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Patent and Trademark Office

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

- Greif Bros. Corp. of Ohio, Inc.
 - Great Lakes Corrugated Corp.
 - Van Leer Containers, Inc.
 - American Flange + Manufacturing Co., Inc.
- Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Other
 Other
- Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):

Name: The Bank of Nova Scotia, as
 Internal Address: Paying Agent
 Street Address: 600 Peachtree St., N.E. Ste. 2700
 City: Atlanta State: GA ZIP: 30308

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other Bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from Assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
 Security Agreement * Change of Name
 Other * Domestic Guarantee + Sec. Agt.

Execution Date: 3/2/01

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

See Schedule 1.1(i) attached.

B. Trademark registration No.(s)

See Schedule 1.1(i) attached

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Return To 29073
National Corporate Research, LTD.
225 W. 34th St., Suite 910
New York, N.Y. 10122
(800) 221-0102 (212) 947-7200

City: _____ State: _____ ZIP: _____

6. Total number of applications and registrations involved: 76

7. Total fee (37 CFR 3.41): 1715.00

- Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

MAUREEN P. MURPHY Maureen P. Murphy 5/9/01
 Name of Person Signing Signature Date

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REEL: 002292 FRAME: 0595

SCHEDULE 1.1(i)

Initial Trademarks

Greif Bros. Corp. of Ohio, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|----------------------------|--------------------------|----------------|------------------------------|
| 76-079219* | 6/26/00 | US | Qik-Vent |
| 76-050006* | 6/17/00 | US | Waste Pak |
| 76-027938* | 4/18/00 | US | Sure-Size Bag |
| 75-791398* | 8/25/99 | US | One Company One Vision |
| 75-791399* | 8/25/99 | US | Design Only |
| 2268177 | 8/10/99 | US | Greif |
| 2241796 | 4/27/99 | US | Globaltainer |
| 2159599 | 5/19/98 | US | Greif-soft |
| 2009209 | 10/15/96 | US | Thumb-tab |
| 1856772, | 10/4/94 | US | GBC |
| 580711 | 10/06/53 | US | GBC |
| 1727008 | 10/27/92 | US | Saf-T-Isolator |
| 1753928 | 2/23/93 | US | F-O-T |
| 1689066 | 5/26/92 | US | Dak Pak |
| 1717460 | 9/22/92 | US | Asep-T-Seal |
| 1677653 | 3/03/92 | US | Plast-I-Keg |
| 1650782 | 7/16/91 | US | Sonobulk |
| 1628277 | 12/18/90 | US | Sonoco Waste Pak |
| 1605585 | 7/10/90 | US | Sup-R-Chime |
| 1575031 | 1/2/90 | US | Harvestpak |
| 1563316 | 10/31/89 | US | Inkpak |

| | | | |
|---------|----------|----|-----------------------------|
| 1446341 | 7/07/87 | US | Close-Nest |
| 1401230 | 7/15/86 | US | ResponsePak |
| 1397378 | 6/17/86 | US | Design only (triangle logo) |
| 1308944 | 12/11/84 | US | Hot Flo |
| 1278988 | 5/22/84 | US | Displa-Tainer |
| 1299538 | 10/09/84 | US | Cheezpak |
| 1257390 | 11/15/83 | US | Saf-T-Drum |
| 1234274 | 4/12/83 | US | Series E |
| 1144200 | 12/23/80 | US | Plast-I-Barrel |
| 1152433 | 4/28/81 | US | Oak Water |
| 1100782 | 8/29/78 | US | Oak Decorator |
| 1073182 | 9/13/77 | US | Lube-Tainer |
| 1041792 | 6/22/76 | US | Plast-I-Chime |
| 1041347 | 6/15/76 | US | Plast-I-Cube |
| 1016253 | 7/22/75 | US | Nest-All |
| 926059 | 12/28/71 | US | Weather Lok |
| 926060 | 12/28/71 | US | Cust-M-Craft |
| 894866 | 7/21/70 | US | Weatherpak |
| 901659 | 11/03/70 | US | Stak-Tite GBC |
| 853912 | 8/06/68 | US | Norco |
| 850422 | 6/11/68 | US | Seed Craft |
| 853905 | 8/06/68 | US | Plast-I-Liner |
| 850039 | 6/04/68 | US | Plast-I-Lined |
| 836498 | 10/10/67 | US | Sterilpac |
| 781898 | 12/22/64 | US | Fibro-Fusion |
| 778006 | 10/06/64 | US | Blo-Lined |
| 761170 | 12/10/63 | US | Kube-Keg |

| | | | |
|--------|----------|----|-----------|
| 724655 | 12/05/61 | US | All-Fi |
| 678266 | 5/12/59 | US | Ro-Con |
| 674022 | 2/17/59 | US | Economy |
| 659178 | 3/11/58 | US | Lok-Rim |
| 603777 | 3/29/55 | US | Payoffpak |
| 612402 | 9/20/55 | US | AAPak |
| 612403 | 9/20/55 | US | Apak |
| 626729 | 5/15/56 | US | Upak |
| 415220 | 7/31/45 | US | Liquipak |
| 378735 | 6/18/40 | US | Leverpak |
| 158643 | 9/12/22 | US | Stapak |

* Pending

SCHEDULE 1.1(i)

Initial Trademarks

Great Lakes Corrugated Corp.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|--------------------------------|------------------------------|----------------|------------------------------|
| 1739806 | 12/15/92 | US | Opti-Stak |

SCHEDULE 1.1(i)

Initial Trademarks

Van Leer Containers, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|--------------------------------|------------------------------|----------------|------------------------------|
| 2040611 | 2/25/97 | US | Packaging Perspectives |
| 2102714 | 10/07/97 | US | Containernet |
| 766675 | 3/17/64 | US | Monostress |
| 766541 | 3/17/64 | US | Monostress |

SCHEDULE 1.1(i)

Initial Trademarks

American Flange & Manufacturing Co., Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|----------------------------|--------------------------|----------------|------------------------------|
| 1732470 | 11/17/92 | US | Design only (Closure Flange) |
| 1381062 | 2/04/86 | US | Rip Cap |
| 799626 | 11/30/65 | US | Rip Cap |
| 1315820 | 1/22/85 | US | Polly-Vent |
| 1067094 | 7/07/77 | US | Tri-Sure |
| 532108 | 10/17/50 | US | Tri-Sure |
| 292449 | 3/15/32 | US | Tri-Sure |
| 976628 | 1/15/74 | US | Poly-Clad |
| 770485 | 5/26/64 | US | Polly-Press |
| 668482 | 10/14/58 | US | Uni-Grip |
| 629271 | 6/19/56 | US | Tab-Seal |
| 251206 | 1/01/29 | US | AF |

DOMESTIC GUARANTEE AND SECURITY AGREEMENT

By

Certain Domestic Subsidiaries of
GREIF BROS. CORPORATION,
as Guarantors,

and

The Bank of Nova Scotia,
as Paying Agent

Dated as of March 2, 2001

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159 DOMESTIC GUARANTEE AND SECURITY AGREEMENT (as amended,
160 amended and restated, supplemented or otherwise modified from time to time, this "Agreement"),
161 dated as of March 2, 2001, made by EACH OF THE SUBSIDIARY GUARANTORS LISTED ON
162 THE SIGNATURE PAGES HERETO OR FROM TIME TO TIME PARTY HERETO BY EXECU-
163 TION OF A JOINDER AGREEMENT (collectively, the "Guarantors"), as pledgors, assignors and
164 debtors (in such capacities and together with any successors in such capacities, the "Pledgors," and
165 each, a "Pledgor"), in favor of THE BANK OF NOVA SCOTIA, a [state type and jurisdiction of en-
166 tity] having an office at 600 Peachtree Street, Suite 2700, Atlanta, Georgia 30308, in its capacity as
167 administrative agent for the lending institutions (the "Lenders") from time to time party to the Credit
168 Agreement (as hereinafter defined), as pledgee, assignee and secured party (in such capacities and
169 together with its successors in such capacities, the "Paying Agent").

170 RECITALS

171 A. Pursuant to that certain senior secured credit agreement, dated as of March 2,
172 2001 (as amended, amended and restated, supplemented or otherwise modified from time to time, the
173 "Credit Agreement"), among Greif Bros. Corporation, a Delaware corporation ("U.S. Borrower"),
174 Greif Spain Holdings S.L., a Sociedad limitada en formación incorporated under the laws of Spain
175 and pending its registration in the relevant commercial registry (together with its successors,
176 "Subsidiary Borrower," and, together with U.S. Borrower, the "Borrowers"), the Lenders, Merrill
177 Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, as sole Lead Arranger (in such
178 capacity and together with its successors in such capacity, the "Lead Arranger"), as sole Book-Runner
179 and as Administrative Agent (in such capacity and together with its successors in such capacity, the
180 "Administrative Agent"); KeyBank National Association, as Syndication Agent (in such capacity and
181 together with its successors in such capacity, the "Syndication Agent"); ABN AMRO Bank N.V., as
182 Co-Documentation Agent (in such capacity and together with its successors in such capacity, a "Co-
183 Documentation Agent"); National City Bank, as Co-Documentation Agent (in such capacity and to-
184 gether with its successors in such capacity, a "Co-Documentation Agent"); and the Paying Agent, the
185 Lenders have agreed to make to or for the account of the Borrowers certain Loans (as hereinafter de-
186 fined) and to issue certain Letters of Credit (as hereinafter defined) for the account of the Borrowers.

187 B. It is contemplated that one or more of the Pledgors may enter into one or
188 more agreements with one or more of the Lenders or their respective Affiliates (as defined in the
189 Credit Agreement) fixing the interest rates with respect to the Loans under the Credit Agreement
190 (such agreements, to the extent same are with one or more of the Lenders or their respective Affili-
191 ates, collectively, the "Swap Contracts").

192 C. U.S. Borrower owns, directly or through its Subsidiaries (as hereinafter de-
193 fined), all of the issued and outstanding shares of each of the Guarantors.

194 D. Each Guarantor is, pursuant to this Agreement, among other things, guaran-
195 teeing the obligations of the other Loan Parties under the Credit Agreement and the other Credit
196 Documents (as hereinafter defined).

197 E. Each Guarantor will receive substantial benefits from the execution, delivery
198 and performance of the Credit Documents and each is, therefore, willing to enter into this Agreement.

199 F. Each Pledgor is or will be the legal and/or beneficial owner of the Pledged
200 Collateral (as hereinafter defined) to be pledged by it hereunder.

201 G. It is a condition to the obligations of the Lenders to make the Loans under the
202 Credit Agreement and a condition to any Lender issuing Letters of Credit under the Credit Agreement
203 or entering into any Swap Contract that each Pledgor execute and deliver the applicable Credit
204 Documents, including this Agreement.

205 H. This Agreement is given by each Pledgor in favor of the Paying Agent (the
206 Paying Agent, together with the other Creditors, the "Secured Parties") to secure the payment and
207 performance of all of the Obligations (as hereinafter defined).

208 A G R E E M E N T :

209 NOW THEREFORE, in consideration of the foregoing premises and other good and
210 valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Pledgors,
211 the Guarantors and the Paying Agent hereby agree as follows:

212 ARTICLE I
213
214 DEFINITIONS AND INTERPRETATION

215 SECTION 1.1 Definitions. Capitalized terms used but not otherwise defined
216 herein shall have the meanings assigned to such terms in the Credit Agreement. The following terms
217 used in this Agreement shall have the following meanings:

218 "Accounts" shall mean, with respect to each Pledgor, collectively, (i) all "accounts,"
219 as such term is defined in the UCC, and (ii) (A) all margin accounts, futures positions, book debts and
220 other forms of obligations and receivables now or hereafter owned or held by or payable to such
221 Pledgor relating in any way to or arising from the sale or lease of goods or the rendering of services
222 by such Pledgor or any other party, including the right to payment of any interest or finance charge
223 with respect thereto, together with all merchandise represented by any of the accounts, (B) all such
224 merchandise that may be reclaimed or repossessed or returned to such Pledgor, (C) all of such
225 Pledgor's rights as an unpaid vendor, including stoppage in transit, reclamation, replevin and seques-
226 tration, (D) all assets pledged, assigned, hypothecated or granted to, and all letters of credit, guarantee
227 claims. Liens and security interests held by, such Pledgor to secure payment of any accounts and

228 which are delivered for or on behalf of any account debtor, (E) all accessions to all of the foregoing
229 described properties and interests in properties, (F) all powers of attorney for the execution of any
230 evidence of indebtedness or security or other writing in connection with the foregoing and (G) all evi-
231 dence of the filing of financing statements and other statements and the registration of other instru-
232 ments in connection therewith and amendments thereto, notices to other creditors or secured parties
233 and certificates from filing or other registration offices.

234 “Acquisition Documents” shall mean, collectively, that certain Share Purchase Agree-
235 ment among Huhtamäki Van Leer Oyj, a company incorporated under the laws of Finland, as seller, and
236 U.S. Borrower, as purchaser, dated as of October 27, 2000 and amended as of January 5, 2001 and Feb-
237 ruary 28, 2001, and all documents, agreements and other instruments then or at any time thereafter exe-
238 cuted and/or delivered in connection therewith or related thereto (including, without limitation, the Van
239 Leer Acquisition Documents) in each case as amended, amended and restated, supplemented, extended,
240 renewed, replaced or otherwise modified from time to time.

241 “Additional Pledged Interests” shall mean, collectively, with respect to each Pledgor,
242 all (i) options, warrants, rights, agreements, additional membership or partnership interests or other
243 interests of whatever class of any issuer of Initial Pledged Interests or any interest in any such issuer,
244 including, without limitation, all rights, privileges, authority and powers of such Pledgor relating to
245 the equity or membership or partnership interests in any such issuer or under the Operative Agree-
246 ment of any such issuer, from time to time acquired by such Pledgor in any manner excluding Soterra
247 LLC and (ii) membership, partnership or other interests, as applicable, of each limited liability com-
248 pany, partnership or other entity (other than a corporation) hereafter acquired or formed by such
249 Pledgor and all options, warrants, rights, agreements, additional membership or partnership interests
250 or other interests of whatever class of such limited liability company, partnership or other entity in-
251 cluding, without limitation, all rights, privileges, authority and powers of such Pledgor to such mem-
252 bership, partnership or other interests or under the Operative Agreement of such limited liability
253 company, partnership or other entity from time to time acquired after the date hereof by such Pledgor
254 in any manner, in each case including, subject to the provisions of Section 4.2, certificates, instru-
255 ments and agreements representing such additional interests (which, subject to the provisions of Sec-
256 tion 4.2, are and shall remain at all times until this Agreement terminates, certificated interests ex-
257 plicitly made a “security” subject to the provisions of Article 8 of the UCC) and any and all interest of
258 such Pledgor in the entries on the books of any financial intermediary pertaining to such additional
259 interests.

260 “Additional Pledged Shares” shall mean, collectively, with respect to each Pledgor,
261 all (i) options, warrants, rights, agreements, additional shares of capital stock of whatever class of any
262 issuer of the Initial Pledged Shares or any interest in any such issuer, including, without limitation, all
263 rights, privileges, authority and powers of such Pledgor relating to the additional shares issued by any
264 such issuer under the Operative Agreement of any such issuer, from time to time acquired by such
265 Pledgor in any manner and (ii) the issued and outstanding shares of capital stock of each corporation
266 hereafter acquired or formed by such Pledgor and all options, warrants, rights, agreements or addi-
267 tional shares of capital stock of whatever class of such corporation including, without limitation, all
268 rights, privileges, authority and powers of such Pledgor relating to such shares or under the Operative

269 Agreement of such corporation from time to time acquired by such Pledgor in any manner, in each
270 case including the certificates representing such additional shares (which are and shall remain at all
271 times until this Agreement terminates, certificated shares) and any and all interest of such Pledgor in
272 the entries on the books of any financial intermediary pertaining to such additional shares.

273 “Administrative Agent” shall have the meaning assigned to such term in Recital A
274 hereof.

275 “Agreement” shall have the meaning assigned to such term in the Preamble hereof.

276 “Bank Accounts” shall mean, collectively, (i) the L/C Sub-Account and all accounts
277 and sub-accounts relating to any of the foregoing accounts and (ii) all cash, funds, checks, notes and
278 any instruments from time to time on deposit in any of the accounts or sub-accounts described in
279 clause (i) of this definition.

280 “Borrowers” shall have the meaning assigned to such term in the Preamble hereof.

281 “Charges” shall mean any and all property and other taxes, assessments and special
282 assessments, levies, fees and all governmental charges or Liens imposed upon or assessed against,
283 and all claims (including, without limitation, landlords’, carriers’, mechanics’, workmen’s, repair-
284 men’s, laborers’, materialmen’s, suppliers’, ERISA and warehousemen’s Liens and other claims aris-
285 ing by operation of law) against, all or any portion of the Pledged Collateral.

286 “Chattel Paper” shall mean, collectively, with respect to each Pledgor, all “chattel pa-
287 per,” as such term is defined in the UCC.

288 “Co-Documentation Agent” shall have the meaning assigned to such term in Recital
289 A hereof.

290 “Collateral Account” shall mean a collateral account or sub-account established and
291 maintained by U.S. Borrower and pledged to the Paying Agent (or a Lender that agrees to be a collat-
292 eral sub-agent for the Paying Agent) in its name in accordance with the provisions of Section 9.2 of
293 the U.S. Borrower Guarantee and Security Agreement and all funds from time to time on deposit in
294 the Collateral Account including, without limitation, all Cash Equivalents and all certificates and in-
295 struments from time to time representing or evidencing such investments; all notes, certificates of
296 deposit, checks and other instruments from time to time hereafter delivered to or otherwise possessed
297 by the Paying Agent for or on behalf of any Pledgor in substitution for, or in addition to, any or all of
298 the Pledged Collateral; and all interest, dividends, cash, instruments and other property from time to
299 time received, receivable or otherwise distributed in respect of or in exchange for any or all of the
300 items constituting Pledged Collateral.

301 “Contested Liens” shall mean, collectively, any Liens incurred in respect of any
302 Charges to the extent that the amounts owing in respect thereof are not yet delinquent or are being
303 contested and otherwise comply with the provisions of Section 5.18 hereof; provided, however, that
304 such Liens shall in all respects be subject and subordinate in priority to the Lien and security interest

305 created and evidenced by this Agreement, except if and to the extent that the law or regulation creat-
306 ing, permitting or authorizing such Lien provides that such Lien must be superior to the Lien and se-
307 curity interest created and evidenced hereby.

308 “Contracts” shall mean, collectively, with respect to each Pledgor, all “contracts,” as
309 such term is defined in the UCC, of such Pledgor, and in any event, shall include, without limitation,
310 all sale, service, performance and equipment or property lease contracts, agreements and grants
311 (whether written or oral, or third party or intercompany), and any other documents (whether written
312 or oral) between such Pledgor and third parties, and all assignments, amendments, restatements, sup-
313 plements, extensions, renewals, replacements or modifications thereof; provided, however, that Con-
314 tracts shall in no event include the Acquisition Documents.

315 “Copyrights” shall mean, collectively, with respect to each Pledgor, all copyrights
316 owned by or assigned to and all copyright registrations and applications made by such Pledgor
317 (whether statutory or common law and whether established or registered in the United States or any
318 other country) including, without limitation, the copyrights, registrations and applications listed in
319 Schedule 1.1(a) annexed hereto, together with any and all (i) rights and privileges arising under appli-
320 cable law with respect to such Pledgor’s use of any copyrights, (ii) reissues, renewals, continuations
321 and extensions thereof, (iii) income, fees, royalties, damages, claims and payments now and hereafter
322 due and/or payable with respect thereto, including, without limitation, damages and payments for
323 past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world
324 and (v) rights to sue for past, present and future infringements thereof.

325 “Cost of Construction” shall mean the sum, so far as it relates to the reconstructing,
326 renewing, restoring or replacing of the Equipment and Inventory, of (i) obligations incurred or as-
327 sumed by any Pledgor or undertaken by any tenant pursuant to the terms of any lease or license for
328 labor, materials and other expenses and to contractors, builders and materialmen, (ii) the cost of con-
329 tract bonds and of insurance of every kind, nature or character that may reasonably be deemed by any
330 Pledgor to be necessary or appropriate during the course of construction and (iii) the expenses in-
331 curred or assumed by any Pledgor for estimates, plans and specifications and preliminary investiga-
332 tions therefor, and for supervising construction, as well as for the performance of all other duties re-
333 quired by or necessary for proper construction.

334 “Credit Agreement” shall have the meaning assigned to such term in Recital A
335 hereof.

336 “Default Rate” shall mean the rate per annum equal to the highest rate then payable
337 under the Credit Agreement.

338 “Destruction” shall mean any and all damage to, or loss or destruction of, all or any
339 portion of the Pledged Collateral or Domestic Mortgaged Property.

340 “Distributions” shall mean, collectively, with respect to each Pledgor, all dividends,
341 cash, options, warrants, rights, instruments, distributions, returns of capital or principal, income, in-
342 terest, profits and other property, interests (debt or equity) or proceeds, including as a result of a split,

343 revision, reclassification or other like change of the Pledged Securities, from time to time received,
344 receivable or otherwise distributed to such Pledgor in respect of or in exchange for any or all of the
345 Pledged Securities or Intercompany Notes.

346 “Documents” shall mean, collectively, with respect to each Pledgor, all “documents,”
347 as such term is defined in the UCC, of such Pledgor, and in any event, shall include, without limita-
348 tion, all receipts of such Pledgor covering, evidencing or representing Inventory or Equipment.

349 “Domestic Mortgaged Property” shall have the meaning assigned to such term in the
350 Domestic Mortgages.

351 “Equipment” shall mean, collectively, with respect to each Pledgor, all “equipment,”
352 as such term is defined in the UCC, and, in any event, shall include, without limitation, all machinery,
353 apparatus, equipment, office machinery, electronic data-processing equipment, computers and com-
354 puter hardware and software (whether owned or licensed), furniture, conveyors, tools, materials, stor-
355 age and handling equipment, automotive equipment, motor vehicles, tractors, trailers and other like
356 property, whether or not the title thereto is governed by a certificate of title or ownership, and all
357 other equipment of every kind and nature owned by such Pledgor or in which such Pledgor may have
358 any interest (to the extent of such interest) and all modifications, renewals, improvements, alterations,
359 repairs, substitutions, attachments, additions, accessions and other property now or hereafter affixed
360 thereto or used in connection therewith, all replacements and all parts therefor and together with all
361 substitutes for any of the foregoing.

362 “Full Replacement Cost” shall mean the Cost of Construction to replace the General
363 Collateral, exclusive of depreciation.

