

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM334661

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Global Power Equipment Group Inc.		02/21/2012	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Wells Fargo Bank, National Association, as Administrative Agent		
Street Address:	1525 West W.T. Harris Blvd.		
Internal Address:	MAC D1109-019		
City:	Charlotte		
State/Country:	NORTH CAROLINA		
Postal Code:	28262		
Entity Type:	national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	4668286	GP	
CORRESPONDENCE DATA			
Fax Number:	2147455390		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	214-745-5226		
Email:	awalker@winstead.com		
Correspondent Name:	Andrea Walker, Winstead PC		
Address Line 1:	P. O. Box 131851		
Address Line 4:	Dallas, TEXAS 75313-1851		
ATTORNEY DOCKET NUMBER:	4839-728 MAINSA GLOBALPWR		
NAME OF SUBMITTER:	Andrea Walker		
SIGNATURE:	/Andrea Walker/		
DATE SIGNED:	03/10/2015		
Total Attachments: 39			
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source=4839-728 updated main security agreement Global Power sched 4(a) tm#page2.tif			
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SECURITY AGREEMENT

SECURITY AGREEMENT (this agreement, together with all amendments and restatements and Joinders, this "*Agreement*"), dated as of February 21, 2012, is made by each of the signatories party hereto and each other Person who becomes a party hereto pursuant to Section 6.15 (including any permitted successors and assigns, collectively, the "*Grantors*" and each a "*Grantor*"), in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (in such capacity, "*Secured Creditor*"), for its benefit and the benefit of each other Secured Party.

BACKGROUND.

Global Power Equipment Group, Inc., a Delaware corporation ("*Borrower*"), Wells Fargo Bank, National Association, as Administrative Agent, and the Lenders party thereto have entered into the Credit Agreement dated as of February 21, 2012 (such agreement, together with all amendments and restatements, the "*Credit Agreement*").

Borrower and each other Grantor are members of the same consolidated group of companies and are engaged in operations which require financing on a basis in which credit can be made available from time to time to Borrower and the other Grantors, and Grantors will derive direct and indirect economic benefit from the Loans, Letters of Credit and other financial accommodations under the Credit Agreement and other Loan Documents and financial accommodations under Secured Cash Management Agreements and Secured Hedge Agreements.

It is the intention of the parties hereto that this Agreement create a first priority security interest in the Collateral in favor of Secured Creditor for its benefit and the benefit of the Secured Parties securing the payment and performance of the Secured Obligations.

AGREEMENT.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce Secured Parties to (a) make Loans and issue Letters of Credit under the Credit Agreement and to extend other credit and financial accommodations under the Loan Documents, and (b) make financial accommodations under Secured Hedge Agreements and Secured Cash Management Agreements, each Grantor hereby agrees with Secured Creditor, for its benefit and the benefit of Secured Parties, as follows:

ARTICLE I DEFINITIONS

1.01. *Definitions.* For purposes of this Agreement:

"*Accession*" means an accession (as defined in the UCC), and (whether or not included in that definition), a good that is physically united with another good in such a manner that the identity of the original good is not lost.

"*Account*" means an account (as defined in the UCC), and (whether or not included in such definition), a right to payment of a monetary obligation, whether or not earned by performance for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, and for service rendered or to be rendered, and all right, title, and interest in any returned property, 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 Liens whether voluntary or involuntary.

"Account Debtor" means any Person who is or who may become obligated to each Grantor under, with respect to or on account of an Account.

"Acquisition Rights" means each warrant, option, instrument, subscription right, redemption right and other right (including any instrument or right convertible into an Equity Interest) to acquire or sell any Equity Interest in any Person.

"As-Extracted Collateral" means as-extracted collateral (as defined in the UCC), and (whether or not included in that definition), (a) oil, gas, or other minerals that are subject to a security interest that (i) is created by such Grantor before extraction, and (ii) attaches to the minerals as extracted, or (b) Accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which such Grantor had an interest before extraction.

"Chattel Paper" means chattel paper (as defined in the UCC), and (whether or not included in such definition), a Record or Records that evidence both a monetary obligation and a security interest in specific Goods, a security interest in specific Goods and Software used in the Goods, or a lease of specific Goods. *"Chattel Paper"* includes Electronic Chattel Paper and Tangible Chattel Paper.

"Collateral" has the meaning specified in Section 2.01.

"Collateral Records" means books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer printouts, tapes, disks and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon.

"Commercial Tort Claim" means a commercial tort claim (as defined in the UCC), and (whether or not included in such definition), all claims arising in tort with respect to which the claimant (a) is an organization, or (b) an individual and the claim (i) arose in the course of the claimant's business or profession, and (ii) does not include damages arising out of personal injury to or the death of an individual.

"Commodity Account" means a commodity account (as defined in the UCC), and (whether or not included in such definition), an account maintained by a Commodity Intermediary in which a Commodity Contract is carried for such Grantor.

"Commodity Contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or any other contract if the contract or option is (a) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to the federal commodities laws, or (b) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a Commodity Intermediary for such Grantor.

"Commodity Intermediary" means (a) a Person that is registered as a futures commission merchant under the federal commodities laws or (b) a Person that in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities laws.

"Copyright License" means any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by such 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" means (a) all copyright rights in any work subject to the copyright laws of any Governmental Authority, whether as author, assignee, transferee, or otherwise, (b) all registrations and applications for registration of any such copyright in any Governmental Authority, including registrations, recordings, supplemental registrations, and pending applications for registration in any jurisdiction, and (c) all rights to use and/or sell any of the foregoing.

"Deposit Account" means a deposit account (as defined in the UCC), and (whether or not included in such definition), a demand, time, savings, passbook, or similar account maintained at a bank (as defined in the UCC).

"Document" means a document (as defined in the UCC), and (whether or not included in such definition), a document of title, bill of lading, dock warrant, dock receipt, warehouse receipt, or order for the delivery of Goods.

"Electronic Chattel Paper" means electronic chattel paper (as defined in the UCC), and (whether or not included in such definition), chattel paper evidenced by a Record or Records consisting of information stored in electronic medium.

"Entitlement Holder" means a Person identified in the records of a Securities Intermediary as the Person having a Security Entitlement against the Securities Intermediary. If a Person acquires a Security Entitlement by virtue of Section 8-501(b)(2) or (3) of the UCC, such Person is the Entitlement Holder.

"Equipment" means equipment (as defined in the UCC), and (whether or not included in such definition), all Goods other than Inventory or consumer goods, and all improvements, accessions, or appurtenances thereto.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests, other than a net profits based bonus program solely for the benefit of employees, in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"Event of Default" has the meaning provided in Section 5.03.

"Farm Products" means all farm products (as defined in the UCC), and (whether or not included in such definition), Goods (other than standing timber) with respect to which a Person is engaged in raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquaculture operation, and which are (a) crops grown, growing, or to be grown including (i) crops produced on trees, vines, and bushes, and (ii) aquatic goods produced in aquacultural operations; (b) livestock born or unborn; (c) supplies used or produced in a farming operation; or (d) products of crops or livestock in their unmanufactured states.

"Financial Asset" means a financial asset (as defined in the UCC), and (whether or not included in such definition), (a) a Security, (b) an obligation of a Person or a share, participation or other interest in a Person or in property or an enterprise of a Person, that is, or is of a type, dealt in or traded on financial markets or that is recognized in any area in which it is issued or dealt in as a medium for investment, or (c) any property that is held by a Securities Intermediary for another Person in a Securities Account if the Securities Intermediary has expressly agreed with the other Person that the property is to be treated as a

financial asset under Article 8 of the UCC. As the context requires, "Financial Asset" means either the interest itself or the means by which a Person's claim to it is evidenced, including a certificated or uncertificated Security, a certificate representing a Security, or a Security Entitlement.

"*Fixtures*" means fixtures (as defined in the UCC), and (whether or not included in such definition), all Goods that have become so related to particular real property that an interest in them arises under the real property law of the state in which the real property is situated.

"*General Intangible*" means a general intangible (as defined in the UCC), and (whether or not included in such definition), all personal property, including things in action, other than Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Goods, Instruments, Investment Property, Letter-of-Credit Rights, Letters of Credit, money, and oil, gas or other minerals before extraction.

"*Goods*" means goods (as defined in the UCC), and (whether or not included in such definition), all things that are movable when a security interest attaches, other than Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Goods, Instruments, Investment Property, Letter-of-Credit Rights, Letters of Credit, money, and oil, gas or other minerals before extraction.

"*Instrument*" means an instrument (as defined in the UCC), and (whether or not included in such definition), a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary endorsement or assignment.

"*Insurance*" means all insurance policies for which each Grantor is the owner, an insured, an additional insured, a beneficiary or loss payee, including any policy covering any or all of the Collateral (regardless of whether Secured Creditor is the loss payee or an additional insured thereof).

"*Intellectual Property*" means all intellectual and similar property of every kind and nature, 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*" means inventory (as defined in the UCC), and (whether or not included in such definition), Goods that (a) are leased by a Person as lessor, (b) are held by a Person for sale or lease or to be furnished under a contract of service, (c) are furnished by a Person under a contract of service, or (d) consist of raw materials, work in process, or materials used or consumed in a business, including packaging materials, scrap material, manufacturing supplies and spare parts, and all such Goods that have been returned to or repossessed by or on behalf of such Person.

"*Investment Property*" means investment property (as defined in the UCC), and (whether or not included in such definition), a Security (whether certificated or uncertificated), a Commodity Contract, a Commodity Account, a Security Entitlement and Securities Account.

"*Joinder*" means a Security Agreement Joinder in substantially the form of Exhibit A.

"*Letter of Credit*" means a letter of credit (as defined in the UCC).

"*Letter-of-Credit Right*" means a letter-of-credit right (as defined in the UCC), and (whether or not included in such definition), (a) a right to payment or performance under a letter of credit, whether or

not the beneficiary has demanded or is at the time entitled to demand payment or performance, and (b) the right of a beneficiary to demand payment or performance under a letter of credit.

“*License*” means any Patent License, Trademark License, Copyright License, or other similar license or sublicense.

“*Money*” means “money” as defined in the UCC.

“*Organization Documents*” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“*Patent License*” means 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 such Grantor or which such Grantor otherwise has the right to license, is in existence, or granting to such 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 such Grantor under any such agreement.

“*Patents*” means (a) all letters patent of any Governmental Authority, all registrations and recordings thereof, and all applications for letters patent of any Governmental Authority, 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.

“*Payment Intangible*” means a payment intangible (as defined in the UCC), and (whether or not included in such definition), a General Intangible under which the Account Debtor’s principal obligation is a monetary obligation.

“*Permit*” means any authorization, consent, approval, permit, license or exemption of, registration or filing with, or report or notice to, any Governmental Authority.

“*Permitted Liens*” means Liens described in Section 8.2 of the Credit Agreement.

“*Person*” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“*Pledged Debt*” means all indebtedness owed to each Grantor, the instruments evidencing such indebtedness, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such indebtedness.

“*Pledged Equity Interests*” means all Acquisition Rights, Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests and Pledged Trust Interests; *provided, however*, notwithstanding anything herein to the contrary, the amount of pledged Equity Interests of any Foreign Subsidiary shall be limited to 65% of the issued and outstanding Equity Interests of such Foreign Subsidiary.

"Pledged LLC Interests" means, with respect to each Grantor, all interests of such Grantor in any limited liability company and the certificates, if any, representing such limited liability company interests and any limited liability company interest of such Grantor on the books and records of such limited liability company or on the books and records of any Securities Intermediary pertaining to each such limited liability company interest, and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such limited liability company interests; *provided, however,* notwithstanding anything herein to the contrary, the amount of pledged limited liability company interests of any Foreign Subsidiary shall be limited to 65% of the issued and outstanding limited liability company interests of such Foreign Subsidiary.

"Pledged Partnership Interests" means, with respect to each Grantor, all interests of such Grantor in any general partnership, limited partnership, limited liability partnership or other partnership and the certificates, if any, representing such partnership interests and any partnership interest of such Grantor on the books and records of each such partnership or on the books and records of any Securities Intermediary pertaining to such partnership interests and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such partnership interests; *provided, however,* notwithstanding anything herein to the contrary, the amount of pledged general partnership, limited partnership, limited liability partnership or other partnership interests of any Foreign Subsidiary shall be limited to 65% of the issued and outstanding general partnership, limited partnership, limited liability partnership or other partnership interests of such Foreign Subsidiary.

