



20120405000116430 1/10 \$39.00  
Shelby Cnty Judge of Probate, AL  
04/05/2012 09:53:35 AM FILED/CERT

## SUBORDINATION AGREEMENT

AMONG

GENERAL ELECTRIC CAPITAL CORPORATION, as Term Loan Administrative Agent,

BANK OF AMERICA, N.A., as Revolving Credit Administrative Agent,

and

GREDE II LLC, as Mortgagor

Dated as of April 4, 2012

Relating to Premises in:  
Shelby County, Alabama

After recording please return to:

Sarah A. Fisher  
Skadden, Arps, Slate, Meagher & Flom LLP  
155 North Wacker Drive, Suite 2700  
Chicago, Illinois 60606

## SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "Agreement") is entered into as of April 4, 2012, by and between GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation, in its capacity as administrative agent for the Lenders (as defined in the Term Loan Agreement as hereinafter defined) (together with its successors and assigns, "Term Loan Administrative Agent"), BANK OF AMERICA, N.A., a national banking association, in its capacity as administrative agent for the benefit of the Secured Parties (as defined in the Revolving Loan Agreement as hereinafter defined) (together with its successors and assigns, "Revolving Credit Administrative Agent") and GREDE II LLC, a Delaware limited liability company (together with its successors and assigns, "Mortgagor").

