Exhibit A-1
to the Credit Agreement

FORM OF NOTICE OF BORROWING

[Date**]**

Deutsche Bank AG New York Branch, as
Administrative Agent (the "Administrative Agent") for the Lenders party to the Credit Agreement referred to below
60 Wall Street
NYC60-0208, 2nd Floor
New York, New York 10005-2858
Attention: Erin Morrissey
Telephone No.: (212) 250-1765
Telecopier No.: (212) 797-5690
Email: erin.morrisey@db.com

Ladies and Gentlemen:

The undersigned, [Name of Borrower][1] (the "Borrower"), refers to the ABL Credit Agreement, dated as of [_____], 2010 (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement", the capitalized terms defined therein being used herein as therein defined), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto (each, a "Lender" and collectively, the "Lenders"), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent for such Lenders, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents, and hereby gives you notice, irrevocably, pursuant to Section [2.03(a)][2.03(b)] of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required by Section [2.03(a)][2.03(b)] of the Credit Agreement:

(i) The Business Day of the Proposed Borrowing is _____ __, ____.[2]

(ii) The aggregate [principal amount] [Face Amount] of the Proposed Borrowing is [$_____] [Cdn.$_____].

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1 Insert the name of the applicable Borrower.

2 Shall be a Business Day at least one Business Day in the case of Base Rate Loans or Canadian Prime Rate Loans (or same day notice in the case of Swingline Loans) and at least three Business Days in the case of Eurodollar Loans or Bankers' Acceptance Loans, in each case, after the date hereof, provided that (in each case) any such notice shall be deemed to have been given on a certain day only if given before 12:00 Noon (New York City time) (or 1:00 P.M. (New York City time) in the case of Swingline Loans) on such day.

(iii) The Loans to be made pursuant to the Proposed Borrowing shall consist of [U.S. Facility Revolving Loans] [U.S. Borrower Canadian Facility Revolving Loans] [Canadian Borrower Canadian Facility Revolving Loans] [U.S. Facility Swingline Loans] [U.S. Borrower Canadian Facility Swingline Loans] [Canadian Borrower Canadian Facility Swingline Loans].

(iv) The Loans [will] [will not] constitute Agent Advances.

(v) The Loans to be made pursuant to the Proposed Borrowing shall be initially maintained as [Base Rate Loans] [Eurodollar Loans] [Canadian Prime Rate Loans] [Bankers' Acceptance Loans].[3]

[(vi) The initial Interest Period for the Proposed Borrowing is [one week] [two weeks][4] [one month] [two months] [three months] [six months] [nine months] [twelve months][5]][6]

[(vii) The term of the Proposed Borrowing shall be [_____].][7]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in the Credit Agreement and in the other Loan Documents are and will be true and correct in all material respects, before and after giving effect to the Proposed Borrowing and to the application of the proceeds thereof, as though made on such date, unless stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date;

(B) no Default or Event of Default has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds thereof; and

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[3] Swingline Loans denominated in U.S. Dollars may only be incurred and maintained as Base Rate Loans. Swingline Loans denominated in Canadian Dollars may only be incurred and maintained as Canadian Prime Rate Loans

[4] A one week or two week period may be selected only to the extent agreed to by all Lenders with Loans and/or Commitments under the relevant Tranche.

[5] A nine month or twelve month period may be selected only to the extent agreed to by all Lenders under the Relevant Tranche with Loans and/or Commitments under such Tranche.

[6] To be included for a Proposed Borrowing of Eurodollar Loans.

[7] To be included for a Proposed Borrowing of Bankers' Acceptance Loans in compliance with the requirements of Schedule 1.01(b).

(C) the applicable conditions set forth in Section 7.03 of the Credit Agreement will be met on the date of the Proposed Borrowing and immediately after giving effect thereto.

