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This document is intended
to be recorded in Shelby
County, Alabama

AMENDED AND RESTATED
MORTGAGE,
ASSIGNMENT OF LEASES, RENTS AND PROFITS,
FINANCING STATEMENT AND FIXTURE FILING

made by

PETROLANE INCORPORATED,
(Successor-In-Interest to Petrolane Gas Service
Limited Partnership)

as Mortgagor,

to

CHEMICAL BANK,

as Collateral Agent,

as Mortgagee

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
WHITE & CASE
1155 Avenue of the Americas
New York, New York 10036
Attention: Jeffrey J. Temple, Esq.

THIS MORTGAGE SECURES FUTURE
ADVANCES AND OBLIGATIONS.

NOTE TO RECORDER: This instrument should be indexed
against the following names:
(1) Petrolane Incorporated
(2) Petrolane Gas Service Limited
Partnership

Inst # 1993-21237

000043EW.W51

07/20/1993-21237
10:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
036 NJS 97.00

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
WHITE & CASE
1155 Avenue of the Americas
New York, New York 10036
Attention: Jeffrey J. Temple, Esq.

AMENDED AND RESTATED MORTGAGE,
ASSIGNMENT OF LEASES, RENTS AND PROFITS, FINANCING
STATEMENT AND FIXTURE FILING

AMENDED AND RESTATED MORTGAGE, ASSIGNMENT
OF LEASES, RENTS AND PROFITS, FINANCING STATEMENT AND FIXTURE
FILING, dated as of December 27, 1989 and
amended and restated as of July 12,
1993 (as amended, modified or supplemented from time to time,
this "Mortgage"), made by PETROLANE INCORPORATED, a
California corporation (the "Mortgagor"), in favor of
CHEMICAL BANK, as Collateral Agent (the "Mortgagee"), for the
benefit of (v) certain financial institutions (the "Term
Banks"), the Administrative Agent and the Co-Agent from time
to time party to the Term Credit Agreement referred to below
(such Term Banks, the Administrative Agent and the Co-Agent
are hereinafter called the "Term Bank Creditors"), (w)
certain financial institutions (the "Revolving Lenders") and
the Administrative Agent from time to time party to the
Revolving Credit Agreement referred to below (such Revolving
Lenders and the Administrative Agent are hereinafter called
the "Revolving Creditors"), (x) Metropolitan Life Insurance
Company ("Met Life"), as the initial holder of the Initial
Senior Notes referred to below (Met Life, together with any
subsequent holder or holders of the Initial Senior Notes are
hereinafter called the "Senior Noteholders"), (y) the holder
or holders from time to time of the Exchange Notes referred
to below, and any Representative (as defined in the

Intercreditor Agreement) acting on behalf of the holders of the Exchange Notes (such holders and Representative are hereinafter called the "Exchange Noteholders" and, together with the Senior Noteholders, are hereinafter called the "Senior Note Creditors") and (2) if any Term Bank in its individual capacity, or a syndicate of institutions organized by such Term Bank has entered, or in the future enters, into one or more interest rate protection agreements (including, without limitation, interest rate swaps, caps, floors, collars and similar agreements) with the Mortgagor related to payment obligations under the Term Credit Agreement (collectively, "Interest Rate Protection Agreements"), such Term Bank and any institutions which participate in the extension of such Interest Rate Protection Agreements with such Term Bank (the "Interest Rate Protection Creditors" and, together with the Term Bank Creditors, the Revolving Creditors and the Senior Note Creditors are hereinafter called the "Secured Creditors"). All capitalized terms used herein shall have the meanings provided in Section 4.01 of this Mortgage and, if not so defined herein, capitalized terms used herein and defined in the Term Credit Agreements (as in effect on the date hereof) shall be used herein as so defined.

W I T N E S S E T H :

WHEREAS, QFB Partners ("QFB"), the Term Banks, Mortgagee, as Administrative Agent (in such capacity and including any successor thereto, the "Administrative Agent") and Continental Bank N.A., as Co-Agent (in such capacity and including any successor thereto, the "Co-Agent"), have entered into a Credit Agreement, dated as of September 20, 1989 (as amended, modified or supplemented prior to the Effective Time, the "Original QFB Credit Agreement");

WHEREAS, Petrolane Gas Service Limited Partnership ("Petrolane"), the Term Banks, the Administrative Agent and the Co-Agent have entered into a Credit Agreement, dated as of September 20, 1989 (as amended, modified or supplemented prior to the Effective Time, the "Original Petrolane Credit Agreement" and, together with the Original QFB Credit Agreement, the "Original Credit Agreements");

WHEREAS, QFB and Met Life have entered into a Note Agreement, dated as of September 15, 1989 (as amended, modified or supplemented prior to the Effective Time, the "Original QFB Note Agreement");

WHEREAS, Petrolane, QFB, Mortgagor and Met Life have entered into a Note Agreement, dated as of September 15, 1989 (as amended, modified or supplemented prior to the Effective Time, the "Original Petrolane Note Agreement" and, together with the Original QFB Note Agreement, the "Original Note Agreements");

WHEREAS, QFB and Petrolane have each entered into Interest Rate Protection Agreements with one or more Interest Rate Protection Creditors;

WHEREAS, pursuant to the Plan of Reorganization, Mortgagor has succeeded to all of the existing rights, properties, assets, privileges, powers and obligations of each of QFB and Petrolane (including all of the obligations of QFB and Petrolane owing to the Term Banks, Met Life and the Interest Rate Protection Creditors under the Original Credit Agreements, the Original Note Agreements and the Interest Rate Protection Agreements, as the case may be);

WHEREAS, as part of the Restructuring, the Original Credit Agreements have been amended and restated in the form of an Amended and Restated Credit Agreement, dated as of September 20, 1989, and amended and restated as of July 12, 1993, among Mortgagor, the Term Banks, the Administrative Agent and the Co-Agent (as amended, modified or supplemented from time to time, the "Term Credit Agreement"), providing for the maintaining of Term Loans and the issuance of, and participation in, Letters of Credit as contemplated therein;

WHEREAS, as part of the Restructuring, the Original Note Agreements have been amended and restated in the form of an Amended and Restated Note Agreement, dated as of July 12, 1993, between Mortgagor and Met Life (as amended, modified or supplemented from time to time, the "Senior Note Agreement"), providing for the maintaining of \$200,000,000 in outstanding aggregate principal amount of Mortgagor's 10.50% Senior Secured Notes due 1999 (the "Initial Senior Notes") as contemplated therein, and pursuant thereto Mortgagor and Met Life have entered into certain arrangements permitting an exchange of the Initial Senior Notes for certain other notes (the "Exchange Notes" and, together with the Initial Senior Notes the "Senior Notes"), which Exchange Notes are to be issued pursuant to the Exchange Note Indenture;

WHEREAS, as part of the Restructuring, Mortgagor, the Revolving Lenders and the Administrative Agent have

entered into a Revolving Credit Agreement, dated as of July 12, 1993 (as amended, modified or supplemented from time to time, the "Revolving Credit Agreement"), providing for the making of Revolving Loans and the issuance of, and participation in, Revolving Letters of Credit (as defined in the Intercreditor Agreement) as contemplated therein;