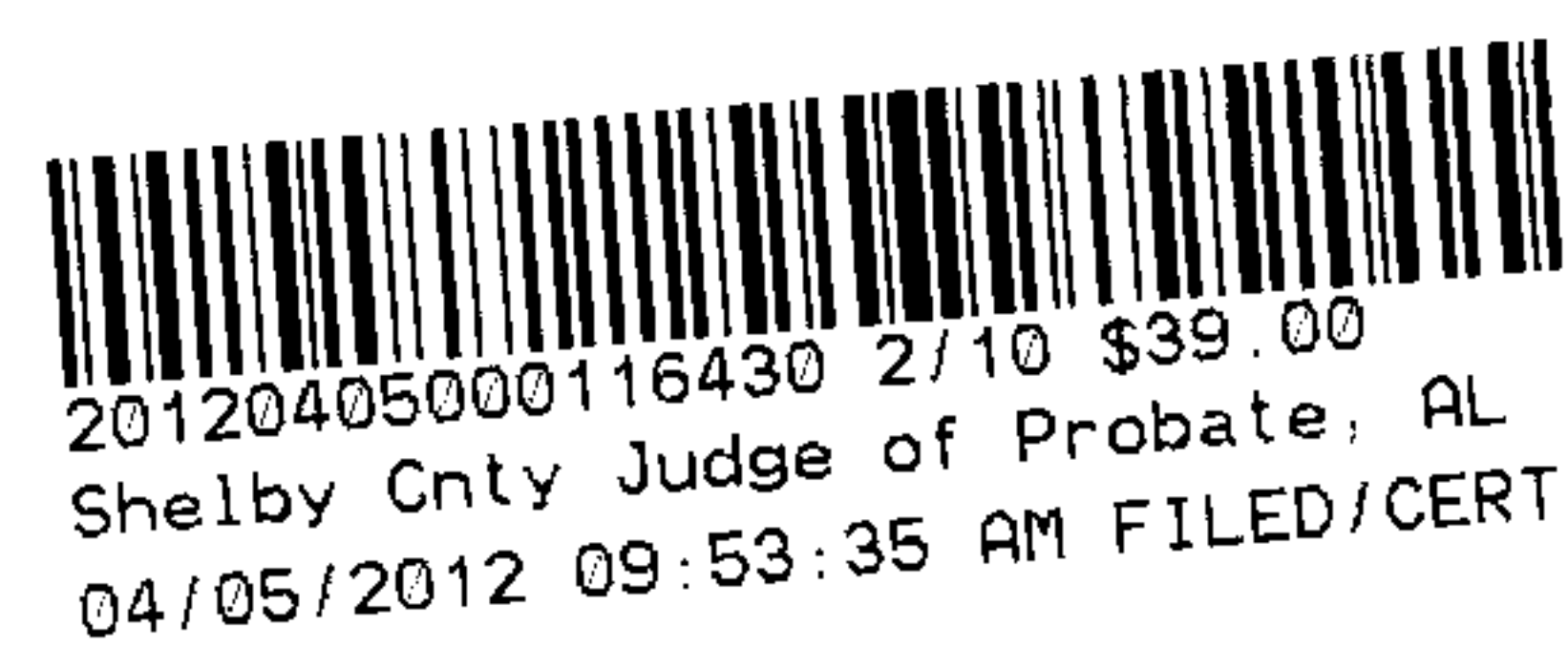
### RECITALS

A. WHEREAS Term Loan Administrative Agent entered into that certain Term B Loan Credit Agreement dated as of April 4, 2012, among Term Loan Administrative Agent, Mortgagor, Grede II LLC, and certain of their respective subsidiaries, the lenders from time to time party thereto, and other parties signatory thereto, as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time ("Term Loan Agreement").

B. WHEREAS Revolving Credit Administrative Agent entered into that certain Second Amended and Restated Loan and Guaranty Agreement, dated as of even date herewith, among Mortgagor, Grede II LLC, Grede Wisconsin Subsidiaries LLC, Grede Machining LLC, Grede Omaha LLC, Citation Lost Foam Patterns, LLC and Grede Holdings LLC, the other guarantors party thereto (as defined therein), certain financial institutions as Lenders (as defined therein), Wells Fargo Bank, N.A., as an Issuing Bank (as defined therein), Revolving Credit Administrative Agent as Agent, Co-Collateral Agent, an Issuing Bank, and Lead Arranger (as defined therein) and GE Capital Financial Inc., as Co-Collateral Agent (as defined therein), as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time ("Revolving Loan Agreement").

C. WHEREAS Term Loan Administrative Agent and Revolving Credit Administrative Agent are party to a certain Intercreditor Agreement dated as of April 4, 2012, among Revolving Credit Administrative Agent (as defined therein), Term Loan Administrative Agent (as defined therein), Mortgagor, Grede II LLC, Grede Wisconsin Subsidiaries LLC, and each of the other Loan Parties (as defined therein) signatories thereto, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time (the "Intercreditor Agreement"). Capitalized but otherwise undefined terms used herein shall have the meanings ascribed to them in the Intercreditor Agreement.

D. WHEREAS the Term Loan which is the subject of the Term Loan Agreement is secured by, among other things (i) that certain Mortgage, Security Agreement, Assignment of Leases and Rents, Financing Statement and Fixture Filing, dated as of April 4, 2012 and recorded in the Shelby County, Alabama Judge of Probate's Office ("Recorder's Office") as Document No. 20120405000116430 as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Senior Mortgage"), encumbering





the Premises (as defined therein and as more particularly described on **Exhibit A** attached hereto) and the other property described therein ("Property") and (ii) that certain UCC Fixture Financing Statement recorded in the Recorder's Office as Document No. 20120405000116412 (as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Senior Fixture Filing") (the Senior Mortgage, the Senior ARL and Senior Fixture Filing collectively the "Senior Collateral Documents").

E. WHEREAS the Revolving Loan is secured by, among other things (i) that certain Mortgage, Security Agreement, Assignment of Leases and Rents, Financing Statement and Fixture Filing, dated as of April 11, 2011, and recorded in the Recorder's Office as Document No. 20110412000113640 on April 12, 2011, as amended by that certain Mortgage Modification dated as of April 4, 2012 and recorded in the Recorder's Office as Document No. 20120405000116420 (as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Junior Mortgage"), encumbering the Property and (ii) that certain UCC Fixture Financing Statement recorded in the Recorder's Office as Document No. 20110412000113650 on April 12, 2011 (as the same may be amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Junior Fixture Filing") (the Junior Mortgage and Junior Fixture Filing collectively the "Junior Collateral Documents").