"Pledged Stock" means, with respect to each Grantor, all shares of capital stock of such Grantor in any corporation and the certificates, if any, representing such shares and any equity interest of such Grantor on the books of the issuer of such shares or on the books of any Securities Intermediary pertaining to such shares, and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares; *provided, however,* notwithstanding anything herein to the contrary, the amount of pledged capital stock of any Foreign Subsidiary shall be limited to 65% of the issued and outstanding capital stock of such Foreign Subsidiary.

"Pledged Trust Interests" means, with respect to each Grantor, all interests of such Grantor in a business trust or other trust and the certificates, if any, representing such trust interests and any interest of such Grantor on the books and records of such trust or on the books and records of any Securities Intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such trust interests.

"Proceeds" means proceeds (as defined in the UCC), and (whether or not included in such definition), (a) whatever is acquired upon the sale, lease, license, exchange, or other disposition of the Collateral, (b) whatever is collected on, or distributed on account of, the Collateral, (c) rights arising out of the Collateral, (d) claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to the Collateral, (e) proceeds of insurance, including insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to the Collateral, and (f) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Release Date" means the last to occur of the dates on which the Revolving Credit Commitment is terminated and payment in full of all Secured Obligations (other than (1) contingent indemnification obligations and (2) obligations and liabilities under Secured Cash Management Agreements or Secured Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank shall have been made) and the date of the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the Issuing Lender shall have been made).

"Schedule Effective Date" means, with respect to any Schedule to this Agreement, the effective date of such Schedule or any restatement of such Schedule, which effective date shall be stated on such Schedule or restatement and agreed to by Secured Creditor as provided in Section 4.19.

"Securities Account" means an account to which a Financial Asset is or may be credited in accordance with an agreement under which the Person maintaining the account undertakes to treat the Person for whom the account is maintained as entitled to exercise rights that comprise the Financial Asset.

"Securities Intermediary" means (a) a clearing corporation, or (b) a Person, including a bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity.

"Security" means any obligations of an issuer or any shares, participations or other interests in an issuer or in property or an enterprise of an issuer which (a) are represented by a certificate representing a security in bearer or registered form, or the transfer of which may be registered upon books maintained for that purpose by or on behalf of the issuer, (b) are one of a class or series or by its terms is divisible into a class or series of shares, participations, interests or obligations, and (c)(i) are, or are of a type, dealt with or traded on securities exchanges or securities markets or (ii) are a medium for investment and by their terms expressly provide that they are a security governed by Article 8 of the UCC.

"Security Entitlements" means the rights and property interests as and of an Entitlement Holder with respect to a Financial Asset.

"Software" means software (as defined in the UCC), and (whether or not included in such definition), a computer program (including both source and object code) and any supporting information provided in connection with a transaction relating to the program.

"Supporting Obligations" means a supporting obligation (as defined in the UCC), and whether or not included in such definition, a Letter-of-Credit Right or secondary obligation that supports the payment or performance of an Account, Chattel Paper, a Document, a General Intangible, an Instrument, or Investment Property.

"Tangible Chattel Paper" means tangible chattel paper (as defined in the UCC), and (whether or not included in such definition), chattel paper evidenced by a Record or Records consisting of information that is inscribed on a tangible medium.

"Trade Secrets" means trade secrets, all know-how, inventions, processes, methods, information, data, plans, blueprints, specifications, designs, drawings, engineering reports, test reports, materials standards, processing standards and performance standards, and all Software directly related thereto, and all Licenses or other agreements to which such Grantor is a party with respect to any of the foregoing.

"Trademark License" means any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned by such Grantor or which such

Grantor otherwise has the right to license, or granting to such Grantor any right to use any Trademark now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"*Trademarks*" means (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, all registrations and recordings thereof, and all registration and recording applications filed with any Governmental Authority in connection therewith, and all extensions or renewals thereof, (b) all goodwill associated therewith or symbolized thereby, (c) all other assets, rights and interests that uniquely reflect or embody such goodwill, (d) all rights to use and/or sell any of the foregoing, and (e) the portion of the business to which each trademark pertains.

"*UCC*" means Chapters 8 and 9 of the Uniform Commercial Code as in effect from time to time in the State of New York or, where applicable as to specific items or types of Collateral, any other relevant state.

1.02. *Other Definitional Provisions.* Capitalized terms not otherwise defined herein have the meaning specified in the Credit Agreement, and, to the extent of any conflict, terms as defined herein shall control (*provided*, that a more expansive or explanatory definition shall not be deemed a conflict).

1.03. *Construction.* Unless otherwise expressly provided in this Agreement or the context requires otherwise, (a) the singular shall include the plural, and *vice versa*, (b) words of a gender include the other gender, (c) monetary references are to Dollars, (d) time references are to Eastern time, (e) references to the "Agreement" and to "Articles," "Sections," "Exhibits," and "Schedules" are to this Agreement and to the Articles, Sections, Exhibits, and Schedules of and to this Agreement, together with all amendments and restatements thereto, (f) headings used in this Agreement are for convenience only and shall not be used in connection with the interpretation of any provision hereof, (g) references to any Person include that Person's heirs, personal representatives, successors, trustees, receivers, and permitted assigns, that Person as a Grantor-in possession, and any receiver, trustee, liquidator, conservator, custodian, or similar party appointed for such Person or all or substantially all of its assets, (h) references to any Applicable Law include every amendment or restatement to it, rule and regulation adopted under it, and successor or replacement for it, (i) references to a particular Loan Document include each amendment or restatement to it made in accordance with the Credit Agreement and such Loan Document, (j) references to a particular Secured Hedge Agreement include each amendment or restatement to it made in accordance with such Secured Hedge Agreement, (k) references to a particular Secured Cash Management Agreement include each amendment or restatement to it made in accordance with such Secured Cash Management Agreement, and (l) the inclusion of Proceeds in the definition of "Collateral" shall not be deemed a consent by Secured Creditor or any other Secured Party to any sale or other disposition of any Collateral not otherwise specifically permitted by the terms of the Credit Agreement or this Agreement. This Agreement is a Loan Document.

ARTICLE II GRANT OF SECURITY INTEREST

2.01. *Assignment and Grant of Security Interest.* As security for the payment and performance, as the case may be, in full of the Secured Obligations, each Grantor hereby assigns to, and pledges and grants to Secured Creditor, for it and the benefit of Secured Parties, a security interest in the entire right, title, and interest of such Grantor in and to all of the following property of such Grantor, whether now or hereafter existing, owned, arising or acquired: (a) Accounts, (b) Accessions, (c) As-Extracted Collateral, (d) Chattel Paper, (e) Collateral Records, (f) Commercial Tort Claims, including but not limited to the specific Commercial Tort Claims described on Schedule 10, (g) Commodity Accounts, (h) Commodity Contracts, (i) Deposit Accounts, (j) Documents, (k) Equipment, (l) Financial Assets, (m) Fixtures, (n) General Intangibles, (o) Goods, (p) Instruments, (q) Insurance, (r) Intellectual Property, (s) Inventory,

(t) Investment Property, (u) Letters of Credit, (v) Letter-of-Credit Rights, (w) Licenses, (x) Money, (y) Payment Intangibles, (z) Permits, (aa) Pledged Debt, (bb) Pledged Equity Interests, (cc) Securities, (dd) Securities Accounts, (ee) Security Entitlements, (ff) Software, (gg) Supporting Obligations, and (hh) Proceeds of the foregoing ("*Collateral*").

2.02. *Grantors Remain Liable.* Anything herein to the contrary notwithstanding, (a) each Grantor shall remain liable with respect to and under all Collateral, (b) the exercise by Secured Creditor or any other Secured Party of any of the rights hereunder shall not release any Grantor from any of its duties or obligations with respect to or under any Collateral or under this Agreement, and (c) neither Secured Creditor nor any other Secured Party shall have any obligation or liability with respect to or under any Collateral by reason of this Agreement, nor shall Secured Creditor or any other Secured Party be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned or in which a security interest is granted hereunder.

2.03. *Delivery of Security and Instrument Collateral.* All certificates, if any, or Instruments constituting or evidencing the Collateral shall be delivered to and held by or on behalf of Secured Creditor pursuant hereto and shall be in suitable form for transfer by delivery, or shall be accompanied by undated and duly executed stock powers and instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to Secured Creditor. If an Event of Default exists, Secured Creditor has the right without notice to any Grantor to transfer to or to register in the name of Secured Creditor or any of its nominees any or all of such Collateral. In addition, Secured Creditor has the right, if Secured Creditor reasonably determines that the exercise of such right is necessary to protect its rights, at any time to exchange certificates or Instruments representing or evidencing Collateral for certificates or Instruments of smaller or larger denominations.

2.04. *Agreement With Respect to Collateral.* Each Grantor and Secured Creditor agree that to the extent that any of the Collateral may be deemed to be a Fixture as opposed to Equipment, Inventory, or any other form of Collateral that may be perfected by the filing of a UCC financing statement, it is the intention of Grantors, Secured Creditor and Secured Parties that such Collateral be deemed to be Equipment, Inventory, or any other form of Collateral that, to the extent not prohibited by Applicable Law, may be perfected by the filing of a UCC financing statement and such Collateral not be deemed to be a Fixture.

2.05. *Future Advances.* Each Grantor acknowledges that the Loan Documents, each Secured Hedge Agreement and each Secured Cash Management Agreement provide for future advances and financial accommodations and this Agreement secures performance of such future advances and financial accommodations.

2.06. *Limited Exclusions.* Notwithstanding anything herein to the contrary, in no event shall the security interest granted in Section 2.01 attach to any lease, license, contract, property rights or agreement to which a Grantor is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest would constitute or result in the abandonment, termination pursuant to the terms of, or a breach or default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9.406, 9.407, 9.408 or 9.409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other Applicable Law (including any Debtor Relief Law) or principles of equity); *provided, however,* that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified above. So long as any property of a Grantor is excluded from the security interest granted in Section 2.01 pursuant to the immediately preceding sentence, such property shall be excluded from the term "Collateral" for all purposes hereunder.

2.07. *Maximum Liability.* Anything in this Agreement to the contrary notwithstanding, the obligations of each Grantor (other than Borrower) hereunder shall be limited to a maximum aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any applicable provisions of comparable Applicable Law (collectively, the "*Fraudulent Transfer Laws*"), in each case after giving effect to all other liabilities of such Grantor, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws (specifically excluding, however, any liabilities of such Grantor in respect of intercompany indebtedness to other Credit Parties to the extent that such indebtedness would be discharged in an amount equal to the amount paid or property conveyed by such Grantor under the Loan Documents) and after giving effect as assets, subject to Section 6.01, to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation or contribution of such Grantor pursuant to (a) Applicable Law or (b) any agreement providing for an equitable allocation among such Grantor and other Credit Parties of obligations arising under the Loan Documents, Secured Hedge Agreements and Secured Cash Management Agreements.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.01. *Representations and Warranties-All Grantors.* Each Grantor represents and warrants to Secured Creditor and each Secured Party with respect to itself and its Collateral that:

(a) This Agreement and the grant of the security interest pursuant to this Agreement in the Collateral create a valid security interest in favor of Secured Creditor for its benefit and the benefit of Secured Parties in the Collateral (other than Letters of Credit), securing the payment and performance of the Secured Obligations, and upon the (i) filing of UCC-1 financing statements for such Grantor, in the form delivered by such Grantor to Secured Creditor on or prior to the date of this Agreement and in the filing offices listed on Schedule 1, Section (h), (ii) granting of control to Secured Creditor, (iii) delivery to and continuing possession by Secured Creditor of all certificates evidencing the Pledged Equity Interests, all Instruments and all Instruments or other documents evidencing the Pledged Debt, (iv) filing of an appropriate notice with the United States Patent and Trademark Office or the United States Copyright Office or (v) notation of the Lien in favor of Secured Creditor on vehicle certificates of title, as appropriate for the item and type of Collateral in question, shall constitute a valid, first priority, perfected security interest in such Collateral (other than Letters of Credit) (subject (A) in the case of Collateral other than Pledged Equity Interests, to Permitted Liens, and (B) in the case of Pledged Equity Interests, to Liens arising under the Loan Documents and Liens for taxes not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Grantor in accordance with GAAP) to the extent such security interests can be perfected by taking the actions described in clauses (i)-(v).