WHEREAS, Mortgagor has maintained the Interest Rate Protection Agreements previously entered into by QFB and Petrolane, and Mortgagor may from time to time in the future enter into one or more Interest Rate Protection Agreements with one or more Interest Rate Protection Creditors;

WHEREAS, the Administrative Agent and the Collateral Agent on behalf of the Secured Creditors, Met Life, as the initial holder of the Initial Senior Notes, Mortgagor, AmeriGas and each other Credit Party have entered into the Intercreditor Agreement pursuant to which the Secured Creditors have appointed Chemical Bank to act as Collateral Agent for the Secured Creditors as specified therein;

WHEREAS, Petrolane and Mortgagee have entered into a Mortgage, Security Agreement, Assignment of Leases, Rents and Profits, Financing Statement and Fixture Filing, dated as of December 27, 1989 (as amended, modified or supplemented prior to the Effective Time, the "Original Mortgage");

WHEREAS, this Mortgage amends and restates the Original Mortgage in its entirety;

WHEREAS, it is a condition precedent to the Restructuring and to all extensions of credit under the Revolving Credit Agreement that Mortgagor shall have executed and delivered to Mortgagee this Mortgage; and

WHEREAS, Mortgagor desires to execute this Mortgage to satisfy the conditions described in the preceding paragraph;

WHEREAS, Mortgagor desires to execute this Mortgage to secure the following:

- (i) the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of
- (x) the principal of, and interest on (including any interest accruing after a Bankruptcy Event (as defined

in the Intercreditor Agreement), whether or not an allowable claim) the Term Notes issued, and Term Loans made, under the Term Credit Agreement, and all reimbursement obligations and Unpaid Drawings with respect to the Letters of Credit issued under the Term Credit Agreement and (y) all other obligations and indebtedness (including, without limitation, indemnities, expenses and fees and interest thereon) of Mortgagor to the Term Bank Creditors now existing or hereafter incurred under, arising out of, or in connection with, the Term Credit Agreement and the other Credit Documents and the due performance and compliance by Mortgagor with the terms, conditions and agreements contained in the Term Credit Agreement and the other Credit Documents;

(ii) the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of (x) the principal of, and interest on (including any interest accruing after a Bankruptcy Event, whether or not an allowable claim), the Revolving Notes issued, and Revolving Loans made, under, and as defined in, the Revolving Credit Agreement, and all reimbursement obligations and Unpaid Drawings with respect to the Revolving Letters of Credit issued under, and as defined in, the Revolving Credit Agreement and (y) all other obligations and indebtedness (including, without limitation, indemnities, expenses and fees and interest thereon) accruing of Mortgagor to the Revolving Creditors now existing or hereafter incurred under, arising out of, or in connection with, the Revolving Credit Agreement and the other Revolving Credit Documents and the due performance and compliance by Mortgagor with the terms, conditions and agreements contained in the Revolving Credit Agreement and the other Revolving Credit Documents;

(iii) the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of (x) principal of, prepayment charge, if any, with respect to and interest on (including any interest accruing after a Bankruptcy Event, whether or not an allowable claim), the Initial Senior Notes and (y) all other obligations and indebtedness (including, without limitation, indemnities, fees and expenses and interest thereon and the Applicable Prepayment Charges and Additional Amount respectively defined in the Senior Note Agreement) of Mortgagor to the Senior Noteholders now existing or hereafter incurred under, arising out

of, or in connection with, the Initial Senior Notes, the Senior Note Agreement and the other Senior Note Documents and the due performance and compliance by Mortgagor with the terms, conditions and agreements contained therein;

(iv) the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of (x) the principal of, prepayment charge or premium, if any, with respect to, and interest on (including any interest accruing after a Bankruptcy Event, whether or not an allowable claim), the Exchange Notes and (y) all other obligations and indebtedness (including, without limitation, indemnities, fees and expenses and interest thereon) of Mortgagor to the Exchange Noteholders or their Representative now existing or hereafter incurred under, arising out of, or in connection with, the Exchange Notes, the Exchange Notes Indenture and the other Exchange Note Documents and the due performance and compliance by Mortgagor with the terms, conditions and agreements contained therein;

(v) the full and prompt payment when due (whether at the stated maturity, by acceleration or otherwise) of all obligations and liabilities owing by Mortgagor to the Interest Rate Protection Creditors under, or with respect to, any Interest Rate Protection Agreement whether such Interest Rate Protection Agreement is now in existence or hereafter arising, and the due performance and compliance by Mortgagor with the terms, conditions and agreements contained therein;

(vi) the prompt and faithful payment of all sums, if any, as may be expended or advanced by Mortgagee in the payment, performance, discharge or observance of any obligation, covenant, agreement, condition, representation, warranty, indemnity or liability of Mortgagor hereunder, together with interest thereon; and

(vii) the prompt and faithful payment, performance, discharge and observance of any and all other indebtedness, obligations, covenants, agreements, conditions, representations, warranties, indemnities and liabilities which this Mortgage by its terms secures

(all of the foregoing matters specified in paragraphs (i) through (vii) hereof being collectively referred to herein as the "Obligations"); and

WHEREAS, this Mortgage is one of a number of mortgages and/or deeds of trust given pursuant to the Financing Agreements (as used herein, the term "Financing Agreements" shall mean the Credit Documents, the Revolving Credit Documents, the Senior Note Documents, the Exchange Note Documents and the Interest Rate Protection Agreements). Each and every term and provision of the Financing Agreements, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of all parties thereto are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Mortgage.

NOW, THEREFORE, in consideration of the benefits accruing to Mortgagor, the receipt and sufficiency of which are hereby acknowledged, (i) the Original Mortgage shall be amended and restated in its entirety in the form of this Mortgage and (ii) MORTGAGOR HEREBY GIVES, GRANTS, BARGAINS, SELLS AND CONFIRMS TO MORTGAGEE all of its estate, right, title and interest, whether now owned or hereafter acquired, in and to that property described on Exhibit A hereto, which Exhibit A is incorporated herein by reference.

The property described in Exhibit A includes either one or more fee estates and/or one or more leasehold estates in the land described in Exhibit A (the "Land") and in the buildings and improvements now or hereafter erected on the Land (collectively, the "Improvements") and all personal property, including, but not limited to, that portion of the personal property that constitutes fixtures, attachments, appliances, equipment, machinery and other tangible personal property now or hereafter attached to said Improvements or now or at any time hereafter located on the Land and/or Improvements and necessary for the continued operation of the Land and/or Improvements (hereinafter sometimes collectively referred to as the "Equipment"). The Land, the Improvements, the Equipment and all other property and interests and appurtenant rights and easements described below as being subject to this Mortgage are herein referred to collectively as "this Property";

TOGETHER with all appurtenant rights and easements, rights of way, and other rights used in connection with the Land and/or the Improvements;

TOGETHER with all of Mortgagor's right, title and interest in, to and under leasehold estates, and in any or other agreements, relating to the use and occupancy of the Land and/or the Improvements or any portion thereof;

TOGETHER with all rents, issues and profits of this Property (collectively, "Rents");

TOGETHER with all the right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereafter acquire in this Property, and any and all awards made for the taking by eminent domain, or by any proceedings or purchase in lieu thereof, of the whole or any part of this Property; and

TOGETHER with, if Exhibit A includes a leasehold estate, all right, title and interest of Mortgagor in and to all modifications, extensions and renewals of such lease and to all rights to renew or extend the term of the lease and all credits, deposits, options, privileges and rights of Mortgagor, as lessee thereunder, and any modifications, extensions and renewals thereof.