364 “General Collateral” shall mean the Pledged Collateral other than the Securities Col-
365 lateral, the Investment Collateral and the Intellectual Property Collateral.

366 “General Intangibles” shall mean, collectively, with respect to each Pledgor, all
367 “general intangibles.” as such term is defined in the UCC, of such Pledgor and, in any event, shall
368 include, without limitation, (i) all of such Pledgor’s rights, title and interest in, to and under all Con-
369 tracts and Insurance Policies and Pension Plan Reversions, (ii) all know-how and warranties relating
370 to any of the Pledged Collateral or the Domestic Mortgaged Property, (iii) any and all other rights,
371 claims, choses-in-action and causes of action of such Pledgor against any other Person and the bene-
372 fits of any and all collateral or other security given by any other Person in connection therewith,
373 (iv) all guarantees, endorsements and indemnifications on, or of, any of the Pledged Collateral or any
374 of the Domestic Mortgaged Property. (v) all lists, books, records, correspondence, ledgers, print-outs,
375 files (whether in printed form or stored electronically), tapes and other papers or materials containing
376 information relating to any of the Pledged Collateral or any of the Domestic Mortgaged Property in-
377 cluding, without limitation, all customer or tenant lists, identification of suppliers, data, plans, blue-
378 prints, specifications, designs, drawings, appraisals, recorded knowledge, surveys, studies, engineer-
379 ing reports, test reports, manuals, standards, processing standards, performance standards, catalogs,
380 research data, computer and automatic machinery software and programs and the like pertaining to

381 the operations of such Pledgor or any of the Pledged Collateral or any of the Domestic Mortgaged
382 Property, field repair data, sales data and other information relating to sales of products now or here-
383 after manufactured, distributed or franchised by such Pledgor, accounting information pertaining to
384 such Pledgor's operations or any of the Pledged Collateral or any of the Domestic Mortgaged Prop-
385 erty and all media in which or on which any of the information or knowledge or data or records re-
386 lating to such operations or any of the Pledged Collateral or any of the Domestic Mortgaged Property
387 may be recorded or stored and all computer programs used for the compilation or printout of such
388 information, knowledge, records or data, (vi) all licenses, consents, permits, variances, certifications,
389 authorizations and approvals, however characterized, of any Governmental Authority (or any Person
390 acting on behalf of a Governmental Authority) now or hereafter acquired or held by such Pledgor
391 pertaining to operations now or hereafter conducted by such Pledgor or any of the Pledged Collateral
392 or any of the Domestic Mortgaged Property including, without limitation, building permits, certifi-
393 cates of occupancy, environmental certificates, industrial permits or licenses and certificates of op-
394 eration, and (vii) all rights to reserves, deferred payments, deposits, refund, indemnification or claims
395 to the extent the foregoing relate to any Pledged Collateral or any of the Domestic Mortgaged Prop-
396 erty and claims for tax or other refunds against any Governmental Authority relating to any Pledged
397 Collateral or any of the Domestic Mortgaged Property; provided, however, that General Intangibles
398 shall in no event include the Acquisition Documents.

399 “Goodwill” shall mean, collectively, with respect to each Pledgor, the entire goodwill
400 connected with such Pledgor's business and, in any event shall include, without limitation, (i) all
401 goodwill connected with the use of and symbolized by any of the Intellectual Property Collateral in
402 which such Pledgor has any interest, (ii) all know-how, trade secrets, customer lists, proprietary in-
403 formation, inventions, methods, procedures, formulae, descriptions, name plates, catalogs, confiden-
404 tial information, consulting agreements, engineering contracts and such other assets which relate to
405 such goodwill and (iii) all product lines of such Pledgor's business.

406 “Guarantors” shall have the meaning assigned to such term in the Preamble hereof.

407 “Improvements” shall mean all improvements of every kind or description and any
408 and all alterations now or hereafter located, attached or erected on the Pledged Collateral.

409 “Indemnified Liabilities” shall have the meaning assigned to such term in Sec-
410 tion 13.4(i) hereof.

411 “Indemnitees” shall have the meaning assigned to such term in Section 13.4(i) hereof.

412 “Initial Pledged Interests” shall mean, with respect to each Pledgor, all membership
413 interests and/or partnership interests, as applicable, of each issuer described in Schedule 1.1(c) an-
414 nexed hereto (which are and shall remain at all times until this Agreement terminates, certificated
415 interests explicitly made a “security” subject to the provisions of Article 8 of the UCC) together with
416 all rights, privileges, authority and powers of such Pledgor in and to each such issuer or under the Op-
417 erative Agreement of each such issuer, and the certificates, instruments and agreements representing
418 such membership or partnership interests and any and all interest of such Pledgor in the entries on the

419 books of any financial intermediary pertaining to such membership or partnership interests; provided,
420 however, that Initial Pledged Interests shall in no event include Equity Interests in CorrCoice or So-
421 terra LLC.

422 “Initial Pledged Shares” shall mean, collectively, with respect to each Pledgor, the is-
423 sued and outstanding shares of capital stock of each Person described in Schedule 1.1(d) annexed
424 hereto (which are and shall remain at all times until this Agreement terminates, certificated shares)
425 together with all rights, privileges, authority and powers of such Pledgor in and to each such issuer or
426 under the Operative Agreement of each such issuer, and the certificates, instruments and agreements
427 representing the Initial Pledged Shares and any and all interest of such Pledgor in the entries on the
428 books of any financial intermediary pertaining to the Initial Pledged Shares.

429 “Instruments” shall mean, collectively, with respect to each Pledgor, all
430 “instruments,” as such term is defined in the UCC, and in any event shall include, without limitation,
431 all promissory notes, drafts, bills of exchange or acceptances.

432 “Insurance Certificate” shall mean a certificate evidencing the Insurance Require-
433 ments (i) in substantially the form commonly known as “ACORD 27” that (A) provides that the in-
434 surance has been issued, is in full force and effect, and conveys all the rights and privileges afforded
435 under the Insurance Policies, (B) provides an unequivocal obligation to give advance notice to addi-
436 tional interest parties of termination and notification of changes and (C) purports to convey all the
437 privileges of the Insurance Policies to the certificate holders and (ii) that otherwise complies with the
438 requirements with respect thereto set forth in Section 5.17 hereof.

439 “Insurance Policies” shall mean, collectively, with respect to each Pledgor, all insur-
440 ance policies held by such Pledgor or naming such Pledgor as insured, additional insured or loss
441 payee (including, without limitation, the Required Insurance Policies), all such insurance policies en-
442 tered into after the date hereof, other than insurance policies (or certificates of insurance evidencing
443 such insurance policies) relating to health and welfare insurance and life insurance policies in which
444 such Pledgor is not named as beneficiary (i.e., insurance policies that are not “Key Man” insurance
445 policies) and all rights, claims and recoveries relating thereto (including, without limitation, all divi-
446 dends, returned premiums and other rights to receive money in respect of any of the foregoing).

447 “Insurance Requirements” means, collectively, with respect to each Pledgor, all pro-
448 visions of the Required Insurance Policies, all requirements of the issuer of any of the Required In-
449 surance Policies and all orders, rules, regulations and any other requirements of the National Board of
450 Fire Underwriters (or any other body exercising similar functions) binding upon such Pledgor and
451 applicable to the Pledged Collateral or any use or condition thereof.

452 “Intellectual Property Collateral” shall mean, collectively, the Patents, Trademarks,
453 Copyrights, Licenses and Goodwill.

454 “Intercompany Notes” shall mean, with respect to such Pledgor, all intercompany
455 notes described in Schedule 1.1(e) annexed hereto (and each other intercompany note hereafter ac-
456 quired by such Pledgor) and all certificates, instruments or agreements evidencing such intercompany

457 notes and all assignments, amendments, restatements, supplements, extensions, renewals, replace-
458 ments or modifications thereof to the extent permitted pursuant to the terms hereof.

459 “Inventory” shall mean, collectively, with respect to each Pledgor, all “inventory,” as
460 such term is defined in the UCC, of such Pledgor wherever located and of every class, kind and de-
461 scription and, in any event, shall include, without limitation, (i) all goods, merchandise, raw materi-
462 als, work-in-process, returned goods, finished goods, samples and consigned goods (to the extent of
463 the consignee’s interest therein), materials and supplies of any kind or nature which are or might be
464 used in connection with the manufacture, printing, publication, packing, shipping, advertising, selling
465 or finishing of any such goods and all other products, goods, materials and supplies, (ii) all inventory
466 as is temporarily out of such Pledgor’s custody or possession, items in transit and any returns and re-
467 possessions upon any Accounts and (iii) all substitutions therefor or replacements thereof, and all ad-
468 ditions and accessions thereto.

469 “Investment Collateral” shall mean, collectively, with respect to each Pledgor, all
470 “investment property.” as such term is used in the UCC, of such Pledgor and, in any event shall in-
471 clude all financial assets, cash, checks, drafts, securities and instruments deposited or held by such
472 Pledgor.

473 “Joinder Agreement” shall mean the form of joinder agreement attached hereto as
474 Exhibit 3.

475 “L/C Sub-Account” shall have the meaning assigned to such term in Section 9.3
476 hereof.

477 “Lenders” shall have the meaning assigned to such term in the Preamble hereof.

478 “Liability Insurance” shall mean, collectively, the insurance policies and coverages
479 described in clause (B) and, to the extent applicable, clauses (E) and (F) of Section 5.17(i) hereof.

480 “Licenses” shall mean, collectively, with respect to each Pledgor, all license and dis-
481 tribution agreements and covenants not to sue with any other party with respect to any Patent, Trade-
482 mark or Copyright, whether such Pledgor is a licensor or licensee, distributor or distributee under any
483 such license or distribution agreement including, without limitation, the license and distribution
484 agreements listed in Schedule 1.1(f) annexed hereto, together with any and all (i) renewals, exten-
485 sions, supplements and continuations thereof, (ii) income, fees, royalties, damages, claims and pay-
486 ments now and hereafter due and/or payable thereunder and with respect thereto including, without
487 limitation, damages and payments for past, present or future infringements or violations thereof, (iii)
488 rights to sue for past, present and future infringements or violations thereof and (iv) any other rights
489 to use, exploit or practice any or all of the Patents, Trademarks or Copyrights.

490 “Lien” shall have the meaning assigned to such term in the Credit Agreement.

491 “Loans” shall have the meaning assigned to such term in the Credit Agreement.

492 “Net Condemnation Award” shall mean the proceeds of any award or payment on ac-
493 count of a Taking, together with any interest earned thereon, less the amount of any expenses incurred
494 in litigating, arbitrating, compromising or settling any claim arising out of such Taking.

495 “Net Insurance Proceeds” shall mean the proceeds of any insurance payable in re-
496 spect of such Destruction together with any interest earned thereon, less the amount of any expenses
497 incurred in litigating, arbitrating, compromising or settling any claim arising out of such Destruction.

498 “Obligations” shall mean all obligations (whether or not constituting future advances,
499 obligatory or otherwise) of the Borrowers and any and all of the other Loan Parties from time to time
500 arising under or in respect hereof, the Credit Agreement, the Letters of Credit, the Swap Contracts
501 and the other Credit Documents (including, without limitation, the obligations to pay principal, inter-
502 est and all other charges, fees, expenses, commissions, reimbursements, premiums, indemnities and
503 other payments related to or in respect of the obligations contained in this Agreement, the Credit
504 Agreement, the Letters of Credit, the Swap Contracts and the other Credit Documents), in each case
505 whether (i) such obligations are direct or indirect, secured or unsecured, joint or several, absolute or
506 contingent, due or to become due whether at stated maturity, by acceleration or otherwise, (ii) arising
507 in the regular course of business or otherwise, (iii) for payment or performance and/or (iv) now ex-
508 isting or hereafter arising (including, without limitation, interest and other obligations arising or ac-
509 cruing after the commencement of any bankruptcy, insolvency, reorganization or similar proceeding
510 with respect to any Loan Party or any other Person, or which would have arisen or accrued but for the
511 commencement of such proceeding, even if such obligation or the claim therefor is not enforceable or
512 allowable in such proceeding).

513 “Operative Agreement” shall mean (i) in the case of any limited liability company or
514 partnership, any membership or partnership agreement thereof and (ii) in the case of any corporation,
515 any charter or certificate of incorporation and by-laws thereof.

516 “Patents” shall mean, collectively, with respect to each Pledgor, all patents issued or
517 assigned to and all patent applications and registrations made by such Pledgor (whether established or
518 registered or recorded in the United States or any other country) including, without limitation, the
519 patents, patent applications, registrations and recordings listed in Schedule 1.1(g) annexed hereto,
520 together with any and all (i) rights and privileges arising under applicable law with respect to such
521 Pledgor’s use of any patents, (ii) inventions and improvements described and claimed therein, (iii)
522 reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (iv) income,
523 fees, royalties, damages, claims and payments now and hereafter due and/or payable thereunder and
524 with respect thereto including, without limitation, damages and payments for past, present or future
525 infringements thereof, (v) rights corresponding thereto throughout the world and (vi) rights to sue for
526 past, present and future infringements thereof.

527 “Paying Agent” shall have the meaning assigned to such term in the Preamble hereof.

528 “Pension Plan Reversions” shall mean, with respect to each Pledgor, such Pledgor’s
529 right to receive the surplus funds, if any, which are payable to such Pledgor following the termination

530 of any employee pension plan and the satisfaction of all liabilities of participants and beneficiaries
531 under such plan in accordance with applicable law.

532 “Permitted Collateral Liens” shall have the meaning assigned to such term in Sec-
533 tion 5.4 hereof.

534 “Pledge Amendment” shall have the meaning assigned to such term in Section 7.1
535 hereof.

536 “Pledged Collateral” shall have the meaning assigned to such term in Section 3.1
537 hereof.

538 “Pledged Interests” shall mean, collectively, the Initial Pledged Interests and the Ad-
539 ditional Pledged Interests.

540 “Pledged Securities” shall mean, collectively, the Pledged Interests, the Pledged
541 Shares and the Successor Interests.

542 “Pledged Shares” shall mean, collectively, the Initial Pledged Shares and the Addi-
543 tional Pledged Shares; provided, however, that such Pledgor shall not be required to pledge shares
544 possessing more than 65% of the voting power of all classes of capital stock entitled to vote of any
545 Subsidiary which is a controlled foreign corporation (as defined in Section 957(a) of the Tax Code)
546 and, in any event, shall not be required to pledge the shares of stock of any Subsidiary otherwise re-
547 quired to be pledged pursuant to this Agreement to the extent that such pledge would constitute an
548 investment of earnings in United States property under Section 956 (or a successor provision) of the
549 Tax Code, which investment would trigger an increase in the gross income of a United States share-
550 holder of such Pledgor pursuant to Section 951 (or a successor provision) of the Tax Code.

551 “Pledgor” shall have the meaning assigned to such term in the Preamble hereof.

552 “Prior Liens” shall mean, collectively, the Liens identified in Schedule 1.1(h) an-
553 nexed to this Agreement relating to the items of Pledged Collateral identified in such Schedule.

554 “Proceeds” shall mean, collectively, all “proceeds,” as such term is defined in the
555 UCC or under other relevant law, and in any event shall include, without limitation, any and all
556 (i) proceeds of the conversion, voluntary or involuntary, of the Pledged Collateral or any portion
557 thereof into cash or liquidated claims, (ii) proceeds of any insurance (except payments made to a Per-
558 son which is not a party to this Agreement), indemnity, warranty, guaranty or claim payable to the
559 Administrative Agent or to such Pledgor from time to time with respect to any of the Pledged Collat-
560 eral including, without limitation, proceeds in respect of any and all Required Insurance Policies,
561 (iii) payments (in any form whatsoever) made or due and payable to such Pledgor from time to time
562 in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any por-
563 tion of the Pledged Collateral by any Governmental Authority (or any Person acting on behalf of a
564 Governmental Authority), (iv) products of the Pledged Collateral and (v) other amounts from time to
565 time paid or payable under or in connection with any of the Pledged Collateral.

566 “Property Insurance” shall mean, collectively, the insurance policies and coverages
567 described in clauses (A), (C) and (D) of Section 5.17(i) hereof.

568 “Prudent Operator” shall mean the standard of care taken by a prudent operator of
569 property and assets similar in use and configuration to the Pledged Collateral and located in the local-
570 ity where the Pledged Collateral is located.

571 “Required Insurance Policies” means, collectively, with respect to each Pledgor, the
572 insurance policies and coverages maintained by such Pledgor with respect to the Pledged Collateral
573 pursuant to Section 5.17 hereof and all renewals and extensions thereof.

574 “Requirements of Law” shall mean, collectively, any and all requirements of any
575 Governmental Authority including, without limitation, any and all laws, ordinances, rules, regulations
576 or similar statutes or case law.

577 “Restoration” shall have the meaning assigned to such term in Section 5.17(vii)(B)
578 hereof.

579 “Secured Parties” shall have the meaning assigned to such term in Recital H hereof.

580 “Securities Act” shall have the meaning assigned to such term in Section 11.4(ii)
581 hereof.

582 “Securities Collateral” shall mean, collectively, the Pledged Securities, the Intercom-
583 pany Notes and the Distributions.

584 “Subsidiary Borrower” shall have the meaning assigned to such term in Recital A
585 hereof.

586 “Successor Interests” shall mean, collectively, with respect to each Pledgor, all shares
587 of each class of the capital stock of the successor corporation or interests or certificates of the succes-
588 sor limited liability company or partnership owned by such Pledgor (unless such successor is such
589 Pledgor itself) formed by or resulting from any consolidation or merger in which any Person listed in
590 Schedule 1.1(c) or Schedule 1.1(d) annexed hereto is not the surviving entity; provided, however, that
591 the pledge of the Successor Interests effected hereby shall in no event affect the obligations of such
592 Pledgor under any provision prohibiting such action hereunder or under the Credit Agreement.

593 “Swap Contracts” shall have the meaning assigned to such term in Recital B hereof.

594 “Syndication Agent” shall have the meaning assigned to such term in Recital A
595 hereof.

596 “Taking” shall mean any taking of the General Collateral or any portion thereof, in or
597 by condemnation or other eminent domain proceedings pursuant to any law, general or special, or by

598 reason of the temporary requisition of the use of the Pledged Collateral or Domestic Mortgaged Prop-
599 erty or any portion thereof, by any Governmental Authority, civil or military.

600 “Tax Code” shall mean the Internal Revenue Code of 1986, as amended from time to
601 time.

602 “Trademarks” shall mean, collectively, with respect to each Pledgor, all trademarks
603 (including service marks), logos, federal and state trademark registrations and applications made by
604 such Pledgor, common law trademarks and trade names owned by or assigned to such Pledgor and all
605 registrations and applications for the foregoing, including, without limitation, the registrations and
606 applications listed in Schedule 1.1(i) annexed hereto, together with any and all (i) rights and privi-
607 leges arising under applicable law with respect to such Pledgor’s use of any trademarks, (ii) reissues,
608 continuations, extensions and renewals thereof, (iii) income, fees, royalties, damages and payments
609 now and hereafter due and/or payable thereunder and with respect thereto, including, without limita-
610 tion, damages, claims and payments for past, present or future infringements thereof, (iv) rights corre-
611 sponding thereto throughout the world and (v) rights to sue for past, present and future infringements
612 thereof.

613 “UCC” shall mean the Uniform Commercial Code as in effect on the date hereof in
614 the State of New York; provided, however, that if by reason of mandatory provisions of law, the per-
615 fection or the effect of perfection or non-perfection of the security interest in any item or portion of
616 the Pledged Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction
617 other than the State of New York, “UCC” shall mean the Uniform Commercial Code as in effect in
618 such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of
619 perfection or non-perfection.

620 “U.S. Borrower” shall have the meaning assigned to such term in the Preamble
621 hereof.

622 SECTION 1.2 Interpretation. In this Agreement, unless otherwise specified, (i)
623 singular words include the plural and plural words include the singular, (ii) words importing any gen-
624 der include the other gender, (iii) references to any Person include such Person’s successors and as-
625 signs and in the case of an individual, the word “successors” includes such Person’s heirs, devisees,
626 legatees, executors, administrators and personal representatives, (iv) references to any statute or other
627 law include all applicable rules, regulations and orders adopted or made thereunder and all statutes or
628 other laws amending, consolidating or replacing the statute or law referred to, (v) the words
629 “consent,” “approve” and “agree,” and derivations thereof or words of similar import, mean the prior
630 written consent, approval or agreement of the Person in question, (vi) the words “include” and
631 “including,” and words of similar import, shall be deemed to be followed by the words “without
632 limitation”, (vii) the words “hereto,” “herein,” “hereof” and “hereunder,” and words of similar import,
633 refer to this Agreement in its entirety, (viii) unless otherwise expressly indicated, references to Arti-
634 cles, Sections, Schedules, Exhibits, subsections, paragraphs and clauses are to the Articles, Sections,
635 Schedules, Exhibits, subsections, paragraphs and clauses hereof, (ix) the Schedules and Exhibits to
636 this Agreement, in each case as amended, amended and restated, supplemented or otherwise modified

637 from time to time in accordance with the provisions hereof are incorporated herein by reference, (x)
638 the titles and headings of Articles, Sections, Schedules, Exhibits, subsections, paragraphs and clauses
639 are inserted as a matter of convenience only and shall not affect the construction of any provisions
640 hereof and (xi) all obligations of each Pledgor hereunder shall be satisfied by each Pledgor at each
641 Pledgor's sole cost and expense.

642 SECTION 1.3 Resolution of Drafting Ambiguities. Each Pledgor and Guarantor
643 acknowledges and agrees that it was represented by counsel in connection with the execution and de-
644 livery hereof, that it and its counsel reviewed and participated in the preparation and negotiation
645 hereof and that any rule of construction to the effect that ambiguities are to be resolved against the
646 drafting party (i.e., the Paying Agent) shall not be employed in the interpretation hereof.

647 ARTICLE II
648
649 GUARANTEES

650 SECTION 2.1 Guarantees. Each of the Guarantors hereby, jointly and severally,
651 unconditionally and irrevocably guarantees to the Paying Agent, for the ratable benefit of the Secured
652 Parties and their respective successors, indorsees, transferees and assigns, the prompt and complete
653 payment and performance by the Borrowers and each other Loan Party when due (whether at the
654 stated maturity, by acceleration or otherwise) of the Obligations.

655 (a) Anything herein or in any other Credit Document to the contrary notwith-
656 standing, the maximum liability of each Guarantor hereunder and under the other Credit
657 Documents shall in no event exceed the amount which can be guaranteed by such Guarantor
658 under applicable federal and state laws relating to the insolvency of debtors (after giving ef-
659 fect to the right of contribution established in Section 2.2 hereof).