Very truly yours,

[NAME OF BORROWER]

By:_____
Name:
Title:

Exhibit A-2
to the Credit Agreement

FORM OF NOTICE OF CONVERSION/CONTINUATION

[Date**]**

Deutsche Bank AG New York Branch, as
Administrative Agent (the "Administrative Agent") for the Lenders party to the Credit Agreement referred to below
60 Wall Street
NYC60-0208, 2nd Floor
New York, New York 10005-2858
Attention: Erin Morrissey
Telephone No.: (212) 250-1765
Telecopier No.: (212) 797-5690
Email: erin.morrisey@db.com

Ladies and Gentlemen:

The undersigned, **[**Name of Borrower**]** (the "Borrower"), refers to the ABL Credit Agreement, dated as of [_____], 2010 (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"; the capitalized terms defined therein being used herein as therein defined), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto (the "Lenders"), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent for such Lenders, and DB, JP Morgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents, and hereby gives you notice, irrevocably, pursuant to Section **[**2.06**][**2.09**]** of the Credit Agreement, that the undersigned hereby requests to **[**convert**] [**continue**]** the Borrowing of **[**U.S. Facility Revolving Loans**] [**U.S. Borrower Canadian Facility Revolving Loans**] [**Canadian Borrower Canadian Facility Revolving Loans**]** referred to below, and in that connection sets forth below the information relating to such **[**conversion**] [**continuation**]** (the "Proposed **[**Conversion**] [**Continuation**]**") as required by Section**s** 2.06 and 2.09 of the Credit Agreement:

(i) The Proposed **[**Conversion**] [**Continuation**]** relates to the Borrowing of **[**U.S. Facility Revolving Loans**] [**U.S. Borrower Canadian Facility Revolving Loans**] [**Canadian Borrower Canadian Facility Revolving Loans**]** denominated in **[**$**] [**Cdn.$**]** originally made on _____ __, 20__ (the "Outstanding Borrowing") in the principal amount of [$_____][Cdn$_____] and currently maintained as a Borrowing of **[**Base Rate Loans**] [**Canadian Prime Rate Loans**][**Bankers' Acceptance Loans with a term of [___], with the maturity date for the related Drafts being [_____]**][**Eurodollar Loans with an Interest Period ending on _____ __, ____**]**.

(ii) The Business Day of the Proposed **[**Conversion**]** **[**Continuation**]** is _____ __, ____.[1]

(iii) The Outstanding Borrowing shall be **[**continued as a Borrowing of **[**Eurodollar Loans with an Interest Period of [_____]**]** [Bankers' Acceptance Loans with a term of [_____], with the maturity date for the related Drafts being [_____]**][**converted into a Borrowing of **[**Base Rate Loans**][**Eurodollar Loans with an Interest Period of [_____]**][**Canadian Prime Rate Loans**][**Bankers' Acceptance Loans with a term of [_____], with the maturity date for the related Drafts being [_____]**]**.[2]

[The undersigned hereby certifies that **[**no Default or Event of Default**][***describe any Default or Event of Default***]** has occurred and will be continuing on the date of the Proposed **[**Conversion**]** **[**Continuation**]** or will have occurred and be continuing on the date of the Proposed **[**Conversion**]** **[**Continuation**]]**.[3]

Very truly yours,

[NAME OF BORROWER]

By:_____
Name:
Title:

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[1] In the case of a conversion of Base Rate Loans into, or a continuation of, Eurodollar Loans or Bankers' Acceptance Loans, this date shall be a Business Day, at least three Business Days after the date hereof. In the case of a conversion of Eurodollar Loans into Base Rate Loans, this date shall be a Business Day at least one Business Day after the date hereof. In the case of a conversion of Canadian Prime Rate Loans into Bankers' Acceptance Loans, this date shall be a Business Day, at least three Business Days after the date hereof. Notice shall be deemed to have been given on a certain day only if given before 12:00 Noon (New York City time) on such day.

[2] In the event that either (x) only a portion of the Outstanding Borrowing is to be so converted or continued or (y) the Outstanding Borrowing is to be divided into separate Borrowings with different Interest Periods or "terms", the Borrower should make appropriate modifications to this clause to reflect same. The duration of Interest Periods is subject to Section 2.09 of the Credit Agreement. The term of a Proposed Borrowing of Bankers' Acceptance Loans shall comply with the relevant requirements of Schedule 1.01(b) to the Credit Agreement. The Type of Loans into which an Outstanding Borrowing may be continued or converted, and the duration of any Interest Period selected, shall be subject to Sections 2.06 and 2.09 of the Credit Agreement, and otherwise in accordance with the terms of the Credit Agreement

[3] In the case of a Proposed Conversion or Continuation, insert this sentence only (i) in the event that the conversion is from a Base Rate Loan to a Eurodollar Loan or a Canadian Prime Rate Loan to a Bankers' Acceptance Loan or (ii) in the case of a continuation of a Eurodollar Loan or Bankers' Acceptance Loans.