TOGETHER with (i) all general intangibles, contract rights and accounts receivable arising from any of the foregoing, (ii) any and all replacements and renewals of or additions and substitutions to any of the foregoing and (iii) all proceeds of any of the foregoing.

The entire estate, property and interest hereby mortgaged to Mortgagee may be referred to herein as the "Mortgaged Property" as well as "this Property".

TO HAVE AND TO HOLD as provided herein the above granted and described Mortgaged Property unto Mortgagee and to its successors and assigns forever, and Mortgagor hereby binds itself and its successors and assigns to warrant and forever defend the Mortgaged Property unto Mortgagee, its successors and assigns against the claim or claims of all persons claiming or to claim the same, or any part thereof.

PROVIDED, HOWEVER, that upon payment in full of the Obligations and the termination of all Financing Agreements and letters of credit and commitments thereunder, this Mortgage and the Original Mortgage will be discharged and satisfied or assigned at Mortgagor's option, by Mortgagee (without recourse and without any representation or warranty), at the expense of Mortgagor at its written request.

This Mortgage constitutes a Security Agreement, Fixture Filing and Financing Statement as those terms are

used in the Uniform Commercial Code as in effect in the State in which this Property is located (the "Code").

AND TO PROTECT THE SECURITY OF THIS MORTGAGE, Mortgagor covenants and agrees with Mortgagee for the benefit of the Secured Creditors as follows:

ARTICLE I

REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF MORTGAGOR

1.01 Title to this Property. Subject to the terms of the Financing Agreements, Mortgagor represents and warrants (a) that it has fee simple title to, or a valid leasehold interest pursuant to the Ground Lease (as hereinafter defined) in, this Property, free and clear of any liens and encumbrances other than Permitted Encumbrances; (b) that this Mortgage is a valid first lien upon this Property; (c) that Mortgagor has full power and lawful authority to encumber this Property in the manner set forth herein; and (d) that there are no defenses or offsets to this Mortgage or to the Obligations which it secures. Mortgagor shall, subject to Permitted Encumbrances, preserve such title and the validity and priority of this Mortgage and shall forever warrant and defend the same to Mortgagee against the claims of all persons and parties whatsoever.

1.02 Operation of this Property. Mortgagor during the term hereof will obtain and maintain all material licenses, authorizations, permits and/or approvals necessary for the ownership, operation and management of this Property, including, without limitation, all required environmental permits.

1.03 Payment and Performance of Obligations. Mortgagor shall pay all of the Obligations when due and without offset or counterclaim, and shall observe and comply in all respects with all of the terms, provisions, conditions, covenants and agreements to be observed and performed by it under this Mortgage, the Financing Agreements and all other documents evidencing or securing the Obligations or delivered in connection therewith.

1.04 Maintenance, Repair, Alterations, Etc. Subject to the terms of the Financing Agreements, Mortgagor will: keep and maintain this Property in good condition and repair; make or cause to be made, as and when necessary, all

repairs, renewals and replacements, structural and nonstructural, exterior and interior, ordinary and extraordinary, foreseen and unforeseen which are necessary to so maintain this Property; restore any Improvement which may be damaged or destroyed so that the same shall, to the extent permitted by applicable law be at least equal to its value, condition and character immediately prior to the damage or destruction, and promptly pay when due all claims for labor performed and materials furnished therefor; comply with all laws, ordinances, regulations, covenants, conditions and restrictions (collectively, a "Law") now or hereafter affecting this Property or any part thereof or the use thereof or requiring any alterations or improvements except such instances of noncompliance as would not, individually or in the aggregate, have a material adverse effect on the business, assets or financial condition of the Mortgagor and its Subsidiaries taken as a whole; not commit or permit any waste or deterioration (usual wear and tear excepted) of this Property; comply with the provisions of any lease, easement or other agreement affecting all or any part of this Property; and not permit the Improvements or any part thereof to become deserted or unguarded.

1.05 Required Insurance. To the extent not inconsistent with a Ground Lease, if any, Mortgagor will, at its expense, at all times provide, maintain and keep in force policies of insurance to the extent required by the terms of the Financing Agreements.

1.06 Policy Provisions, Etc. (a) Each policy of insurance maintained by Mortgagor pursuant to Section 1.05 shall (i) name Mortgagee as an additional insured, as its interest may appear with respect to liability insurance coverage; (ii) contain the standard non-contributory mortgagee clause endorsement in favor of Mortgagee with respect to hazard insurance coverage; (iii) name Mortgagee as loss payee and provide that all insurance proceeds for losses with respect to hazard insurance coverage be adjusted and be payable in accordance with Section 1.07 hereof; (iv) include effective waivers by the insurer of all rights of subrogation against any named insured; (v) except in the case of public liability insurance and workers' compensation insurance, provide that any losses shall be payable notwithstanding (A) any act, failure to act, negligence of, or violation or breach of warranties, declarations or conditions contained in such policy by Mortgagor or Mortgagee or any other named insured or loss payee, (B) the occupation or use of the insured properties for purposes more hazardous than those permitted by the terms of the policy, if such coverage is

obtainable at commercially reasonable rates and is of the kind from time to time customarily insured against by persons owning or using property similar to this Property and in such amounts as are customary, (C) any foreclosure or other proceeding or notice of sale relating to the insured properties or (D) any change in the title to or ownership or possession of the insured properties; (vi) provide that if all or any part of such policy is cancelled, terminated or expires, the insurer will forthwith give notice thereof to each named insured and loss payee and that no cancellation, termination, expiration or reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by each named insured and loss payee of written notice thereof; and (vii) not be subject to a deductible in excess of (x) \$1,000,000, for the period through and including August 1, 1993 and (y) for all periods thereafter, the lower of (a) that amount maintained by AmeriGas or AmeriGas Propane with respect to similar insurance maintained by such Persons and (b) \$3,000,000.

(b) Mortgagor shall pay as and when the same become due and payable the premiums for all insurance policies that Mortgagor is required to maintain hereunder, and all such policies shall be non-assessable and contain such expiration dates as Mortgagee may require. Mortgagor will deliver to Mortgagee concurrently herewith original certificates setting forth in reasonable detail the terms (including, without limitation, any applicable notice requirements) of all insurance policies that Mortgagor is required to maintain hereunder.

(c) Not later than thirty (30) days prior to the expiration, termination or cancellation of any insurance policy which Mortgagor is required to maintain hereunder, Mortgagor shall obtain a replacement policy or policies (or a binding commitment for such replacement policy or policies), which shall be effective no later than the date of the expiration, termination or cancellation of the previous policy.

