts with the information so provided.

12. (a) The Cash Concentration Bank may at any time resign as such by giving written notice to the Company and the Collateral Agent of such intention on its part, specifying the date on which its desired resignation shall become effective; provided, however, that such date shall not be less than 60 days after the date on which such notice is given unless the Company and the Collateral Agent agree to accept less notice.

(b) In the event that the Cash Concentration Bank shall resign or the Company shall replace the Cash Concentration Bank (of which the Company shall notify the Collateral Agent in advance), the Cash Concentration Bank or the Company, as applicable, will (i) immediately upon the effectiveness of such resignation or replacement transmit to a successor collection subagent (which may be the Collateral Agent and which, if other than the Collateral Agent, shall be a Lender and be reasonably acceptable to the Collateral Agent) specified in writing by the Company to the Collateral Agent and the Cash Concentration Bank (such successor collection sub-agent, the "Successor Cash Concentration Bank"), at the office specified in writing by the Company to the Collateral Agent and the Cash Concentration Bank, all funds, if any, then on deposit in, or otherwise to the credit of, the Cash Concentration Account, provided that funds on deposit which are subject to collection shall be transmitted promptly upon collection, (ii) deliver directly to the Successor Cash Concentration Bank at the office specified

in writing by the Company to the Collateral Agent and the Cash Concentration Bank all Transferred Receipts and all checks, drafts and other instruments for the payment of money relating to the Accounts Receivable in the possession of the Cash Concentration Bank, without depositing such Transferred Receipts or checks, drafts or other instruments in the Cash Concentration Account or any other account and (iii) deliver any Transferred Receipts or payments relating to the Accounts Receivable received by the Cash Concentration Bank after such replacement, in whatever form received, directly to the Successor Cash Concentration Bank at the office specified in writing to the Collateral Agent and the Cash Concentration Bank.

13. The Collateral Agent agrees with the Company that it will provide the Cash Concentration Bank with notice as specified in paragraph 3 of this Agreement only if an Event of Default has occurred and is continuing under the Agreement.

14. The term of this Agreement shall extend from the date hereof until the earlier of (a) the date on which all Obligations have been paid in full (other than contingent obligations which, pursuant to the terms of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations under the Security Agreement, survive the termination of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations under the Security Agreement) and (b) any date on which the Cash Concentration Bank shall not be serving in its capacity hereunder as provided in paragraph 12 above. The obligations of the Cash Concentration Bank contained in clause (b)(iii) of paragraph 12 shall survive the termination of this Agreement.

15. All notices and communications hereunder shall be in writing (except where telephonic instructions or notices are authorized herein) and shall be deemed to have been received and shall be effective on the day on which delivered (including delivery by telex or facsimile) (a) in the case of the Collateral Agent, addressed to the attention of [] (Telecopy No. []); (b) in the case of the Cash Concentration Bank, addressed to [] to the attention of [] (Telecopy No. []); and (c) in the case of the Company, addressed to [] to the attention of [] (Telecopy No. []).

16. The Cash Concentration Bank will not (except as expressly permitted hereby) assign or transfer any of its rights or obligations hereunder (other than to the Collateral Agent) without the prior written consent of the other parties hereto.

17. This Agreement may be amended only by a written instrument executed by the Collateral Agent, the Cash Concentration Bank and the Company, acting by their representative officers thereunto duly authorized.

18. Except as otherwise provided in the Credit Agreement with respect to rights of set-off available to the Cash Concentration Bank in the event that it is also a Lender under the Credit Agreement, the Cash Concentration Bank hereby irrevocably waives, effective upon the occurrence and during the continuation of an Event of Default, any right to set-off against, or otherwise deduct from, any funds then or at any time thereafter held in the Cash Concentration

Account for any indebtedness or other claim then or at any time thereafter owed by the Company to the Cash Concentration Bank.

19. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

20. This Agreement (a) shall inure to the benefit of and be binding upon the Collateral Agent, the Cash Concentration Bank, the Company and their respective successors and assigns and (b) may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

THE GREAT ATLANTIC & PACIFIC
TEA COMPANY, INC.,

by _____
Title:

THE CHASE MANHATTAN BANK, as
Collateral Agent,

by _____
Title:

THE CHASE MANHATTAN BANK, as
Cash Concentration Bank,

by _____
Title:

COLLECTION DEPOSIT LETTER AGREEMENT dated as of
[], 2001, among [Name of Grantor], a [] corporation (the
"Grantor"), THE CHASE MANHATTAN BANK, a New York banking
corporation, as collateral agent (the "Collateral Agent") for the Secured
Parties (as defined in the Security Agreement referred to below) and
, a (the "Collection Deposit Bank").

A. The Grantor, certain other grantors and the Collateral Agent are parties to a U.S. Security Agreement dated as of February 23, 2001 (the "U.S. Security Agreement"). Pursuant to the terms of the U.S. Security Agreement, the Grantor has granted to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Grantor's Accounts Receivable and other Collateral, to secure the payment and performance of the Obligations. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement.

B. The Collection Deposit Bank has agreed to receive on behalf of the Grantor (a) Daily Receipts and (b) payments on the Accounts Receivable.

C. The parties hereto desire to define hereunder certain rights and obligations among them with respect to the appointment of the Collection Deposit Bank.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. The Collateral Agent hereby authorizes the Collection Deposit Bank, on the terms and subject to the conditions set forth herein, to receive (a) Daily Receipts and (b) payments on the Accounts Receivable.

2. Prior to or contemporaneously with the execution and delivery by the Collection Deposit Bank of this Agreement, and for the purposes of this Agreement, the Collection Deposit Bank has established and shall maintain (except as otherwise provided in paragraph 8 below) for the benefit of the Collateral Agent and the other Secured Parties upon the occurrence and during the continuance of an Event of Default one or more collection accounts in the name of the Company (all such accounts, collectively, the "Collection Deposit Account"). All Daily Receipts received by the Collection Deposit Bank and all payments received by the Collection Deposit Bank in respect of the Accounts Receivable shall be deposited by the Grantor in the Collection Deposit Account, and such Daily Receipts and payments shall not be commingled with other funds of the Grantor. All funds at any time on deposit in the Collection Deposit Account shall be held by the Collection Deposit Bank subject to the terms of this Agreement. The Collection Deposit Bank agrees to give the Collateral Agent prompt notice if the Collection Deposit Bank receives notice that the Collection Deposit Account is subject to any writ, judgment, warrant of attachment, execution or similar process. As security for the payment and performance of the Obligations, the Grantor hereby pledges, assigns and transfers to the Collection Deposit Bank, for the benefit of the Collateral Agent and the other Secured Parties, and hereby create and grant to the Collection Deposit Bank, for the benefit of the Collateral Agent and the other Secured Parties, a security interest in the Collection Deposit Account and all

property and assets held therein. The Collection Deposit Bank acknowledges the security interest of the Collateral Agent for the benefit of the Secured Parties in the Collection Deposit Account.

3. The Collateral Agent hereby authorizes the Collection Deposit Bank to permit the Grantor to make withdrawals from the Collection Deposit Account, so long as the Collection Deposit Bank has not received notice from the Collateral Agent pursuant to the next succeeding sentence. Upon receipt of written, telex, facsimile or telephonic notice (which, in the case of telephonic notice, shall be promptly confirmed in writing) from the Collateral Agent so directing the Collection Deposit Bank at any time (which direction shall be given by the Collateral Agent only upon the occurrence and during the continuation of an Event of Default and which notice shall be sent simultaneously to the Grantor), except to the extent and subject to such terms as may be specified in such notice, the Collection Deposit Bank shall no longer permit withdrawals from the Collection Deposit Account to be made by the Grantor, and, if so directed in such notice, shall promptly transmit to the cash concentration account maintained by the Company with The Chase Manhattan Bank (account number [323017436]) (the "*Cash Concentration Account*") all funds, if any, then on deposit in, or otherwise to the credit of, the Collection Deposit Account (provided that funds on deposit that are subject to collection shall be transmitted promptly upon collection). If so directed in such notice, the Collection Deposit Bank shall transmit directly to the Cash Concentration Account all Daily Receipts and all checks, drafts and other instruments for the payment of money relating to the Accounts Receivable in the possession of the Collection Deposit Bank without depositing such Daily Receipts or such checks, drafts or other instruments in the Collection Deposit Account or any other account, *provided* that the Collection Deposit Bank may retain a reasonable reserve in a separate deposit account with the Collection Deposit Bank in respect of unpaid fees and amounts which may be subject to collection; *provided further* that this paragraph shall not limit the ability of the Collection Deposit Bank to, and the Collection Deposit Bank may, (a) exercise any right to set off against, or otherwise deduct from, any such funds to the extent necessary for the Collection Deposit Bank to collect any fees owed to it by the Grantor in connection with the Collection Deposit Account, (b) charge back and net against the Collection Deposit Account any returned or dishonored items or other adjustments in accordance with the Collection Deposit Bank's usual practices.