660 (b) Each Guarantor agrees that the Obligations may at any time and from time to
661 time exceed the amount of the liability of such Guarantor hereunder without impairing the
662 guarantee contained in this Article II or affecting the rights and remedies of the Paying Agent
663 or any Secured Party hereunder.

664 (c) The guarantees contained in this Article II shall remain in full force and ef-
665 fect until all the Obligations (other than any contingent indemnity Obligations) and the obli-
666 gations of each Guarantor under its guarantee contained in this Article II shall have been sat-
667 isfied by payment in full, no Letter of Credit shall be outstanding and the Commitments shall
668 have been terminated, notwithstanding that from time to time during the term of the Credit
669 Agreement the Borrowers may be free from any Obligations.

670 (d) No payment made by any of the Borrowers, any of the Guarantors, any other
671 guarantor or any other person or received or collected by the Paying Agent or any Secured
672 Party from any of the Borrowers, any of the Guarantors, any other guarantor or any other per-

673 son by virtue of any action or proceeding or any set-off or appropriation or application at any
674 time or from time to time in reduction of or in payment of the Obligations shall be deemed to
675 modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which
676 shall, notwithstanding any such payment (other than any payment made by such Guarantor in
677 respect of the Obligations or any payment received or collected from such Guarantor in re-
678 spect of the Obligations), remain liable for the Obligations up to the maximum liability of
679 such Guarantor hereunder until the Obligations are paid in full (other than any contingent in-
680 demnity Obligations), no Letter of Credit shall be outstanding and the Commitments are ter-
681 minated.

682 SECTION 2.2 Right of Contribution. Each Guarantor hereby agrees that to the
683 extent that a Guarantor shall have paid more than its proportionate share of any payment made here-
684 under, such Guarantor shall be entitled to seek and receive contribution from and against any other
685 Guarantor hereunder which has not paid its proportionate share of such payment. Each Guarantor's
686 right of contribution shall be subject to the terms and conditions of Section 2.3 and Section 2.4 hereof.
687 The provisions of this Section 2.2 shall in no respect limit the obligations and liabilities of any Guar-
688 antor to the Paying Agent and the Secured Parties, and each Guarantor shall remain liable to the Pay-
689 ing Agent and the Secured Parties for the full amount guaranteed by such Guarantor hereunder.

690 SECTION 2.3 Right of Set-off. In addition to any rights and remedies of the
691 Paying Agent and each Secured Party provided by law, if an Event of Default exists or the Loans have
692 been accelerated, each Guarantor hereby irrevocably authorizes the Paying Agent and each Secured
693 Party at any time and from time to time, without prior notice to such Guarantor, any such notice being
694 waived by such Guarantor to the fullest extent permitted by law, to set off and apply any and all de-
695 posits (general or special, time or demand, provisional or final) at any time held by, and other indebt-
696 edness, credits or claims (in each case, in any currency and whether direct or indirect, absolute or
697 contingent, matured or unmatured) at any time owing by, the Paying Agent or such Secured Party (or
698 any branch or agency thereof) to or for the credit or the account of such Guarantor against any and all
699 Obligations then due and payable by such Guarantor hereunder (whether at the stated maturity, by
700 acceleration or otherwise). Each Secured Party agrees to promptly notify the Guarantor and the Pay-
701 ing Agent after any such set-off and application made by such Secured Party; provided, however, that
702 the failure to give such notice shall not affect the validity of such set-off and application.

703 SECTION 2.4 No Subrogation; Subordination. Notwithstanding any payment
704 made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by the Pay-
705 ing Agent or any Secured Party, no Guarantor shall be entitled to be subrogated to any of the rights of
706 the Paying Agent or any Secured Party against any Borrower or any other Guarantor or any collateral
707 security or guarantee or right of offset held by the Paying Agent or any Secured Party for the payment
708 of the Obligations, nor shall any Guarantor seek to be entitled to seek any contribution or reimburse-
709 ment from any Borrower or any other Guarantor in respect of payments made by such Guarantor
710 hereunder, until all amounts owing to the Paying Agent and the Secured Parties by the Loan Parties
711 on account of the Obligations (other than any contingent indemnity Obligations) are paid in full, no
712 Letter of Credit shall be outstanding and the Commitments are terminated. If any amount shall be
713 paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations

714 (other than any contingent indemnity Obligations) shall not have been paid in full, such amount shall
715 be held by such Guarantor in trust for the Paying Agent and the Secured Parties, segregated from
716 other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to
717 the Paying Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to
718 the Paying Agent, if required), to be applied against the Obligations, whether matured or unmatured,
719 in such order as the Paying Agent may determine. The payment of any amounts due with respect to
720 any Indebtedness of any Borrower or any other Guarantor now or hereafter owing to any Guarantor by
721 reason of any payment by such Guarantor under the guarantee in this Article II is hereby subordinated
722 to the prior indefeasible payment in full in cash of the Obligations (other than any contingent indemnity
723 Obligations). Each Guarantor agrees that it will not demand, sue for or otherwise attempt to collect
724 any such Indebtedness of such Borrower or Guarantor to such Guarantor until the Obligations
725 shall have been indefeasibly paid in full in Cash (other than any contingent indemnity Obligations).
726 If, notwithstanding the foregoing sentence, any Guarantor shall, prior to the indefeasible payment in
727 full in Cash of the Obligations (other than any contingent indemnity Obligations), collect, enforce or
728 receive any amounts in respect of such Indebtedness, such amounts shall be collected, enforced and
729 received by such Guarantor as trustee for the Secured Parties and be paid over to the Paying Agent on
730 account of the Obligations without affecting in any manner the liability of such Guarantor under the
731 other provisions of the guarantee contained herein.

732 SECTION 2.5 Amendments, etc. with Respect to the Obligations. Each Guarantor
733 shall remain obligated hereunder notwithstanding that, without any reservation of rights against any
734 Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any
735 of the Obligations made by the Paying Agent or any Secured Party may be rescinded by the Paying
736 Agent or such Secured Party and any of the Obligations continued, and the Obligations, or the liability
737 of any other person upon or for any part thereof, or any collateral security or guarantee therefor or
738 right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended,
739 amended, modified, accelerated, compromised, waived, surrendered or released by the Paying Agent
740 or any Secured Party, and the Credit Agreement, the other Credit Documents, any other documents
741 executed and delivered in connection therewith may be amended, modified, supplemented or terminated,
742 in whole or in part, as the Paying Agent may deem advisable from time to time, and any collateral
743 security, guarantee or right of offset at any time held by the Paying Agent or any Secured Party
744 for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. Neither
745 the Paying Agent nor any Secured Party shall have any obligation to protect, secure, perfect or insure
746 any Lien at any time held by it as security for the Obligations or for the guarantee contained in this
747 Article II or any property subject thereto.

748 SECTION 2.6 Guarantee Absolute and Unconditional. Each Guarantor waives
749 any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice
750 of or proof of reliance by the Paying Agent or any Secured Party upon the guarantee contained in this
751 Article II or acceptance of the guarantee contained in this Article II; the Obligations, and any of them,
752 shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended,
753 amended or waived, in reliance upon the guarantee contained in this Article II; and all dealings between
754 any of the Borrowers and any of the Guarantors, on the one hand, and the Paying Agent and the
755 Secured Parties, on the other hand, likewise shall be conclusively presumed to have been had or con-

756 summated in reliance upon the guarantee contained in this Article II. Each Guarantor waives dili-
757 gence, presentment, protest, demand for payment and notice of default or nonpayment to or upon any
758 of the Borrowers or any of the Guarantors with respect to the Obligations. Each Guarantor under-
759 stands and agrees that the guarantee contained in this Article II shall be construed as a continuing,
760 absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of
761 the Credit Agreement or any other Credit Document, any of the Obligations or any other collateral
762 security therefor or guarantee or right of offset with respect thereto at any time or from time to time
763 held by the Paying Agent or any Secured Party, (b) any defense, set-off or counterclaim (other than a
764 defense of payment or performance) which may at any time be available to or be asserted by any Bor-
765 rower or any other person against the Paying Agent or any Secured Party, or (c) any other circum-
766 stance whatsoever (with or without notice to or knowledge of such Borrower or such Guarantor)
767 which constitutes, or might be construed to constitute, an equitable or legal discharge of such Bor-
768 rower for the Obligations, or of such Guarantor under the guarantee contained in this Article II, in
769 bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its
770 rights and remedies hereunder against any Guarantor, the Paying Agent or any Secured Party may, but
771 shall be under no obligation to, make a similar demand on or otherwise pursue such rights and reme-
772 dies as it may have against any Borrower, any other Guarantor or any other person or against any
773 collateral security or guarantee for any Obligations or any right of offset with respect thereto, and any
774 failure by the Paying Agent or any Secured Party to make any such demand, to pursue such other
775 rights or remedies or to collect any payments from any Borrower, any other Guarantor or any other
776 person or to realize upon any such collateral security or guarantee or to exercise any such right of off-
777 set, or any release of any Borrower, any other Guarantor or any other person or any such collateral
778 security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability
779 hereunder, and shall not impair or affect the rights and remedies, whether express, implied or avail-
780 able as a matter of law, of the Paying Agent or any Secured Party against any Guarantor. For the pur-
781 poses hereof "demand" shall include the commencement and continuance of any legal proceedings.

782 SECTION 2.7 Reinstatement. The guarantees contained in this Article II shall
783 continue to be effective, or be reinstated, as the case may be, if and to the extent at any time payment,
784 or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by
785 the Paying Agent or any Secured Party upon the insolvency, bankruptcy, dissolution, liquidation or
786 reorganization of any Borrower or any Guarantor, or upon or as a result of the appointment of a re-
787 ceiver, intervenor or conservator of, or trustee or similar officer for, any Borrower or any Guarantor
788 or any substantial part of its property, or otherwise, all as though such payments had not been made.
789 The Guarantors jointly and severally agree that they will indemnify each Secured Party on demand for
790 all reasonable costs and expenses (including reasonable fees of counsel) incurred by such Secured
791 Party in connection with such rescission or restoration, including any such costs and expenses in-
792 curred in defending against any claim alleging that such payment constituted a preference, fraudulent
793 transfer or similar payment under any bankruptcy, insolvency or similar law, other than any costs or
794 expenses resulting from the gross negligence or bad faith of such Secured Party.

795 SECTION 2.8 Payments. Each Guarantor hereby guarantees that payments here-
796 under will be paid to the Paying Agent without set-off or counterclaim in U.S. Dollars at the Agent's
797 Paying Office.

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ARTICLE III

GRANT OF SECURITY AND SECURED OBLIGATIONS

801 SECTION 3.1 Pledge. As collateral security for the payment and performance in
802 full of all the Obligations, each Pledgor hereby pledges, assigns, transfers and grants to the Paying
803 Agent for its benefit and for the benefit of the Secured Parties, a security interest in and to and pledge
804 of all of the right, title and interest of such Pledgor in, to and under the following property, wherever
805 located, whether now existing or hereafter arising or acquired from time to time (collectively, the
806 "Pledged Collateral"):

- 807 (i) Accounts;
- 808 (ii) Inventory;
- 809 (iii) Documents;
- 810 (iv) Instruments;
- 811 (v) Chattel Paper;
- 812 (vi) Equipment;
- 813 (vii) Pledged Securities;
- 814 (viii) Intercompany Notes;
- 815 (ix) Distributions;
- 816 (x) Intellectual Property Collateral;
- 817 (xi) General Intangibles;
- 818 (xii) Bank Accounts;
- 819 (xiii) Collateral Account; and
- 820 (xiv) to the extent not covered by clauses (i) through (xiii) of this sentence, all
821 other personal property and any and all proceeds of any and all of the foregoing.

822 Notwithstanding the foregoing provisions of this Section 3.1, (A) the Pledged Collat-
823 eral shall not include any of the Timber Assets, the Equity Interests in CorrChoice and Soterra LLC
824 and the property and assets of CorrChoice and Soterra LLC, (B) the Pledged Collateral shall not in-
825 clude any property or asset hereafter acquired by such Pledgor which is subject to a Lien permitted to

826 be incurred pursuant to clauses (ix) and (x) of Section 8.1 of the Credit Agreement; provided, how-
827 ever, that at such time as such property or asset is no longer subject to such Lien, such property or
828 asset shall (without any act or delivery by any Person) constitute Pledged Collateral hereunder, and
829 (C) the Pledged Collateral shall not include any of the foregoing property or assets (I) the governing
830 terms of which (as in effect on the Effective Date) prohibit the grant of a Lien thereon or the assign-
831 ment thereof, or (II) with respect to which the consent of a Person or Governmental Authority (as in
832 effect on the Effective Date) is required, or (III) the grant of a Lien thereon or the assignment thereof
833 is prohibited by law. In any such event described in the foregoing clause (B), such Pledgor shall use
834 its commercially reasonable efforts to cause the applicable counterparty to deliver such consent,
835 authorization, approval or license or otherwise cause such other action to be taken promptly, but such
836 Pledgor shall in no event be required to pay or cause to be paid any remuneration to any such coun-
837 terparty in order to obtain such consent, authorization, approval or license to the extent that it would
838 be commercially unreasonable so to do. In addition, any such property or assets shall constitute
839 Pledged Collateral (without any act by any Person) on and after the date on which any such applicable
840 prohibition of grant, requirement of consent or prohibition of law ceases to be in effect.

841 SECTION 3.2 Obligations. This Agreement secures, and the Pledged Collateral is
842 collateral security for, the payment and performance in full when due of the Obligations.

843 SECTION 3.3 Future Advances. This Agreement shall secure the payment of any
844 and all amounts advanced from time to time pursuant to the Credit Documents and the Swap Con-
845 tracts.

846 SECTION 3.4 No Release. Nothing set forth in this Agreement shall relieve any
847 Pledgor from the performance of any term, covenant, condition or agreement on such Pledgor's part
848 to be performed or observed under or in respect of any of the Pledged Collateral or from any liability
849 to any Person under or in respect of any of the Pledged Collateral or shall impose any obligation on
850 the Paying Agent or any other Secured Party to perform or observe any such term, covenant, condi-
851 tion or agreement on such Pledgor's part to be so performed or observed or shall impose any liability
852 on the Paying Agent or any other Secured Party for any act or omission on the part of such Pledgor
853 relating thereto or for any breach of any representation or warranty on the part of such Pledgor con-
854 tained in this Agreement, any Swap Contract or any other Credit Document, or under or in respect of
855 the Pledged Collateral or made in connection herewith or therewith. This Section 3.4 shall survive the
856 termination hereof and the discharge of such Pledgor's other obligations under this Agreement, any
857 Swap Contract and the other Credit Documents.

858 ARTICLE IV

859 PERFECTIOIN; SUPPLEMENTS; FURTHER ASSURANCES;
860 USE OF PLEDGED COLLATERAL
861

862 SECTION 4.1 Delivery of Certificated Securities Collateral. All certificates,
863 agreements or instruments representing or evidencing the Pledged Securities and Intercompany Notes,

864 to the extent not previously delivered to the Paying Agent, shall immediately upon receipt thereof by
865 any Pledgor be delivered to and held by or on behalf of the Administrative Agent pursuant hereto. All
866 certificated Pledged Securities and Intercompany Notes shall be in suitable form for transfer by deliv-
867 ery or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in
868 form and substance satisfactory to the Paying Agent. The Paying Agent shall have the right, at any
869 time upon the occurrence and during the continuance of any Event of Default, to endorse, assign or
870 otherwise transfer to or to register in the name of the Paying Agent or any of its nominees or endorse
871 for negotiation any or all of the Securities Collateral, without any indication that such Securities Col-
872 lateral is subject to the security interest hereunder. In addition, the Paying Agent shall have the right
873 at any time to exchange certificates representing or evidencing Securities Collateral for certificates of
874 smaller or larger denominations.

875 SECTION 4.2 Perfection of Uncertificated Securities Collateral. If any issuer of
876 Pledged Securities is organized in a jurisdiction which does not permit the use of certificates to evi-
877 dence equity ownership, or if any of the Pledged Securities are at any time not evidenced by certifi-
878 cates of ownership, then each applicable Pledgor shall (i) to the extent permitted by applicable law,
879 record such pledge on the equityholder register or the books of the issuer, (ii) cause the issuer to exe-
880 cute and deliver to the Paying Agent an acknowledgment of the pledge of such Pledged Securities
881 substantially in the form of Exhibit 1 annexed hereto, (iii) file financing statements or execute any
882 customary pledge forms or other documents necessary or appropriate to complete the pledge and give
883 the Paying Agent the right to transfer such Pledged Securities under the terms hereof and (iv) provide
884 to the Paying Agent an opinion of counsel, in form and substance reasonably satisfactory to the Pay-
885 ing Agent, confirming such pledge and perfection thereof.

886 SECTION 4.3 Financing Statements and Other Filings. The only filings, registra-
887 tions and recordings necessary and appropriate to create, preserve, protect and perfect the security
888 interest granted by each Pledgor to the Paying Agent pursuant to this Agreement in respect of the
889 Pledged Collateral are listed in Schedule 4.3 annexed hereto. All such filings, registrations and re-
890 cordings have been filed, registered and recorded contemporaneously with the execution of the Credit
891 Documents or shall be filed, registered and recorded immediately after the date thereof. Each Pledgor
892 agrees that at any time and from time to time, it will execute and, at the sole cost and expense of the
893 Pledgors file and refile, or permit the Paying Agent to file and refile, such financing statements, con-
894 tinuation statements and other documents (including, without limitation, this Agreement), in form
895 acceptable to the Paying Agent, in such offices (including, without limitation, the United States Patent
896 and Trademark Office and the United States Copyright Office) as may be necessary or that the Paying
897 Agent may reasonably request in order to perfect, continue and maintain a valid, enforceable, first
898 priority security interest in the Pledged Collateral as provided herein and to preserve the other rights
899 and interests granted to the Administrative Agent hereunder, as against third parties, with respect to
900 any Pledged Collateral. Each Pledgor hereby authorizes the Paying Agent to file any such financing
901 or continuation statement or other document without the signature of such Pledgor where permitted by
902 law. Each Pledgor hereby agrees that a carbon, photographic, photostatic or other reproduction of this
903 Agreement or of a financing statement is sufficient as a financing statement.

904 SECTION 4.4 Perfection in Investment Property and Cash. At any time after the
905 occurrence and during the continuance of an Event of Default, each Pledgor shall, upon request of the
906 Paying Agent, enter into such agreements, documents and instruments and take such actions as shall
907 be necessary or that the Paying Agent may reasonably request in order to perfect the security interest
908 granted to the Paying Agent hereunder in cash and "investment property" (as defined in the UCC).

909 SECTION 4.5 Joinder of Subsidiaries. Each Pledgor shall cause each of its Sub-
910 sidiaries other than Soterra LLC which, from time to time, after the date hereof shall be required to
911 guarantee the Obligations or pledge any assets to the Paying Agent for the benefit of the Secured Par-
912 ties pursuant to the provisions of the Credit Agreement, to execute and deliver to the Paying Agent a
913 Joinder Agreement and, upon such execution and delivery, such Subsidiary shall be deemed to be a
914 "Guarantor" and a "Pledgor" for all purposes hereunder; provided, however, that such Pledgor shall
915 not be required to pledge shares possessing more than 65% of the voting power of all classes of capi-
916 tal stock entitled to vote of any Subsidiary which is a controlled foreign corporation (as defined in
917 Section 957(a) of the Tax Code) and, in any event, shall not be required to pledge the shares of stock
918 of any Subsidiary otherwise required to be pledged pursuant to this Agreement to the extent that such
919 pledge would constitute an investment of earnings in United States property under Section 956 (or a
920 successor provision) of the Tax Code, which investment would trigger an increase in the gross income
921 of a United States shareholder of such Pledgor pursuant to Section 951 (or a successor provision) of
922 the Tax Code.

923 SECTION 4.6 Motor Vehicles. At any time after the occurrence and during the
924 continuance of an Event of Default, each Pledgor shall, upon the request of the Paying Agent, deliver
925 to the Paying Agent originals of the certificates of title or ownership for the motor vehicles owned by
926 it (and any other Equipment covered by certificates of title or ownership owned by it) with the Paying
927 Agent listed as lienholder therein.

928 SECTION 4.7 Supplements: Further Assurances. Each Pledgor agrees to take
929 such further actions, and to execute and deliver to the Paying Agent such additional assignments,
930 agreements, supplements, powers and instruments, as may be necessary or that the Paying Agent may
931 reasonably request in order to perfect, preserve and protect the security interest in the Pledged Collat-
932 eral as provided herein and the rights and interests granted to the Paying Agent hereunder, to carry
933 into effect the purposes hereof or better to assure and confirm unto the Paying Agent or permit the
934 Paying Agent to exercise and enforce its respective rights, powers and remedies hereunder with re-
935 spect to any Pledged Collateral. Without limiting the generality of the foregoing, each Pledgor shall
936 make, execute, endorse, acknowledge, file or refile and/or deliver to the Paying Agent from time to
937 time such lists, descriptions and designations of the Pledged Collateral, copies of warehouse receipts,
938 receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices,
939 schedules, confirmatory assignments, supplements, additional security agreements, conveyances, fi-
940 nancing statements, transfer endorsements, powers of attorney, certificates, reports and other assur-
941 ances or instruments. The Paying Agent may institute and maintain, in its own name or in the name
942 of any Pledgor, such suits and proceedings as the Paying Agent may be advised by counsel shall be
943 necessary or expedient to prevent any impairment of the security interest in or the perfection thereof
944 in the Pledged Collateral. All of the foregoing shall be at the sole cost and expense of the Pledgors.

945 SECTION 4.8 Use and Pledge of Pledged Collateral. Unless an Event of Default
946 shall have occurred and be continuing, the Paying Agent shall from time to time execute and deliver,
947 upon written request of any Pledgor and at the sole cost and expense of the Pledgors, any and all in-
948 struments, certificates or other documents, in a form reasonably requested by such Pledgor, necessary
949 or appropriate in the reasonable judgment of such Pledgor to enable such Pledgor to continue to ex-
950 ploit, license, use, enjoy and protect the Pledged Collateral in accordance with the terms hereof and
951 the Credit Agreement. The Pledgors and the Paying Agent acknowledge that this Agreement is in-
952 tended to grant to the Paying Agent for the benefit of the Secured Parties a security interest in and
953 Lien upon the Pledged Collateral and shall not constitute or create a present assignment of any of the
954 Pledged Collateral.