(d) All insurers shall be authorized to issue insurance in the State in which this Property is located and all insurers and reinsurers shall have the A.M. Best rating of "A" or better and a financial size rating of XII in the current edition of Best Insurance Reports or such other ratings as shall be acceptable to Mortgagee in its sole discretion.

1.07 Insurance Proceeds. (a) Mortgagor shall give prompt written notice to Mortgagee of the occurrence of any damage to or destruction of the Improvements (which term as used in this Section 1.07 shall include Equipment) in excess of \$250,000.

(b) Unless otherwise required by a Ground Lease, and subject to any lien which is a Permitted Encumbrance, in the event of any damage to or destruction of the Improvements or any part thereof and if Mortgagor shall elect not to repair or restore the Improvements, or if an Event of Default shall have occurred and be continuing hereunder, Mortgagee shall receive all proceeds of casualty insurance and shall apply such proceeds to the payment of the Obligations in accordance with Section 4.12 hereof.

(c) Unless otherwise required by a Ground Lease, and subject to any Lien which is a Permitted Encumbrance, in the event of any damage to or destruction of the Improvements, and if Mortgagor shall elect to repair or restore the Improvements, and if an Event of Default shall not have occurred and be continuing hereunder, Mortgagor shall be entitled to receive all insurance proceeds and Mortgagor shall apply such proceeds to the payment of the costs and expenses of repairing and restoring the Improvements.

(d) Unless otherwise required by a Ground Lease, and subject to any Lien which is a Permitted Encumbrance, if Section 1.07(b) shall be applicable, Mortgagee shall have the right to settle, adjust or compromise any claim under any policy of insurance. In all other cases, Mortgagor may settle, adjust or compromise any claim.

(e) Mortgagor shall repair and restore all damage or destruction to the Improvements, regardless of whether there are insurance proceeds available or whether any such proceeds are sufficient in amount.

1.08 Indemnification; Subrogation; Waiver of Offset. If Mortgagee or any of the Secured Creditors is made a party defendant to any litigation concerning this Mortgage or this Property or any part thereof, or the construction, operation or occupancy of the Improvements by Mortgagor or anyone else, Mortgagor shall indemnify, defend and hold Mortgagee and the Secured Creditors harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Mortgagee or the Secured Creditors in any such litigation, whether or not any such litigation is prosecuted to judgment; provided, however,

that nothing herein shall be deemed to require Mortgagor to indemnify, defend and hold harmless Mortgagee or any Secured Creditor with respect to the gross negligence or willful misconduct of Mortgagee or such Secured Creditor. If Mortgagor breaches any term of this Mortgage, Mortgagee may employ an attorney or attorneys to protect its rights hereunder, and Mortgagor shall pay the reasonable attorneys' fees and expenses incurred by Mortgagee, whether or not an action is actually commenced against Mortgagor by reason of such breach. The foregoing indemnification shall survive the repayment of the Obligations.

1.09 Impositions. (a) Mortgagor will pay or cause to be paid when due all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, which are assessed or imposed upon any of this Property, or arising in respect of the operation, occupancy, use or possession thereof (all of which taxes, assessments and other governmental or nongovernmental charges of like or different nature are hereinafter referred to as "Impositions"); provided, however, that if, by Law, any such Imposition is payable, or may at the option of the payer be paid, in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same may become due.

(b) If under the provisions of any Law now or hereafter in effect there shall be assessed or imposed: (i) a tax or assessment on this Property in lieu of or in addition to the Impositions payable by Mortgagor pursuant to subparagraph (a) of this Section 1.09, or (ii) a license fee, tax or assessment imposed on Mortgagee and measured by or based in whole or in part upon the amount of the outstanding Obligations, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) of this Section 1.09, and Mortgagor shall pay and discharge or cause to be paid and discharged the same as herein provided or shall reimburse or otherwise compensate Mortgagee for the payment thereof. Anything to the contrary herein notwithstanding, Mortgagor shall not have any obligation to pay any franchise, doing business, estate, inheritance, income, excess profits or similar taxes levied on Mortgagee or on the Obligations.

(c) Mortgagor covenants to furnish to Mortgagee, promptly following Mortgagee's request, official receipts of the appropriate taxing or other authority, or other proof reasonably satisfactory to Mortgagee, evidencing the payment of Impositions.

(d) Mortgagor will pay all taxes, charges, filing, registration and recording fees, excises and levies imposed in connection with the recording of this Mortgage or imposed upon Mortgagee by reason of its ownership of this Mortgage, other than income, estate, inheritance, excess profits, franchise and doing business taxes or similar taxes, and shall pay any and all stamp taxes and other taxes required to be paid on any of the Obligations. In the event Mortgagor fails to make any such payment within thirty (30) days after written notice thereof from Mortgagee, then Mortgagee shall have the right, but shall not be obligated to, pay the amount due and Mortgagor shall, on demand, reimburse Mortgagee for said amount.

1.10 Utilities. Mortgagor will pay when due all utility charges which are incurred by Mortgagor for the benefit of this Property or which may become a charge or lien against this Property for gas, electricity, steam, water or sewer services furnished to this Property and all other assessments or charges of a similar nature, whether public or private, affecting this Property whether or not such taxes, assessments or charges are liens thereon.

1.11 Actions Affecting this Property. Mortgagor will appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee hereunder; and Mortgagor will pay all costs and expenses incurred by Mortgagor, including cost of evidence of title and attorneys' fees, in any such action or proceeding.

1.12 Condemnation. (a) Should this Property or any part thereof or interest therein be taken or damaged by reason of any public improvements or condemnation proceeding or in any other similar manner ("Condemnation"), or should Mortgagor receive any notice or other information thereof, Mortgagor shall give prompt written notice thereof to Mortgagee.

(b) Unless otherwise required by a Ground Lease, if any, and subject to any Lien which is a Permitted Encumbrance, in the event of a Condemnation of this Property or any part thereof and if Mortgagor shall elect not to repair or restore this Property, or if an Event of Default shall have occurred and be continuing hereunder, Mortgagee shall receive all compensation, awards and other payments or relief therefor made or granted (the "Proceeds") and shall be entitled, at Mortgagee's option, to commence, appear in and prosecute in its own name any action or proceeding in connection therewith. All Proceeds shall be deemed assigned to

Mortgagee, and Mortgagor agrees to execute such further assignments of the Proceeds as Mortgagee may require. Mortgagee shall have the right to receive and apply all such Proceeds in the manner set forth in Section 1.07(b) hereof as if the Proceeds were insurance proceeds. Such application or release shall not, by itself, cure or waive any default hereunder or notice of default under this Mortgage or invalidate any act done pursuant to such notice, and shall affect the lien of this Mortgage only to the extent of a reduction in the amount of said lien by the amount so applied.