(b) The execution, delivery and performance by such Grantor of this Agreement have been duly authorized by all necessary action, and do not and will not (i) contravene the terms of any of such Grantor's Organization Documents; (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (A) any material indenture, agreement or other instrument to which such Grantor is a party or affecting such Grantor or the properties of such Grantor or any of its Subsidiaries (other than the Lien created by this Agreement) or (B) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Grantor or its property is subject; or (C) violate any Applicable Law.

(c) This Agreement has been duly executed and delivered by such Grantor. This Agreement constitutes a legal, valid and binding obligation of such Grantor, enforceable against such Grantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in

effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies, regardless of whether considered in a proceeding in equity or at laws.

(d) Such Grantor has good and valid rights in or the power to transfer rights in and to the Collateral owned by it, or a valid leasehold interest in, all of the Collateral free and clear of any Lien, except for Liens granted pursuant to this Agreement and Permitted Liens. Such Grantor has not granted a security interest or other Lien in or made an assignment of any of the Collateral (except for the security interest and Lien granted by this Agreement and Permitted Liens). Such Grantor has neither entered into nor is it or any of its property subject to any agreement limiting the ability of such Grantor to grant a Lien in any of the Collateral, or the ability of such Grantor to agree to grant or not grant a Lien in any of the Collateral. None of the Collateral is consigned goods, subject to any agreement of repurchase, or subject to any dispute, defense, or counterclaim. No effective financing statement or other similar effective document used to perfect and preserve a security interest or other Lien under the Applicable Laws of any jurisdiction covering all or any part of the Collateral is on file in any recording office, except such as may have been filed (i) pursuant to this Agreement or another Loan Document, or (ii) relating to Permitted Liens. Such Grantor has not sold any interest in any of its Accounts, Chattel Paper, promissory notes, Payment Intangibles, or consigned any of its Goods or been a party to any securitization of any of its property. No control agreement in favor of anyone other than Secured Creditor exists with respect to any Collateral.

(e) All of the Pledged Equity Interests have been duly and validly issued, and the Pledged Equity Interests (other than any general partner interest, if any), are fully paid and nonassessable. None of the Pledged Equity Interests were issued in violation of the preemptive rights of any Person or any agreement to which Grantor or the issuer thereof is a party or the Pledged Equity Interest is subject. All capital contributions required to be made by the terms of each partnership agreement for each partnership any interest in which is a Pledged Partnership Interest have been made. All Pledged Equity Interests that are certificated, if any, have been delivered and pledged to Secured Creditor duly endorsed and accompanied by such duly executed instruments of transfer or assignment as are necessary for such pledge, to be held as pledged collateral. Except with respect to partnership or limited liability company interests of issuers the Organization Documents of which do not provide that any interest in such issuer is a security governed by Article 8 of the UCC, there are no Pledged Equity Interests other than those represented by certificated securities in the possession of Secured Creditor. The Pledged Equity Interests include (i) the percentage set forth on Schedule 13 of the issued and outstanding Equity Interests of each entity in which such Grantor owns a direct interest and which entity is not a Foreign Subsidiary, and (ii) 65% of the issued and outstanding Equity Interests of each First-Tier Foreign Subsidiary, if any, of such Grantor. There are no restrictions (which have not been effectively waived by all necessary Persons) in any Organization Document governing any Pledged Equity Interest or any other document related thereto which would limit or restrict (i) the grant of a Lien in the Pledged Equity Interests, (ii) the perfection of such Lien, (iii) the exercise of remedies in respect of such perfected Lien in the Pledged Equity Interests as contemplated by this Agreement or (iv) the admission of any transferee of the Collateral as a shareholder, member, partner or equity holder of the issuer of such Collateral. Such Grantor has delivered to Secured Creditor complete and correct copies of all Organization Documents for each issuer of Collateral. Except as set forth on Schedule 13, the Organization Documents of each issuer which is a partnership or limited liability company do not provide that any interest in such issuer is a security governed by Article 8 of the UCC and no Equity Interest of such issuer is evidenced by a certificate or other instrument. Upon the exercise of remedies in respect of Pledged Equity Interests, a transferee or assignee of any such capital stock, partnership interest or membership interest, as the case may be, of such corporation, partnership or limited liability company, as the case may be, shall become a shareholder, partner or member, as the case may be, of such corporation, partnership or limited liability company, as the case may be, entitled to participate in the management thereof and, upon the transfer of the entire interest of such Grantor in such issuer, such Grantor shall cease to be a shareholder, partner or member, as the case may be, of such issuer.

(f) As of each Schedule Effective Date:

(i) Schedule 1, Section (a) states the exact name of such Grantor, as such name appears in its currently effective Organization Documents as filed with the appropriate authority of the jurisdiction of such Grantor's organization.

(ii) Schedule 1, Section (b) states the jurisdiction of organization of such Grantor. Such Grantor is not organized in more than one jurisdiction.

(iii) Schedule 1, Section (c) sets forth the current type of entity of such Grantor.

(iv) Schedule 1, Section (d) states each other entity type, jurisdiction of organization and name such Grantor has had in the five-year period preceding such Schedule Effective Date, together with the date of the relevant change.

(v) Except as set forth on Schedule 1, Section (d), such Grantor has not changed its identity or type of entity, jurisdiction of organization or name in any way within the five-year period preceding such Schedule Effective Date (changes in identity or type of entity include mergers, consolidations, acquisitions (including both equity and asset acquisitions), and any change in the form, nature or jurisdiction of organization).

(vi) Schedule 1, Section (e) states all other names (including trade, assumed and similar names) used by such Grantor or any of its divisions or other business units at any time during the five-year period preceding such Schedule Effective Date.

(vii) Schedule 1, Section (f) states the Federal Taxpayer Identification Number of such Grantor.

(viii) Schedule 1, Section (g) states the corporate or other organizational number of such Grantor issued by such Grantor's jurisdiction of organization (or "N/A" if such jurisdiction does not issue an organizational number for such Grantor's entity type).

Schedules 1 and 2 contain the information required by this Section as to each acquiree or constituent party to a merger, consolidation or acquisition.

(g) As of each Schedule Effective Date, the chief executive office of such Grantor is located at the address stated on Schedule 2, Section (a). Except as noted in Schedule 2, Section (a), the chief executive office of such Grantor has not been located at any other address during the five-year period preceding such Schedule Effective Date. As of each Schedule Effective Date, Schedule 2, Section (b) states all locations where such Grantor maintains originals or copies of all books or records relating to all Accounts (with each location at which Chattel Paper, if any, is kept being indicated by an "*""). All Tangible Chattel Paper, promissory notes, and other Instruments evidencing the Accounts which this Agreement requires to be delivered to Secured Creditor have been delivered and pledged to Secured Creditor duly endorsed and accompanied by such duly executed instruments of transfer or assignment as are necessary for such pledge, to be held as pledged collateral. As of each Schedule Effective Date, Schedule 2, Section (c) states all locations where such Grantor maintains any tangible personal property (including Equipment and Inventory). As of each Schedule Effective Date, Schedule 2, Section (d) states all real property owned or leased by such Grantor. As of each Schedule Effective Date, Schedule 2, Section (e) states all the places of business of such Grantor or other locations of Collateral not identified in Schedule 2, Sections 2(a), (b), (c), or (d). As of each Schedule Effective Date, Schedule 2,

Section (f) states the names and addresses of all Persons other than such Grantor who have possession of any of the Collateral or other property of such Grantor.

(h) All Accounts have been originated by such Grantor and all Inventory has been acquired by such Grantor in the ordinary course of business.

(i) Such Grantor has exclusive possession and control of the Equipment and Inventory (other than Inventory leased by such Grantor to third parties in the ordinary course of business) pledged by it hereunder.

(j) As of each Schedule Effective Date, Schedule 3 is a complete and correct list of all Pledged Debt, promissory notes and other instruments evidencing indebtedness held by such Grantor, including all intercompany notes and other instruments evidencing indebtedness held by such Grantor of any Subsidiary.

(k) As of each Schedule Effective Date, Schedule 4(a) is a complete and correct list of each Trademark registration in which such Grantor has any interest (whether as owner, licensee, or otherwise), including the name of the registered owner and the nature of such Grantor's interest if not owned by such Grantor, the registered Trademark, the Trademark serial and/or registration number, the date of Trademark registration, and the country or state registering the Trademark.

(l) As of each Schedule Effective Date, Schedule 4(b) is a complete and correct list of each Trademark application in which such Grantor has any interest (whether as owner, licensee, or otherwise), including the name of the Person applying to be the registered owner and the nature of such Grantor's interest if such Grantor is not the Person applying to be the registered owner, the applied for Trademark, the Trademark application serial and/or registration number, the date of Trademark application, and the country or state with which the Trademark application was filed.

(m) As of each Schedule Effective Date, Schedule 4(c) is a complete and correct list of each Patent in which such Grantor has any interest (whether as owner, licensee, or otherwise), including the name of the registered owner and the nature of such Grantor's interest if not owned by such Grantor, the Patent number, the date of Patent issuance, and the country issuing the Patent.

(n) As of each Schedule Effective Date, Schedule 4(d) is a complete and correct list of each Patent application in which such Grantor has any interest (whether as owner, licensee, or otherwise), including the name of the Person applying to be the registered owner and the nature of such Grantor's interest if such Grantor is not the Person applying to be the registered owner, the Patent application number, the date of Patent application filing, and the country with which the Patent application was filed.

(o) As of each Schedule Effective Date, Schedule 4(e) is a complete and correct list of each Copyright (regardless of whether registered) in which such Grantor has any interest (whether as owner, licensee, or otherwise), including, if applicable, the name of the registered owner (or owner, if not registered) and the nature of such Grantor's interest if such Grantor is not the owner, the title of the work which is the subject of the registered Copyright (or, if not registered, a description of the work subject to such unregistered Copyright), the date of Copyright issuance, the registration number (if applicable) and the country issuing the Copyright.

(p) As of each Schedule Effective Date, Schedule 4(f) is a complete and correct list of each Copyright application in which such Grantor has any interest (whether as owner, licensee, or otherwise), including the name of the Person applying to be the registered owner and the nature of such Grantor's interest if such Grantor is not the Person applying to be the registered owner, the title of the

work which is the subject of the applied for Copyright, the date of Copyright application, the registration number (if applicable) and the country with which the Copyright application was filed.

(q) As of each Schedule Effective Date, Schedule 5 is a complete and correct list of all Deposit Accounts maintained by or in which such Grantor has any interest and correctly describes the bank in which such account is maintained and ABA number of such bank, the account number, and account type.

(r) As of each Schedule Effective Date, Schedule 6 is a complete and correct list of all Securities Accounts in which such Grantor has any interest, including the complete name and identification number of the account, the jurisdiction the Applicable Law of which governs such account, and the name and street address of the Securities Intermediary maintaining the account.

(s) As of each Schedule Effective Date, Schedule 7 is a complete and correct list of all Commodity Accounts in which such Grantor has any interest, including the complete name and identification number of the account, the jurisdiction the Applicable Law of which governs such account, and the name and street address of the Commodity Intermediary maintaining the account.

(t) As of each Schedule Effective Date, Schedule 8 is a complete and correct list of all Letters of Credit in which such Grantor has any interest (other than solely as an applicant) and correctly describes the bank which issued the Letter of Credit, and the Letter of Credit's number, issue date, expiry, and face amount.

(u) As of each Schedule Effective Date, Schedule 9 is a complete and correct list of all insurance policies owned by such Grantor, or for which such Grantor is a named insured, additional insured, loss payee, or beneficiary.

(v) As of each Schedule Effective Date, Schedule 10 is a complete and correct list of all Commercial Tort Claims in which such Grantor has any interest, including the complete case name or style, the case number, and the court or other Governmental Authority in which the case is pending.

(w) As of each Schedule Effective Date, Schedule 11 is a complete and correct list of all internet domain names, the complete name of the registered owner, and the domain registration provider for each domain name and internet website in which such Grantor has any interest.

(x) As of each Schedule Effective Date, Schedule 12 is a complete and current list of all rolling stock or other railroad equipment or aircraft (including engines) in which such Grantor has any interest.