F. WHEREAS Revolving Credit Administrative Agent has agreed to subordinate all of its liens and security interests in and on the Property, whether granted pursuant to the Junior Collateral Documents and/or the Revolving Loan Agreement to the lien and security interest of the Term Loan Administrative Agent and to any and all right, title and interest of Term Loan Administrative Agent in the Property pursuant to the Senior Collateral Documents, in each case, to the extent of the Senior Obligations (as defined below), and the parties now desire to enter into this Agreement in order to evidence such subordination.

#### AGREEMENT

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor, Term Loan Administrative Agent and Revolving Credit Administrative Agent hereby agree as follows:

1. Subordination of Junior Collateral Documents. The Senior Collateral Documents shall be and at all times remain a first priority lien and security interest on and in the Property, prior and superior to the Junior Collateral Documents, in respect of the Term Loan Obligations (as defined in the Intercreditor Agreement), including but not limited to the Secured Indebtedness (as defined in the Senior Mortgage) ("Senior Obligations") and as such, Revolving Credit Administrative Agent hereby intentionally and unconditionally subordinates all of its right, title and interest in and to the Property to the liens and security interests of the Senior Collateral Documents upon the Property in respect of the Senior Obligations and acknowledges and agrees that the Term Loan has been made in reliance upon, and in consideration of, such subordination and that the same would not have been made but for said reliance. All of the terms, covenants, provisions and conditions of the Junior Collateral Documents in respect of the Property are, shall be and shall at all times remain and continue to be subject and subordinate in all respects to the lien, terms, covenants, provisions and conditions of the Senior Collateral Documents and to all such Senior Obligations.



2. Intercreditor Agreement. The terms of this Agreement and the exercise of any right or remedy by the parties hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the provisions of this Agreement and the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall supersede the provisions of this Agreement

3. [Reserved].

4. Further Assurances. The parties hereto shall cooperate with each other in order to promptly and fully carry out the terms and provisions of this Agreement. Each party hereto shall from time to time execute and deliver such other agreements, documents or instruments and take such other actions as may be reasonably requested to effectuate the terms of this Agreement.

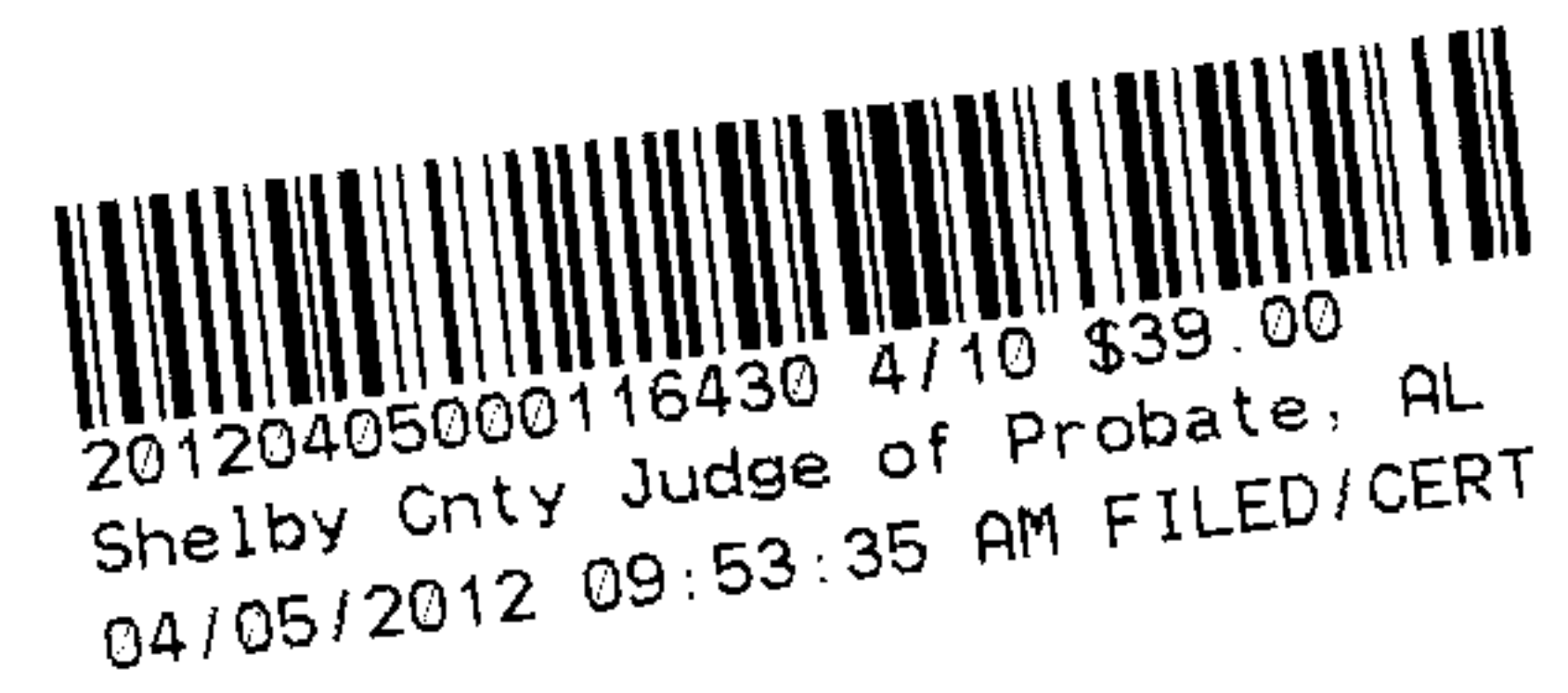
5. No Waiver. No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder.