(c) Unless otherwise required by a Ground Lease, if any, and subject to any Lien which is a Permitted Encumbrance, in the event of a Condemnation and if Mortgagor shall elect to repair and restore this Property, if an Event of Default shall not have occurred and be continuing hereunder, Mortgagor shall be entitled to receive all Proceeds and Mortgagor shall apply the Proceeds to the payment of the costs and expenses of repairing and restoring this Property.

(d) If Section 1.12(b) shall govern, Mortgagee alone shall have the right to settle, adjust or compromise any claim in connection with a Condemnation of this Property. In all other cases Mortgagee and Mortgagor shall consult and cooperate with each other and each shall be entitled to participate in all meetings and negotiations with respect to the settlement of such claim.

1.13 Additional Security. In the event Mortgagee at any time holds additional security for any of the Obligations, it may enforce, sell or otherwise realize upon the same, at its option, either before or concurrently herewith or after enforcing its remedies hereunder.

1.14 Successors and Assigns. This Mortgage applies to, inures to the benefit of and binds the parties hereto, the Secured Creditors and their respective successors and assigns (including the successor to Mortgagor pursuant to the Company Merger).

1.15 Inspections. Mortgagor hereby authorizes Mortgagee, its agents, representatives or workmen, to enter upon or in any part of this Property for the purpose of inspecting the same, and for the purpose of performing any of the acts which Mortgagee is authorized to perform under the terms of this Mortgage in the manner provided in the Financing Agreements.

1.16 Environmental Protection Matters. Mortgagor shall comply at all times with all Environmental Laws relating to the Property except to the extent such noncompliance would not, either individually or in the aggregate, have a material adverse effect on the business, assets or financial condition of Mortgagor and its Subsidiaries taken as a whole. Mortgagor shall defend, indemnify and hold Mortgagee and the Secured Creditors harmless from and against any and all obligations, costs, losses, claims, damages, penalties, forfeitures, suits, liabilities and reasonable expenses (including, but not limited to, costs of defense, settlement, investigation and legal expenses) incurred by Mortgagee and the Secured Creditors in connection with the existence of Hazardous Substances at this Property; provided, however, that nothing herein shall be deemed to require Mortgagor to indemnify, defend and hold harmless Mortgagee or any Secured Creditor with respect to the gross negligence or willful misconduct of Mortgagee or such Secured Creditor. The foregoing indemnification shall survive the repayment of the Obligations.

1.17. Fixture Filing and Financing Statement. This Mortgage constitutes a Fixture Filing and Financing Statement as those terms are used in the Code.

ARTICLE II

ASSIGNMENT OF LEASES, RENTS AND PROFITS

2.01 Assignment. To further secure the indebtedness secured hereby, Mortgagor hereby sells, assigns and transfers unto Mortgagee for the benefit of the Secured Creditors all the Rents now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of this Property or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute transfer and assignment of all such leases and agreements, and all the avails thereunder, to Mortgagee and not merely the passing of a security interest. Mortgagor hereby irrevocably appoints Mortgagee its true and lawful attorney in its name, place and stead (with or without taking possession of this Property as provided in Section 3.02(a) hereof) to rent, lease or let all or any portion of this

Property to any party or parties at such rental and upon such terms as Mortgagee shall, in its discretion, determine, and to collect all of said Rents arising from or accruing at any time hereafter, and all now due or that may hereafter become due under each and every of the leases and agreements, written or verbal, or other tenancy existing, or which may hereafter exist on this Property, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Mortgagee would have upon taking possession pursuant to the provisions of Section 3.02(a) hereof. Mortgagor represents and agrees that except with the prior written approval of Mortgagee, no Rent has been or will be paid by any person in possession of any portion of this Property for more than one installment in advance and that the payment of none of the Rents to accrue for any portion of this Property will be waived, released, reduced, discounted or otherwise discharged or compromised by Mortgagor, except as may be approved in writing by Mortgagee. As between Mortgagor and Mortgagee, Mortgagor waives any rights of set-off against any person in possession of any portion of this Property. Mortgagor agrees that it will not assign any of the Rents of this Property. Nothing herein contained shall be construed as constituting Mortgagee a mortgagee in possession in the absence of the taking of actual possession of this Property by Mortgagee pursuant to Section 3.02(a) hereof. In the exercise of the powers herein granted Mortgagee, no liability shall be asserted or enforced against Mortgagee, all such liability being expressly waived and released by Mortgagor. Mortgagor further agrees to assign and transfer to Mortgagee all future leases upon all or any part of this Property and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in this Property as Mortgagee shall from time to time reasonably require. Although it is the intention of the parties that the assignment contained in this Section 3.01 shall be a present absolute assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Mortgagee shall not exercise any of the rights or powers conferred upon it by this Section until a default shall have occurred under this Mortgage or any other instrument evidencing or securing the indebtedness secured hereby and the default shall not have been cured within the applicable grace period provided therefor, if any.

ARTICLE III

EVENTS OF DEFAULT AND REMEDIES

3.01 Events of Default. The occurrence of any of the following specified events shall constitute an "Event of Default" hereunder:

(a) An "Event of Default" as defined in any of the Financing Agreements shall occur and be continuing; or

(b) Mortgagor shall default in the due performance by it of any term, covenant or agreement contained in this Mortgage, and such default shall continue unremedied for a period of thirty (30) days after written notice to Mortgagor by Mortgagee; provided, however, that if such default is not susceptible of complete cure within such thirty (30) day period and Mortgagor has commenced to cure within such period, no Event of Default shall be deemed to have occurred if Mortgagor diligently and continuously prosecutes such cure to completion and (i) if in Mortgagee's reasonable judgment such failure is material, such cure is completed within sixty (60) days after notice to Mortgagor that Mortgagee deems such failure to be material or (ii) if such cure or a partial cure is required by Law within a certain time period, such cure or such partial cure is completed within such time period or any period during which Mortgagor in good faith contests such Law, and Mortgagor provides Mortgagee for the benefit of the Secured Creditors with a bond, if required by law or requested by Mortgagee, or other collateral in an amount sufficient to assure the cure and to pay any damages resulting from the delay caused by such contest, or (iii) if in Mortgagee's reasonable judgment such cure or a partial cure may be required to be completed in a shorter period in order to prevent imminent risk of damage to property or imminent risk of danger to health and safety as specified in a notice from Mortgagee to Mortgagor, the portion of such cure necessary to eliminate such risks is completed within such shorter period.