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ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS

958 Each Pledgor represents, warrants and covenants as follows:

959 SECTION 5.1 Payment. Such Pledgor shall pay as and when the same shall be-
960 come due, whether at its stated maturity, by acceleration or otherwise, each and every amount payable
961 by such Pledgor under the Credit Documents and Swap Contracts.

962 SECTION 5.2 Authority and Validity; Preservation of Corporate Existence.

963 (i) Such Pledgor represents and warrants that (A) it is a corporation, partnership,
964 joint stock company, limited liability company, unlimited liability company or other legal entity duly
965 organized or formed, validly existing and, if applicable, in good standing under the laws of its juris-
966 diction of organization; (B) it has full corporate or other organizational power and authority and pos-
967 sesses all material governmental franchises, licenses, permits, authorizations and approvals necessary
968 to enable it to own, lease or otherwise hold its properties and assets and to carry on its business as
969 presently conducted; (C) it is duly qualified and in good standing to do business as a foreign corpora-
970 tion or other entity, as the case may be, in each U.S. state in which the conduct or nature of its busi-
971 ness or the ownership, leasing or holding of its properties makes such qualification necessary; (D) it is
972 in compliance with all Requirements of Law, except, in each case referred to in clauses (B), (C) and
973 (D), to the extent that the failure to do so would not, individually or in the aggregate, have a Material
974 Adverse Effect; (E) it has full organizational power and lawful authority to execute and deliver this
975 Agreement and to pledge the Pledged Collateral as contemplated herein, and all corporate govern-
976 mental actions, consents, authorizations and approvals necessary or required therefor have been duly
977 and effectively taken or obtained; and (F) this Agreement constitutes the legal, valid and binding ob-
978 ligation of such Pledgor, enforceable against such Pledgor in accordance with its terms, except as en-
979 forceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the en-
980 forcement of creditors' rights generally or by equitable principles relating to enforceability, or by
981 other laws and regulations of non-U.S. jurisdictions.

982 (ii) Such Pledgor shall (A) preserve and maintain in full force and effect its ex-
983 istence and, if applicable, good standing under the laws of its state or jurisdiction of organization, ex-
984 cept in a transaction permitted by Section 8.2 of the Credit Agreement; (B) preserve and maintain in
985 full force and effect all material governmental rights, privileges, qualifications, permits, licenses and
986 franchises necessary in the normal conduct of its business, except in connection with transactions
987 permitted by Section 8.2 of the Credit Agreement and except where the failure to do so would not,
988 individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (C) use
989 reasonable efforts, in the ordinary course of business, to preserve its business organization and good-
990 will and except where the failure to do so would not, individually or in the aggregate, reasonably be
991 expected to have a Material Adverse Effect; (D) preserve or renew all of its Intellectual Property, the
992 non-preservation of which would, individually or in the aggregate, have a Material Adverse Effect;
993 and (E) comply in all material respects with all material Requirements of Law of any Governmental
994 Authority having jurisdiction over it or its business if failure to comply with such requirements
995 would, individually or in the aggregate, have a Material Adverse Effect, except, in the case of clauses
996 (A) (with respect to any Company which is of de minimis significance to the Companies taken as a
997 whole), (B), (C) and (D) to the extent no longer economically desirable, in the commercially reason-
998 able opinion of management, and except for the Van Leer Acquisition.

999 SECTION 5.3 Perfection Actions; Prior Liens. Upon the completion of the deliv-
1000 eries, filings and other actions contemplated in Section 4.1 through Section 4.4 hereof, the security
1001 interest granted to the Paying Agent for the benefit of the Secured Parties pursuant to this Agreement
1002 in and to the Pledged Collateral will constitute a perfected, continuing first priority security interest
1003 therein, superior and prior to the rights of all other Persons therein other than with respect to the hold-
1004 ers of (i) the Prior Liens and (ii) Contested Liens.

1005 SECTION 5.4 Limitation on Liens. Such Pledgor is as of the date hereof, and, as
1006 to Pledged Collateral acquired by it from time to time after the date hereof, such Pledgor will be, the
1007 sole direct and beneficial owner of all Pledged Collateral pledged by it hereunder free from any Lien
1008 or other right, title or interest of any Person other than (i) Prior Liens (but not to extensions, amend-
1009 ments, supplements or replacements of Prior Liens unless (A) extended, amended, supplemented or
1010 replaced in the manner contemplated by clause (xvii) of Section 8.1 of the Credit Agreement or
1011 (B) consented to by the Paying Agent, which consent shall not be unreasonably withheld), (ii) the
1012 Lien and security interest created by this Agreement or any of the Credit Documents, (iii) Contested
1013 Liens and (iv) the Liens permitted to be incurred pursuant to clauses (vi) (provided, however, that in
1014 the case of clause (vi) such Liens shall in no event exceed a Dollar Equivalent amount of U.S.
1015 \$750,000 and extend solely to cash deposits), (vii), (ix), (x), (xii), (xiii), (xvi), (xvii) (excluding, how-
1016 ever, in the case of clause (xvii) the reference therein to clause (xiv)), (xviii) and (xx) of Section 8.1
1017 of the Credit Agreement (the Liens described in clauses (i) through (iv) of this sentence, collectively,
1018 "Permitted Collateral Liens"). Each Pledgor shall defend the Pledged Collateral pledged by it here-
1019 under against all claims and demands of all Persons at any time claiming any interest therein adverse
1020 to the Paying Agent or any other Secured Party. There is no agreement, and no Pledgor shall enter
1021 into any agreement or take any other action, that would result in the imposition of any other Lien, re-
1022 strict the transferability of any of the Pledged Collateral or otherwise impair or conflict with such
1023 Pledgor's obligations or the rights of the Paying Agent hereunder.

1024 SECTION 5.5 Other Financing Statements. There is no (nor will there be any)
1025 valid or effective financing statement (or similar statement or instrument of registration under the law
1026 of any jurisdiction) covering or purporting to cover any interest of any kind in the Pledged Collateral
1027 other than financing statements relating to Permitted Collateral Liens, and so long as any of the Obli-
1028 gations remain unpaid (other than any contingent indemnity Obligations) or the Commitments of the
1029 Lenders to make any Loan or to issue any Letter of Credit shall not have expired or been sooner ter-
1030 minated, no Pledgor shall execute, authorize or permit to be filed in any public office any financing
1031 statement (or similar statement or instrument of registration under the law of any jurisdiction) or
1032 statements relating to any Pledged Collateral, except, in each case, financing statements filed or to be
1033 filed in respect of and covering the security interests granted by such Pledgor to the holder of the
1034 Permitted Collateral Liens.

1035 SECTION 5.6 Jurisdiction of Organization; Chief Executive Office; Records;
1036 Change of Name. As of the date hereof, the chief executive office and jurisdiction of organization of
1037 such Pledgor is located at the address indicated next to its name in Schedule 5.6 annexed hereto. Such
1038 Pledgor shall not move its chief executive office to any location other than one within the Continental
1039 United States that is listed in such Schedule 5.6 except to such new location as such Pledgor may es-
1040 tablish in accordance with the last sentence of this Section 5.6. All tangible evidence of all Accounts
1041 and General Intangibles of such Pledgor and the only original books of account and records of such
1042 Pledgor relating thereto are, and will continue to be, kept at such chief executive office or such other
1043 location listed in Schedule 5.6 annexed hereto, or at such new location for such chief executive office
1044 as such Pledgor may establish in accordance with the last sentence of this Section 5.6. All Accounts
1045 and General Intangibles of such Pledgor are, and will continue to be, controlled and monitored
1046 (including, without limitation, for general accounting purposes) from such chief executive office or
1047 such other location listed in Schedule 5.6 annexed hereto, or at such new location for such chief ex-
1048 ecutive office as such Pledgor may establish in accordance with the last sentence of this Section 5.6.
1049 All Accounts and General Intangibles of such Pledgor are, and will continue to be, controlled and
1050 monitored (including, without limitation, for general accounting purposes) from such chief executive
1051 office location or such other location listed in Schedule 5.6 annexed hereto, or such new location as
1052 such Pledgor may establish in accordance with the last sentence of this Section 5.6. Such Pledgor
1053 shall not establish a new location for its chief executive office to any location other than one within
1054 the Continental United States that is listed in Schedule 5.6 or change its name, identity or structure or
1055 jurisdiction of organization until (i) it shall have given the Paying Agent not less than 30 days' prior
1056 written notice (in the form of an Officers' Certificate) of its intention so to do, clearly describing such
1057 new location within the Continental United States or name, identity, structure or jurisdiction and pro-
1058 viding such other information in connection therewith as the Administrative Agent may reasonably
1059 request and (ii) with respect to such new location or name, identity, structure or jurisdiction, such
1060 Pledgor shall have taken all action reasonably satisfactory to the Paying Agent to maintain the perfec-
1061 tion and priority of the security interest of the Paying Agent for the benefit of the Secured Parties in
1062 the Pledged Collateral intended to be granted hereby, including, without limitation, using commer-
1063 cially reasonable efforts to obtain waivers of landlord's or warehouseman's liens with respect to such
1064 new location, if applicable.

1065 SECTION 5.7 Location of Inventory and Equipment. As of the date hereof, all
1066 Inventory and Equipment of such Pledgor with a net book value, individually or in the aggregate, in
1067 excess of the Dollar Equivalent amount of U.S. \$750,000 are located at the chief executive office or
1068 such other location listed in Schedule 5.6 annexed hereto. Such Pledgor shall not move any Inventory
1069 or Equipment to any location other than one within the Continental United States that is listed in such
1070 Schedule 5.6 until (i) it shall have given the Paying Agent not less than 30 days' prior written notice
1071 (in the form of an Officers' Certificate) of its intention so to do, clearly describing such new location
1072 within the Continental United States and providing such other information in connection therewith as
1073 the Paying Agent may reasonably request and (ii) with respect to such new location, such Pledgor
1074 shall have taken all action reasonably satisfactory to the Paying Agent to maintain the perfection and
1075 priority of the security interest of the Paying Agent for the benefit of the Secured Parties in the
1076 Pledged Collateral intended to be granted hereby, including, without limitation, using commercially
1077 reasonable efforts to obtain waivers of landlord's or warehouseman's liens with respect to such new
1078 location, if applicable.

1079 SECTION 5.8 Warehouse Receipts Non-Negotiable. If any warehouse receipt or
1080 receipt in the nature of a warehouse receipt is issued with respect to any of the Pledged Collateral, the
1081 applicable Pledgor shall use commercially reasonable efforts not to permit such warehouse receipt or
1082 receipt in the nature thereof to be "negotiable" (as such term is used in Section 7-104 of the UCC or
1083 under other relevant law).

1084 SECTION 5.9 Condition and Maintenance of Equipment. The Equipment of such
1085 Pledgor is in good repair, working order and condition (subject to normal wear and tear). Each
1086 Pledgor shall make or cause to be made all repairs, renewals and replacements thereof which the ap-
1087 plicable Pledgor determines in good faith to be commercially reasonable so that the business carried
1088 on in connection therewith may be properly and advantageously conducted and will maintain and re-
1089 new as necessary all licenses, permits and other clearances reasonably necessary to use and occupy
1090 such properties, except to the extent no longer economically desirable in the commercially reasonable
1091 opinion of the applicable Pledgor; provided, however, that in the case of any Destruction which
1092 (individually or in the aggregate) exceeds U.S. \$250,000 to any of the Equipment, each Pledgor shall
1093 give prompt notice thereof to the Paying Agent. Each Pledgor shall promptly pay all calls, install-
1094 ments and other payments which may be made or become due in respect of any shares held by any
1095 Pledgor, except in each case where the failure to do so would reasonably be expected to have a Mate-
1096 rial Adverse Effect.

1097 SECTION 5.10 Corporate Names: Prior Transactions. Such Pledgor has not, dur-
1098 ing the past five years, been known by or used any other corporate or fictitious name or been a party
1099 to any merger or consolidation, or acquired all or substantially all of the assets of any Person, or ac-
1100 quired any of its property or assets out of the ordinary course of business, except as set forth in
1101 Schedule 5.10 annexed hereto.

1102 SECTION 5.11 Due Authorization and Issuance. All of the Pledged Shares have
1103 been, and to the extent hereafter issued will be upon such issuance, to the extent applicable, duly
1104 authorized, validly issued and fully paid and nonassessable. All of the Initial Pledged Interests have

1105 been fully paid for, and there is no amount or other obligation owing by any Pledgor to any issuer of
1106 the Initial Pledged Interests in exchange for or in connection with the issuance of the Initial Pledged
1107 Interests or any Pledgor's status as a partner or a member of any issuer of the Initial Pledged Interests.

1108 SECTION 5.12 No Violations, etc. The pledge of the Pledged Securities pursuant
1109 to this Agreement does not violate Regulations T, U or X of the Federal Reserve Board.

1110 SECTION 5.13 No Options, Warrants, etc. There are no options, warrants, calls,
1111 rights, commitments or agreements of any character to which such Pledgor is a party or by which it is
1112 bound obligating such Pledgor to issue, deliver or sell or cause to be issued, delivered or sold addi-
1113 tional Pledged Securities or obligating such Pledgor to grant, extend or enter into any such option,
1114 warrant, call, right, commitment or agreement. There are no voting trusts or other agreements or un-
1115 derstandings to which such Pledgor is a party with respect to the transfer, voting or exercise of any
1116 other right of the equity interests of any issuer of the Pledged Securities.

1117 SECTION 5.14 No Claims. Such Pledgor owns or has rights to use all of the
1118 Pledged Collateral pledged by it hereunder and all rights with respect to any of the foregoing that
1119 would, in the good faith determination of such Pledgor, be used in and necessary for or material to
1120 such Pledgor's business. As of the date hereof, the use by such Pledgor of such Pledged Collateral
1121 and all such rights with respect to the foregoing do not infringe on the rights of any Person. After the
1122 date hereof, the use by such Pledgor of such Pledged Collateral and all such rights with respect to the
1123 foregoing will not infringe on the rights of any Person that would have a materially adverse effect on
1124 the use or value of such Pledged Collateral. No claim has been made and remains outstanding that
1125 such Pledgor's use of any Pledged Collateral does or may violate the rights of any third Person that
1126 would have a materially adverse effect on the use or value of such Pledged Collateral.

1127 SECTION 5.15 No Conflicts, Consents, etc. Neither the execution and delivery
1128 hereof by each Pledgor nor the consummation of the transactions herein contemplated nor the fulfill-
1129 ment of the terms hereof (i) violates any Operative Agreement of such Pledgor or any issuer of
1130 Pledged Securities, (ii) violates the terms of any agreement, indenture, mortgage, deed of trust,
1131 equipment lease, instrument or other document to which such Pledgor is a party, or by which it may
1132 be bound or to which any of its properties or assets may be subject, (iii) conflicts with any Require-
1133 ment of Law applicable to any such Pledgor or its property, or (iv) results in or requires the creation
1134 or imposition of any Lien (other than the Lien contemplated hereby) upon or with respect to any of
1135 the property now owned or hereafter acquired by such Pledgor. No consent of any party (including,
1136 without limitation, equityholders or creditors of such Pledgor or any account debtor under an Ac-
1137 count) and no consent, authorization, approval, license or other action by, and no notice to or filing
1138 with, any Governmental Authority or regulatory body or other Person is required for (A) the pledge
1139 by such Pledgor of the Pledged Collateral pledged by it pursuant to this Agreement or for the execu-
1140 tion, delivery or performance hereof by such Pledgor, except as set forth in Schedule 5.15 annexed
1141 hereto, (B) the exercise by the Paying Agent of the voting or other rights provided for in this Agree-
1142 ment or (C) the exercise by the Paying Agent of the remedies in respect of the Pledged Collateral pur-
1143 suant to this Agreement other than those required by law in connection with the exercise of the appli-
1144 cable remedy. With respect to each consent, authorization, approval, license or other action described

1145 in Schedule 5.15 annexed hereto, such Pledgor shall use its commercially reasonable efforts to cause
1146 the counterparty with respect thereto to deliver such consent authorization, approval or license or oth-
1147 erwise cause such other action to be taken within 30 days after the date hereof; provided, however,
1148 that such Pledgor shall in no event be required to pay or cause to be paid any remuneration to any
1149 such counterparty in order to obtain such consent, authorization, approval or licenses to the extent that
1150 it would be commercially unreasonable so to do. In the event that the Paying Agent desires to exer-
1151 cise any remedies, voting or consensual rights or attorney-in-fact powers set forth in this Agreement
1152 and determines it necessary to obtain any approvals or consents of any Governmental Authority or
1153 any other Person therefor, then, upon the reasonable request of the Paying Agent, such Pledgor agrees
1154 to use its commercially reasonable efforts to assist and aid the Paying Agent to obtain as soon as
1155 practicable any necessary approvals or consents for the exercise of any such remedies, rights and
1156 powers.

1157 SECTION 5.16 Pledged Collateral. As of the date hereof, all information set forth
1158 herein, including the schedules annexed hereto, and all information contained in any documents,
1159 schedules and lists heretofore delivered to any Secured Party in connection with this Agreement, in
1160 each case, relating to the Pledged Collateral, is accurate and complete in all material respects. As of
1161 the date hereof, the Pledged Collateral described on the schedules annexed hereto constitutes all of the
1162 property of such type of Pledged Collateral owned or held by the Pledgors; provided, however, with
1163 respect to Schedule 1.1(f), such Schedule constitutes all of the material Licenses owned or held by the
1164 Pledgors.

1165 SECTION 5.17 Insurance; Condemnation.

1166 (i) Required Insurance Policies and Coverages. No Pledgor shall take any action
1167 that impairs the rights of the Paying Agent or any Secured Party in the Pledged Collateral and (A) as
1168 of the date hereof, the Pledged Collateral and the use, occupancy and operation thereof comply in all
1169 material respects with all Insurance Requirements, and there exists no default under any Insurance
1170 Requirement. (B) all premiums due and payable with respect to the Required Insurance Policies have
1171 been paid. (C) all Insurance Policies are in full force and effect and such Pledgor has not received no-
1172 tice of violation or cancellation thereof and (D) all Insurance Policies or Insurance Certificates have
1173 been delivered to the Paying Agent in form reasonably satisfactory to the Paying Agent. Each
1174 Pledgor shall at all times keep the Pledged Collateral insured, at such Pledgor's own expense, against
1175 fire, theft and all other risks to which the Pledged Collateral may be subject, in such amounts and
1176 with such deductibles as would be maintained by a Prudent Operator, including, without limitation,
1177 the following insurance policies and coverages:

1178 (A) physical hazard insurance on an "all risk" basis covering, without limitation,
1179 hazards commonly covered by fire and extended coverage, lightning, wind-
1180 storm, civil commotion, hail, riot, strike, water damage, sprinkler leakage,
1181 collapse and malicious mischief, in an amount equal to the Full Replacement
1182 Cost of the Equipment and Inventory;

1183 (B) commercial general liability insurance against claims for bodily injury, death
1184 or property damage occurring on, in or about the Pledged Collateral, and
1185 covering any and all claims, including, without limitation, all legal liability to
1186 the extent insurable imposed upon the Paying Agent and all court costs and
1187 reasonable attorneys' fees, arising out of or connected with the possession,
1188 use, leasing, operation or condition of the Pledged Collateral;

1189 (C) explosion insurance in respect of any boilers, machinery and similar apparatus
1190 located on or comprising the Equipment and Inventory;

1191 (D) business interruption insurance covering six months of losses; and

1192 (E) worker's compensation insurance as required by the laws of the state where
1193 the Pledged Collateral is located to protect such Pledgor and the Paying
1194 Agent against claims for injuries sustained in the course of employment at the
1195 premises of such Pledgor.

1196 (ii) Required Form of Insurance Policies. Each Insurance Policy described in
1197 clause (i) of this Section 5.17 shall provide that:

1198 (A) it may not be modified, reduced, canceled or otherwise terminated without at
1199 least thirty (30) days' prior written notice to the Paying Agent;

1200 (B) the Paying Agent is permitted to pay any premium therefor within thirty (30)
1201 days after receipt of any notice stating that such premium has not been paid
1202 when due;

1203 (C) all losses thereunder shall be payable notwithstanding any act or negligence
1204 of such Pledgor or its agents or employees which otherwise might have re-
1205 sulted in a forfeiture of all or a part of such insurance payments;

1206 (D) to the extent such Insurance Policy constitutes Property Insurance, all losses
1207 payable thereunder shall be payable to the Paying Agent, as loss payee, pur-
1208 suant to a standard non-contributory New York mortgagee endorsement and
1209 shall be in an amount at least sufficient to prevent coinsurance liability; and

1210 (E) with respect to Liability Insurance, the Paying Agent shall be named as an
1211 additional insured.

1212 (iii) Settlements. Settlement of any claim under any of the Required Insurance
1213 Policies described in subsection 5.17(i)(A) and (C), if such claim involves any loss in excess of the
1214 Dollar Equivalent amount of U.S. \$750,000 (in the reasonable judgment of the Paying Agent), shall
1215 require the prior written approval of the Paying Agent, and such Pledgor shall cause each such policy
1216 to contain a provision to such effect.

1217 (iv) Renewals. At least ten (10) days prior to the expiration of any Required In-
1218 surance Policy, such Pledgor shall deliver to the Paying Agent either (a) a Required Insurance Policy
1219 or Policies renewing or extending such expiring Required Insurance Policy or Policies, (b) renewal or
1220 extension Insurance Certificates or (c) other reasonable evidence of renewal or extension providing
1221 that the Insurance Policies are in full force and effect.

1222 (v) Additional Insurance. Such Pledgor shall not purchase separate insurance
1223 policies concurrent in form or contributing in the event of loss with those Required Insurance Policies
1224 required to be maintained under this Section 5.17, unless the Paying Agent is included thereon as an
1225 additional insured and, if applicable, with loss payable to the Paying Agent under an endorsement
1226 containing the provisions described in clause (ii) of this Section 5.17. Such Pledgor shall immedi-
1227 ately notify the Paying Agent whenever any such separate insurance policy is obtained and shall
1228 promptly deliver to the Paying Agent the Required Insurance Policy or Insurance Certificate evi-
1229 dencing such insurance.

1230 (vi) Blanket Coverage. Such Pledgor may maintain the coverages required by
1231 clause (i) of this Section 5.17 under blanket policies covering the Pledged Collateral and other prop-
1232 erty owned or operated by such Pledgor or an Affiliate of such Pledgor if the terms of such blanket
1233 policies otherwise comply with the provisions of clause (i) of this Section 5.17 and contain specific
1234 coverage allocations in respect of the Equipment and Inventory complying with the provisions of
1235 clause (i) of this Section 5.17.

1236 (vii) Proceeds of Destructions and Taking.