6. No Third Party Beneficiaries; Binding Effect. This Agreement is solely for the benefit of the parties hereto and their successors or assigns and no other person or persons shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement. This Agreement shall run with the land and be binding upon, and inure to the benefit of, each of the parties hereto and their respective successors and assigns.

7. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute an original of this Agreement.

8. Recordation. This Agreement shall, at Mortgagor's expense, be recorded in the Recorder's Office.

9. No Impairment of Obligations. The subordination provisions of this Agreement are intended solely to define the relative rights of Revolving Credit Administrative Agent and Term Loan Administrative Agent. Nothing in this Agreement (i) is intended to or shall impair the obligations of the Borrowers or any other Loan Party under the Priority Documents to pay the Revolving Credit Obligations and Term Loan Obligations as and when the same shall become due and payable in accordance with their terms, which obligations are absolute and unconditional, or (ii) shall impair, as between Mortgagor and Revolving Credit Administrative Agent, the unconditional and absolute obligation of Mortgagor to pay to Revolving Credit Administrative Agent the Secured Obligations (as defined in the Junior Mortgage) or affect the relative rights of Revolving Credit Administrative Agent and creditors of Mortgagor (other than the Term Loan Administrative Agent), nor shall anything prevent Revolving Credit Administrative Agent, following the payment of all outstanding Secured Indebtedness (as defined in the Senior Mortgage), from accepting any payment with respect to the Junior Collateral Documents or exercising all remedies otherwise permitted by applicable law upon default with respect to the Junior Collateral Documents, subject to any rights of Term Loan Administrative Agent under this Agreement and the Intercreditor Agreement.



10. Governing Law. This Agreement shall be governed by and construed in accordance with the substantive laws of the state in which the Premises are located.