3.02 Remedies Upon Default. If an Event of Default shall occur and be continuing, Mortgagee may:

(a) either in person or by agent with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy

of its security, enter upon and take possession of this Property or any part thereof, in its own name or in the name of Mortgagor, and do or cause to be done any acts which it deems necessary or desirable to preserve the value of this Property or any part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of this Property, make, cancel or modify leases and sue for or otherwise collect the Rents thereof, including those past due and unpaid, and apply the same, less costs of operation and collection, including attorney's fees, to the payment of the Obligations in accordance with Section 4.12 hereof. The entering upon and taking possession of this Property, the collection of such Rents and the application thereof as aforesaid, shall not, by itself, cure or waive any Event of Default or notice of default hereunder or invalidate any act done in response to such Event of Default or pursuant to such notice of default hereunder or invalidate any act done in response to such Event of Default or pursuant to such notice of default and, notwithstanding the continuance in possession of this Property or the collection, receipt and application of Rents, Mortgagee shall be entitled to exercise every right provided for herein or in the Agreements or at law or in equity upon the occurrence of any Event of Default;

(b) commence and maintain one or more actions at law or in equity or by any other appropriate remedy (i) to protect and enforce Mortgagee's rights, whether for the specific performance of any covenant or agreement herein contained (which covenants and agreements Mortgagor agrees shall be specifically enforceable by injunctive or other appropriate equitable remedy), (ii) to collect any sum then due hereunder, (iii) to aid the execution of any power herein granted, or (iv) to foreclose this Mortgage, without prejudice to the right of Mortgagee thereafter to pursue and enforce any other appropriate remedy against Mortgagor; and

(c) exercise any or all of the remedies available to a secured party under the Alabama Uniform Commercial Code; and

(d) subject to the terms of the Financing Agreements, by notice to the Mortgagor, but without formal demand, presentment, notice of intention to accelerate or of acceleration, protest or notice of protest, all of which are hereby waived by the Mortgagor,

declare all of the indebtedness secured hereby to be immediately due and payable, and upon such declaration all of such indebtedness shall become and be immediately due and payable, anything in this Mortgage to the contrary notwithstanding.

3.03 Right of Foreclosure. Mortgagee shall have the right, at its option, to proceed at law or in equity to foreclose fully or partially this Mortgage, any statute or rule of law at any time existing to the contrary notwithstanding. Mortgagee may, to the extent permitted by law, adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by an applicable provision of law, Mortgagee may make such sale at the time and place to which the same shall be so adjourned. With respect to all components of the Mortgaged Property, except the Land and the Improvements, Mortgagee is hereby irrevocably appointed the true and lawful attorney of Mortgagor (coupled with an interest), in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Mortgaged Property, exclusive of the Land and the Improvements, and for that purpose Mortgagee may execute all necessary instruments of conveyance, assignment, transfer and delivery, and may substitute one or more persons with such power, Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Notwithstanding the foregoing, Mortgagor, if so requested by Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of Mortgagee, for such purpose, and as may be designated in such request. To the extent permitted by law, any such sale or sales made under or by virtue of this Article III shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof, from, through or under Mortgagor. Upon any sale made under or by virtue of this Article III, Mortgagee may, to the extent permitted by law, bid for and acquire the Mortgaged Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Obligations secured hereby the net sales price after deducting therefrom the expenses of the sale and

the cost of the action and any other sums which Mortgagee is authorized to deduct by Law or under this Mortgage.

3.04 Sale of Premises Pursuant to Power of Sale.

If an Event of Default shall have occurred Mortgagee may sell the Mortgaged Property at public outcry to the highest bidder for cash in front of the Court House door in the county where said property is located, either in person or by auctioneer, after having first given twenty-one (21) days' notice of the time, place and terms of sale, together with a description of the property to be sold, by publication once a week for three (3) successive weeks prior to said sale in some newspaper published in said county, and, upon payment of the purchase money, Mortgagee or any person conducting the same for Mortgagee is authorized to execute to the purchaser at said sale a deed to the premises so purchased. Mortgagee may bid at said sale and purchase said premises, or any part thereof, if the highest bidder therefor. The Mortgaged Property, whether real, personal or mixed, may be sold for cash or credit as an entirety or in parcels, by one sale or by several sales held at one time or at different times, all as Mortgagee, in its unrestricted discretion, may elect, and Mortgagor, for and on behalf of itself and all persons claiming by, through or under Mortgagor, waives any and all right to have the property and estates comprising the Mortgaged Property marshalled upon any foreclosure sale. The proceeds of any foreclosure sale pursuant to this Paragraph 3.04 shall be applied as follows:

(a) First, to the expenses of making the sale, including a reasonable attorney's fee for such services as may be necessary in the collection of said indebtedness or the foreclosure of this mortgage;

(b) Second, to the repayment of any money, with interest thereon, which Mortgagee may have paid, or become liable to pay, or which it may then be necessary to pay for taxes, insurance, assessments or other charges, liens, or debts as hereinabove provided;

(c) Third, to the payment and satisfaction of the indebtedness and obligations hereby specially secured with interest to date of sale, and to the payment of any and all other debts, obligations and liabilities hereby secured, principal and interest, whether such debts, obligations and liabilities be then due or not; and

(d) Fourth, the balance, if any, shall be paid to the party or parties appearing of record to be the owner of

the premises at the time of the sale after deducting any expense of ascertaining who is such owner.

3.05 Appointment of Receiver. If an Event of Default shall have occurred and be continuing, Mortgagee as a matter of right and without notice to Mortgagor or anyone claiming under Mortgagor, and without regard to the then value of this Property or the interest of Mortgagor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of this Property, and Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Mortgagee in case of entry as provided in subparagraph 3.02(a) and shall continue as such and exercise all such powers until the date of confirmation of sale of this Property unless such receivership is sooner terminated.

3.06 Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any Obligations secured hereby and to exercise all rights and powers under this Mortgage or under the Financing Agreements or other agreement or any laws now or hereafter in force, notwithstanding that some or all of the said Obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed or trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, whether by court action or pursuant to the powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by this Mortgage and the Financing Agreements to Mortgagee, or to which it may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

3.07 Waiver of Redemption, Notice, Marshalling, Etc. Notwithstanding anything herein contained to the con-

trary, to the extent permitted by law, Mortgagor: (a) hereby waives trial by jury; (b) will not (i) at any time insist upon, or plead, or in any manner whatever, claim or take any benefit or advantage of any stay or extension or moratorium law, any exemption from execution or sale of this Property or any part thereof, wherever enacted, now or at any time hereafter in force, which may affect the covenants and terms of performance of this Mortgage, nor (ii) claim, take or insist upon any benefit or advantage or any law now or hereafter in force providing for the valuation or appraisal of this Property or any part thereof, prior to any sale or sales thereof which may be made pursuant to any provision hereof, or pursuant to the decree, judgment or order of any court of competent jurisdiction; nor (iii) Mortgagor waives all rights of exemption pertaining to real or personal property as to any indebtedness secured by or that may be secured by this Mortgage, and Mortgagor waives the benefit of any statute regulating the obtaining of a deficiency judgment or requiring that the value of the premises be set off against any part of the indebtedness secured hereby and (c) covenants not to hinder, delay or impede the execution of any power herein granted or delegated to Mortgagee, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted. Mortgagor, for itself and all who may claim under it, waives, to the extent that it lawfully may, all right to have the Mortgaged Property marshalled upon any foreclosure hereof.