Upon receipt of written, telex or telecopy notice from the Collateral Agent so directing the Cash Concentration Bank at any time (which direction shall be given by the Collateral Agent in the event an Event of Default shall have been cured or waived in accordance with the Loan Documents and which notice shall be sent simultaneously to the Company), the Cash Concentration Bank shall permit, and the Collateral Agent hereby authorizes the Cash Concentration Bank to comply with the instructions of the Company and deliver funds thereto as contemplated in the first sentence of this Section 3.

4. Upon the occurrence and during the continuation of an Event of Default, the Collection Deposit Bank shall, if requested by the Collateral Agent, furnish the Collateral Agent with monthly statements, in the form and manner typical for the Collection Deposit Bank, of amounts of deposits in, and amounts withdrawn from, the Collection Deposit Account and such other information relating to the Collection Deposit Account at such times as shall be reasonably requested by the Collateral Agent.

5. For purposes of this Agreement, any officer of the Collateral Agent shall be authorized to act, and to give instructions and notice, for the purposes set forth in this Agreement on behalf of the Collateral Agent hereunder.

6. The fees for the services of the Collection Deposit Bank shall be mutually agreed upon between the Grantor and the Collection Deposit Bank. The Collateral Agent shall not have any responsibility or liability for the payment of any such fee.

7. The Collection Deposit Bank may perform any of its duties hereunder by or through its agents, officers or employees and shall be entitled to rely upon the advice of counsel as to its duties. The Collection Deposit Bank shall not be liable to the Collateral Agent for any action required of the Collection Deposit Bank under the terms of this Agreement, if such action was taken or omitted to be taken by it in good faith, nor shall the Collection Deposit Bank be responsible to the Collateral Agent or the Grantor for the consequences of any oversight or error of judgment or be answerable to the Collateral Agent for the same unless the same shall happen through its gross negligence or willful misconduct.

8. In the event that the Grantor shall replace the Collection Deposit Bank (of which the Company shall notify the Collateral Agent in advance), the Collection Deposit Bank or the Grantor, as applicable, will (a) immediately transmit to the Cash Concentration Account all funds, if any, then on deposit in, or otherwise to the credit of, the Collection Deposit Account, (b) deliver directly to the successor collection deposit bank at the office specified in writing by the Grantor to the Collateral Agent all subsequently received Daily Receipts and all checks, drafts and other instruments for the payment of money relating to the Accounts Receivable that would have been deposited with the Collection Deposit Bank and (c) deliver any Daily Receipts or payments relating to the Accounts Receivable received by the Collection Deposit Bank after such replacement, in whatever form received, directly to the successor collection deposit bank at the office specified in writing by the Grantor to the Collateral Agent.

9. The Grantor consents to the appointment of the Collection Deposit Bank and agree that it will not withdraw, or request to withdraw, funds from the Collection Deposit Account upon the occurrence and during the continuation of an Event of Default after the receipt of the notice contemplated in Section 3 hereof unless such withdrawal is consented to in writing by the Collateral Agent. The Grantor acknowledges that the Collection Deposit Bank shall incur no liability to the Grantor as a result of any action taken pursuant to an instruction given by the Collateral Agent in accordance with the provisions of this Agreement.