1237 (A) If there shall occur any Destruction of Pledged Collateral with a value in ex-
1238 cess of the Dollar Equivalent Amount of U.S. \$750,000, such Pledgor shall promptly send to the
1239 Paying Agent a notice setting forth the nature and extent of such Destruction. If there shall occur any
1240 Taking of Pledged Collateral with a value in excess of the Dollar Equivalent Amount of
1241 U.S. \$750,000, such Pledgor shall immediately notify the Paying Agent upon receiving notice of such
1242 Taking or commencement of proceedings therefor. The Paying Agent may participate in any pro-
1243 ceedings or negotiations which might result in any Taking, and such Pledgor shall deliver or cause to
1244 be delivered to the Paying Agent all instruments reasonably requested by it to permit such participa-
1245 tion. The Paying Agent may be represented by counsel satisfactory to it at the reasonable expense of
1246 such Pledgor in connection with any such participation. Such Pledgor shall pay all reasonable fees,
1247 costs and expenses incurred by the Paying Agent in connection with any Taking and in seeking and
1248 obtaining any award or payment on account thereof. The Net Insurance Proceeds and Net Condem-
1249 nation Awards are hereby assigned and shall be paid to the Paying Agent. Such Pledgor shall take all
1250 steps necessary to notify the condemning authority of such assignment. All Net Insurance Proceeds
1251 and Net Condemnation Awards, shall be applied in accordance with the provisions of Sec-
1252 tions 5.17(vii)(B) and 5.17(vii)(C).

1253 (B) So long as no Event of Default or Unmatured Event of Default shall have oc-
1254 curred and be continuing, in the event there shall be a Net Condemnation Award or Net Insurance
1255 Proceeds, such Pledgor shall have the right, at such Pledgor's option, to apply such Net Condemna-

1256 tion Award or Net Insurance Proceeds to the payment of the Obligations in accordance with the pro-
1257 visions of Section 2.7(a) of the Credit Agreement or to perform a restoration (each, a "Restoration")
1258 of the Pledged Collateral. In the event such Pledgor elects to perform a Restoration, such Pledgor
1259 shall within five (5) Business Days after the date that such Pledgor receives notice of collection by the
1260 Paying Agent of the applicable Net Insurance Proceeds or Net Condemnation Award, as the case may
1261 be, deliver to the Paying Agent (1) a written notice of such election and (2) an Officers' Certificate
1262 stating that (a) the Net Insurance Proceeds or Net Condemnation Award, as the case may be, shall be
1263 utilized to perform a Restoration in the manner contemplated by this Section 5.17(vii)(B) and (b) no
1264 Event of Default or Unmatured Event of Default has occurred and is continuing (the items described
1265 in clauses (1) and (2) of this sentence, collectively, the "Restoration Election Notice"). In the event
1266 the Paying Agent does not receive a Restoration Election Notice within such 5-day period, the Paying
1267 Agent may apply any such Net Insurance Proceeds or Net Condemnation Award held by the Paying
1268 Agent to the payment of the Obligations in accordance with the provisions of Section 2.7(a) of the
1269 Credit Agreement or, at the option of the Paying Agent, may continue to hold such Net Insurance
1270 Proceeds or Net Condemnation Award as additional collateral to secure the performance by such
1271 Pledgor of the Obligations. In the event such Pledgor elects to perform any Restoration contemplated
1272 by this Section 5.17(vii)(B), the Paying Agent shall release such Net Condemnation Award or Net
1273 Insurance Proceeds to such Pledgor as soon as practicable following receipt of a Restoration Election
1274 Notice in accordance with the provisions of Section 9.2(ii) hereof. Such Pledgor shall, within forty-
1275 five (45) days following the date of its receipt of any proceeds in respect of a Destruction or Taking,
1276 as the case may be, commence and diligently continue to perform the Restoration of that portion or
1277 portions of the Pledged Collateral subject to such Destruction or affected by such Taking so that,
1278 upon the completion of the Restoration, the Pledged Collateral will be in substantially the same con-
1279 dition and shall be of at least approximately equal value and utility for its intended purposes as the
1280 Pledged Collateral was immediately prior to such Destruction or Taking. Such Pledgor shall so com-
1281 plete such Restoration with its own funds to the extent that the amount of any Net Condemnation
1282 Award or Net Insurance Proceeds is insufficient for such purpose.

1283 (C) In the event there shall be a Net Condemnation Award or Net Insurance Pro-
1284 ceeds in an amount equal to or greater than the Dollar Equivalent amount of U.S. \$750,000, the Pay-
1285 ing Agent shall not release any part of the Net Condemnation Award or Net Insurance Proceeds until
1286 such Pledgor has furnished to the Paying Agent an Officers' Certificate setting forth: (1) a brief de-
1287 scription of the Restoration to be made, (2) the dollar amount of the expenditures to be made, or costs
1288 incurred by such Pledgor in connection with such Restoration; provided, however, that such Pledgor
1289 shall so complete such Restoration with its own funds to the extent that the amount of any Net Con-
1290 demnation Award or Net Insurance Proceeds is insufficient for such purpose and (3) each request for
1291 payment shall be made on at least ten (10) days' prior notice to the Paying Agent and such request
1292 shall state (A) that all the Restoration work then complete has been done in all material respects in
1293 accordance with all applicable provisions of law, (B) the sums requested are required to reimburse the
1294 Pledgor for payments by the Pledgor to, or are due to, the contractors, subcontractors, materialmen,
1295 laborers or other persons rendering services or materials for the Restoration and (C) that all Liens
1296 (other than Permitted Collateral Liens) covering that part of the Restoration previously paid for, if
1297 any, have been waived and there has not been filed with respect to all or any portion of the Pledged
1298 Collateral any Lien (other than Permitted Collateral Liens).

1299 (D) In the event that there shall be any surplus after application of the Net Con-
1300 demnation Award or the Net Insurance Proceeds to Restoration of the Improvements, such surplus
1301 shall be applied as Net Cash Proceeds in accordance with Section 2.7(a) of the Credit Agreement or,
1302 at the option of the Paying Agent, shall be held by the Paying Agent as additional collateral to secure
1303 the performance by such Pledgor of the Obligations except to the extent such surplus consists of funds
1304 provided by such Pledgor (as opposed to Net Condemnation Awards or Net Insurance Proceeds), in
1305 which case such surplus shall be returned to such Pledgor.

1306 (viii) Delivery After Foreclosure. In the event that the proceeds of any insurance
1307 claim are paid after the Paying Agent has exercised its right to foreclose after an Event of Default has
1308 occurred and is continuing such proceeds shall be paid to the Paying Agent to satisfy any deficiency
1309 remaining after such foreclosure. The Paying Agent shall retain its interest in the Insurance Policies
1310 required to be maintained pursuant to this Agreement during any redemption period.

1311 SECTION 5.18 Payment of Taxes; Compliance with Laws; Contesting Liens;
1312 Claims. Each Pledgor represents and warrants that all Charges imposed upon or assessed against the
1313 Pledged Collateral have been paid and discharged except to the extent such Charges constitute a Lien
1314 not yet due and payable. Each Pledgor shall pay prior to the date on which any penalties would attach
1315 thereto all Charges against the Pledged Collateral. Each Pledgor shall comply with all Requirements
1316 of Law applicable to the Pledged Collateral the failure to comply with which would have a material
1317 adverse effect on the value or use of such Pledged Collateral or the Lien on such Pledged Collateral
1318 granted to the Paying Agent hereunder. Notwithstanding the foregoing, each Pledgor may at its own
1319 expense contest the validity, amount or applicability of any Charges by appropriate legal or adminis-
1320 trative proceedings, prosecution of which operates to prevent the collection thereof and the sale or
1321 forfeiture of the Pledged Collateral or any part thereof to satisfy the same; provided, however, that (i)
1322 any such contest shall be conducted in good faith by appropriate proceedings instituted with reason-
1323 able promptness and diligently conducted and (ii) in connection with such contest, such Pledgor shall
1324 have (A) made provision for the payment of such contested Charge on such Pledgor's books if and to
1325 the extent required by GAAP, or (B) with respect to any contest of any Charge in excess of \$250,000,
1326 at the option and upon the request of the Paying Agent, such Pledgor shall maintain cash reserves in
1327 an amount sufficient to pay and discharge any Lien created by such Charge and the Paying Agent's
1328 reasonable estimate of all interest and penalties related thereto, and (C) in the case of any contested
1329 judgment, delivered to Paying Agent an instrument in which an insurance carrier reasonably accept-
1330 able to the Paying Agent shall have represented in writing that it does not dispute insurance coverage
1331 (subject to a customary deductible) exists in respect of such contested judgment. Notwithstanding the
1332 foregoing provisions of this Section 5.18, (i) no contest of any such obligation may be pursued by
1333 such Pledgor if such contest would expose the Paying Agent or any other Secured Party to (A) any
1334 possible criminal liability or (B) unless such Pledgor shall have furnished a bond or other security
1335 therefor satisfactory to the Paying Agent, or such Secured Party, as the case may be, any additional
1336 civil liability for failure to comply with such obligations and (ii) if at any time payment or perform-
1337 ance of any obligation contested by such Pledgor pursuant to this Section 5.18 shall become necessary
1338 to prevent the imposition of remedies because of non-payment, such Pledgor shall pay or perform the
1339 same, in sufficient time to prevent the imposition of remedies in respect of such default or prospective
1340 default.

1341 SECTION 5.19 Access to Pledged Collateral, Books and Records; Other Informa-
1342 tion. Such Pledgor shall, at any and all times, within a reasonable time after written request by the
1343 Paying Agent, furnish or cause to be furnished to the Paying Agent, in such manner and in such detail
1344 as may be reasonably requested by the Paying Agent, information with respect to the Pledged Collat-
1345 eral in addition to that required by Section 7.10 of the Credit Agreement.

1346 SECTION 5.20 Benefit to Guarantors. Each Guarantor will receive substantial
1347 benefit as a result of the execution, delivery and performance of the Credit Documents.

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ARTICLE VI

CERTAIN PROVISIONS CONCERNING ACCOUNTS

1351 SECTION 6.1 Maintenance of Records. Each Pledgor shall keep and maintain at
1352 its own cost and expense complete records of each Account, in a manner consistent with prudent
1353 business practice, including, without limitation, records of all payments received, all credits granted
1354 thereon, all merchandise returned and all other documentation relating thereto. Each Pledgor shall, at
1355 such Pledgor's sole cost and expense, upon the Paying Agent's demand made at any time after the
1356 occurrence and during the continuance of any Event of Default, deliver all tangible evidence of Ac-
1357 counts, including, without limitation, all documents evidencing Accounts and any books and records
1358 relating thereto to the Paying Agent or to its representatives (copies of which evidence and books and
1359 records may be retained by such Pledgor). Upon the occurrence and during the continuance of any
1360 Event of Default, the Paying Agent may transfer a full and complete copy of any Pledgor's books,
1361 records, credit information, reports, memoranda and all other writings relating to the Accounts to and
1362 for the use by any Person that has acquired or is contemplating acquisition of an interest in the Ac-
1363 counts or the Paying Agent's security interest therein without the consent of any Pledgor.

1364 SECTION 6.2 Legend. Each Pledgor shall legend, at the reasonable request of the
1365 Paying Agent made at any time after the occurrence and during the continuance of any Event of De-
1366 fault and in form and manner reasonably satisfactory to the Paying Agent, the Accounts and the other
1367 books, records and documents of such Pledgor evidencing or pertaining to the Accounts with an ap-
1368 propriate reference to the fact that the Accounts have been assigned to the Paying Agent for the bene-
1369 fit of the Secured Parties and that the Paying Agent has a security interest therein.

1370 SECTION 6.3 Modification of Terms, etc. No Pledgor shall rescind or cancel any
1371 indebtedness evidenced by any Account or modify any term thereof or make any adjustment with re-
1372 spect thereto except in the ordinary course of business consistent with prudent business practice, or
1373 extend or renew any such indebtedness except in the ordinary course of business consistent with pru-
1374 dent business practice or compromise or settle any dispute, claim, suit or legal proceeding relating
1375 thereto or sell any Account or interest therein without the prior written consent of the Paying Agent,
1376 except as permitted by Section 8.20 of the Credit Agreement, and so long as no Event of Default is
1377 then in existence in respect of which the Paying Agent has given notice that this exception is no
1378 longer applicable, the Pledgor may rescind, cancel, modify, make adjustments with respect to, extend

1379 or renew any Contracts or indebtedness evidenced by any Account, or compromise or settle any such
1380 dispute, claim, suit, or legal proceeding, or sell any Account or Contract or interest therein, in the or-
1381 dinary course of business. Each Pledgor shall timely fulfill all obligations on its part to be fulfilled
1382 under or in connection with the Accounts.

1383 SECTION 6.4 Collection. Each Pledgor shall cause to be collected from the ac-
1384 count debtor of each of the Accounts, as and when due (including, without limitation, Accounts that
1385 are delinquent, such Accounts to be collected in accordance with generally accepted commercial col-
1386 lection procedures), any and all amounts owing under or on account of such Account, and apply
1387 forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such
1388 Account, except that any Pledgor may, with respect to an Account, allow in the ordinary course of
1389 business (i) a refund or credit due as a result of returned or damaged or defective merchandise and (ii)
1390 such extensions of time to pay amounts due in respect of Accounts and such other modifications of
1391 payment terms or settlements in respect of Accounts as shall be commercially reasonable in the cir-
1392 cumstances, all in accordance with such Pledgor's ordinary course of business consistent with its col-
1393 lection practices as in effect from time to time. The costs and expenses (including, without limitation,
1394 reasonable attorneys' fees) of collection, in any case, whether incurred by any Pledgor, the Paying
1395 Agent or any Secured Party, shall be paid by the Pledgors.

1396 SECTION 6.5 Instruments. Each Pledgor shall deliver to the Paying Agent,
1397 within ten days after receipt thereof by such Pledgor, any Instrument evidencing any Account which
1398 is in the principal amount of the Dollar Equivalent amount of U.S. \$250,000 or more. Any Instrument
1399 delivered to the Paying Agent pursuant to this Section 6.5 shall be appropriately endorsed (if applica-
1400 ble) to the order of the Paying Agent, as agent for the Secured Parties, and shall be held by the Paying
1401 Agent as further security hereunder; provided, however, that so long as no Event of Default shall have
1402 occurred and be continuing, the Paying Agent shall, promptly upon the reasonable request of such
1403 Pledgor, make appropriate arrangements for making any Instrument pledged by such Pledgor avail-
1404 able to such Pledgor for purposes of presentation, collection or renewal (any such arrangement to be
1405 effected, to the extent deemed appropriate by the Paying Agent, against trust receipt or like docu-
1406 ment).

1407 ARTICLE VII

1408 CERTAIN PROVISIONS CONCERNING SECURITIES COLLATERAL
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1410 SECTION 7.1 Pledge of Additional Securities Collateral. Each Pledgor shall,
1411 upon obtaining any Pledged Securities or Intercompany Notes of any Person, accept the same in trust
1412 for the benefit of the Paying Agent and promptly (and in any event within ten days) deliver to the
1413 Paying Agent a pledge amendment, duly executed by such Pledgor, in substantially the form of Ex-
1414 hibit 2 annexed hereto (each, a "Pledge Amendment"), and the certificates and other documents re-
1415 quired under Section 4.1 and Section 4.2 in respect of the additional Pledged Securities or Intercom-
1416 pany Notes which are to be pledged pursuant to this Agreement, together with the Operative Agree-

1417 ment relating thereto and confirming the attachment of the Lien hereby created on and in respect of
1418 such additional Pledged Securities or Intercompany Notes. Each Pledgor hereby authorizes the Pay-
1419 ing Agent to attach each Pledge Amendment to this Agreement and agrees that all Pledged Securities
1420 or Intercompany Notes listed on any Pledge Amendment delivered to the Paying Agent shall for all
1421 purposes hereunder be considered Pledged Collateral.

1422 SECTION 7.2 Voting Rights; Distributions; etc.

1423 (i) So long as no Event of Default shall have occurred and be continuing:

1424 (A) Each Pledgor shall be entitled to exercise any and all voting and other consen-
1425 sual rights pertaining to the Securities Collateral or any part thereof for any purpose not in-
1426 consistent with the terms or purposes hereof or any other Credit Document; provided, how-
1427 ever, that no Pledgor shall in any event exercise such rights in any manner which may have a
1428 material adverse effect on the value of the Pledged Collateral or the Lien and security interest
1429 intended to be granted to the Paying Agent hereunder.

1430 (B) Each Pledgor shall be entitled to receive and retain, and to utilize free and clear
1431 of the Lien hereof, any and all Distributions, but only if and to the extent made in accordance
1432 with the provisions of the Credit Agreement; provided, however, that any and all such Distri-
1433 butions consisting of rights or interests in the form of securities shall be forthwith delivered to
1434 the Paying Agent to hold as Pledged Collateral and shall, if received by any Pledgor, be re-
1435 ceived in trust for the benefit of the Paying Agent, be segregated from the other property or
1436 funds of such Pledgor and be forthwith delivered to the Paying Agent as Pledged Collateral in
1437 the same form as so received (with any necessary endorsement).

1438 (C) The Paying Agent shall be deemed without further action or formality to have
1439 granted to each Pledgor all necessary consents relating to voting rights and shall, if necessary,
1440 upon reasonable written request of any Pledgor and at the sole cost and expense of the Pledg-
1441 ors, from time to time execute and deliver (or cause to be executed and delivered) to such
1442 Pledgor all such instruments as such Pledgor may reasonably request in order to permit such
1443 Pledgor to exercise the voting and other rights which it is entitled to exercise pursuant to Sec-
1444 tion 7.2(i)(A) hereof and to receive the Distributions which it is authorized to receive and re-
1445 tain pursuant to Section 7.2(i)(B) hereof.

1446 (ii) Upon the occurrence and during the continuance of any Event of Default:

1447 (A) All rights of each Pledgor to exercise the voting and other consensual rights it
1448 would otherwise be entitled to exercise pursuant to Section 7.2(i)(A) hereof without any ac-
1449 tion or the giving of any notice shall cease, and all such rights shall thereupon become vested
1450 in the Paying Agent, which shall thereupon have the sole right to exercise such voting and
1451 other consensual rights.

1452 (B) All rights of each Pledgor to receive Distributions which it would otherwise be
1453 authorized to receive and retain pursuant to Section 7.2(i)(B) hereof shall cease and all such

1454 rights shall thereupon become vested in the Paying Agent, which shall thereupon have the
1455 sole right to receive and hold as Pledged Collateral such Distributions.

1456 (iii) Each Pledgor shall, at its sole cost and expense, from time to time execute
1457 and deliver to the Paying Agent appropriate instruments as the Paying Agent may request in order to
1458 permit the Paying Agent to exercise the voting and other rights which it may be entitled to exercise
1459 pursuant to Section 7.2(ii)(A) hereof and to receive all Distributions which it may be entitled to re-
1460 ceive under Section 7.2(ii)(B) hereof.

1461 (iv) All Distributions which are received by any Pledgor contrary to the provi-
1462 sions of Section 7.2(ii)(B) hereof shall be received in trust for the benefit of the Paying Agent, shall
1463 be segregated from other funds of such Pledgor and shall immediately be paid over to the Paying
1464 Agent as Pledged Collateral in the same form as so received (with any necessary endorsement).

1465 SECTION 7.3 No New Securities. Except to the extent otherwise permitted under
1466 Article X hereof, each Pledgor shall cause each issuer of the Pledged Securities that is a Subsidiary
1467 not to issue any stock or other securities or equity interests in addition to or in substitution for the
1468 Pledged Securities issued by such issuer, except to such Pledgor.

1469 SECTION 7.4 Operative Agreements. As of the date hereof, each Pledgor has de-
1470 livered to the Paying Agent true, correct and complete copies of the Operative Agreements. The Op-
1471 erative Agreements are in full force and effect, have not as of the date hereof been amended or modi-
1472 fied except as disclosed to the Paying Agent, and there is no existing default by any party thereunder
1473 or any event which, with the giving of notice or passage of time or both, would constitute a default by
1474 any party thereunder. Each Pledgor shall deliver to the Paying Agent a copy of any notice of default
1475 given or received by it under any Operative Agreement within ten days after such Pledgor gives or
1476 receives such notice. No Pledgor will terminate or agree to terminate any Operative Agreement or
1477 make any amendment or modification to any Operative Agreement which may have a material ad-
1478 verse effect on the value of the Pledged Securities and Distributions relating thereto or the Lien and
1479 security intended to be granted to the Paying Agent hereunder except to the extent permitted pursuant
1480 to the provisions of Section 8.2 of the Credit Agreement.

1481 SECTION 7.5 Defaults, etc. Such Pledgor is not in default in the payment of any
1482 portion of any mandatory capital contribution, if any, required to be made under any agreement to
1483 which such Pledgor is a party relating to the Pledged Securities pledged by it, and such Pledgor is not
1484 in violation of any other provisions of any such agreement to which such Pledgor is a party, or other-
1485 wise in default or violation thereunder. No Securities Collateral pledged by such Pledgor is subject to
1486 any defense, offset or counterclaim, nor have any of the foregoing been asserted or alleged against
1487 such Pledgor by any Person with respect thereto, and as of the date hereof, there are no certificates,
1488 instruments, documents or other writings (other than the Operative Agreements and certificates, if
1489 any, delivered to the Paying Agent) which evidence any Pledged Securities of such Pledgor.

ARTICLE VIII

CERTAIN PROVISIONS CONCERNING INTELLECTUAL
PROPERTY COLLATERAL

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1494 SECTION 8.1 Grant of License. For the purpose of enabling the Paying Agent,
1495 during the continuance of an Event of Default, to exercise rights and remedies under Article XI hereof
1496 at such time as the Paying Agent shall be lawfully entitled to exercise such rights and remedies, and
1497 for no other purpose, each Pledgor hereby grants to the Paying Agent, to the extent assignable, an ir-
1498 revocable, non-exclusive license (exercisable without payment of royalty or other compensation to
1499 such Pledgor) to use, assign, license or sublicense any of the Intellectual Property Collateral now
1500 owned or hereafter acquired by such Pledgor, wherever the same may be located, including in such
1501 license access to all media in which any of the licensed items may be recorded or stored and to all
1502 computer programs used for the compilation or printout hereof.

1503 SECTION 8.2 Registrations. Except pursuant to licenses and other user agree-
1504 ments entered into by any Pledgor in the ordinary course of business that are listed in Schedule 1.1(f)
1505 annexed hereto, on and as of the date hereof (i) each Pledgor owns and possesses the right to use, and
1506 has done nothing to authorize or enable any other Person to use, any Copyright, Patent or Trademark
1507 listed in Schedules 1.1(a), 1.1(g) and 1.1(i), and (ii) all registrations listed in Schedules 1.1(a), 1.1(g)
1508 and 1.1(i) are valid and in full force and effect.