3.08 Expenses of Enforcement. In connection with any action to enforce any remedy of Mortgagee under this Mortgage, Mortgagor agrees to pay all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee including, without limitation, reasonable attorneys' fees, receiver's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies and similar data and assurances with respect to title and value as Mortgagee may deem reasonably necessary, and neither Mortgagee nor any other person shall be required to accept tender of any portion of the indebtedness then secured hereby unless the same be accompanied by a tender of all such expenses, costs and commissions. All expenditures and expenses of the nature in this Section 3.08 mentioned, and such expenses and fees as may be incurred in the protection of this Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding,

including appellate proceedings, affecting this Mortgage or this Property (including, without limitation, the occupancy thereof or any construction work performed thereon), including bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding whether or not an action is actually commenced, shall be immediately due and payable by Mortgagor, with interest thereon at the default rate set forth in the Term Credit Agreement and shall be part of the indebtedness secured by this Mortgage.

ARTICLE IV

MISCELLANEOUS

4.01 Definitions. As used in this Mortgage, the following terms have the following respective meanings:

Environmental Laws: any federal, state or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about this Property, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") as amended, 42 U.S.C. Sections 9601 et seq., and the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901 et seq.

Ground Lease: any lease so described as such in Exhibit A.

Hazardous Substances: (i) Those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et seq., and in the regulations promulgated pursuant to said laws;

(ii) Those substances listed in the United States Department of Transportation Table (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 C.F.R. Part 302 and amendments thereto);

(iii) Such other substances, materials and wastes which are or become regulated under applicable local, state or federal law, or the United States government, or which are classified as hazardous or toxic under federal, state, or local laws or regulations; and

(iv) Any material, waste or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyls, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §§1251 et seq. (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. §1317); (E) flammable explosives; or (F) radioactive materials.

4.02 Governing Law. This Mortgage shall be governed by and construed in accordance with the laws of the State in which this Property is located. In the event that any provision or clause of this Mortgage conflicts with applicable laws, such conflicts shall not affect other provisions of this Mortgage which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable. This Mortgage cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing in accordance with the terms of the Intercreditor Agreement.

4.03 Limitation on Interest. It is the intent of Mortgagor and Mortgagee in the execution of this Mortgage and all other instruments evidencing or securing the Obligations to contract in strict compliance with the relevant usury laws. In furtherance thereof, Mortgagee and Mortgagor stipulate and agree that none of the terms and provisions contained in this Mortgage shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by relevant law.

4.04 Notices. Except as otherwise set forth herein, all notices, requests and demands required or permitted to be made hereunder shall be in writing and sent by certified or registered mail, return receipt requested, or by express overnight courier or delivery service (provided the same shall provide dated evidence of delivery), shall be deemed given or made three (3) Business Days after mailing if sent by mail or one (1) Business Day after consignment to an express overnight courier or delivery service and shall be directed as follows:

If to Mortgagee: Chemical Bank, as Collateral Agent
270 Park Avenue
New York, New York 10017
Attention: Ronni Leopold

If to Mortgagor: Petrolane Incorporated

460 North Gulph Road
King of Prussia, Pennsylvania 19406
Attention: General Counsel

or to such other address or to such other addressee as the party to be served with notice may have furnished in writing to the party desiring to serve notice as a place for the service of notice.

4.05 Captions. The captions or headings at the beginning of each Article and Section hereof are for the convenience of the parties and are not a part of this Mortgage.

4.06 Non-Waiver. No failure by Mortgagee to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such term or of any such breach. No waiver of any breach shall affect or alter this Mortgage, which shall continue in full force and effect, or the rights of Mortgagee with respect to any other then existing or subsequent breach.

4.07 Further Assurances. Mortgagor, at its own expense, will execute, acknowledge and deliver all such instruments and take all such action as may be necessary, or in the opinion of Mortgagee desirable, to assure to Mortgagee the interest in the Mortgaged Property herein described and the rights intended to be provided to Mortgagee herein.

4.08 Remedies Cumulative. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by this instrument to Mortgagee or to which Mortgagee may be otherwise entitled may be exercised from time to time and as often as may be deemed expedient by Mortgagee, and Mortgagee may pursue inconsistent remedies.

4.09 Partial Invalidity. If any of the provisions of this Mortgage or the application thereof to any person, party or circumstances shall to any extent be invalid or unenforceable, the remainder of this Mortgage, or the application of such provision or provisions to persons, parties or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected

thereby, and every provision of this Mortgage shall be valid and enforceable to the fullest extent permitted by law.

4.10 Revolving Credit, Additional Advances. This Mortgage is given to secure, among other things, Revolving Loans and shall secure not only presently existing indebtedness under the Financing Agreements but also any and all other indebtedness now owing or which may hereafter be owing by Mortgagor to the Secured Creditors, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized (but only at the option of the Secured Creditors), including future advances and readvances, pursuant to the Revolving Credit Agreement, whether such advances are obligatory or to be made at the option of the Secured Creditors, or otherwise, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which this Property is located. The total principal amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby at any one time outstanding shall not exceed \$700,000,000, plus interest thereon and any disbursements which Mortgagee may make under this Mortgage, the Financing Agreements or any other document with respect hereto (e.g., for payment of Impositions or insurance on this Property) and interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the real estate, to the extent of the maximum amount secured hereby.

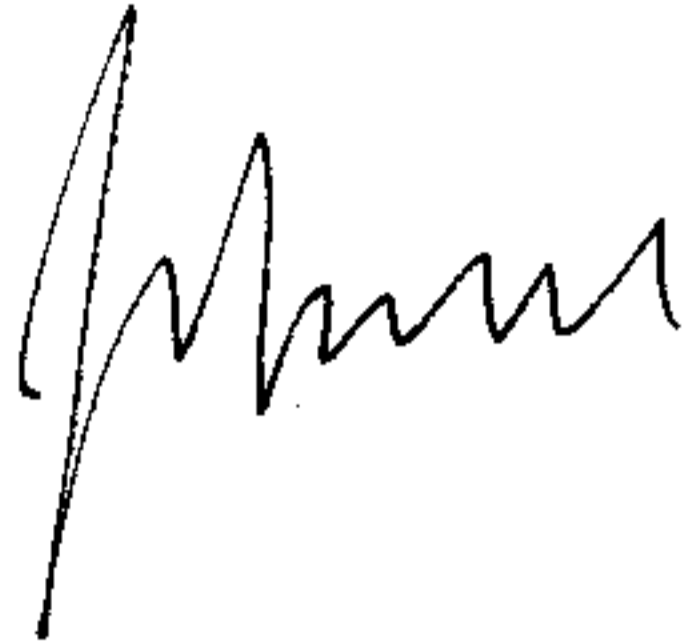
4.11 Leasehold Mortgage Provisions. If Exhibit A includes a leasehold estate pursuant to a Ground Lease, the terms and conditions set forth in Exhibit B annexed hereto and made a part hereof are incorporated into this Mortgage by this reference.

4.12 Application of Proceeds. All proceeds collected by Mortgagee pursuant to the sale of any Mortgaged Property, together with all other moneys at any time received or collected by Mortgagee, in each case pursuant to the terms

of this Mortgage, shall be applied in accordance with Section 9 of the Intercreditor Agreement.

IN WITNESS WHEREOF, Mortgagor has caused this Mortgage to be duly executed as of the day and year first above written.