(y) As of each Schedule Effective Date, (i) Schedule 13 is a complete and correct list of all Equity Interests in which such Grantor has a direct ownership interest, (ii) Schedule 13 contains a complete and correct description of each certificate or other instrument included in or evidencing Collateral, (iii) Schedule 13 is a complete and correct list of the exact name of each issuer of all Pledged Equity Interests described on Schedule 13, its jurisdiction of organization, and the authorized, issued and outstanding Equity Interests of such issuer, and (iv) such Grantor's interest in each such issuer is as stated on Schedule 13.

(z) As of each Schedule Effective Date, Schedule 14 is a complete and correct list of all Software (excluding "mass market" Software (i) subject to a "shrink-wrap" or similar non-negotiable, non-exclusive license agreement and (ii) not material to the operations of such Grantor or used in processing material information of Grantor) in which such Grantor has any interest (whether as owner,

licensee, or otherwise), including the name of the licensor and the escrow agent under the applicable Software escrow agreement (if any).

(aa) As of each Schedule Effective Date, Schedule 15 is a complete and correct list of all dealer franchise agreements (including all agreements pursuant to which such Grantor acquires Goods that will be Inventory of such Grantor) in which such Grantor has any interest, including the name of, date of and parties to each such agreement and a general description of each such agreement.

(bb) Such Grantor has no interest in any Farm Products.

(cc) No consent of any other Person (other than those that have been obtained and are in full force and effect) and no authorization or approval, and no notice to or filing (other than filings required by the UCC, with the United States Copyright Office or the United States Patent and Trademark Office) with, any Governmental Authority is required (i) for the pledge by such Grantor of the Collateral pledged by it hereunder, for the grant by such Grantor of the security interest granted hereby, or for the execution, delivery, or performance of this Agreement by such Grantor, (ii) for the perfection or maintenance of the pledge, assignment, and security interest created hereby (including the first priority nature of such pledge, assignment, and security interest) or (iii) for the enforcement of remedies by Secured Creditor or any other Secured Party.

3.02. *Representations and Warranties-Subsidiaries.* Each Grantor (other than Borrower) represents and warrants to Secured Creditor and each Secured Party with respect to itself and its Collateral that: This Agreement may reasonably be expected to benefit, directly or indirectly, such Grantor, and the Board of Directors of such Grantor, the requisite number of its partners, the requisite number of its members or the requisite number of the appropriate governance body or equity holders, as appropriate, have determined that this Agreement may reasonably be expected to benefit, directly or indirectly, such Grantor. Such Grantor is familiar with, and has independently reviewed the books and records regarding, the financial condition of Borrower and is familiar with the value of any and all collateral intended to be security for the payment of all or any part of the Secured Obligations; *provided, however,* such Grantor is not relying on such financial condition or collateral as an inducement to enter into this Agreement.

3.03. *Survival.* All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof and any update of any Schedule. Such representations and warranties have been or will be relied upon by Secured Creditor and each Secured Party, regardless of any investigation made by Secured Creditor or any Secured Party or on their behalf and notwithstanding that Secured Creditor or any Secured Party may have had notice or knowledge of any Default at the time of any credit extension, and shall continue in full force and survive the Release Date.

ARTICLE IV COVENANTS

4.01. *Further Assurances.*

(a) Each Grantor will, from time to time and at such Grantor's expense, promptly execute and deliver all further instruments and documents (including the delivery of certificated securities, if any, and supplements to all schedules), authenticate, execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be reasonably necessary, or as Secured Creditor may reasonably request, in order to perfect and preserve the pledge, assignment, and security interest granted or purported to be granted hereby, and take all further action that Secured Creditor may reasonably request, in order to perfect and protect any pledge,

assignment, or security interest granted or purported to be granted hereby, and the priority thereof, or to enable Secured Creditor to exercise and enforce Secured Creditor's and other Secured Parties' rights and remedies hereunder with respect to any Collateral.

(b) In addition to such other information as shall be specifically provided for herein, each Grantor shall furnish to Secured Creditor such other information (including copies of documents) with respect to such Grantor and the Collateral as Secured Creditor may reasonably request.

(c) Each Grantor authorizes Secured Creditor to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Collateral without the authentication of any Grantor where permitted by Applicable Law and that (i) indicate the Collateral (A) as all assets of such Grantor (or words of similar effect), regardless of whether any particular asset included in the Collateral is within the scope of UCC Article 9 of the state or such jurisdiction or whether such assets are included in the Collateral, or (B) as being of an equal or lesser scope or with greater detail, and (ii) contain any other information required by UCC Article 9 of the state or such jurisdiction for the sufficiency or filing office acceptance of any financing statement, continuation or amendment, including (A) whether such Grantor is an organization, the type of organization, and any organization identification number issued to such Grantor and, (B) in the case of a financing statement indicating Collateral to be Fixtures, As-Extracted Collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Each Grantor agrees to furnish any such information to Secured Creditor promptly upon request. A photocopy or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by Applicable Law. Each Grantor ratifies its authentication, execution and delivery of, and the filing of, any financing statement or amendment thereto describing any of the Collateral which was filed prior to the date of this Agreement.

(d) Upon request of the Secured Creditor, each Grantor shall use commercially reasonable efforts to obtain a landlord subordination agreement executed by each lessor of real property occupied by such Grantor or at which is located any Collateral of such Grantor, in each case in form and substance acceptable to Secured Creditor; *provided*, Secured Creditor may waive such requirement as to leased property.

(e) Each Grantor shall cooperate to determine what may or shall be required to satisfy the Applicable Laws or regulations throughout the world with respect to the recordation and validation of the license of and Lien in Intellectual Property as Secured Creditor may reasonably require, or otherwise to render this Agreement and the Intellectual Property effective, and shall execute all documents which may be reasonably necessary or desirable to implement this subsection, including registered user statements or other documents suitable for filing with the appropriate Governmental Authorities.

4.02. *Place of Perfection; Records; Collection of Accounts, Chattel Paper and Instruments.*

(a) No Grantor shall change the jurisdiction of its organization from the jurisdiction specified in Schedule 1, Section (b), its type of entity from the type of entity specified in Schedule 1, Section (c), its name from the name specified in Schedule 1, Section (a) or its organizational identification number from the organizational number specified in Schedule 1, Section (g), unless such Grantor has delivered to Secured Creditor thirty days prior written notice (unless Secured Creditor has agreed in writing to a shorter period) and taken such actions as Secured Creditor may reasonably require with respect to such change. Each Grantor shall keep its chief executive office at the address specified in Schedule 2, Section (a), and the office where it keeps its Records concerning the Accounts, and the originals of all Chattel Paper and Instruments, at the address specified in Schedule 2, Section (b), unless such Grantor has delivered to Secured Creditor thirty days prior written notice (unless Secured Creditor

has agreed in writing to a shorter period) and taken such actions as Secured Creditor may reasonably require with respect to such change. Each Grantor will hold and preserve such Records and Chattel Paper and Instruments in a commercially reasonable manner and will permit representatives of Secured Creditor at any time (or, if no Default exists, upon prior notice) during normal business hours to inspect and make abstracts from and copies of such Records and Chattel Paper and Instruments.

(b) Except as otherwise provided in this Section 4.02(b), each Grantor shall continue to collect, in accordance with commercially reasonable procedures and at its own expense, all amounts due or to become due such Grantor under the Accounts, Chattel Paper, and Instruments. In connection with such collections, each Grantor may take (and, at Secured Creditor's direction during the existence of an Event of Default, shall take) such action as such Grantor or Secured Creditor may deem necessary or advisable to enforce collection of the Accounts, Chattel Paper, and Instruments; *provided, however*, that Secured Creditor shall have the right, if an Event of Default exists, without notice to any Grantor, to notify the Account Debtors or obligors under any Accounts, Chattel Paper, and Instruments of the assignment of such Accounts, Chattel Paper, and Instruments to Secured Party and to direct such Account Debtors or obligors to make payment of all amounts due or to become due to such Grantor thereunder directly to Secured Party and, at the expense of such Grantor, to enforce collection of any such Accounts, Chattel Paper, and Instruments, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as such Grantor might have done or as Secured Creditor reasonably deems appropriate. If any Event of Default exists, all amounts and proceeds (including Instruments) received by any Grantor in respect of the Accounts, Chattel Paper, and Instruments shall be received in trust for the benefit of Secured Creditor hereunder, shall be segregated from other funds and property of such Grantor and shall be forthwith paid or delivered over to Secured Creditor in the same form as so received (with any necessary endorsement) to be held as cash collateral, thereafter to be applied as provided in the Credit Agreement and the other Loan Documents. No Grantor shall adjust, settle, or compromise the amount or payment of any Account, Chattel Paper, or Instrument, release wholly or partly any Account Debtor or obligor thereof, or allow any credit or discount thereon, except in the ordinary course of business.

4.03. *Equipment, Fixtures, and Inventory.*

(a) Each Grantor shall keep its Equipment, Fixtures, and Inventory (other than Inventory sold in the ordinary course of business and other Dispositions permitted under the Credit Agreement) at the addresses specified in Schedule 2, Section (c) or, upon thirty days' prior written notice to Secured Party, at such other places in such jurisdiction where all action required by Section 4.01 shall have been taken with respect to the Equipment, Fixtures, and Inventory.

(b) Each Grantor shall cause its Equipment and Fixtures to be maintained and preserved in the same condition, repair, and working order as when new, ordinary wear and tear excepted, and shall forthwith, or in the case of any loss or damage to any of the Equipment and Fixtures as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements, and other improvements in connection therewith which are necessary or desirable, in the reasonable judgment of such Grantor, to such end.

(c) Each Grantor shall comply, in all material respects with, all requirements of the Fair Labor Standards Act.

4.04. *Chattel Paper and Instruments.* (a) Each Grantor will: (i) mark conspicuously each item of Tangible Chattel Paper and Instruments in the original amount of \$50,000 or greater and all Tangible Chattel Paper if the aggregate original amount of all Tangible Chattel Paper and Instruments is \$100,000 or greater and each of its Records pertaining to the Collateral with the following legend:

THIS *[INSTRUMENT]*[OTHER RECORD]* IS SUBJECT TO THE SECURITY INTEREST AND LIEN PURSUANT TO THE SECURITY AGREEMENT DATED FEBRUARY 21, 2012 (AS THE SAME MAY BE AMENDED OR RESTATED) MADE BY *[GRANTOR NAME]*, IN FAVOR OF WELLS FARGO BANK, NATIONAL ASSOCIATION, AS SECURED PARTY.

or such other legend, in form and substance reasonably satisfactory to and as specified by Secured Creditor, indicating that such Tangible Chattel Paper or Collateral is subject to the pledge, assignment, and security interest granted hereby; and (ii) if any Collateral shall be or be evidenced by a promissory note or other Instrument or be Tangible Chattel Paper, and is, in each case, in the original amount of \$50,000 or greater or the aggregate original amount of all promissory notes, other Instruments and Tangible Chattel Paper is \$100,000 or greater, pledge to Secured Creditor hereunder and deliver to Secured Creditor such note, Instrument, or Chattel Paper duly indorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Secured Creditor; *provided, however*, during the existence of an Event of Default, such Grantor shall pledge to Secured Creditor all Tangible Chattel Paper and all Collateral evidenced by a promissory note or other Instrument and shall deliver to Secured Creditor such note, Instrument, or Chattel Paper duly indorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Secured Creditor.

(b) No Grantor shall have any rights in any Electronic Chattel Paper unless such Grantor has taken all actions reasonably necessary to establish in Secured Party control (as that term is defined in the UCC) of such Electronic Chattel Paper and Secured Creditor (and no other Person) has control of each item of Electronic Chattel Paper in the original amount of \$50,000 or greater and all Electronic Chattel Paper if the aggregate original amount of all Electronic Chattel Paper is \$100,000 or greater; *provided, however*, during the existence of an Event of Default, such Grantor shall take all actions reasonably necessary to establish in Secured Creditor control (as that term is defined in the UCC) of all Electronic Chattel Paper.

(c) Each Grantor shall pledge to Secured Creditor all Tangible Chattel Paper, promissory notes or other Instruments constituting or securing intercompany loans or intercompany leases and shall deliver to Secured Creditor such notes, Instruments, or Tangible Chattel Paper duly indorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Secured Creditor.