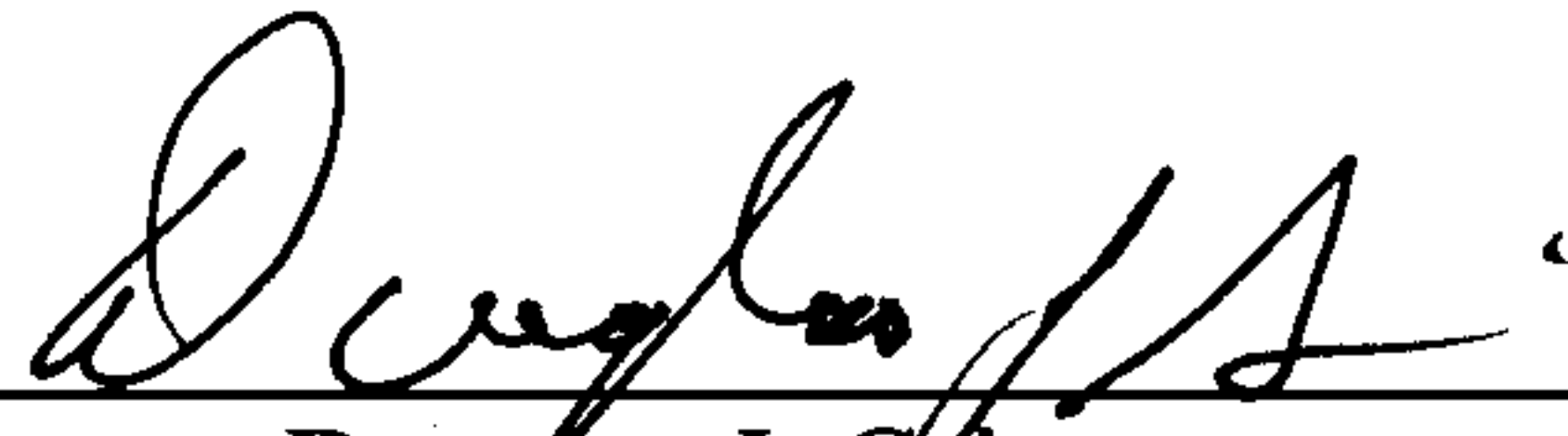
11. Sole Agreement. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES REGARDING THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Signature Pages Follow]

DATED as of the date first above written.

MORTGAGOR:


**GREDE II LLC**, a Delaware limited liability company

By:   
Name: Douglas J. Grimm  
Title: President

STATE OF MICHIGAN     )  
                                  ) ss.:  
COUNTY OF WAYNE     )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Douglas J. Grimm, whose name, as President of GREDE II LLC, a Delaware limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents hereof, s/he as such officer and with full authority, executed the same voluntarily and as the act of said limited liability company.

Given under my hand this the 3<sup>rd</sup> day of April, 2012.


  
Sandra Sorini Elser  
Notary Public

My commission expires:  
9/9/16

[NOTARY SEAL]

SANDRA SORINI ELSER  
Notary Public, Washtenaw County, Michigan  
Acting in WAYNE County  
My Commission Expires: 09/09/2016

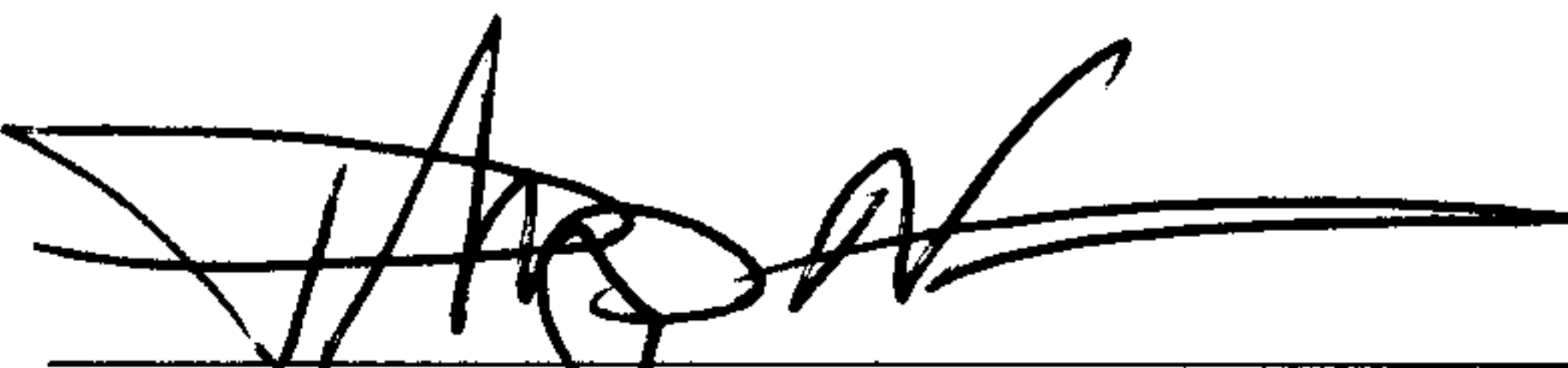
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REVOLVING CREDIT ADMINISTRATIVE  
AGENT:

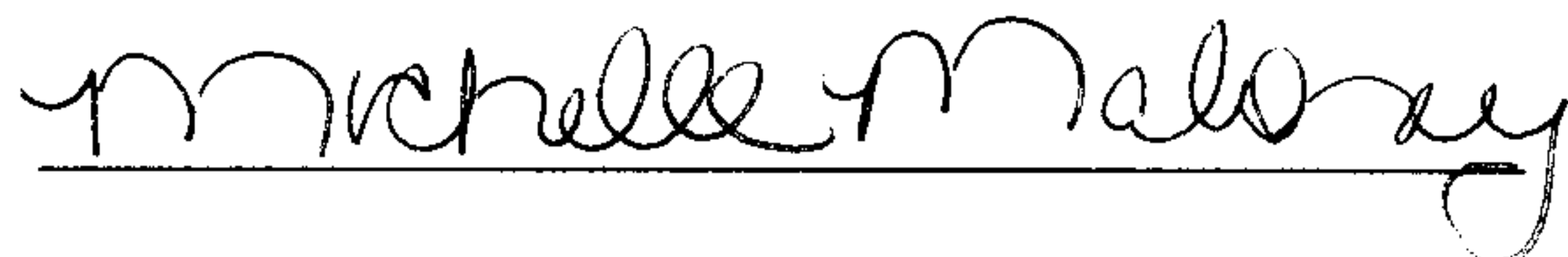
**BANK OF AMERICA, N.A.**, a national banking  
association, in its capacity as administrative agent  
for the benefit of the Secured Parties

By:   
Name: Philip Nomura  
Title: Senior Vice President

STATE OF ILLINOIS       )  
                                  ) ss.:  
COUNTY OF COOK       )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify  
that Philip Nomura, whose name, as Senior Vice President of **BANK OF AMERICA, N.A.**, is  
signed to the foregoing instrument and who is known to me, acknowledged before me on this  
day that, being informed of the contents hereof, s/he as such officer and with full authority,  
executed the same voluntarily and as the act of said national banking association.

Given under my hand this the 29<sup>th</sup> day of March, 2012.



Notary Public


My commission expires:

5/28/2014

[NOTARY SEAL]



[EXECUTION CONTINUED ON FOLLOWING PAGE]

  
20120405000116430 7/10 \$39.00  
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TERM LOAN ADMINISTRATIVE AGENT:

**GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, in its capacity as administrative agent for the benefit of the Lenders

By: Robert Kelly  
Name:  
Its: Duly Authorized Signatory

STATE OF Connecticut )  
COUNTY OF Fairfield ) ss. Norwalk

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Robert Kelly, whose name, as Duly Authorized Signatory of **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents hereof, s/he as such officer and with full authority, executed the same voluntarily and as the act of said corporation.

Given under my hand this the 2nd day of April, 2012.