10. The Collateral Agent agrees that it will provide the Collection Deposit Bank with notice as specified in paragraph 3 of this Agreement only if an Event of Default has occurred and is continuing under the Credit Agreement.

11. The term of this Agreement shall extend from the date hereof until the earlier of (a) the date on which all Obligations (other than contingent obligations which, pursuant to the terms of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations under the Security Agreement, survive the termination of this Agreement, the other Loan Documents or the Hedging Agreements described in clause (d) of the definition of Obligations under the Security Agreement) and (b) any date on

which the Collection Deposit Bank shall not be serving in its capacity as collection deposit bank hereunder as provided in paragraph 8 above. The obligations of the Collection Deposit Bank contained in the third sentence of paragraph 8 shall survive the termination of this Agreement.

12. All notices and communications hereunder shall be in writing (except where telephonic instructions or notices are authorized herein) and shall be deemed to have been received and shall be effective on the day on which delivered (including delivery by telex or facsimile) (a) in the case of the Subagent for the Collateral Agent, addressed to The Chase Manhattan Bank, Loan and Agency Services Group, One Chase Manhattan Plaza, 8th Floor, New York, New York 10081, to the attention of [] (Telecopy No. []) with a copy to The Chase Manhattan Bank, 270 Park Avenue, New York, New York 10017, to the attention of [], (Telecopy No. []), (b) in the case of the Collection Deposit Bank, addressed to _____, to the attention of _____, and (c) in the case of the Grantor, addressed to _____, to the attention of _____.

13. The Collection Deposit Bank will not (except as contemplated in paragraph 8 above) assign or transfer any of its rights or obligations hereunder (other than to the Collateral Agent) without the prior written consent of the other parties hereto.

14. This Agreement may be amended only by a written instrument executed by the Collateral Agent, the Collection Deposit Bank and the Grantor, acting by their representative officers thereunto duly authorized.

15. Except as otherwise provided in the Credit Agreement with respect to rights of set-off available to the Collection Deposit Bank in the event that it is also a Lender under the Credit Agreement, the Collection Deposit Bank hereby irrevocably waives, effective upon the occurrence and during the continuation of an Event of Default, any right to set-off against, or otherwise deduct from, any funds then or at any time thereafter held in the Collection Deposit Account for any indebtedness or other claim then or at any time thereafter owed by the Grantor to the Collection Deposit Bank.

16. EXCEPT TO THE EXTENT THE LAWS OF THE STATE OF [] GOVERN THE COLLECTION DEPOSIT ACCOUNT, THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

17. This Agreement (a) shall inure to the benefit of and be binding upon the Collateral Agent, the Collection Deposit Bank, the Grantor and their respective successors and

assigns and (b) may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

[THE GRANTOR],

by _____
Title:

THE CHASE MANHATTAN BANK, as the
Collateral Agent,

by _____
Title:

[_____],
as Collection Deposit Bank,

by _____
Title:

[U.S. PERFECTION CERTIFICATE]

Agreement shall be deemed to include the New Grantor. The U.S. Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The New Grantor hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule of the location of any and all Collateral of the New Grantor and (b) set forth under its signature hereto, is the true and correct location of the chief executive office of the New Grantor.

SECTION 5. Except as expressly supplemented hereby, the U.S. Security Agreement shall remain in full force and effect.

SECTION 6. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the U.S. Security Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the U.S. Security Agreement. All communications and notices hereunder to the New Grantor shall be given to it at the address set forth under its signature below.

SECTION 9. The New Grantor agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Grantor and the Collateral Agent have duly executed this Supplement to the U.S. Security Agreement as of the day and year first above written.

[Name Of New Grantor],

by

Name:

Title:

Address:

THE CHASE MANHATTAN BANK, as Collateral
Agent,

by

Name:

Title:

LOCATION OF COLLATERAL

Description

Location