4.05. *Deposit Accounts, Securities Accounts, Commodity Accounts and Letter-of-Credit Rights.* No Grantor shall establish or maintain any (a) Deposit Account or similar bank account not listed on Schedule 5, (b) Securities Account not listed on Schedule 6 or (c) any Commodity Account not listed on Schedule 7, unless prior to the establishment of such new Deposit Account, Securities Account, or Commodity Account such Grantor delivers to Secured Creditor an updated Schedule as required by the first sentence of Section 4.19 and executes and delivers to Secured Creditor assignments of, and control agreements with respect to, such new Deposit Account, Securities Account, or Commodity Account in such form as Secured Creditor may reasonably request, and cause the bank, Securities Intermediary or Commodity Intermediary, as appropriate, in which such account is or will be maintained, to deliver to Secured Creditor acknowledgments of the assignment of, and control agreements with respect to, such account, in form and substance satisfactory to Secured Creditor, and take all actions necessary to establish in Secured Creditor control (as that term is defined in the UCC) with respect to such Deposit Account, Securities Account, and Commodity Account. Contemporaneously with the acquisition by any Grantor of any Letter of Credit (other than any Letter of Credit where such Grantor is the account party) or Letter of Credit Rights (other than rights as an account party), such Grantor shall deliver to Secured Creditor an updated Schedule 8 as required by the first sentence of Section 4.15 and shall execute and deliver to Secured Creditor assignments of, and control agreements with respect to, such Letter of Credit (after the

occurrence of an Event of Default) and Letter-of-Credit Right in such form as Secured Creditor may reasonably request, and cause the bank or other Person that is the issuer of such Letter of Credit to deliver to Secured Creditor acknowledgments of the assignment of, and control agreements with respect to, such Letter of Credit (after the occurrence of an Event of Default) and Letter-of-Credit Right in form and substance satisfactory to Secured Creditor, and take all actions necessary to establish in Secured Creditor control (as that term is defined in the UCC) with respect to such Letter of Credit (after the occurrence of an Event of Default) and Letter-of-Credit Right. No Grantor shall obtain or maintain any interest in any Securities Entitlement other than Securities Entitlements held in and subject to a Securities Account described in Schedule 6 with respect to which such Grantor has complied with this Section. No Grantor shall obtain or maintain any interest in any Commodity Contract other than Commodity Contracts held in and subject to a Commodity Account described in Schedule 7 with respect to which such Grantor has complied with this Section.

4.06. *Transferable Record.* Each Grantor shall, upon acquisition by such Grantor of any transferable record, as that term is defined in the federal Electronic Signatures in Global and National Commerce Act, or in the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, promptly notify Secured Creditor thereof and take such action as Secured Creditor may reasonably request to vest in Secured Creditor control (as that term is defined in the UCC) of such transferable record or control under the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record.

4.07. *Vehicles.* Upon request of Secured Creditor, each Grantor shall cause the Lien in favor of Secured Creditor to be noted on all certificates of title included in or issued with respect to Collateral constituting motor vehicles and other property subject to a certificate of title. Upon request of Secured Creditor, not later than thirty days after the last day of each calendar quarter, each Grantor shall deliver to Secured Party a list of all vehicles in which such Grantor acquired any interest during such quarter, which list shall describe the vehicle manufacturer and model, the vehicle model year, the vehicle identification number, the fair market value of such vehicle, and the jurisdiction which has issued a certificate of title or similar document with respect to such vehicle.

4.08. *Rolling Stock, Aircraft.* No Grantor shall obtain any interest in any rolling stock or other railroad equipment or aircraft or aircraft parts (including engines and avionics), other than the aircraft described in Schedule 12, unless such Grantor complies with Sections 4.01(a) and 4.19.

4.09. *Real Property and Leases.* With respect to any real or personal property (including leased real and personal property) in which a Grantor has an interest, such Grantor shall use commercially reasonable efforts to obtain subordination, non-disturbance and attornment agreements and tenant estoppel certificates as may be required pursuant to the Credit Agreement.

4.10. *Patents, Trademarks, and Copyrights.*

(a) Each Grantor shall ensure that an acknowledgment (approved in form and substance by Secured Creditor) containing a description of all Collateral consisting of Intellectual Property shall have been received and recorded by the United States Patent and Trademark Office within one month after the execution of this Agreement with respect to United States Patents and Trademarks and by the United States Copyright Office, as applicable, within one month after the execution of this Agreement with respect to United States registered Copyrights pursuant to 35 U.S.C. § 261, 15 U.S.C. § 1060 or 17 U.S.C. § 205, and otherwise as may be required pursuant to the Applicable Laws of any other necessary jurisdiction, to protect the validity of and to establish a legal, valid, and perfected security interest in favor of Secured Creditor 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 and its territories and possessions, or in such other jurisdictions as may be reasonably required by Secured Creditor, 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).

(b) Except as permitted pursuant to the Loan Documents and where an act or failure to act could not reasonably be expected to result in a Material Adverse Effect, no Grantor (either itself or through licensees or sublicensees) will do any act, or omit to do any act, whereby any Patent may become invalidated or dedicated to the public, and 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 Laws.

(c) Except where the failure to do so could not reasonably be expected to have a Material Adverse Effect, each Grantor (either itself or through licensees or sublicensees) will, for each Trademark, (i) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, except as permitted pursuant to the Loan Documents; (ii) maintain the quality of products and services offered under such Trademark, except products and services offered under Trademarks disposed of as permitted pursuant to the Loan Documents, (iii) display such Trademark with notice of United States federal or foreign registration to the extent necessary and sufficient to establish and preserve its maximum rights under Applicable Law, except as to Trademarks disposed of as permitted pursuant to the Loan Documents, and (iv) not use or permit the use of such Trademark in violation of any third party rights.

(d) Except where the failure to do so could not reasonably be expected to have a Material Adverse Effect, each Grantor (either itself or through licensees or sublicensees) will, for each work covered by a Copyright, continue to publish, reproduce, display, adopt, and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its maximum rights under Applicable Laws.

(e) Each Grantor shall notify Secured Creditor immediately if it knows that any Intellectual Property 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 Governmental Authority in any jurisdiction) regarding such Grantor's ownership of any Intellectual Property, its right to register the same, or its rights with respect to a License, or to keep and maintain the same, except to the extent that the abandonment, loss, or dedication to the public, or any adverse determination or development regarding such Grantor's ownership of any Intellectual Property, its right to register the same, or to keep and maintain the same, is permitted pursuant to the Loan Documents and could not reasonably be expected to have a Material Adverse Effect.

(f) 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 Governmental Authority in any jurisdiction, unless it complies with Section 4.10 within the time period specified therein, and, upon request of Secured Creditor, executes and delivers any and all agreements, instruments, documents, and papers as Secured Creditor may reasonably request to evidence Secured Creditor's and Secured Parties' security interest in such Patent, Trademark, or Copyright, and each Grantor hereby appoints Secured Creditor as its attorney-in-fact to execute and file such writings for the foregoing purposes.

(g) Except where the failure to do so could not reasonably be expected to have a Material Adverse Effect, each Grantor will take all necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office, United States Copyright Office, or any Governmental Authority in any other jurisdiction as may be reasonably required by Secured Creditor, to maintain and pursue each 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, 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.

(h) If any Grantor has reason to believe that any Collateral consisting of a Patent, Trademark, or Copyright that is material to the business of such Grantor has been or is about to be infringed, misappropriated, or diluted by a third party, such Grantor promptly shall notify Secured Creditor and shall, if consistent with good business judgment, unless such Grantor shall reasonably determine that such Patent, Trademark or Copyright is not material to the conduct of its business or operations, 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, in the reasonable judgment of such Grantor, to protect such Collateral.

(i) Upon the request of Secured Creditor, each Grantor shall use 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 Secured Creditor or its designee.

(j) In no event shall any Grantor acquire or purchase any Patent, Trademark, or Copyright unless it complies with Section 4.19 within the time period specified therein, and, upon request of Secured Creditor, executes and delivers any and all agreements, instruments, documents, and papers as Secured Creditor may request to evidence Secured Creditor's and Secured Parties' security interest in such purchased or acquired Patent, Trademark, or Copyright. Each Grantor hereby appoints Secured Creditor as its attorney-in-fact to execute and file any 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 Governmental Authority in any other jurisdiction as may be required by Secured Creditor, in connection with such purchase or acquisition of any Patent, Trademark, or Copyright.

(k) The parties acknowledge and agree that the Intellectual Property is the sole and exclusive property of each Grantor, subject to the terms and conditions stated in this Agreement. Other than in connection with any security interest in the Intellectual Property that a Grantor has granted to Secured Creditor, or any rights and remedies of Secured Creditor and Secured Parties under Laws, Secured Creditor shall not challenge such Grantor's ownership of the Intellectual Property. Each Grantor expressly retains all rights, at such times when no Event of Default exists, to license third parties to use the Intellectual Property for any purpose whatsoever not in violation of the Loan Documents and which are not exclusive as to prevent Secured Creditor from using any of the Intellectual Property.

(l) The license granted to Secured Creditor hereunder shall include the right of Secured Creditor to grant sublicenses to others to use the Intellectual Property, and to enable such sublicensees to exercise any rights and remedies of Secured Creditor with respect to the Collateral, as Secured Creditor reasonably deems necessary or appropriate in the exercise of the rights and remedies of Secured Creditor. In any country where sublicenses are incapable of registration or where registration of a sublicense will not satisfactorily protect the rights of each Grantor and Secured Creditor, Secured Creditor shall also have the right to designate other parties as direct licensees of such Grantor to use the

Intellectual Property if an Event of Default exists and to enable such direct licensees to exercise any rights and remedies of Secured Creditor as such licensees reasonably deem necessary or appropriate and each Grantor agrees to enter into direct written licenses with the parties as designated on the same terms as would be applicable to a sublicense, and any such direct license may, depending on the relevant local requirements, be either (a) *in lieu* of a sublicense or (b) supplemental to a sublicense. In either case, the parties hereto shall cooperate to determine what shall be necessary or appropriate in the circumstances. For each sublicense to a sublicensee and direct license to a licensee, each Grantor appoints Secured Creditor its agent for the purpose of exercising quality control over the sublicensee. Each Grantor shall execute this Agreement and each other agreement necessary to effect the purposes of this Agreement in any form, content and language suitable for recordation, notice and/or registration in all available and appropriate agencies of foreign countries as Secured Creditor may reasonably require.

(m) In connection with the assignment or other transfer (in whole or in part) of its obligations to any other Person, Secured Creditor may assign the license granted herein without any Grantor's consent (other than any consent required by the Credit Agreement) and upon such assignment or transfer such other Person shall thereupon become vested with all rights and benefits in respect thereof granted to Secured Creditor under this Agreement (to the extent of such assignment or transfer).

(n) The parties hereto shall take reasonable action to preserve the confidentiality of the Intellectual Property; *provided*, that Secured Creditor shall not have any liability to any Person for any disclosure of the Intellectual Property in connection with Secured Creditor's enforcement of its rights under this Agreement or Applicable Laws.

(o) With respect to each franchisee of each Grantor who has been granted a license or other right to use any Intellectual Property of such Grantor, such Grantor shall use commercially reasonable efforts to cause to be maintained, at all times that such franchisee has any right to use such Intellectual Property, an effective license agreement between such Grantor and such franchisee.

4.11. *Equity Interests; Dilution of Ownership.* No Grantor will, or permit any Person to, revise, modify, amend or restate the Organization Documents of any issuer of Pledged Equity Interests in a manner that adversely affects the security interest of Secured Creditor therein (except as permitted by the Loan Documents), or terminate, cancel, or dissolve any such Person (except as permitted by the Loan Documents). As to any Pledged Equity Interests, no Grantor will consent to or approve of the issuance of (a) any additional shares or units of any class of Equity Interests of such issuer (unless promptly upon issuance additional Equity Interests are pledged and delivered to Secured Creditor pursuant to the terms hereof to the extent necessary to give Secured Creditor a security interest after such issuance in at least the same percentage of such issuer's outstanding securities or other Equity Interest as Secured Creditor had before such issuance), (b) any instrument convertible voluntarily by the holder thereof or automatically upon the occurrence or non-occurrence of any event or condition into, or exchangeable for, any such securities or other Equity Interests, or (c) any warrants, options, contracts or other commitments entitling any third party to purchase or otherwise acquire any such securities or other Equity Interests.