1509 SECTION 8.3 No Violations or Proceedings. To each Pledgor's knowledge, on
1510 and as of the date hereof, (i) except as set forth in Schedule 8.3 annexed hereto or as would not, indi-
1511 vidually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there is no
1512 violation by others of any right of such Pledgor with respect to any Copyright, Patent or Trademark
1513 listed in Schedules 1.1(a), 1.1(g) and 1.1(i) annexed hereto, respectively, pledged by it under the name
1514 of such Pledgor. (ii) such Pledgor is not infringing upon any Copyright, Patent or Trademark of any
1515 other Person in any manner which, individually or in the aggregate, would reasonably be expected to
1516 have a Material Adverse Effect and (iii) no proceedings have been instituted or are pending against
1517 such Pledgor or, to such Pledgor's knowledge, threatened, and no claim against such Pledgor has been
1518 received by such Pledgor, alleging any such violation, except as may be set forth in Schedule 8.3 or as
1519 would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

1520 SECTION 8.4 Protection of Paying Agent's Security. On a continuing basis, each
1521 Pledgor shall, at its sole cost and expense, (i) promptly following its becoming aware thereof, notify
1522 the Paying Agent of (A) any adverse determination in any proceeding in the United States Patent and
1523 Trademark Office or the United States Copyright Office with respect to any Patent, Trademark or
1524 Copyright or (B) the institution of any proceeding or any adverse determination in any Federal, state
1525 or local court or administrative body regarding such Pledgor's claim of ownership in or right to use
1526 any of the Intellectual Property Collateral, its right to register the Intellectual Property Collateral or its
1527 right to keep and maintain such registration in full force and effect, (ii) maintain and protect the In-
1528 tellectual Property Collateral necessary for the operation of such Pledgor's business as presently con-

1529 ducted and as contemplated by the Credit Agreement except where the failure to do so would not, in-
1530 dividually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (iii) not
1531 permit to lapse or become abandoned any Intellectual Property Collateral that such Pledgor deter-
1532 mines in good faith to be necessary for the operation of such Pledgor's business or economically de-
1533 sirable, and not settle or compromise any pending or future litigation or administrative proceeding
1534 with respect to such Intellectual Property Collateral, in each case, without the consent of the Paying
1535 Agent, (iv) upon such Pledgor obtaining knowledge thereof, promptly notify the Paying Agent in
1536 writing of any event which may be expected to adversely affect the value or utility of the Intellectual
1537 Property Collateral or any portion thereof necessary for the operation of such Pledgor's business, the
1538 ability of such Pledgor or the Paying Agent to dispose of the Intellectual Property Collateral or any
1539 portion thereof or the rights and remedies of the Paying Agent in relation thereto including, without
1540 limitation, a levy or threat of levy or any legal process against the Intellectual Property Collateral or
1541 any portion thereof, (v) not license the Intellectual Property Collateral other than licenses entered into
1542 by such Pledgor in, or incidental to, the ordinary course of business, or amend or permit the amend-
1543 ment of any of the licenses in a manner that materially adversely affects the right to receive payments
1544 thereunder, or in any manner that would materially impair the value of the Intellectual Property Col-
1545 lateral or the Lien on and security interest in the Intellectual Property Collateral intended to be
1546 granted to the Paying Agent for the benefit of the Secured Parties, without the consent of the Paying
1547 Agent, (vi) until the Paying Agent exercises its rights to make collection, diligently keep adequate
1548 records respecting the Intellectual Property Collateral and (vii) furnish to the Paying Agent from time
1549 to time upon its reasonable request detailed statements and amended schedules further identifying and
1550 describing the Intellectual Property Collateral and such other materials evidencing or reports pertain-
1551 ing to the Intellectual Property Collateral as the Paying Agent may from time to time request.

1552 SECTION 8.5 After-Acquired Property. If any Pledgor shall, at any time before
1553 the Obligations have been paid in full (other than any contingent indemnity Obligations) or the Com-
1554 mitments of the Lenders to make any Loan or to issue any Letter of Credit have expired or been
1555 sooner terminated (i) obtain any rights to any material additional Intellectual Property Collateral or
1556 (ii) become entitled to the benefit of any material additional Intellectual Property Collateral or any
1557 renewal or extension thereof, including any reissue, division, continuation, or continuation-in-part of
1558 any Intellectual Property Collateral, or any improvement on any Intellectual Property Collateral, the
1559 provisions hereof shall automatically apply thereto and any such item enumerated in clause (i) or (ii)
1560 of this Section 8.5 with respect to such Pledgor shall automatically constitute Intellectual Property
1561 Collateral if such would have constituted Intellectual Property Collateral at the time of execution
1562 hereof and be subject to the Lien and security interest created by this Agreement without further ac-
1563 tion by any party. Each Pledgor shall promptly (i) provide to the Paying Agent written notice of any
1564 of the foregoing and (ii) confirm the attachment of the Lien and security interest created by this
1565 Agreement to any rights described in clauses (i) and (ii) of the immediately preceding sentence of this
1566 Section 8.5 by execution of an instrument in form reasonably acceptable to the Paying Agent.

1567 SECTION 8.6 Modifications. Each Pledgor authorizes the Paying Agent to mod-
1568 ify this Agreement by amending Schedules 1.1(a), 1.1(f), 1.1(g) and 1.1(i) annexed hereto to include
1569 any Intellectual Property Collateral acquired or arising after the date hereof of such Pledgor including,
1570 without limitation, any of the items listed in Section 8.5 hereof.

1571 SECTION 8.7 Applications. Each Pledgor shall file and prosecute diligently to
1572 the extent commercially reasonable to do so all applications for the Patents, Trademarks or Copy-
1573 rights now or hereafter pending that would in the good faith determination of such Pledgor be neces-
1574 sary to the operation of such Pledgor's business and economically desirable to which any such appli-
1575 cations pertain, and shall do all acts necessary to preserve and maintain all rights in such Intellectual
1576 Property Collateral. Any and all costs and expenses incurred in connection with any such actions
1577 shall be borne by the Pledgors. No Pledgor shall abandon any right to file a Patent, Trademark or
1578 Copyright application, or any pending Patent, Trademark or Copyright application or any Patent,
1579 Trademark or Copyright necessary for the operation of such Pledgor's business as required by the
1580 Credit Agreement without the consent of the Paying Agent, which consent shall not be unreasonably
1581 withheld.

1582 SECTION 8.8 Litigation.

1583 (i) Unless there shall occur and be continuing any Event of Default, each
1584 Pledgor shall have the right to commence and prosecute in its own name, as the party in interest, for
1585 its own benefit and at the sole cost and expense of the Pledgors, such applications for protection of
1586 the Intellectual Property Collateral and suits, proceedings or other actions to prevent the infringement,
1587 counterfeiting, unfair competition, dilution, diminution in value or other damage as are necessary to
1588 protect the Intellectual Property Collateral. Each Pledgor shall promptly notify the Paying Agent in
1589 writing as to the commencement and prosecution of any such actions, or threat thereof relating to the
1590 Intellectual Property Collateral, and shall provide to the Paying Agent such information with respect
1591 thereto as may be reasonably requested by the Paying Agent. In accordance with Section 13.4 hereof
1592 each Pledgor shall indemnify and hold harmless each Indemnitee from and against all Indemnified
1593 Liabilities which may be imposed on, incurred by or asserted against such Indemnitee in connection
1594 with or in any way arising out of the suits, proceedings or other actions contemplated in this Sec-
1595 tion 8.8(i), except to the extent that such Indemnified Liabilities arise from the gross negligence or
1596 willful misconduct of an Indemnitee.

1597 (ii) Upon the occurrence and during the continuance of any Event of Default, the
1598 Paying Agent shall have the right but shall in no way be obligated to file applications for protection of
1599 the Intellectual Property Collateral and/or bring suit in the name of any Pledgor, the Paying Agent or
1600 the Secured Parties to enforce the Intellectual Property Collateral and any license thereunder. In the
1601 event of such suit, each Pledgor shall, at the reasonable request of the Paying Agent, do any and all
1602 lawful acts and execute any and all documents requested by the Paying Agent in aid of such enforce-
1603 ment and the Pledgors shall promptly reimburse and indemnify the Paying Agent, as the case may be,
1604 for all costs and expenses incurred by the Paying Agent in the exercise of its rights under this Sec-
1605 tion 8.8 in accordance with Section 13.3 hereof. In the event that the Paying Agent shall elect not to
1606 bring suit to enforce the Intellectual Property Collateral, each Pledgor agrees, at the reasonable re-
1607 quest of the Paying Agent, to take all actions necessary, whether by suit, proceeding or other action,
1608 to prevent the infringement, counterfeiting, unfair competition, dilution, diminution in value of or
1609 other damage to any of the Intellectual Property Collateral by others and for that purpose agrees to
1610 diligently maintain any suit, proceeding or other action against any Person so infringing necessary to
1611 prevent such infringement to the extent commercially reasonable to do so.

ARTICLE IX

COLLATERAL ACCOUNT

SECTION 9.1 Intentionally Omitted.

SECTION 9.2 Collateral Account.

(i) Deposits into Collateral Account. The Collateral Account has been established pursuant to Section 9.2 of the U.S. Borrower Guarantee and Security Agreement. Each Pledgor shall deposit into the Collateral Account from time to time (A) the cash proceeds of any of the Pledged Collateral or any Domestic Mortgaged Property (including pursuant to any disposition thereof), (B) the cash proceeds of any Taking or Destruction or loss of title with respect to any Pledged Collateral or Domestic Mortgaged Property, (C) any cash in respect of any Pledged Collateral to which the Paying Agent is entitled pursuant to Section 7.2 hereof, (D) any amounts such Pledgor is required to pledge as additional collateral security hereunder pursuant to the Credit Documents, including, without limitation, Net Cash Proceeds from any Asset Sale and (E) any other amounts that such Pledgor desires to pledge to the Paying Agent for the benefit of the Secured Parties as additional collateral security hereunder.

(ii) Application of Amounts in Collateral Account. The balance from time to time in the Collateral Account shall constitute part of the Pledged Collateral hereunder and shall not constitute payment of the Obligations until applied as hereinafter provided. So long as no Event of Default or Unmatured Event of Default has occurred and is continuing or will result therefrom, the Paying Agent shall within two Business Days of receiving a request of such Pledgor for release of cash proceeds constituting (I) Net Insurance Proceeds or Net Condemnation Awards from the Collateral Account, remit such cash proceeds on deposit in the Collateral Account to or upon the order of such Pledgor so long as such Pledgor has (A) with respect to any Pledged Collateral, satisfied the conditions relating thereto set forth in Section 5.17(vii) hereof and (B) with respect to any Domestic Mortgaged Property, satisfied the conditions relating thereto set forth in Article X of such Domestic Mortgage, (II) Net Cash Proceeds from any Asset Sale from the Collateral Account, remit such cash proceeds on deposit in the Collateral Account to or upon the order of such Pledgor so long as such Pledgor has certified that it will immediately thereupon apply such cash proceeds in the manner contemplated in Section 2.7(c) of the Credit Agreement and (III) with respect to the L/C Sub-Account at such time as all Letters of Credit shall have been terminated and all of the liabilities in respect of the Letters of Credit have been paid in full. At any time following the occurrence and during the continuance of an Event of Default, the Paying Agent may (and, if instructed by the Lenders as specified in the Credit Agreement, shall) in its (or their) discretion apply or cause to be applied (subject to collection) the balance from time to time outstanding to the credit of the Collateral Account to the payment of the Obligations in the manner specified in Article XII hereof subject, however, in the case of amounts deposited in the L/C Sub-Account, to the provisions of Section 9.3 hereof). The balance from time to time in the Collateral Account shall be subject to withdrawal only as provided herein.

1650 (iii) Investment of Balance in Collateral Account. Amounts on deposit in the
1651 Collateral Account shall be invested from time to time in such Cash Equivalents as U.S. Borrower
1652 (or, after the occurrence and during the continuance of an Event of Default, the Paying Agent) shall
1653 determine, which Cash Equivalents shall be held in the name and be under the control of the Paying
1654 Agent (or any sub-agent); provided, however, that at any time after the occurrence and during the
1655 continuance of an Event of Default, the Paying Agent may (and, if instructed by the Lenders as speci-
1656 fied in the Credit Agreement, shall) in its (or their) discretion at any time and from time to time elect
1657 to liquidate any such Cash Equivalents and to apply or cause to be applied the proceeds thereof to the
1658 payment of the Obligations in the manner specified in Article XII hereof.

1659 SECTION 9.3 Cover for Letter of Credit Liabilities. Amounts deposited into the
1660 Collateral Account as cover for liabilities in respect of Letters of Credit under the Credit Agreement
1661 pursuant to Section 3.7 thereof shall be held by the Paying Agent in a separate sub-account designated
1662 as the "L/C Sub-Account" (the "L/C Sub-Account") and, notwithstanding any other provision hereof
1663 to the contrary, all amounts held in the L/C Sub-Account shall constitute collateral security first for
1664 the liabilities in respect of Letters of Credit outstanding from time to time and second as collateral
1665 security for the other Obligations hereunder until such time as all Letters of Credit shall have been
1666 terminated and all of the liabilities in respect of Letters of Credit have been paid in full.

1667 ARTICLE X
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1669 TRANSFERS AND OTHER LIENS

1670 No Pledgor shall (i) sell, convey, assign or otherwise dispose of, or grant any option
1671 with respect to, any of the Pledged Collateral pledged by it hereunder except as permitted by the
1672 Credit Agreement, (ii) create or permit to exist any Lien upon or with respect to any of the Pledged
1673 Collateral pledged by it hereunder other than Permitted Collateral Liens or (iii) permit any issuer of
1674 the Pledged Securities to merge, consolidate or change its legal form to the extent permitted by Sec-
1675 tion 8.2 of the Credit Agreement, unless (A) all of the outstanding equity interests of the surviving or
1676 resulting entity shall be, upon such merger or consolidation, pledged hereunder and no cash, securities
1677 or other property is distributed in respect of the outstanding equity interests of any other entity that
1678 was merged into or consolidated with such issuer and (B) such Pledgor shall have complied with Sec-
1679 tion 7.15 of the Credit Agreement and any other provision of the Credit Agreement applicable to a
1680 Subsidiary hereunder.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

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1684 SECTION 11.1 Remedies. Upon the occurrence and during the continuance of any
1685 Event of Default, the Paying Agent may from time to time exercise in respect of the Pledged Collat-
1686 eral, in addition to the other rights and remedies provided for herein or otherwise available to it:

1687 (i) Personally, or by agents or attorneys, immediately take possession of the
1688 Pledged Collateral or any part thereof, from any Pledgor or any other Person who then has
1689 possession of any part thereof with or without notice or process of law, and for that purpose
1690 may enter upon any Pledgor's premises where any of the Pledged Collateral is located, re-
1691 move such Pledged Collateral, remain present at such premises to receive copies of all com-
1692 munications and remittances relating to the Pledged Collateral and use in connection with
1693 such removal and possession any and all services, supplies, aids and other facilities of any
1694 Pledgor;

1695 (ii) Demand, sue for, collect or receive any money or property at any time pay-
1696 able or receivable in respect of the Pledged Collateral including, without limitation, instruct-
1697 ing the obligor or obligors on any agreement, instrument or other obligation constituting part
1698 of the Pledged Collateral to make any payment required by the terms of such agreement, in-
1699 strument or other obligation directly to the Paying Agent, and in connection with any of the
1700 foregoing, compromise, settle, extend the time for payment and make other modifications
1701 with respect thereto; provided, however, that in the event that any such payments are made di-
1702 rectly to any Pledgor, prior to receipt by any such obligor of such instruction, such Pledgor
1703 shall segregate all amounts received pursuant thereto in trust for the benefit of the Paying
1704 Agent and shall promptly (but in no event later than five Business Days after receipt thereof)
1705 deposit such amounts into the Collateral Account;

1706 (iii) Sell, assign, grant a license to use or otherwise liquidate, or direct any
1707 Pledgor to sell, assign, grant a license to use or otherwise liquidate, any and all investments
1708 made in whole or in part with the Pledged Collateral or any part thereof, and take possession
1709 of the proceeds of any such sale, assignment, license or liquidation;

1710 (iv) Take possession of the Pledged Collateral or any part thereof, by directing
1711 any Pledgor in writing to deliver the same to the Paying Agent at any place or places so des-
1712 ignated by the Paying Agent, in which event such Pledgor shall at its own expense:
1713 (A) forthwith cause the same to be moved to the place or places designated by the Paying
1714 Agent and there delivered to the Paying Agent, (B) store and keep any Pledged Collateral so
1715 delivered to the Paying Agent at such place or places pending further action by the Paying
1716 Agent and (C) while the Pledged Collateral shall be so stored and kept, provide such security
1717 and maintenance services as shall be necessary to protect the same and to preserve and main-
1718 tain them in good condition. Each Pledgor's obligation to deliver the Pledged Collateral as

1719 contemplated in this Section 10.1(iv) is of the essence hereof. Upon application to a court of
1720 equity having jurisdiction, the Paying Agent shall be entitled to a decree requiring specific
1721 performance by any Pledgor of such obligation;

1722 (v) Withdraw all moneys, instruments, securities and other property in any bank,
1723 financial securities, deposit or other account of any Pledgor (including, without limitation, the
1724 accounts contemplated in Article IX hereof) for application to the Obligations as provided in
1725 Article XII hereof;

1726 (vi) Retain and apply the Distributions to the Obligations as provided in Arti-
1727 cle XII hereof;

1728 (vii) Exercise any and all rights as beneficial and legal owner of the Pledged Col-
1729 lateral, including, without limitation, perfecting assignment of and exercising any and all
1730 voting, consensual and other rights and powers with respect to any Pledged Collateral; and

1731 (viii) all the rights and remedies of a secured party on default under the UCC, and
1732 the Paying Agent may also in its sole discretion, without notice except as specified in Sec-
1733 tion 11.2 hereof, sell, assign or grant a license to use the Pledged Collateral or any part
1734 thereof in one or more parcels at public or private sale, at any exchange, broker's board or at
1735 any of the Paying Agent's offices or elsewhere, for cash, on credit or for future delivery, and
1736 at such price or prices and upon such other terms as the Paying Agent may deem commer-
1737 cially reasonable. The Paying Agent or any other Secured Party or any of their respective Af-
1738 filiates may be the purchaser, licensee, assignee or recipient of any or all of the Pledged Col-
1739 lateral at any such sale and shall be entitled, for the purpose of bidding and making settlement
1740 or payment of the purchase price for all or any portion of the Pledged Collateral sold, as-
1741 signed or licensed at such sale, to use and apply any of the Obligations owed to such Person
1742 as a credit on account of the purchase price of any Pledged Collateral payable by such Person
1743 at such sale. Each purchaser, assignee, licensee or recipient at any such sale shall acquire the
1744 property sold, assigned or licensed absolutely free from any claim or right on the part of any
1745 Pledgor, and each Pledgor hereby waives, to the fullest extent permitted by law, all rights of
1746 redemption, stay and/or appraisal which it now has or may at any time in the future have un-
1747 der any rule of law or statute now existing or hereafter enacted. The Paying Agent shall not
1748 be obligated to make any sale of Pledged Collateral regardless of notice of sale having been
1749 given. The Paying Agent may adjourn any public or private sale from time to time by an-
1750 nouncement at the time and place fixed therefor, and such sale may, without further notice, be
1751 made at the time and place to which it was so adjourned. Each Pledgor hereby waives, to the
1752 fullest extent permitted by law, any claims against the Paying Agent arising by reason of the
1753 fact that the price at which any Pledged Collateral may have been sold, assigned or licensed at
1754 such a private sale was less than the price which might have been obtained at a public sale,
1755 even if the Paying Agent accepts the first offer received and does not offer such Pledged
1756 Collateral to more than one offeree.

1757 SECTION 11.2 Notice of Sale. Each Pledgor acknowledges and agrees that, to the
1758 extent notice of sale shall be required by law, ten days' notice to such Pledgor of the time and place of
1759 any public sale or of the time after which any private sale or other intended disposition is to take place
1760 shall be commercially reasonable notification of such matters. No notification need be given to any
1761 Pledgor if it has signed, after the occurrence of an Event of Default, a statement renouncing or modi-
1762 fying any right to notification of sale or other intended disposition.

1763 SECTION 11.3 Waiver of Notice and Claims. Each Pledgor hereby waives, to the
1764 fullest extent permitted by applicable law, notice or judicial hearing in connection with the Paying
1765 Agent's taking possession or the Paying Agent's disposition of any of the Pledged Collateral in ac-
1766 cordance with the provisions hereof, including, without limitation, any and all prior notice and hear-
1767 ing for any prejudgment remedy or remedies and any such right which such Pledgor would otherwise
1768 have under law, and each Pledgor hereby further waives, to the fullest extent permitted by applicable
1769 law: (i) all damages occasioned by such taking of possession, (ii) all other requirements as to the
1770 time, place and terms of sale or other requirements with respect to the enforcement of the Paying
1771 Agent's rights hereunder and (iii) all rights of redemption, appraisal, valuation, stay, extension or
1772 moratorium now or hereafter in force under any applicable law. The Paying Agent shall not be liable
1773 for any incorrect or improper payment made pursuant to this Article XI in the absence of gross negli-
1774 gence or willful misconduct. Any sale of, or the grant of options to purchase, or any other realization
1775 upon, any Pledged Collateral shall operate to divest all right, title, interest, claim and demand, either
1776 at law or in equity, of the applicable Pledgor therein and thereto, and shall be a perpetual bar both at
1777 law and in equity against such Pledgor and against any and all Persons claiming or attempting to
1778 claim the Pledged Collateral so sold, optioned or realized upon, or any part thereof, from, through or
1779 under such Pledgor.

1780 SECTION 11.4 Certain Sales of Pledged Collateral.

1781 (i) Each Pledgor recognizes that, by reason of certain prohibitions contained in
1782 law, rules, regulations or orders of any Governmental Authority, the Paying Agent may be compelled,
1783 with respect to any sale of all or any part of the Pledged Collateral, to limit purchasers to those who
1784 meet the requirements of such Governmental Authority. Each Pledgor acknowledges that any such
1785 sales may be at prices and on terms less favorable to the Paying Agent than those obtainable through a
1786 public sale without such restrictions, and, notwithstanding such circumstances, agrees that any such
1787 restricted sale shall be deemed to have been made in a commercially reasonable manner and that, ex-
1788 cept as may be required by applicable law, the Paying Agent shall have no obligation to engage in
1789 public sales.