WITNESS:



PETROLANE INCORPORATED

By Lee C. Jordan
Lee C. Jordan
Senior Vice President

STATE OF NEW YORK)
).ss:
STATE OF NW YORK)

I, the undersigned authority, a Notary Public, in and for said county in said state, hereby certify that Lee C. Tilden whose name as Senior Vice President of Retinolac Inc. are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, as such officers and with full authority, executed the same voluntarily for and as the act of said corporation on the day same bears date.

Given under my hand and official seal of office this 13th day of July, 1993.

Deidre Meehan

Notary Public

My Commission Expires: _____

DEIDRE H. MEEHAN
Notary Public, State of New York
No. [REDACTED]
Qualified in New York County
Commission Expires Aug. 10, 1994

EXHIBIT A

LAND

07/06/93 8:32pm
000043EW.W51

Exhibit A
Maylene, AL

State : ALABAMA
County : SHELBY

Description

THAT TRACT OR PARCEL OF LAND IN THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 21, RANGE 3 WEST, LYING BETWEEN THE MONTEVALLO-MAYLENE ROAD, SHELBY COUNTY NO. 17, ON THE EAST, THE SOUTHERN (ABS) RAILWAY ON THE WEST, LAND OF THE MONTEVALLO LIMESTONE COMPANY ON THE SOUTH, AND A LOCAL ROAD, OR DRIVE GOING FROM SHELBY COUNTY ROAD NO. 17 ACROSS THE SOUTHERN RAILWAY TO HOUSE AND OTHER LANDS NOW OR FORMERLY OF OY. MOOD, CONTAINING 1.46 ACRES MORE OR LESS.

Leasehold Mortgage Provisions

Notwithstanding anything contained herein to the contrary, and in addition to any rights, privileges and remedies granted to Mortgagee elsewhere in this Mortgage, Mortgagee shall have, and Mortgagor hereby grants to Mortgagee for the benefit of the Secured Creditors, any and all rights, privileges and remedies of the leasehold provided for in the Ground Lease (including without limitation, any renewal rights and options to purchase contained in the Ground Lease) without the necessity of particularly specifying any or all of such rights, privileges and remedies that are or could be granted to leasehold mortgagees pursuant to the Ground Lease.

Mortgagor hereby represents, covenants and agrees that:

(a) This Mortgage is lawfully executed and delivered in conformity with the Ground Lease.

(b) Mortgagor will pay when due the rents, taxes and other sums and charges mentioned in and made payable by Mortgagor under the Ground Lease.

(c) Mortgagor will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by it under the Ground Lease, within the periods (including any grace or cure periods) provided therein, and will do all things necessary to preserve and to keep unimpaired its rights under the Ground Lease. In the event of the failure of Mortgagor to make any payment required to be made by the lessee pursuant to the provisions of the Ground Lease or to observe, abide by, discharge or perform, or cause to be observed, kept, discharged or performed, any of the terms, obligations, covenants, conditions, agreements, indemnities, representations, warranties or liabilities of the Ground Lease on the part of lessee thereunder to be observed, kept, discharged and performed, Mortgagor does hereby irrevocably appoint and constitute Mortgagee as its true and lawful attorney in fact, which appointment is coupled with an interest, in its name, place and stead, to take any and all actions deemed necessary or desirable by Mortgagee to perform and

comply with all of the obligations of Mortgagor under the Ground Lease, to do and take, but without any obligation so to do, any action which Mortgagee deems necessary or desirable to prevent or cure any default by Mortgagor under the Ground Lease, to enter into and upon this Property or any part thereof to such extent and as often as Mortgagee, in its sole discretion, deems necessary or desirable in order to prevent or cure any default of Mortgagor pursuant thereto, to the end that the rights of Mortgagor in and to the leasehold estate created by the Ground Lease shall be kept unimpaired and free from default, and all sums so expended by Mortgagee, with interest thereon at the default rate set forth in the Term Credit Agreement from the date of each such expenditure, shall be paid by Mortgagor to Mortgagee promptly upon demand by Mortgagee and shall be added to the indebtedness secured hereby and Mortgagee shall have, in addition to any other remedy of Mortgagee, the same rights and remedies in the event of non-payment of any such sum by Mortgagor as in the case of a default by Mortgagor in the payment of any sums due under the Financing Agreements. Mortgagor shall, within five (5) days after written request by Mortgagee, execute and deliver to Mortgagee, or to any person designated by Mortgagee, such further instruments, agreements, powers, assignments, conveyances or the like as may be necessary to complete or perfect the interest, rights or powers of Mortgagee pursuant hereto.

(d) Mortgagor will promptly (i) notify Mortgagee in writing of the receipt by it of any notice of default from the lessor under the Ground Lease; (ii) notify Mortgagee in writing of the receipt by it of any notice under the Ground Lease of the termination of the Ground Lease; (iii) cause a copy of each such notice received by Mortgagor from the lessor under the Ground Lease to be delivered to Mortgagee; and (iv) cause a copy of any notice of election or the exercise of any rights of option, purchase or renewal under the Ground Lease sent by Mortgagor to the lessor under Ground Lease, to be delivered to Mortgagee.

(e) Mortgagor will not, without the prior written consent of Mortgagee, terminate or surrender or suffer or permit any termination or surrender of the Ground

Lease, nor modify the Ground Lease, if the modification shall materially impair the Mortgagee's security interest in this Property or the rights and remedies of Mortgagee under this Mortgage.

(f) Mortgagor will, within ten (10) days after written demand from Mortgagee, use best efforts to obtain from the lessor under the Ground Lease and deliver to Mortgagee an estoppel certificate in the form provided for in the Ground Lease.

(g) Mortgagor will furnish to Mortgagee upon demand, proof of payment of all items which are required to be paid by Mortgagor pursuant to the Ground Lease and a statement of any such payments which Mortgagor is contesting or arbitrating pursuant to the terms of the Ground Lease.

(h) Mortgagor will not consent to the subordination of the Ground Lease to any lien on the fee estate of the lessor under the Ground Lease.

(i) So long as any of the Obligations shall remain outstanding, Mortgagor shall not fail to exercise any option or right to renew or extend the term of the Ground Lease without the prior written consent of Mortgagee. Mortgagor shall give Mortgagee simultaneous written notice of the exercise of any such option or right to renew or extend, together with a copy of the instrument given to the lessor under the Ground Lease exercising such option or right, and thereafter, shall promptly deliver to Mortgagee a copy of any acknowledgment by such lessor with respect to the exercise of such option or right. If any such option or right has not been exercised as aforesaid, then, not more than three hundred sixty (360) and not less than two hundred seventy (270) days before the right of Mortgagor to exercise any such option or right, Mortgagor shall give Mortgagee written notice specifying (i) the date on which, (ii) the term for which and (iii) the manner in which such option or renewal is to be exercised. Within ten (10) business days of written demand by Mortgagee, Mortgagor shall exercise any such option or renewal which is necessary to extend the term of the Ground Lease beyond the outside maturity date set

forth in the Financing Agreements.

07/06/93 8:32pm
000043EW.W51

Inst # 1993-21237
07/20/1993-21237
10:40 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
036 KJS 97.00