Joanne White  
Notary Public

My commission expires:  
July 31, 2012  
[NOTARY SEAL]

JOANNE WHITE  
NOTARY PUBLIC  
MY COMMISSION EXPIRES JULY 31, 2012

[END OF EXECUTION]



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## EXHIBIT A

### Legal Description of the Mortgaged Property

The land referred to in this policy is situated in the County of Shelby, State of Alabama, and described as follows:

#### Parcel I:

Commence at the Northwest corner of Section 26, Township 21 South, Range 1 West, and run South 1 degree, 44 minutes, East, along the West boundary line of said section for a distance of 848.46 feet to a point on the Northwest 40-foot right-of-way line of a county highway; thence turn an angle of 124 degrees, 08 minutes 58 seconds to the left and run North 54 degrees, 07 minutes East along the Northwest 40-foot right-of-way for a distance of 423.26 feet to an iron pin found being the point of beginning; thence continue North 54 degrees, 07 minutes, East, along said right-of-way line for a distance of 402.46 feet to a point; thence run North for 1 degrees, 30 minutes 22 seconds West for a distance of 425.78 feet to a point; thence turn an angle of 89 degrees, 55 minutes 56 seconds to the left and run South for 88 degrees, 33 minutes 39 seconds West for a distance of 335.72 feet to a point; thence run South for 1 degree, 49 minutes 03 seconds East for a distance of 653.43 feet to a point of beginning.

Said parcel of land is lying in the NW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 26, Township 21 South, Range 1 West.

#### Parcel II:

Being all that parcel or tract of land lying in Section 22, Township 21 South, Range 1 West, Shelby County, Alabama, State of Alabama, and being more particularly described as follows:

Commencing at the Northeast corner of Section 27 and thence running in a Southerly direction for 100.00 feet (+ / -) to a point; thence running in a Westerly direction for 1727.9 feet (+ / -) to an iron pipe found on the Western right-of-way of Industrial Road; thence running with said right-of-way North 1 degrees, 47 minutes, 21 seconds East for 62.80 feet to an iron pin set which is the Point of Beginning; thence from said beginning point running with the Northern line of a 60.00 foot easement (per D.B. 1996, page 31713) north 89 degrees, 09 minutes, 40 seconds West for 399.89 feet to an iron pin found; thence running with the line of Gulf States Paper Corp., (D.B. 354, Page 756) North for 01 degrees, 44 minutes, 12 seconds East for 289.97 feet to an iron pin found; thence running with the line of Elizabeth D. Thrasher (D.B. 1995, Page 24402) South 89 degrees, 01 minutes, 30 seconds East for 400.17 feet to an iron pipe found; thence running with the Western right-of-way of Industrial Road South for 01 degrees, 47 minutes, 21 seconds West for 299.07 feet to the Point of Beginning.

#### Parcel III

A tract in the Southwest  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of Section 23, and the Northwest  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 26, Township 21 South, Range 1 West, described as follows:

Commence at the Northwest corner of Section 26, Township 21 South, Range 1 West; thence run South, along the West line of said Section a distance of 848.46 feet to the Northwest right-of-way line of a County Road; thence turn an angle of 124 degrees 08 minutes 58 seconds to the left and run along said right of way line, a distance of 825.60 feet, to the point of beginning; thence continue in the same direction, along said right-of-way line a distance of 460.73 feet; thence turn an angle of 55 degrees 31 minutes 29 seconds to the left and run a distance of 366.10 feet; thence turn an angle of 90 degrees 00 minutes to the right and run a distance of 105.00 feet; thence turn an angle of 90 degrees 00 minutes to the left and run a distance of 210.00 feet; thence turn an angle of 70 degrees 10 minutes to the left and run a distance of 152.83 feet; thence turn an angle of 70 degrees 10 minutes to the right and run a distance of 269.00 feet; thence turn an angle of 69 degrees 02 minutes to the left and run a distance of 283.76 feet; thence turn an angle of 20 degrees 58 minutes to the left and run a distance of 76.08 feet; thence turn an angle of 90 degrees 00 minutes to the left and run a distance of 1259.29 feet to the point of beginning.

Situated in the Southwest 1/4 of the Southwest 1/4 of Section 23, and the Northwest 1/4 of the Northwest 1/4 of Section 26, Township 21 South, Range 1 West, Shelby County, Alabama.