1790 (ii) Each Pledgor recognizes that, by reason of certain prohibitions contained in
1791 the Securities Act of 1933, as amended (the "Securities Act"), and applicable state securities laws, the
1792 Paying Agent may be compelled, with respect to any sale of all or any part of the Securities Collat-
1793 eral, to limit purchasers to Persons who will agree, among other things, to acquire such Securities
1794 Collateral for their own account, for investment and not with a view to the distribution or resale
1795 thereof. Each Pledgor acknowledges that any such private sales may be at prices and on terms less
1796 favorable to the Paying Agent than those obtainable through a public sale without such restrictions

1797 (including, without limitation, a public offering made pursuant to a registration statement under the
1798 Securities Act), and, notwithstanding such circumstances, agrees that any such private sale solely by
1799 virtue of being a private sale shall not be deemed to have been made in a commercially unreasonable
1800 manner and that the Paying Agent shall have no obligation to engage in public sales and no obligation
1801 to delay the sale of any Securities Collateral for the period of time necessary to permit the issuer
1802 thereof to register it for a form of public sale requiring registration under the Securities Act or under
1803 applicable state securities laws, even if such issuer would agree to do so.

1804 (iii) Notwithstanding the foregoing, each Pledgor shall, upon the occurrence and
1805 during the continuance of any Event of Default, at the request of the Paying Agent, for the benefit of
1806 the Paying Agent, cause any registration, qualification under or compliance with any Federal or state
1807 securities law or laws to be effected with respect to all or any part of the Securities Collateral as soon
1808 as practicable and at the sole cost and expense of the Pledgors. Each Pledgor will use its commer-
1809 cially reasonable efforts to cause such registration to be effected (and be kept effective) and will use
1810 its commercially reasonable efforts to cause such qualification and compliance to be effected (and be
1811 kept effective) as may be so requested and as would permit or facilitate the sale and distribution of
1812 such Securities Collateral including, without limitation, registration under the Securities Act (or any
1813 similar statute then in effect), appropriate qualifications under applicable blue sky or other state secu-
1814 rities laws and appropriate compliance with all other requirements of any Governmental Authority.
1815 Each Pledgor shall cause the Paying Agent to be kept advised in writing as to the progress of each
1816 such registration, qualification or compliance and as to the completion thereof, shall furnish to the
1817 Paying Agent such number of prospectuses, offering circulars or other documents incident thereto as
1818 the Paying Agent from time to time may request, and shall indemnify and shall cause the issuer of the
1819 Securities Collateral to indemnify the Paying Agent and all others participating in the distribution of
1820 such Securities Collateral against all claims, losses, damages and liabilities caused by any untrue
1821 statement (or alleged untrue statement) of a material fact contained therein (or in any related registra-
1822 tion statement, notification or the like) or by any omission (or alleged omission) to state therein (or in
1823 any related registration statement, notification or the like) a material fact required to be stated therein
1824 or necessary to make the statements therein not misleading.

1825 (iv) If the Paying Agent determines to exercise its right to sell any or all of the
1826 Securities Collateral, upon written request, the applicable Pledgor shall from time to time furnish to
1827 the Paying Agent all such information as the Paying Agent may request in order to determine the
1828 number of securities included in the Securities Collateral which may be sold by the Paying Agent as
1829 exempt transactions under the Securities Act and the rules of the Securities and Exchange Commis-
1830 sion thereunder, as the same are from time to time in effect.

1831 SECTION 11.5 No Waiver; Cumulative Remedies.

1832 (i) No failure on the part of the Paying Agent to exercise, no course of dealing
1833 with respect to, and no delay on the part of the Paying Agent in exercising, any right, power or reme-
1834 dy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such
1835 right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any
1836 other right, power or remedy; nor shall the Paying Agent be required to look first to, enforce or ex-

1837 haust any other security, collateral or guaranties. The remedies herein provided are cumulative and
1838 are not exclusive of any remedies provided by law.

1839 (ii) In the event that the Paying Agent shall have instituted any proceeding to en-
1840 force any right, power or remedy under this Agreement by foreclosure, sale, entry or otherwise, and
1841 such proceeding shall have been discontinued or abandoned for any reason or shall have been deter-
1842 mined adversely to the Paying Agent, then and in every such case, the Pledgors, the Paying Agent and
1843 each other Secured Party shall be restored to their respective former positions and rights hereunder
1844 with respect to the Pledged Collateral, and all rights, remedies and powers of the Paying Agent and
1845 the other Secured Parties shall continue as if no such proceeding had been instituted.

1846 SECTION 11.6 Certain Additional Actions Regarding Intellectual Property. If any
1847 Event of Default shall have occurred and be continuing, upon the written demand of Paying Agent,
1848 each Pledgor shall execute and deliver to Paying Agent an assignment or assignments of the regis-
1849 tered Patents, Trademarks and/or Copyrights and such other documents as are necessary or appropri-
1850 ate to carry out the intent and purposes hereof.

1851 ARTICLE XII
1852
1853 APPLICATION OF PROCEEDS

1854 The proceeds received by the Paying Agent in respect of any sale of, collection from
1855 or other realization upon all or any part of the Pledged Collateral pursuant to the exercise by the Pay-
1856 ing Agent of its remedies as a secured creditor as provided in Article XI hereof shall be applied, to-
1857 gether with any other sums then held by the Paying Agent pursuant to this Agreement, promptly by
1858 the Paying Agent as follows:

1859 FIRST, to the payment of all reasonable costs and expenses, fees, commissions and
1860 taxes of such sale, collection or other realization including, without limitation, compensation
1861 to the Paying Agent and its agents and counsel, and all expenses, liabilities and advances
1862 made or incurred by the Paying Agent in connection therewith, together with interest on each
1863 such amount at the highest rate then in effect under the Credit Agreement from and after the
1864 date such amount is due, owing or unpaid until paid in full;

1865 SECOND, to the payment of all other reasonable costs and expenses of such sale,
1866 collection or other realization including, without limitation, compensation to the other Se-
1867 cured Parties and their agents and counsel and all costs, liabilities and advances made or in-
1868 curred by the other Secured Parties in connection therewith, together with interest on each
1869 such amount at the highest rate then in effect under the Credit Agreement from and after the
1870 date such amount is due, owing or unpaid until paid in full;

1871 THIRD, without duplication of amounts applied pursuant to clauses FIRST and
1872 SECOND above, to the indefeasible payment in full in cash, pro rata, of (i) interest, principal

1873 and other amounts constituting Obligations (other than the obligations arising under the Swap
1874 Contracts) in each case equally and ratably in accordance with the respective amounts thereof
1875 then due and owing and (ii) the obligations arising under the Swap Contracts in accordance
1876 with the terms of the Swap Contracts; and

1877 FOURTH, the balance, if any, to the Person lawfully entitled thereto (including the
1878 Pledgors or their respective successors or assigns).

1879 In the event that any such proceeds are insufficient to pay in full the items described
1880 in clauses FIRST through THIRD of this Article XII, the Pledgors shall remain liable for any defi-
1881 ciency.

1882 **ARTICLE XIII**

1883 **MISCELLANEOUS**
1884

1885 **SECTION 13.1 Concerning the Paying Agent.**

1886 (i) The Paying Agent has been appointed as Paying Agent pursuant to the Credit
1887 Agreement. The actions of the Paying Agent hereunder are subject to the provisions of the Credit
1888 Agreement. The Paying Agent shall have the right hereunder to make demands, to give notices, to
1889 exercise or refrain from exercising any rights, and to take or refrain from taking action (including,
1890 without limitation, the release or substitution of the Pledged Collateral), in accordance with this
1891 Agreement and the Credit Agreement. The Paying Agent may employ agents and attorneys-in-fact in
1892 connection herewith and shall not be liable for the negligence or misconduct of any such agents or
1893 attorneys-in-fact selected by it in good faith. The Paying Agent may resign and a successor Paying
1894 Agent may be appointed in the manner provided in the Credit Agreement. Upon the acceptance of
1895 any appointment as the Paying Agent by a successor Paying Agent, that successor Paying Agent shall
1896 thereupon succeed to and become vested with all the rights, powers, privileges and duties of the re-
1897 tiring Paying Agent under this Agreement, and the retiring Paying Agent shall thereupon be dis-
1898 charged from its duties and obligations under this Agreement. After any retiring Paying Agent's res-
1899 ignation, the provisions hereof shall inure to its benefit as to any actions taken or omitted to be taken
1900 by it under this Agreement while it was the Paying Agent.

1901 (ii) The Paying Agent shall be deemed to have exercised reasonable care in the
1902 custody and preservation of the Pledged Collateral in its possession if such Pledged Collateral is ac-
1903 corded treatment substantially equivalent to that which the Paying Agent, in its individual capacity,
1904 accords its own property consisting of similar instruments or interests, it being understood that neither
1905 the Paying Agent nor any of the Secured Parties shall have responsibility for (i) ascertaining or taking
1906 action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to
1907 any Securities Collateral, whether or not the Paying Agent or any other Secured Party has or is
1908 deemed to have knowledge of such matters, or (ii) taking any necessary steps to preserve rights
1909 against any Person with respect to any Pledged Collateral.

1910 (iii) The Paying Agent shall be entitled to rely upon any written notice, statement,
1911 certificate, order or other document or any telephone message believed by it to be genuine and correct
1912 and to have been signed, sent or made by the proper person, and, with respect to all matters pertaining
1913 to this Agreement and its duties hereunder, upon advice of counsel selected by it.

1914 (iv) With respect to any of its rights and obligations as a Lender, Paying Agent
1915 shall have and may exercise the same rights and powers hereunder. The term "Lenders," "Lender" or
1916 any similar terms shall, unless the context clearly otherwise indicates, include Paying Agent in its
1917 individual capacity as a Lender. Paying Agent may accept deposits from, lend money to, and gener-
1918 ally engage in any kind of banking, trust or other business with such Pledgor or any Affiliate of such
1919 Pledgor to the same extent as if Paying Agent were not acting as collateral agent.

1920 (v) If any item of Pledged Collateral also constitutes collateral granted to Paying
1921 Agent under any other deed of trust, mortgage, security agreement, pledge or instrument of any type,
1922 in the event of any conflict between the provisions hereof and the provisions of such other deed of
1923 trust, mortgage, security agreement, pledge or instrument of any type in respect of such collateral,
1924 Paying Agent, in its sole discretion, shall select which provision or provisions shall control.

1925 SECTION 13.2 Paying Agent May Perform; Paying Agent Appointed Attorney-in-
1926 Fact. If any Pledgor shall fail to perform any covenants contained in this Agreement, (including,
1927 without limitation, such Pledgor's covenants to (i) pay the premiums in respect of all required insur-
1928 ance policies hereunder, (ii) pay Charges, (iii) make repairs, (iv) discharge Liens or (v) pay or per-
1929 form any obligations of such Pledgor under any Pledged Collateral) or if any warranty on the part of
1930 any Pledgor contained herein shall be breached, the Paying Agent may (but shall not be obligated to)
1931 do the same or cause it to be done or remedy any such breach, and may expend funds for such pur-
1932 pose; provided, however, that the Paying Agent shall in no event be bound to inquire into the validity
1933 of any tax, lien, imposition or other obligation which such Pledgor fails to pay or perform as and
1934 when required hereby and which such Pledgor does not contest in accordance with the provision of
1935 Section 5.18 hereof. Any and all amounts so expended by the Paying Agent shall be paid by the
1936 Pledgors in accordance with the provisions of Section 13.3 hereof. Neither the provisions of this Sec-
1937 tion 13.2 nor any action taken by the Paying Agent pursuant to the provisions of this Section 13.2
1938 shall prevent any such failure to observe any covenant contained in this Agreement nor any breach of
1939 warranty form constituting an Event of Default. Each Pledgor hereby appoints the Paying Agent its
1940 attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such
1941 Pledgor, or otherwise, from time to time upon the occurrence and during the continuance of an Event
1942 of Default in the Paying Agent's discretion to take any action and to execute any instrument consis-
1943 tent with the terms hereof and the other Credit Documents which the Paying Agent may deem neces-
1944 sary or advisable to accomplish the purposes hereof. The foregoing grant of authority is a power of
1945 attorney coupled with an interest and such appointment shall be irrevocable for the term hereof. Each
1946 Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

1947 SECTION 13.3 Expenses. Each Pledgor will upon demand pay to the Paying
1948 Agent the amount of any and all reasonable costs and expenses, including the reasonable fees and ex-
1949 penses of its counsel and the reasonable fees and expenses of any experts and agents which the Paying

1950 Agent may incur in connection with (i) any action, suit or other proceeding affecting the Pledged
1951 Collateral or any part thereof commenced, in which action, suit or proceeding the Paying Agent is
1952 made a party or participates or in which the right to use the Pledged Collateral or any part thereof is
1953 threatened, or in which it becomes necessary in the judgment of the Paying Agent to defend or uphold
1954 the Lien hereof (including, without limitation, any action, suit or proceeding to establish or uphold the
1955 compliance of the Pledged Collateral with any requirements of any Governmental Authority or law),
1956 (ii) the collection of the Obligations, (iii) the enforcement and administration hereof, (iv) the custody
1957 or preservation of, or the sale of, collection from, or other realization upon, any of the Pledged Collat-
1958 eral, (v) the exercise or enforcement of any of the rights of the Paying Agent or any Secured Party
1959 hereunder or (vi) the failure by any Pledgor to perform or observe any of the provisions hereof. All
1960 amounts expended by the Paying Agent and payable by any Pledgor under this Section 13.3 shall be
1961 due upon demand therefor (together with interest thereon accruing at the Default Rate during the pe-
1962 riod from and including the date on which such funds were so expended to the date of repayment) and
1963 shall be part of the Obligations. Each Pledgor's obligations under this Section 13.3 shall survive the
1964 termination hereof and the discharge of such Pledgor's other obligations under this Agreement, the
1965 Credit Agreement, any Swap Contract and the other Credit Documents.

1966 SECTION 13.4 Indemnity.

1967 (i) Indemnity. Each Pledgor agrees to indemnify, pay and hold harmless the
1968 Paying Agent and each of the other Secured Parties and the officers, directors, employees, agents and
1969 Affiliates of the Paying Agent and each of the other Secured Parties (collectively, the "Indemnitees")
1970 from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judg-
1971 ments, suits, claims, costs (including, without limitation, settlement costs), expenses or disbursements
1972 of any kind or nature whatsoever (including, without limitation, the reasonable fees and disburse-
1973 ments of counsel for such Indemnitees in connection with any investigative, administrative or judicial
1974 proceeding, commenced or threatened, whether or not such Indemnatee shall be designated a party
1975 thereto) which may be imposed on, incurred by, or asserted against that Indemnatee, in any manner
1976 relating to or arising out hereof, any Swap Contract or any other Credit Document (including, without
1977 limitation, any misrepresentation by any Pledgor in this Agreement, any Swap Contract or any other
1978 Credit Document) (the "Indemnified Liabilities"); provided, however, that no Pledgor shall have any
1979 obligation to an Indemnatee hereunder with respect to Indemnified Liabilities to the extent it has been
1980 determined by a final decision (after all appeals and the expiration of time to appeal) of a court of
1981 competent jurisdiction that such Indemnified Liabilities arose from the gross negligence or willful
1982 misconduct of that Indemnatee. To the extent that the undertaking to indemnify, pay and hold harm-
1983 less set forth in the preceding sentence may be unenforceable because it is violative of any law or
1984 public policy, each Pledgor shall contribute the maximum portion which it is permitted to pay and
1985 satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by
1986 the Indemnitees or any of them.

1987 (ii) Survival. The obligations of the Pledgors contained in this Section 13.4 shall
1988 survive the termination hereof and the discharge of the Pledgors' other obligations under this Agree-
1989 ment, any Swap Contract and under the other Credit Documents.

1990 (iii) Reimbursement. Any amounts paid by any Indemnitee as to which such In-
1991 demnitee has the right to reimbursement shall constitute Obligations secured by the Pledged Collat-
1992 eral.

1993 SECTION 13.5 Continuing Security Interest; Assignment. This Agreement shall
1994 create a continuing security interest in the Pledged Collateral and shall (i) be binding upon the Pledg-
1995 ors, their respective successors and assigns and (ii) inure, together with the rights and remedies of the
1996 Paying Agent hereunder, to the benefit of the Paying Agent and the other Secured Parties and each of
1997 their respective successors, transferees and assigns. No other Persons (including, without limitation,
1998 any other creditor of any Pledgor) shall have any interest herein or any right or benefit with respect
1999 hereto. Without limiting the generality of the foregoing clause (ii), any Lender may assign or other-
2000 wise transfer any indebtedness held by it secured by this Agreement to any other Person, and such
2001 other Person shall thereupon become vested with all the benefits in respect thereof granted to such
2002 Lender, herein or otherwise, subject however, to the provisions of the Credit Agreement and any ap-
2003 plicable Swap Contract.

2004 SECTION 13.6 Termination; Release. When all the Obligations (other than con-
2005 tingent indemnification Obligations) have been paid in full and the Commitments of the Lenders to
2006 make any Loan or to issue any Letter of Credit under the Credit Agreement shall have expired or been
2007 sooner terminated, this Agreement shall terminate. Upon termination hereof or any release of
2008 Pledged Collateral in accordance with the provisions of the Credit Agreement, the Paying Agent shall,
2009 upon the request and at the sole cost and expense of the Pledgors, forthwith assign, transfer and de-
2010 liver to Pledgor, against receipt and without recourse to or warranty by the Paying Agent, such of the
2011 Pledged Collateral to be released (in the case of a release) as may be in possession of the Paying
2012 Agent and as shall not have been sold or otherwise applied pursuant to the terms hereof, and, with
2013 respect to any other Pledged Collateral, proper documents and instruments (including UCC-3 termi-
2014 nation statements or releases) acknowledging the termination hereof or the release of such Pledged
2015 Collateral, as the case may be.

2016 SECTION 13.7 Modification in Writing. No amendment, modification, supple-
2017 ment, termination or waiver of or to any provision hereof, nor consent to any departure by any
2018 Pledgor therefrom, shall be effective unless the same shall be made in accordance with the terms of
2019 the Credit Agreement and unless in writing and signed by the Paying Agent. Any amendment, modi-
2020 fication or supplement of or to any provision hereof, any waiver of any provision hereof and any con-
2021 sent to any departure by any Pledgor from the terms of any provision hereof shall be effective only in
2022 the specific instance and for the specific purpose for which made or given. Except where notice is
2023 specifically required by this Agreement or any other Credit Document, no notice to or demand on any
2024 Pledgor in any case shall entitle any Pledgor to any other or further notice or demand in similar or
2025 other circumstances.

2026 SECTION 13.8 Notices. Unless otherwise provided herein or in the Credit Agree-
2027 ment, any notice or other communication herein required or permitted to be given shall be given in
2028 the manner and become effective as set forth in the Credit Agreement, as to any Pledgor, addressed to
2029 it at the address of U.S. Borrower set forth in the Credit Agreement and as to the Paying Agent, ad-

2030 dressed to it at the address set forth in the Credit Agreement, or in each case at such other address as
2031 shall be designated by such party in a written notice to the other party complying as to delivery with
2032 the terms of this Section 13.8.

2033 SECTION 13.9 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS
2034 AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED
2035 BY, AND SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE
2036 LAWS OF THE STATE OF NEW YORK.

2037 SECTION 13.10 CONSENT TO JURISDICTION AND SERVICE OF PROCESS;
2038 WAIVER OF JURY TRIAL. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY
2039 PLEDGOR WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE SUPREME
2040 COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY, THE COURTS OF
2041 THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK AND
2042 APPELLATE COURTS OF ANY THEREOF, AND BY EXECUTION AND DELIVERY HEREOF,
2043 EACH PLEDGOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES,
2044 GENERALLY AND UNCONDITIONALLY, THE NONEXCLUSIVE JURISDICTION OF THE
2045 AFORESAID COURTS AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT
2046 RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. EACH PLEDGOR
2047 AGREES THAT SERVICE OF PROCESS IN ANY PROCEEDING MAY BE EFFECTED BY
2048 MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTAN-
2049 TIALY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO BORROWER AT ITS ADDRESS
2050 SET FORTH IN THE CREDIT AGREEMENT OR AT SUCH OTHER ADDRESS OF WHICH THE
2051 PAYING AGENT SHALL HAVE BEEN NOTIFIED PURSUANT THERETO. IF ANY AGENT
2052 APPOINTED BY ANY PLEDGOR REFUSES TO ACCEPT SERVICE, SUCH PLEDGOR
2053 HEREBY AGREES THAT SERVICE UPON IT BY MAIL SHALL CONSTITUTE SUFFICIENT
2054 NOTICE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY
2055 OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF THE PAYING
2056 AGENT TO BRING PROCEEDINGS AGAINST ANY PLEDGOR IN THE COURTS OF ANY
2057 OTHER JURISDICTION. THE PLEDGORS HEREBY IRREVOCABLY WAIVE ALL RIGHT TO
2058 A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF
2059 OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED
2060 HEREBY.

2061 SECTION 13.11 Severability of Provisions. Any provision hereof which is prohib-
2062 ited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of
2063 such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting
2064 the validity or enforceability of such provision in any other jurisdiction.

2065 SECTION 13.12 Execution in Counterparts. This Agreement and any amendments,
2066 waivers, consents or supplements hereto may be executed in any number of counterparts and by dif-
2067 ferent parties hereto in separate counterparts, each of which when so executed and delivered shall be
2068 deemed to be an original, but all such counterparts together shall constitute one and the same agree-
2069 ment.

2070 SECTION 13.13 Business Days. In the event any time period or any date provided
2071 in this Agreement ends or falls on a day other than a Business Day, then such time period shall be
2072 deemed to end and such date shall be deemed to fall on the next succeeding Business Day, and per-
2073 formance herein may be made on such Business Day, with the same force and effect as if made on
2074 such other day.

2075 SECTION 13.14 Relationship. The relationship of Paying Agent to each of the
2076 Pledgors hereunder is strictly and solely that of lender and borrower and pledgor and secured party
2077 and nothing contained in the Credit Agreement, this Agreement, any Swap Contract or any other
2078 document or instrument now existing and delivered in connection therewith or otherwise in connec-
2079 tion with the Obligations is intended to create, or shall in any event or under any circumstance be con-
2080 strued as creating a partnership, joint venture, tenancy-in-common, joint tenancy or other relationship
2081 of any nature whatsoever between Paying Agent and each of the Pledgors other than as lender and
2082 borrower and mortgagor and mortgagee.