4.12. *Waiver.* To the extent not prohibited by Applicable Laws or Permits, each Grantor agrees that any provision of any Organization Document of any issuer of any Collateral, any Applicable Law, any certificate or instrument evidencing Collateral or any other governance document that in any manner restricts, prohibits or provides conditions to (a) the grant of a Lien on any Equity Interest of such issuer or any other Collateral, (b) any transfer of any Equity Interest of such issuer or any other Collateral, (c) any change in management or control of such issuer or any other Collateral, (d) the admission of any transferee of any Collateral as a shareholder, member, partner or other equity holder of the issuer of such Collateral, or (e) any other exercise by Secured Creditor or any other Secured Party of any rights pursuant to this Agreement, any other Loan Document or Law shall not apply to (i) the grant of any Lien hereunder, (ii) the execution, delivery and performance of this Agreement by such Grantor, (iii) the

foreclosure or other realization upon any interest in any Collateral, or (iv) the exercise of rights with respect to such Collateral, including the right to participate in the management of such issuer. Furthermore, to the extent not prohibited by Applicable Laws or Permits, no Grantor will permit any amendment to or restatement of any Organization Document or any other governance document or enter into or permit to exist any agreement that in any manner adversely affects Secured Creditor's ability to foreclose on any Collateral or which conflicts with the provisions of this Section.

4.13. *Restrictions on Securities.* No issuer of any Pledged Equity Interests which is either a partnership or limited liability company shall amend or restate its Organization Documents (if its Organization Documents do not provide that any Equity Interest of such issuer is a security governed by Article 8 of the UCC or that any Equity Interest of such issuer is evidenced by a certificate or other instrument) to provide that any Equity Interest of such issuer is a security governed by Article 8 of the UCC or permit any Equity Interest of such issuer to be evidenced by a certificate or other instrument, except such as are in existence as of the Closing Date. No certificate or other instrument evidencing or constituting any Pledged Equity Interest shall contain any restriction on transfer or other legend not reasonably acceptable to Secured Creditor. With respect to each certificate that contains any such legend that is not reasonably acceptable to Secured Creditor, each Grantor shall cause the issuer of each such certificate to issue one or more certificates in a form reasonably acceptable to Secured Creditor.

4.14. *Rights to Dividends and Distributions.* With respect to any certificates, bonds, or other Instruments or Securities constituting a part of the Collateral, Secured Creditor shall have authority if an Event of Default exists, without notice to any Grantor, either to have the same registered in Secured Creditor's name or in the name of a nominee, and, with or without such registration, to demand of the issuer thereof, and to receive and receipt for, any and all dividends and distributions (including any stock or similar dividend or distribution) payable in respect thereof, whether they be ordinary or extraordinary. If any Grantor shall become entitled to receive or shall receive any interest in or certificate (including, without limitation, any interest in or certificate representing a dividend or a distribution in connection with any reclassification, increase, or reduction of capital, or issued in connection with any reorganization), or any option or rights arising from or relating to any of the Collateral, whether as an addition to, in substitution of, as a conversion of, or in exchange for any of the Collateral, or otherwise, such Grantor agrees to accept the same as Secured Creditor's agent and to hold the same in trust on behalf of and for the benefit of Secured Creditor, and to deliver the same immediately to Secured Creditor in the exact form received, with appropriate undated stock or similar powers, duly executed in blank, to be held by Secured Creditor, subject to the terms hereof, as Collateral. Unless an Event of Default exists or will result therefrom and subject to the other Loan Documents, such Grantor shall be entitled to receive all cash dividends and distributions not representing a return of capital or liquidating dividend paid or distributed with respect to the Securities, other than dividends or distributions or interests payable in Securities of the issuer of such Securities (which, if evidenced by certificated securities, shall be delivered to Secured Creditor as set forth in the immediately preceding sentence, whether or not an Event of Default exists). During the existence of an Event of Default or as may be required by the Credit Agreement, Secured Creditor shall be entitled to all dividends and distributions, and to any sums paid upon or in respect of any Collateral, upon the liquidation, dissolution, or reorganization of the issuer thereof which shall be paid to Secured Creditor to be held by it as additional collateral security for and application to the Secured Obligations as provided in the Loan Documents. All dividends, distributions and Proceeds paid or distributed in respect of the Collateral which are received by any Grantor in violation of this Agreement shall, until paid or delivered to Secured Creditor, be held by such Grantor in trust as additional Collateral for the Secured Obligations.

4.15. *Right of Secured Party to Notify Issuers.* If an Event of Default exists and at such other times as Secured Creditor is entitled to receive dividends, distributions and other property in respect of or consisting of any Collateral which is or represents a Security or an Equity Interest, Secured Creditor may notify issuers of such Security or Equity Interest to make payments of all dividends and distributions

directly to Secured Creditor and Secured Creditor may take control of all Proceeds of any Securities and Equity Interests. Until Secured Creditor elects to exercise such rights during the existence of an Event of Default, each Grantor, as agent of Secured Creditor, shall collect, segregate and hold in trust all dividends and other amounts paid or distributed with respect to Securities and Equity Interests.

4.16. *Insurance.* (a) Each Grantor shall, at its own expense, maintain insurance in accordance with the provisions of the Credit Agreement.

(b) Each Grantor shall cause all policies of insurance required by the provisions of Section 4.16 to:

(i) Contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy.

(A) Be issued by companies having an A.M. Best Co. policyholder's rating of "A" or better and a financial size category of "V" or better. Insurance carriers with lesser ratings are acceptable if they present a reinsurance agreement containing a direct access clause with a company or companies that meet such rating requirement. Coverage amounts shall not exceed 5% of carrier surplus and capital values unless approved in writing by Secured Creditor or reinsurance is carried.

(B) Be issued by carriers that are fully and properly licensed in each appropriate state.

(C) Cause each insurance policy to name Secured Creditor as an "additional insured" if such policy is a liability policy, name Secured Creditor as a "mortgagee" and "loss payee" and include a standard loss payable endorsement in favor of Secured Creditor, in form satisfactory to Secured Creditor, if such policy is a property insurance policy, provide that Secured Creditor shall be notified in writing of any proposed amendment, reduction, non-renewal, or cancellation at least thirty days prior to such amendment, reduction, non-renewal, or cancellation and will have sufficient time to correct any deficiencies justifying such proposed cancellation or material modification, provide that all insurance proceeds for losses shall be payable to Secured Creditor, as its interests may appear regardless of any omission or breach by any Grantor, waive any right of subrogation of the insurers against Secured Creditor and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of Grantor, and provide that such insurance shall be primary insurance, that the insurers under such insurance policies shall be liable under such policies without right of contribution from any other insurance coverage and expressly provide that all provisions thereof, except the limits of liability (which shall be applicable to all insureds as a group), shall operate in the same manner as if there were a separate policy covering each insured, and liability for premiums shall be solely a liability of the applicable Grantor.

(D) Otherwise be in form and substance satisfactory to Secured Creditor.

(c) Each Grantor shall furnish Secured Creditor a copy of all policies of required insurance. Each Grantor shall also furnish or cause to be furnished to Secured Creditor (i) no later than fifteen Business Days before the applicable renewal date a copy of all binders of coverage, on which binders are indicated the terms of payment, deductibles, policy amounts, and other relevant information, and (ii) within ten Business Days after each such renewal date, evidence of the payment of all premiums payable in connection with such renewal.

(d) If any Grantor fails to perform or observe any applicable covenants as to insurance, Secured Creditor may at its option obtain insurance on only Secured Creditor's and Secured

Parties' interest in the Collateral, any premium thereby paid by Secured Creditor to become part of the Secured Obligations, bear interest prior to the existence of an Event of Default, at the rate then applicable to a Base Rate Loan, and during the existence of an Event of Default, at the rate set forth in Section 4.1(c) of the Credit Agreement. If Secured Creditor maintains such substitute insurance, the premium for such insurance shall be due on demand and payable by such Grantor to Secured Creditor. Each Grantor grants and appoints Secured Creditor its attorney-in-fact to endorse any check or draft that may be payable to such Grantor in order to collect any payments in respect of insurance, including any refunds of unearned premiums in connection with any cancellation, adjustment, or termination of any policy of insurance. Any such sums collected by Secured Creditor shall be credited, except to the extent applied to the purchase by Secured Creditor of similar insurance, to any amounts then owing on the Secured Obligations in accordance with the Credit Agreement and the other Loan Documents.

TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION INSURANCE NOTICE (IF ANY GRANTOR IS A "GRANTOR" AS DEFINED IN SUCH SECTION): (A) SUCH GRANTOR IS REQUIRED TO: (i) KEEP THE COLLATERAL INSURED AGAINST DAMAGE IN THE AMOUNT SECURED CREDITOR AND THE LOAN DOCUMENTS SPECIFY; (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER; AND (iii) NAME SECURED CREDITOR AS THE PERSON TO BE PAID UNDER THE POLICY OR POLICIES IN THE EVENT OF A LOSS; (B) SUCH GRANTOR MUST, IF REQUIRED BY SECURED CREDITOR OR THE LOAN DOCUMENTS, DELIVER TO SECURED CREDITOR A COPY OF EACH POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) IF SUCH GRANTOR FAILS TO MEET ANY REQUIREMENT LISTED IS CLAUSES (A) OR (B), SECURED CREDITOR MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF SUCH GRANTOR AT SUCH GRANTOR'S EXPENSE.

4.17. *Transfers and Other Liens.* Except as permitted by the Loan Documents, Grantor shall not (a) sell, assign (by operation of Applicable Law or otherwise) or otherwise Dispose of, or grant any option with respect to, any of the Collateral, or (b) create or permit to exist any Lien, option, or other charge or encumbrance upon or with respect to any of the Collateral.

4.18. *Secured Creditor Appointed Attorney-in-Fact.* Each Grantor hereby irrevocably appoints Secured Creditor such Grantor's attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise to take any action and to execute any instrument which Secured Creditor may deem necessary or advisable, during the existence of an Event of Default, to accomplish the purposes of this Agreement, including, without limitation (*provided*, Secured Creditor shall not have any duty to take any such action or execute any instrument):

- (a) to obtain and adjust insurance required to be paid to Secured Creditor pursuant to Section 4.16;
- (b) to ask, demand, collect, sue for, recover, compromise, receive, and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral;
- (c) to receive, indorse, and collect any drafts or other Instruments, Documents, and Chattel Paper, in connection therewith; and
- (d) to file any claims or take any action or institute any proceedings which Secured Party may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce compliance with the terms and conditions of any Collateral or the rights of Secured Creditor with respect to any of the Collateral.

EACH GRANTOR HEREBY IRREVOCABLY GRANTS TO SECURED CREDITOR SUCH GRANTOR'S PROXY (EXERCISABLE IF AN EVENT OF DEFAULT EXISTS) TO VOTE ANY SECURITIES INCLUDED IN COLLATERAL AND APPOINTS SECURED CREDITOR SUCH GRANTOR'S ATTORNEY-IN-FACT (EXERCISABLE IF AN EVENT OF DEFAULT EXISTS) TO PERFORM ALL OBLIGATIONS OF SUCH GRANTOR UNDER THIS AGREEMENT AND TO EXERCISE ALL OF SECURED CREDITOR'S AND EACH OTHER SECURED PARTIES' RIGHTS HEREUNDER. THE PROXY AND EACH POWER OF ATTORNEY HEREIN GRANTED, AND EACH STOCK POWER AND SIMILAR POWER NOW OR HEREAFTER GRANTED (INCLUDING ANY EVIDENCED BY A SEPARATE WRITING), ARE COUPLED WITH AN INTEREST AND ARE IRREVOCABLE BEFORE THE RELEASE DATE.