Exhibit B-1
to the Credit Agreement

FORM OF [U.S. FACILITY][U.S. BORROWER CANADIAN FACILITY][CANADIAN BORROWER CANADIAN FACILITY] REVOLVING NOTE

U.S.$[_____] New York, New York
[_____ __, ____]

FOR VALUE RECEIVED, each of the undersigned (together with any entity that becomes a [U.S.][Canadian] Borrower under the Credit Agreement referred to below, each a ["U.S. Borrower"]/["Canadian Borrower"] and, collectively, the ["U.S. Borrowers"]/["Canadian Borrowers"]), hereby jointly and severally promises to pay to **[_____]** or its registered assigns (the "Lender"), in the relevant Available Currency in immediately available funds, at the applicable Payment Office initially located at (i) in the case of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loans denominated in U.S. Dollars, [*insert applicable Payment Office*] and (ii) in the case of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loans denominated in Canadian Dollars, [*insert applicable Payment Office*] on the Revolving Loan Maturity Date the principal sum of [_____] U.S. DOLLARS (U.S.$[_____]) or, if less, the unpaid principal amount of all [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loans made by the Lender pursuant to the Credit Agreement, payable at such times and in such amounts as are specified in the Credit Agreement; provided that, notwithstanding the fact that the principal amount of this Note is denominated in U.S. Dollars, to the extent provided in the Credit Agreement, all payments hereunder with respect to [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loans denominated in Canadian Dollars, shall be made in Canadian Dollars, whether or not the U.S. Dollar Equivalent of such amounts would exceed the stated principal amount of this Note.

Each [U.S.][Canadian] Borrower also jointly and severally promises to pay interest on the unpaid principal amount of each [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loan made by the Lender in like money at said office from the date hereof until paid at the rates and at the times provided in Section 2.08 of the Credit Agreement.

This Note is one of the [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Notes referred to in the ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto (including the Lender), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"), and is entitled to the benefits thereof and of the other Loan Documents. Except as otherwise defined herein, all capitalized terms used herein and defined in the Credit Agreement shall be used herein as therein defined. This Note is secured by each Security Document that is executed by a [U.S. Loan Party]/[Loan Party] and is entitled to

the benefits of the guarantee under the Guarantee and Collateral Agreement[and Canadian Guarantee and Collateral Agreement]. As provided in the Credit Agreement, this Note is subject to voluntary prepayment and mandatory repayment prior to the Revolving Loan Maturity Date, in whole or in part, and [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loans may be converted from one Type of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loan into another Type of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Revolving Loan to the extent provided in the Credit Agreement.

In case an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note may be declared to be due and payable in the manner and with the effect provided in the Credit Agreement.

The [U.S.][Canadian] Borrowers hereby waive presentment, demand, protest or notice of any kind in connection with this Note.

* * *

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

[NAME OF BORROWER][1]

By:_____
Name:
Title:

[1] Include a signature block for each [U.S.][Canadian] Borrower party to the Note.

FORM OF [U.S. FACILITY][U.S. BORROWER CANADIAN FACILITY][CANADIAN BORROWER CANADIAN FACILITY] SWINGLINE NOTE

U.S.$ New York, New York
[_____ __, ____]