2083 SECTION 13.15 Waiver of Stay. Each Pledgor agrees that in the event that such
2084 Pledgor or any property or assets of such Pledgor shall hereafter become the subject of a voluntary or
2085 involuntary proceeding under the Bankruptcy Code or such Pledgor shall otherwise be a party to any
2086 Federal or state bankruptcy, insolvency, moratorium or similar proceeding to which the provisions
2087 relating to the automatic stay under Section 362 of the Bankruptcy Code or any similar provision in
2088 any such law is applicable, then, in any such case, whether or not the Paying Agent has commenced
2089 foreclosure proceedings under this Agreement, the Paying Agent shall be entitled to relief from any
2090 such automatic stay as it relates to the exercise of any of the rights and remedies (including, without
2091 limitation, any foreclosure proceedings) available to the Paying Agent as provided in this Agreement
2092 or in any other Credit Document.

2093 SECTION 13.16 No Credit for Payment of Taxes or Imposition. Such Pledgor shall
2094 not be entitled to any credit against the principal, premium, if any, or interest payable under the Credit
2095 Agreement, and such Pledgor shall not be entitled to any credit against any other sums which may
2096 become payable under the terms thereof or hereof, by reason of the payment of any Tax on the
2097 Pledged Collateral or any part thereof.

2098 SECTION 13.17 No Claims Against Paying Agent. Nothing contained in this
2099 Agreement shall constitute any consent or request by the Paying Agent, express or implied, for the
2100 performance of any labor or services or the furnishing of any materials or other property in respect of
2101 the Pledged Collateral or any part thereof, nor as giving any Pledgor any right, power or authority to
2102 contract for or permit the performance of any labor or services or the furnishing of any materials or
2103 other property in such fashion as would permit the making of any claim against the Paying Agent in
2104 respect thereof or any claim that any Lien based on the performance of such labor or services or the
2105 furnishing of any such materials or other property is prior to the Lien hereof.

2106 SECTION 13.18 Obligations Absolute. All obligations of each Pledgor hereunder
2107 shall be absolute and unconditional irrespective of:

2108 (i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, com-
2109 position, liquidation or the like of any Pledgor or any other Loan Party;

2110 (ii) any lack of validity or enforceability of the Credit Agreement, any Swap
2111 Contract, any Letter of Credit or any other Credit Document, or any other agreement or in-
2112 strument relating thereto;

2113 (iii) any change in the time, manner or place of payment of, or in any other term
2114 of, all or any of the Obligations, or any other amendment or waiver of or any consent to any
2115 departure from the Credit Agreement, any Swap Contract, any Letter of Credit or any other
2116 Credit Document, or any other agreement or instrument relating thereto;

2117 (iv) any pledge, exchange, release or non-perfection of any other collateral, or
2118 any release or amendment or waiver of or consent to any departure from any guarantee, for all
2119 or any of the Obligations;

2120 (v) any exercise, non-exercise or waiver of any right, remedy, power or privilege
2121 under or in respect hereof, any Swap Contract or any other Credit Document except as spe-
2122 cifically set forth in a waiver granted pursuant to the provisions of Section 13.7 hereof; or

2123 (vi) any other circumstances which might otherwise constitute a defense available
2124 to, or a discharge of, any Pledgor.

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

BARZON CORPORATION,
as Pledgor and Guarantor

By: Michael J. Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

GREAT LAKES CORRUGATED CORP.,
as Pledgor and Guarantor

By: Michael J. Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

GREIF BROS. CORP OF OHIO, INC.,
as Pledgor and Guarantor

By: Michael J. Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

GREIF BROS. SERVICE CORP.,
as Pledgor and Guarantor

By: Michael J. Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

TAINER TRANSPORT, INC.,
as Pledgor and Guarantor

By: Michael J. Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

TREND-PAK, INC.,
as Pledgor and Guarantor

By: Michael J Barilla
Name: Michael J Barilla
Title: Vice President and Assistant Secretary

GREIF U.S. HOLDINGS,
as Pledgor and Guarantor

By: Michael J Barilla
Name: Michael J. Barilla
Title: Vice President and Assistant Secretary

AMERICAN FLANGE & MANUFACTURING
CO., INC.,
as Pledgor and Guarantor

By: Michael J Barilla
Name: Michael J. BARILLA
Title: Vice President and Assistant Secretary

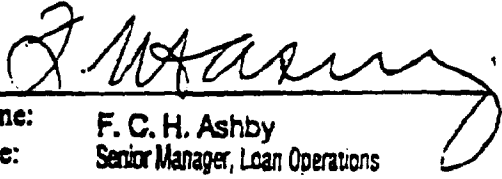
VAN LEER CONTAINERS, INC.,
as Pledgor and Guarantor

By: Michael J Barilla
Name: Michael J. BARILLA
Title: Vice President and Assistant Secretary

SIRCO SYSTEMS LLC,
as Pledgor and Guarantor

By: Michael J Barilla
Name: Michael J. BARILLA
Title: Vice President and Assistant Secretary

THE BANK OF NOVA SCOTIA,
as Paying Agent

By: 
Name: F. C. H. Ashby
Title: Senior Manager, Loan Operations

GREIF BROS. CORPORATION / MERRILL LYNCH & CO.
DISCLOSURE SCHEDULES
TO DOMESTIC GUARANTY AND SECURITY AGREEMENT

These Disclosure Schedules are delivered pursuant to the Domestic Guaranty and Security Agreement (the "Agreement") dated as of the date hereof by and among the domestic U.S. Subsidiaries (as "Guarantors" and "Pledgors") of Greif Bros. Corporation, a Delaware corporation (the "Company"), and the Paying Agent, all as set forth therein.

Terms defined in the Agreement will have the meanings given to them in the Agreement when used herein.

Schedule 1.1(a)

Initial Copyrights

None.

Schedules 1.1(c) and 1.1(d)

Initial Pledged Interests and Shares

| <u>Entity</u> | <u>Owner</u> | <u>Certificate No.</u> | <u>No. Shares/ Interests</u> | <u>Percent Pledged</u> |
|-------------------------------|------------------------------------|------------------------|----------------------------------|----------------------------|
| Barzon Corporation | Greif Bros. Corp. of Ohio, Inc. | 1 | 100 | 100 |
| Greif Netherlands Holdings BV | Greif U.S. Holdings, Inc. | | | 100 |
| Greif Spain Holdings, S.L. | Greif U.S. Holdings, Inc. | | | 100 |
| Sirco Systems LLC | Van Leer Containers, Inc. | [uncertificated] | | 100 |

Schedule 1.1(e)

Initial Intercompany Notes

None.

Schedule 1.1(f)

Initial Licenses Relating to Patents, Trademarks and Copyrights

None.

Schedule 1.1(g)

Patents

Attached is a list of Patents.

SCHEDULE 1.1(g)

Initial Patents

Greif Bros. Corp. of Ohio, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Patent Description</u> |
|----------------------------|--------------------------|----------------|---|
| 6024245 | 2/15/00 | US | One-Piece Blow Molded Closed Plastic Drum with Handling Ring and method of molding same |
| 6026980 | 2/22/00 | US | One-Piece Blow Molded Closed Plastic Drum with Handling Ring and method of molding same |
| 6047846 | 4/11/00 | US | Plastic Drum with Drain Sump |
| 6126213 | 10/3/00 | US | Container Clamping Ring with improved Lever and Thumb Latch |

SCHEDULE 1.1(g)

Initial Patents

Van Leer Containers, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Patent Description</u> |
|--------------------------------|------------------------------|----------------|--|
| 5238146 | 8/24/93 | US | Support Device to Facilitate Emptying of Containers |

SCHEDULE 1.1(g)

Initial Patents

American Flange & Manufacturing Co. Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Patent Description</u> |
|--------------------------------|------------------------------|----------------|----------------------------|
| 4442549 | 4/17/84 | US | Tear Open Closure Assembly |

Schedule 1.1(h)

Prior Liens

See Schedule 8.1(a) of the Credit Agreement.

Schedule 1.1(i)

Trademarks

See attached.

SCHEDULE 1.1(i)

Initial Trademarks

Greif Bros. Corp. of Ohio, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|----------------------------|--------------------------|----------------|------------------------------|
| 76-079219* | 6/26/00 | US | Qik-Vent |
| 76-050006* | 6/17/00 | US | Waste Pak |
| 76-027938* | 4/18/00 | US | Sure-Size Bag |
| 75-791398* | 8/25/99 | US | One Company One Vision |
| 75-791399* | 8/25/99 | US | Design Only |
| 2268177 | 8/10/99 | US | Greif |
| 2241796 | 4/27/99 | US | Globaltainer |
| 2159599 | 5/19/98 | US | Greif-soft |
| 2009209 | 10/15/96 | US | Thumb-tab |
| 1856772, | 10/4/94 | US | GBC |
| 580711 | 10/06/53 | US | GBC |
| 1727008 | 10/27/92 | US | Saf-T-Isolator |
| 1753928 | 2/23/93 | US | F-O-T |
| 1689066 | 5/26/92 | US | Dak Pak |
| 1717460 | 9/22/92 | US | Asep-T-Seal |
| 1677653 | 3/03/92 | US | Plast-I-Keg |
| 1650782 | 7/16/91 | US | Sonobulk |
| 1628277 | 12/18/90 | US | Sonoco Waste Pak |
| 1605585 | 7/10/90 | US | Sup-R-Chime |
| 1575031 | 1/2/90 | US | Harvestpak |
| 1563316 | 10/31/89 | US | Inkpak |

| | | | |
|---------|----------|----|-----------------------------|
| 1446341 | 7/07/87 | US | Close-Nest |
| 1401230 | 7/15/86 | US | ResponsePak |
| 1397378 | 6/17/86 | US | Design only (triangle logo) |
| 1308944 | 12/11/84 | US | Hot Flo |
| 1278988 | 5/22/84 | US | Displa-Tainer |
| 1299538 | 10/09/84 | US | Cheezpak |
| 1257390 | 11/15/83 | US | Saf-T-Drum |
| 1234274 | 4/12/83 | US | Series E |
| 1144200 | 12/23/80 | US | Plast-I-Barrel |
| 1152433 | 4/28/81 | US | Oak Water |
| 1100782 | 8/29/78 | US | Oak Decorator |
| 1073182 | 9/13/77 | US | Lube-Tainer |
| 1041792 | 6/22/76 | US | Plast-I-Chime |
| 1041347 | 6/15/76 | US | Plast-I-Cube |
| 1016253 | 7/22/75 | US | Nest-All |
| 926059 | 12/28/71 | US | Weather Lok |
| 926060 | 12/28/71 | US | Cust-M-Craft |
| 894866 | 7/21/70 | US | Weatherpak |
| 901659 | 11/03/70 | US | Stak-Tite GBC |
| 853912 | 8/06/68 | US | Norco |
| 850422 | 6/11/68 | US | Seed Craft |
| 853905 | 8/06/68 | US | Plast-I-Liner |
| 850039 | 6/04/68 | US | Plast-I-Lined |
| 836498 | 10/10/67 | US | Sterilpac |
| 781898 | 12/22/64 | US | Fibro-Fusion |
| 778006 | 10/06/64 | US | Blo-Lined |
| 761170 | 12/10/63 | US | Kube-Keg |

| | | | |
|--------|----------|----|-----------|
| 724655 | 12/05/61 | US | All-Fi |
| 678266 | 5/12/59 | US | Ro-Con |
| 674022 | 2/17/59 | US | Economy |
| 659178 | 3/11/58 | US | Lok-Rim |
| 603777 | 3/29/55 | US | Payoffpak |
| 612402 | 9/20/55 | US | AAPak |
| 612403 | 9/20/55 | US | Apak |
| 626729 | 5/15/56 | US | Upak |
| 415220 | 7/31/45 | US | Liquipak |
| 378735 | 6/18/40 | US | Leverpak |
| 158643 | 9/12/22 | US | Stapak |

* Pending

SCHEDULE 1.1(i)

Initial Trademarks

Great Lakes Corrugated Corp.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|--------------------------------|------------------------------|----------------|------------------------------|
| 1739806 | 12/15/92 | US | Opti-Stak |

SCHEDULE 1.1(i)

Initial Trademarks

Van Leer Containers, Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|--------------------------------|------------------------------|----------------|------------------------------|
| 2040611 | 2/25/97 | US | Packaging Perspectives |
| 2102714 | 10/07/97 | US | Containernet |
| 766675 | 3/17/64 | US | Monostress |
| 766541 | 3/17/64 | US | Monostress |

SCHEDULE 1,1(i)

Initial Trademarks

American Flange & Manufacturing Co., Inc.:

| <u>Registration Number</u> | <u>Registration Date</u> | <u>Country</u> | <u>Trademark Description</u> |
|----------------------------|--------------------------|----------------|------------------------------|
| 1732470 | 11/17/92 | US | Design only (Closure Flange) |
| 1381062 | 2/04/86 | US | Rip Cap |
| 799626 | 11/30/65 | US | Rip Cap |
| 1315820 | 1/22/85 | US | Polly-Vent |
| 1067094 | 7/07/77 | US | Tri-Sure |
| 532108 | 10/17/50 | US | Tri-Sure |
| 292449 | 3/15/32 | US | Tri-Sure |
| 976628 | 1/15/74 | US | Poly-Clad |
| 770485 | 5/26/64 | US | Polly-Press |
| 668482 | 10/14/58 | US | Uni-Grip |
| 629271 | 6/19/56 | US | Tab-Seal |
| 251206 | 1/01/29 | US | AF |

Schedule 4.3

Financing Statements and Other Filings

| Debtor | States | Counties |
|---------------------------|---|--|
| Greif U.S. Holdings, Inc. | Nevada (formation) | |
| Grief Bros. Corporation | Delaware (formation) Alabama Arkansas California Colorado Connecticut Florida Illinois Indiana Kansas Kentucky Maryland Massachusetts Michigan Minnesota Mississippi Missouri North Carolina Nebraska New Jersey New York Ohio Pennsylvania Tennessee Texas Virginia Washington West Virginia Wisconsin | Mobile County, Alabama Cullman County, Alabama Independence County, Arkansas Los Angeles County, California ¹ ContraCosta County, California ² San Bernardino County, California Orange County, California Merced County, California Santa Clara County, California San Joaquin County, California Denver County, Colorado Hartford City, Connecticut Windsor Locks Town, Connecticut Polk County, Florida ² Dekalb County, Georgia Cobb County, Georgia ¹ Bibb County, Georgia Franklin County, Georgia Gwinett County, Georgia Whitfield County, Georgia Adams County, Illinois Cook County, Illinois Will County, Illinois DuPage County, Illinois Marion County, Illinois Macon County, Illinois Dubois County, Indiana Wyandotte County, Kansas Cowley County, Kansas Johnson County, Kansas ¹ Boone County, Kentucky Kenton County, Kentucky ¹ Clark County, Kentucky Jefferson County, Kentucky Montgomery County, Kentucky |

¹ Plant Closed (operating lease).

² Plant closed (for sale).

Iberville Parish, Louisiana
 Baltimore County, Maryland
 Bristol County, Massachusetts
 West Springfield Town, Massachusetts
 Worcester City, Massachusetts
 Eaton County, Michigan
 Macomb County, Michigan
 Wayne County, Michigan
 Kent County, Michigan
 Ingham County, Michigan
 Midland County, Michigan
 Hennepin County, Minnesota
 Ramsey County, Minnesota³
 Dakota County, Minnesota
 Holmes County, Mississippi⁴
 Warren County, Mississippi
 Lincoln County, Missouri
 St. Louis County, Missouri
 Douglas County, Nebraska
 Monmouth County, New Jersey
 Middlesex County, New Jersey
 Bergen County, New Jersey
 Sussex County, New Jersey
 Union County, New Jersey⁴
 Erie County, New York
 Niagara County, New York⁴
 Onondaga County, New York
 Richmond County, New York
 Suffolk County, New York⁴
 Bladen County, North Carolina
 Mecklenberg County, NC
 Cabarrus County, North Carolina
 Noble County, Ohio
 Cuyahoga County, Ohio
 Franklin County, Ohio
 Delaware County, Ohio
 Darke County, Ohio
 Muskingum County, Ohio
 Seneca County, Ohio
 Stark County, Ohio
 Van Wert County, Ohio
 Licking County, Ohio³
 Lucas County, Ohio
 Mahoning County, Ohio⁴
 Noble County, Ohio
 Van Vert County, Ohio

(continued)

³ Plant closed (operating lease).

⁴ Plant closed (for sale).

| | | |
|---|---|--|
| | | Beaver County, Pennsylvania Delaware County, Pennsylvania Luzerne County, Pennsylvania Monroe County, Pennsylvania Washington County, Pennsylvania Venango County, Pennsylvania Chester County, Pennsylvania Sullivan County, Tennessee Shelby County, Tennessee ⁴ Brazoria County, Texas ⁴ Harris County, Texas Tarrant County, Texas McLennan County, Texas Amherst County, Virginia Nelson County, Virginia Page County, Virginia Clark County, Washington Cabell County, West Virginia Lewis County, West Virginia Wetzel County, West Virginia Sheboygan County, Wisconsin ⁴ |
| Greif Bros. Corp. of Ohio, Inc. | Delaware (formation) Ohio | Seneca County, Ohio Cuyahoga County, Ohio Stark County, Ohio Muskingum County, Ohio Delaware County, Ohio |
| Greif Bros. Service Corp. | Delaware (formation) Ohio | Delaware County, Ohio |
| Barzon Corporation | Delaware (formation) Ohio | Franklin County, Ohio |
| Great Lakes Corrugated Corp. | Ohio (formation) Iowa | Lucas County, Ohio Poweshiek County, Iowa Grinnell County, Iowa |
| Tainer Transport. Inc. | Delaware (formation) Ohio | Delaware County, Ohio |
| Trend Pak, Inc. | Ohio (formation) | Lucas County, Ohio |
| Van Leer Containers, Inc. | Delaware (formation) Georgia Illinois Kentucky Michigan Mississippi Missouri Ohio Pennsylvania Texas | Gwinett County, Georgia Cook County, Illinois Kankakee County, Illinois Boone County, Kentucky Midland County, Michigan Madison County, Mississippi Madison County, Missouri Seneca County, Ohio Darke County, Ohio Bucks County, Pennsylvania Harris County, Texas |
| American Flange & Manufacturing Co., Inc. | Delaware (formation) Illinois Alabama | DuPage County, Illinois |
| Sirco Systems LLC | Delaware (formation) | Jefferson County, Alabama |

2. Intellectual Property Filings

- a. United States Patent and Trademark Office

3. Other Filings.

- a. See 1 and 2 above.
b. For all foreign filings, please refer to foreign local counsel.

Schedule 5.10

Prior Corporate Names and Transactions

In addition to the corporate name of U.S. Borrower and the corporate names of the Domestic Guarantors set forth on Schedule 6.10 of the Credit Agreement, the following are the other corporate names used currently or in the past, including names of any entities acquired by U.S. Borrower and the Domestic Guarantors. All corporate names set forth below are/were used by U.S. Borrower unless otherwise noted.

DBA's and other corporate names:

1996-2000:

Soterra, Inc. - former name of Soterra, LLC
Michigan Packaging Company - entity contributed to CorrChoice
Narad, Incorporated – joint venture
Centralia Container, Inc.
Independent Container, Inc.
Kyowva Corrugated Container Company, Inc.
Kyowva Corrugated Container Co., Inc.
Decatur Container Corporation
Virginia Fibre Corporation
Greif Bros. of Virginia, Inc.
Greif Board Corporation
Down River International, Inc.
Down River Forest Products, Inc. (CA)
Down River Forest Products, Inc. (GA)
Down River Forest Products, Inc. (IL)
Down River Forest Products, Inc. (OR)
Down River Forest Products, Inc. (PA)
Down River Forest Products, Inc. (TX)
Down River Forest Products, Inc. (WA)
Aerobox Co.
Greif Fibre Drum, Inc.
Greif Plastic Drum, Inc.
Greif Plastic Drum SE, Inc.
Greif Plastic Drum SW, Inc.
TPS of GA, LLC

The following is detail on mergers and acquisitions for the past five years:

CorrChoice Joint Venture

On November 1, 1998, the Company entered into a Joint Venture Agreement with RDJ Holdings Inc. ("RDJ") and a minority shareholder of a subsidiary of Ohio Packaging Corporation (the "Minority Shareholder") to form CorrChoice, Inc. ("CorrChoice"). Pursuant to the terms of the Joint Venture Agreement, the Company contributed all of its stock of Michigan Packaging Company ("Michigan Packaging") and Ohio Packaging Corporation ("Ohio Packaging") in exchange for a 63.24% ownership interest in CorrChoice. RDJ and the Minority Shareholder contributed all of their stock of Ohio Packaging and its subsidiaries in exchange for a 36.76% ownership interest in CorrChoice.

Intermediate Bulk Containers ("IBC") Acquisition

On January 11, 1999, the Company purchased the assets of the IBC business from Sonoco Products Company ("Sonoco") for \$38,013,000 in cash. In addition, the Company paid \$234,000 in legal and professional fees related to the acquisition. Prior to the acquisition date, and subsequent to March 30, 1998, the Company marketed and sold IBCs under a distributorship agreement with Sonoco.

Great Lakes and Trend Pak Acquisitions

On April 5, 1999, the Company purchased the common stock of Great Lakes Corrugated Corp. ("Great Lakes") and Trend Pak, Inc. ("Trend Pak") from their shareholders for \$20,813,000 in cash.

Industrial Containers Business of Sonoco Acquisition

On March 30, 1998, pursuant to the terms of a Stock Purchase Agreement between the Company and Sonoco, the Company acquired the industrial containers business of Sonoco by purchasing all of the outstanding shares of KMI Continental Fibre Drum, Inc., a Delaware corporation ("KMI"), Sonoco

Plastic Drum, Inc., an Illinois corporation ("SPD"), GBC Holding Co., a Delaware corporation ("GBC Holding"), and Fibro Tambor, S.A. de C.V., a Mexican corporation ("Fibro Tambor") and the membership interest of Sonoco in Total Packaging Systems of Georgia, LLC, a Delaware limited liability company ("TPS"). KMI, SPD, GBC Holding, Fibro Tambor, TPS and their respective subsidiaries are in the business of manufacturing and selling plastic and fibre drums principally in the United States and Mexico and refurbishing and reconditioning plastic drums principally in the United States and Mexico.

As consideration for the shares of KMI, SPD, GBC Holding and Fibro Tambor and the membership interest of Sonoco in TPS, the Company paid \$182,895,000 in cash. The acquisition was funded through new long-term obligations.

RECORDED: 05/17/2001 _____

TRADEMARK
REEL: 002292 FRAME: 0695