4.19. *Changes to Representations, Schedules.* Not later than thirty days after the last day of each fiscal quarter of each Grantor during which any information disclosed on any Schedule to this Agreement changed and at such other times as required by this Agreement, each such Grantor shall deliver to Secured Creditor an updated Schedule (which updates shall restate (and not supplement) such Schedule in its entirety); *provided*, the delivery of any updated Schedule shall not be (a) deemed a waiver of any (i) obligation of any Grantor under any Loan Document, or (ii) representation or warranty of any Grantor with respect to a Schedule during the period such Schedule was effective, and (b) effective until Secured Creditor agrees in writing to (i) the substitution of such updated Schedule, and (ii) the Schedule Effective Date of such updated Schedule. Each Grantor shall promptly notify Secured Creditor of any change in any representation herein and any information on any Schedule hereto if such change could reasonably be expected to have a Material Adverse Effect. Each representation and warranty made as of a particular Schedule Effective Date shall be deemed made as of such Schedule Effective Date and at all times thereafter until the Schedule Effective Date of the next effective succeeding restated Schedule.

ARTICLE V RIGHTS AND POWERS OF SECURED PARTY.

5.01. *Secured Creditor May Perform.* If any Grantor fails to perform any agreement contained herein, Secured Creditor may itself perform, or cause performance of, such agreement, and the expenses of Secured Creditor incurred in connection therewith shall be payable by Grantor under Section 5.07.

5.02. *Secured Creditor's Duties.* The powers conferred on Secured Creditor hereunder are solely to protect Secured Creditor's and Secured Parties' interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by Secured Creditor and Secured Parties hereunder, neither Secured Creditor nor any other Secured Party shall have any duty as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders, or other matters relative to any Collateral, whether or not Secured Creditor or any other Secured Party has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which Secured Creditor accords its own property. Except as provided in this Section, neither Secured Creditor nor any other Secured Party shall have any duty or liability to protect or preserve any Collateral or to preserve rights pertaining thereto. Nothing contained in this Agreement shall be construed as requiring or obligating Secured Creditor or any other Secured Party, and neither Secured Creditor nor any other Secured Party shall be required or obligated, to (a) present or file any claim or notice or take any action, with respect to any Collateral or in connection therewith or (b) notify any Grantor of any decline in the value of any Collateral. This Section shall survive the termination of this Agreement, and any satisfaction and discharge of each Grantor by virtue of any payment, court order, or Applicable Law.

5.03. *Events of Default.* The occurrence of any one or more of the following events shall constitute an Event of Default (each, an "Event of Default"):

(a) Any representation or warranty made by or on behalf of any Grantor under or in connection with this Agreement shall be false, in any material respect, as of the date on which made.

(b) The breach by any Grantor of any of the terms or provisions of Article IV or Section 5.07.

(c) The breach by any Grantor (other than a breach which constitutes an Event of Default under Section 5.03(a) or (b)) of any of the terms or provisions of this Agreement which is not remedied within ten days after first to occur of (i) the giving of written notice to any Grantor by Secured Creditor, and (ii) any Grantor having knowledge of the existence of such breach.

(d) The existence of an Event of Default (as defined in the Credit Agreement).

5.04. *Remedies.* If an Event of Default exists:

(a) Secured Creditor may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it or any other Secured Party pursuant to any Applicable Laws, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Collateral), and also may require each Grantor to, and each Grantor will at its expense and upon request of Secured Creditor forthwith, assemble all or part of the Collateral as directed by Secured Creditor and make it available to Secured Creditor at a place to be designated by Secured Creditor which is reasonably convenient to both parties for public or private sale, at any of Secured Creditor's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Secured Creditor may deem commercially reasonable. Each Grantor agrees that, to the extent notice of sale shall be required by Applicable Law, ten days' prior written notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Secured Creditor shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Secured Creditor may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All proceeds received by Secured Creditor upon any sale of, collection of, or other realization upon, all or any part of the Collateral shall be applied as set forth in the Credit Agreement and the other Loan Documents.

(c) All payments received by each Grantor under or in connection with any Collateral shall be received in trust for the benefit of Secured Creditor, shall be segregated from other funds of such Grantor, and shall be forthwith paid or delivered over to Secured Creditor in the same form as so received (with any necessary endorsement).

(d) Because of the Securities Act of 1933, as amended ("*Securities Act*"), and other Applicable Laws, including without limitation state "blue sky" laws, or contractual restrictions or agreements, there may be legal restrictions or limitations affecting Secured Creditor in any attempts to dispose of the Pledged Equity Interests and the enforcement of rights under this Agreement. For these reasons, Secured Creditor is authorized by each Grantor, but not obligated, if any Event of Default exists, to sell or otherwise dispose of any of the Pledged Equity Interests at private sale, subject to an investment letter, or in any other manner which will not require the Pledged Equity Interests, or any part thereof, to be registered in accordance with the Securities Act, or any other Applicable Law. Secured Creditor is also hereby authorized by each Grantor, but not obligated, to take such actions, give such notices, obtain

such consents, and do such other things as Secured Creditor may deem required or appropriate under the Securities Act or other securities laws or other Applicable Laws or contractual restrictions or agreements in the event of a sale or disposition of any Pledged Equity Interests. Each Grantor understands that Secured Creditor may in its discretion approach a restricted number of potential purchasers and that a sale under such circumstances may yield a lower price for the Pledged Equity Interests than would otherwise be obtainable if same were registered and/or sold in the open market. No sale so made in good faith by Secured Creditor shall be deemed to be not "commercially reasonable" because so made. Each Grantor agrees that if an Event of Default exists, and Secured Creditor sells the Pledged Equity Interests or any portion thereof at any private sale or sales, Secured Creditor shall have the right to rely upon the advice and opinion of appraisers and other Persons, which appraisers and other Persons are acceptable to Secured Creditor, as to the best price reasonably obtainable upon such a private sale thereof. In the absence of fraud, willful misconduct or gross negligence, such reliance shall be conclusive evidence that Secured Creditor and the other Secured Parties handled such matter in a commercially reasonable manner under Applicable Law.

(e) After notice to any Grantor, Secured Creditor and such Persons as Secured Creditor may reasonably designate shall have the right, at such Grantor's own cost and expense, to verify under reasonable procedures, the validity, amount, quality, quantity, value, condition, and status of, or any other matter relating to, the Collateral, including, 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. Secured Creditor shall have the absolute right to share any information it gains from such inspection or verification with any Secured Party.

(f) For purposes of enabling Secured Creditor to exercise rights and remedies under this Agreement, each Grantor grants to Secured Creditor an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to any Grantor or any other Person; *provided*, that if the license granted to Secured Creditor is a sublicense, each Grantor shall be solely responsible for, and indemnify Secured Creditor and each Secured Party against, any royalty or other compensation payable to such Grantor's licensor or other Person) to use all of such Grantor's owned Software, and including in such license reasonable access to all media in which any of the licensed items may be recorded and all related manuals. The use of such license by Secured Creditor shall be exercised, at the option of Secured Creditor, if an Event of Default exists; *provided*, that any license, sub-license, or other transaction entered into by Secured Creditor in accordance herewith shall be binding upon such Grantor notwithstanding any subsequent cure or waiver of an Event of Default.

(g) For the purpose of enabling Secured Creditor to exercise rights and remedies under this Agreement, each Grantor grants (to the extent not otherwise prohibited by a license with respect thereto) to Secured Creditor an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to any Grantor or any other Person; *provided*, that if the license granted to Secured Creditor is a sublicense, such Grantor shall be solely responsible for, and indemnify Secured Creditor and Secured Parties against, any royalty or other compensation payable to such Grantor's licensor or other Person) to use, license, or sub-license any of the Collateral consisting of Intellectual Property that is owned 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 Software used for the use, compilation, or printout thereof. In connection therewith, each Grantor shall execute and deliver a license agreement to Secured Creditor to evidence the grant of such license. The use of such license by Secured Creditor shall be exercised, at the option of Secured Creditor, if an Event of Default exists; *provided*, that any license, sub-license, or other transaction entered into by Secured Creditor in accordance herewith shall be binding upon each Grantor notwithstanding any subsequent cure or waiver of an Event of Default.

5.05. *Appointment of Receiver or Trustee.* In connection with the exercise of Secured Creditor's rights under this Agreement or any other Loan Document, Secured Creditor may, if an Event of Default exists, obtain the appointment of a receiver or trustee to assume, upon receipt of any necessary judicial or other Governmental Authority consents or approvals, control of or ownership of any Collateral. Such receiver or trustee shall have all rights and powers provided to it by Applicable Law or by court order or provided to Secured Creditor under this Agreement or any other Loan Document. Upon the appointment of such trustee or receiver, each Grantor shall cooperate, to the extent necessary or appropriate, in the expeditious preparation, execution, and filing of an application to any Governmental Authority or for consent to the transfer of control or assignment of such Collateral to the receiver or trustee. To the extent required by Applicable Law, Secured Creditor shall provide to each Grantor notice of the request for or appointment of such receiver or trustee.

5.06. *Further Approvals Required.*

(a) In connection with the exercise by Secured Creditor of rights under this Agreement that affects the disposition of or use of any Collateral (including rights relating to the disposition of or operation under any Permit), it may be necessary to obtain the prior consent or approval of Governmental Authorities and other Persons to a transfer or assignment of Collateral. Each Grantor shall execute, deliver, and file, and hereby appoints (to the extent not prohibited by Applicable Law) Secured Creditor as its attorney (exercisable if an Event of Default exists), to execute, deliver, and file on such Grantor's behalf and in such Grantor's name, all applications, certificates, filings, instruments, and other documents (including without limitation any application for an assignment or transfer of control or ownership) that may be necessary or appropriate, in Secured Creditor's reasonable opinion, to obtain such consents or approvals. Each Grantor shall use commercially reasonable efforts, at the request of Secured Creditor, to obtain the foregoing consents, waivers, and approvals, including receipt of consents, waivers, and approvals under applicable agreements regardless of whether a Default or Event of Default exists.

(b) Each Grantor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that this Section may be specifically enforced.

5.07. *INDEMNITY AND EXPENSES.*

(a) EACH GRANTOR WILL UPON DEMAND PAY TO SECURED CREDITOR THE AMOUNT OF ANY AND ALL EXPENSES, INCLUDING THE FEES AND EXPENSES OF ITS COUNSEL AND OF ANY EXPERTS AND AGENTS, WHICH SECURED CREDITOR MAY INCUR IN CONNECTION WITH (I) THE CUSTODY, PRESERVATION, USE OR OPERATION OF, OR THE SALE OF, COLLECTION FROM, OR OTHER REALIZATION UPON, ANY OF THE COLLATERAL, (II) THE EXERCISE OR ENFORCEMENT OF ANY OF THE RIGHTS OF SECURED CREDITOR OR ANY SECURED PARTY HEREUNDER, OR (III) THE FAILURE BY SUCH GRANTOR TO PERFORM OR OBSERVE ANY OF THE PROVISIONS HEREOF.

(b) EACH GRANTOR WILL UPON DEMAND PAY TO SECURED CREDITOR THE AMOUNT OF ANY AND ALL REASONABLE EXPENSES, INCLUDING THE REASONABLE FEES AND EXPENSES OF ITS COUNSEL AND OF ANY EXPERTS AND AGENTS, WHICH SECURED CREDITOR MAY INCUR IN CONNECTION WITH THE ADMINISTRATION OF THIS AGREEMENT.

(c) EACH GRANTOR SHALL INDEMNIFY THE SECURED CREDITOR (AND ANY AGENT THEREOF), EACH SECURED PARTY, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN

"INDEMNITEE") AGAINST, AND HOLD EACH INDEMNITEE HARMLESS FROM, AND SHALL PAY OR REIMBURSE ANY SUCH INDEMNITEE FOR, ANY AND ALL LOSSES, CLAIMS (INCLUDING, WITHOUT LIMITATION, ANY ENVIRONMENTAL CLAIMS), DAMAGES, LIABILITIES AND RELATED EXPENSES (INCLUDING THE FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE), INCURRED BY ANY INDEMNITEE OR ASSERTED AGAINST ANY INDEMNITEE BY ANY PERSON (INCLUDING THE BORROWER OR ANY OTHER GRANTOR), OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES, ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY ANY GRANTOR OR ANY SUBSIDIARY THEREOF, OR ANY ENVIRONMENTAL CLAIM RELATED IN ANY WAY TO ANY GRANTOR OR ANY OF ITS SUBSIDIARIS, (III) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY ANY GRANTOR OR ANY SUBSIDIARY THEREOF, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, OR (IV) ANY CLAIM (INCLUDING, WITHOUT LIMITATION, ANY ENVIRONMENTAL CLAIMS), INVESTIGATION, LITIGATION OR OTHER PROCEEDING (WHETHER OR NOT THE SECURED CREDITOR OR ANY SECURED PARTY IS A PARTY THERETO) AND THE PROSECUTION AND DEFENSE THEREOF, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOANS, THE COLLATERAL, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT, OR ANY DOCUMENTS CONTEMPLATED BY OR REFERRED TO HEREIN OR THEREIN OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING WITHOUT LIMITATION, REASONABLE ATTORNEYS AND CONSULTANT'S FEES, PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES (X) 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 OR (Y) RESULT FROM A CLAIM BROUGHT BY ANY GRANTOR OR ANY SUBSIDIARY THEREOF AGAINST AN INDEMNITEE FOR BREACH IN BAD FAITH OF SUCH INDEMNITEE'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER LOAN DOCUMENT, IF SUCH GRANTOR OR SUCH SUBSIDIARY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION.

ARTICLE VI MISCELLANEOUS

6.01. *Waiver of Subrogation.* Until the Release Date, no Grantor shall assert, enforce, or otherwise exercise (a) any right of subrogation to any of the rights or Liens of Secured Creditor, any other Secured Party or any Person acting for the benefit of Secured Creditor or any other Secured Party against any other Credit Party or any Collateral or other security, or (b) any right of recourse, reimbursement, contribution, indemnification, or similar right against any other Credit Party on all or any part of the Secured Obligations or any other Credit Party, and until the date that is 370 days after the Release Date, each Grantor hereby waives any and all of the foregoing rights and the benefit of, and any right to participate in, and Collateral or other security given to Secured Creditor or any other Secured Party or any

other Person acting for the benefit of Secured Creditor or any other Secured Party, to secure payment of the Secured Obligations. This Section 6.01 shall survive the termination of this Agreement, and any satisfaction and discharge of each Grantor by virtue of any payment, court order, or Applicable Law.

6.02. *Cumulative Rights.* All rights of Secured Creditor and each other Secured Party under the Loan Documents, Secured Hedge Agreements and Secured Cash Management Agreements are cumulative of each other and of every other right which Secured Creditor and each other Secured Party may otherwise have at law or in equity or under any other agreement. The exercise of one or more rights shall not prejudice or impair the concurrent or subsequent exercise of other rights.

6.03. *Amendments; Waivers.* No amendment or waiver of any provision of this Agreement, and no consent to any departure by any Grantor, shall be effective unless in writing signed by Secured Creditor and each Grantor, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No election not to exercise, failure to exercise or delay in exercising any right, nor any course of dealing or performance, shall operate as a waiver of any right of Secured Creditor or any Secured Party under this Agreement or Applicable Laws, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right of Secured Creditor or any Secured Party under this Agreement or Applicable Laws.

6.04. *Continuing Security Interest; Release.* This Agreement creates a continuing security interest in the Collateral and shall (a) remain in full force and effect until the Release Date, (b) be binding upon each Grantor, its successors and assigns, and (c) inure to the benefit of, and be enforceable by, Secured Party and its successors, transferees and assigns. Upon the occurrence of the Release Date, this Agreement and all obligations (other than those expressly stated to survive such termination) of Secured Party and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the granting parties and Secured Creditor will, at each Grantor's expense, execute and deliver to each Grantor such documents (including without limitation UCC termination statements) as such Grantor shall reasonably request to evidence such termination and shall deliver to such Grantor any Collateral held by Secured Creditor hereunder. Each Grantor agrees that to the extent that Secured Creditor or any other Secured Party receives any payment or benefit and such payment or benefit, or any part thereof, is subsequently invalidated, declared to be fraudulent or preferential, set aside or is required to be repaid to a trustee, receiver, or any other Person under any Debtor Relief Law, common law or equitable cause, then to the extent of such payment or benefit, the Secured Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or benefit had not been made and, further, any such repayment by Secured Creditor or any other Secured Party, to the extent that Secured Creditor or any other Secured Party did not directly receive a corresponding cash payment, shall be added to and be additional Secured Obligations payable upon demand by Secured Creditor or any other Secured Party and secured hereby, and, if the Lien and security interest, any power of attorney, proxy or license hereof shall have been released, such Lien and security interest, power of attorney, proxy and license shall be reinstated with the same effect and priority as on the date of execution hereof all as if no release of such Lien or security interest, power of attorney, proxy or license had ever occurred. This Section 6.04 shall survive the termination of this Agreement, and any satisfaction and discharge of each Grantor by virtue of any payment, court order, or Applicable Law.

6.05. *GOVERNING LAW; WAIVER OF JURY TRIAL; CONSENT TO JURISDICTION AND SERVICE OF PROCESS.*

(a) **GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, EXCEPT TO THE EXTENT THE VALIDITY OR PERFECTION OF THE

SECURITY INTERESTS HEREUNDER OR THE REMEDIES HEREUNDER, IN RESPECT OF ANY COLLATERAL ARE GOVERNED BY THE LAW OF A JURISDICTION OTHER THAN NEW YORK; PROVIDED, THAT SECURED CREDITOR AND EACH SECURED PARTY SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) WAIVER OF JURY TRIAL. EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(c) SUBMISSION TO JURISDICTION. EACH GRANTOR IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE SECURED CREDITOR, ANY SECURED PARTY OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY, AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY APPLICABLE LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE SECURED CREDITOR OR ANY SECURED PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(d) WAIVER OF VENUE. EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO

THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN THE FIRST SENTENCE OF PARAGRAPH (c) OF THIS SECTION. EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(e) **SERVICE OF PROCESS.** EACH GRANTOR, SECURED CREDITOR AND EACH SECURED PARTY (BY ACCEPTANCE OF THE BENEFITS HEREOF) IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 6.11. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

6.06. *Secured Creditor's Right to Use Agents.* Secured Creditor may exercise its rights under this Agreement through an agent or other designee.

6.07. *No Interference, Compensation or Expense.* Secured Creditor may exercise its rights under this Agreement (a) without resistance or interference by any Grantor and (b) without payment of any rent, license fee, or compensation of any kind to any Grantor.

6.08. *Waivers of Rights Inhibiting Enforcement.* Each Grantor waives (a) any claim that, as to any part of the Collateral, a private sale, should Secured Creditor elect so to proceed, is, in and of itself, not a commercially reasonable method of sale for such Collateral, (b) except as otherwise provided in this Agreement, **TO THE FULLEST EXTENT NOT PROHIBITED BY APPLICABLE LAW, NOTICE OR JUDICIAL HEARING IN CONNECTION WITH SECURED CREDITOR'S DISPOSITION OF ANY OF THE COLLATERAL INCLUDING ANY AND ALL PRIOR NOTICE AND HEARING FOR ANY PREJUDGMENT REMEDY OR REMEDIES AND ANY SUCH RIGHT THAT SUCH GRANTOR WOULD OTHERWISE HAVE UNDER ANY APPLICABLE LAW AND ALL OTHER REQUIREMENTS AS TO THE TIME, PLACE AND TERMS OF SALE OR OTHER REQUIREMENTS WITH RESPECT TO THE ENFORCEMENT OF SECURED CREDITOR'S OR SECURED PARTIES' RIGHTS HEREUNDER** and (c) all rights of redemption, appraisalment or valuation.

6.09. *Obligations Not Affected.* To the fullest extent not prohibited by Applicable Laws, the obligations of each Grantor under this Agreement shall remain in full force and effect without regard to, and shall not be impaired or affected by (except, in each case, as may expressly apply to such Grantor):

(a) any amendment, addition, or supplement to, or restatement of any Loan Document, Secured Hedge Agreement, Secured Cash Management Agreement or any instrument delivered in connection therewith or any assignment or transfer thereof;

(b) any exercise, non-exercise, or waiver by Secured Creditor or any other Secured Party of any right, remedy, power, or privilege under or in respect of, or any release of any guaranty, any collateral, or the Collateral or any part thereof provided pursuant to, this Agreement, any Loan Document, any Secured Hedge Agreement or any Secured Cash Management Agreement;

(c) any waiver, consent, extension, indulgence, or other action or inaction in respect of this Agreement, any other Loan Document, any Secured Hedge Agreement or any Secured Cash Management Agreement or any assignment or transfer of any thereof;

(d) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation, or the like of any Credit Party or any other Person, whether or not any Grantor shall have notice or knowledge of any of the foregoing; or

(e) any other event which may give any Grantor or any other Credit Party a defense to, or a discharge of, any of its obligations under any Loan Document, any Secured Hedge Agreement or any Secured Cash Management Agreement other than payment in full of the Secured Obligations.

6.10. *Notices and Deliveries.* All notices and other communications provided for herein shall be effectuated (a) in the case of notices to Secured Creditor, in the manner provided for in the Credit Agreement, and (b) in the case of notices to any Grantor, in the manner provided for in the Credit Agreement. Each Grantor appoints Borrower such Grantor's agent, and Borrower shall act as agent for each other Grantor, for receipt of notices and other communications pursuant to the Loan Documents.

6.11. *Severability.* If any provision of this Agreement is held to be illegal, invalid, or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6.12. *Successors and Assigns.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns (including, as to each Grantor, all Persons who may become bound as a Grantor or a new Grantor to this Agreement); *provided*, no Grantor may assign any of its rights or obligations under this Agreement.

6.13. *Counterparts.* This Agreement may be executed in any number of counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

6.14. *Additional Grantors.* Any Person who was not a "Grantor" under this Agreement at the time of initial execution hereof shall become a "Grantor" hereunder if required pursuant to the terms of the Loan Documents by executing the delivering to Secured Creditor a Joinder. Such Person shall also deliver such items to Secured Creditor in connection with the execution of such Joinder as required by the terms of the Loan Documents and this Agreement. Any such Person shall thereafter be deemed a "Grantor" for all purposes under this Agreement.

6.15. *Limitations on Secured Parties to Act.* Each of the Secured Parties, by accepting the benefits of this Agreement, agrees that it shall not, unless specifically requested to do so in writing by Secured Creditor, take or cause to be taken any action, including the commencement of any legal or equitable proceedings to enforce this Agreement against any Grantor or to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

6.16. **ENTIRE AGREEMENT. THIS WRITTEN AGREEMENT AND EACH RELATED WRITTEN AGREEMENT REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

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

GRANTORS:

GLOBAL POWER EQUIPMENT GROUP INC.

By: DL Willis
Name: David L. Willis
Title: Senior Vice President and Chief Financial Officer

WILLIAMS INDUSTRIAL SERVICES GROUP,
L.L.C.

By: DL Willis
Name: David L. Willis
Title: Vice President and Treasurer

BRADEN MANUFACTURING, L.L.C.

By: DL Willis
Name: David L. Willis
Title: Vice President and Treasurer

WILLIAMS INDUSTRIAL SERVICES, LLC

By: DL Willis
Name: David L. Willis
Title: Vice President and Treasurer

WILLIAMS SPECIALTY SERVICES, LLC

By: DL Willis
Name: David L. Willis
Title: Vice President and Treasurer

WILLIAMS PLANT SERVICES, LLC

By: DL Willis
Name: David L. Willis
Title: Vice President and Treasurer

CONSTRUCTION & MAINTENANCE
PROFESSIONALS, LLC


By: DL Willis
Name: David L. Willis
Title: Chief Financial Officer

WILLIAMS GLOBAL SERVICES, INC.

By: DL Willis
Name: David L. Willis
Title: Chief Financial Officer

SECURED CREDITOR:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: 
Print Name: Andrew M. Widmer
Print Title: Vice President

SCHEDULE 4(a)
to
Security Agreement

TRADEMARK REGISTRATIONS

Global Power Equipment Group Inc.:

GRANTOR ENTITY	MARK	U.S. REG. NO.	REGISTRATION DATE
Global Power Equipment Group, Inc.	GP & Design (color)	4668286	01/06/2015

SCHEDULE 4(b)
to
Security Agreement

TRADEMARK APPLICATIONS

Global Power Equipment Group Inc.:

GRANTOR ENTITY	MARK	U.S. SER. NO.	FILING DATE
Global Power Equipment Group, Inc.	GP & Design	85/789,927	11/28/2012

Schedule 4(b) - Security Agreement