FOR VALUE RECEIVED, each of the undersigned (together with any entity that becomes a [U.S.][Canadian] Borrower under the Credit Agreement referred to below, each a ["U.S. Borrower"]/["Canadian Borrower"] and, collectively, the ["U.S. Borrowers"]/["Canadian Borrowers"]), hereby jointly and severally promises to pay to **[**_____**]** or its registered assigns (the "Swingline Lender"), in the relevant Available Currency in immediately available funds, at the applicable Payment Office, initially located at (i) in the case of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Loans denominated in U.S. Dollars, [*insert applicable Payment Office*], and (ii) in the case of [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Loans denominated in Canadian Dollars, [*insert applicable Payment Office*] on the Swingline Expiry Date the principal sum of [_____] U.S. DOLLARS (U.S.$[_____]) or, if less, the unpaid principal amount of all [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Loans made by the Swingline Lender pursuant to the Credit Agreement, payable at such times and in such amounts as are specified in the Credit Agreement; provided that, notwithstanding the fact that the principal amount of this Note is denominated in U.S. Dollars, to the extent provided in the Credit Agreement, all payments hereunder with respect to the [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Loans denominated in Canadian Dollars shall be made in Canadian Dollars, whether or not the U.S. Dollar Equivalent of such amounts would exceed the stated principal amount of this Note.

Each [U.S.][Canadian] Borrower also jointly and severally promises to pay interest on the unpaid principal amount of each [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Loan made by the Swingline Lender in like money at said office from the date hereof until paid at the rates and at the times provided in Section 2.08 of the Credit Agreement.

This Note is the [U.S. Facility][U.S. Borrower Canadian Facility][Canadian Borrower Canadian Facility] Swingline Note referred to in the ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"), and is entitled to the benefits thereof and of the other Loan Documents. Except as otherwise defined herein, all capitalized terms used herein and defined in the Credit Agreement shall be used herein as therein

defined. This Note is secured by each Security Document that is executed by a [U.S. Loan Party]/[Loan Party] and is entitled to the benefits of the guarantee under the Guarantee and Collateral Agreement [and Canadian Guarantee and Collateral Agreement]. As provided in the Credit Agreement, this Note is subject to voluntary prepayment and mandatory repayment prior to the Swingline Expiry Date, in whole or in part.

In case an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note may be declared to be due and payable in the manner and with the effect provided in the Credit Agreement.

The [U.S.][Canadian] Borrowers hereby waive presentment, demand, protest or notice of any kind in connection with this Note.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

[NAME OF BORROWER][1]

By:_____
Name:
Title:

[1] Include a signature block for each [U.S.][Canadian] Borrower party to the Note.

Exhibit C
to the Credit Agreement

FORM OF LETTER OF CREDIT REQUEST

Dated ____[1]____

Deutsche Bank AG New York Branch, as Administrative Agent, under the ABL Credit Agreement, dated as of [_____], 2010 (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the Lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents.
Attention: Erin Morrissey

Deutsche Bank AG New York Branch
60 Wall Street
NYC60-0208, 2nd Floor
New York, New York 10005-2858
Attention: Erin Morrissey
Telephone No.: (212) 250-1765
Telecopier No.: (212) 797-5690
Email: erin.morrisey@db.com

[[____[2]_____], as Issuing Lender
under the Credit Agreement
_____
_____
_____]
Attention: [_____]

Ladies and Gentlemen:

---

1 Date of Letter of Credit Request.

2 Insert name and address of Issuing Lender. For standby Letters of Credit issued by Deutsche Bank AG New York Branch insert: Deutsche Bank AG New York Branch, 60 Wall Street, New York, NY 10005-MS NYC 60-2708, Attention: Global Loan Operations, Standby Letter of Credit Unit. For trade Letters of Credit issued by Deutsche Bank AG New York Branch, insert: Deutsche Bank AG New York Branch, 60 Wall Street, New York, NY 10005, Attention: Trade and Risk Services, Import LC. For Letters of Credit issued by another Issuing Lender, insert the correct notice information for that Issuing Lender.

Pursuant to Section 3.03 of the Credit Agreement, the undersigned hereby requests that the Issuing Lender referred to above issue a [trade] [standby] Letter of Credit for the account of the undersigned on _____[3] (the "Date of Issuance") which Letter of Credit shall be denominated in _____[4] and shall be in the aggregate Stated Amount of _____[5].

For purposes of this Letter of Credit Request, unless otherwise defined herein, all capitalized terms used herein which are defined in the Credit Agreement shall have the respective meaning provided therein.

The beneficiary of the requested Letter of Credit will be _____[6], and such Letter of Credit will be in support of _____[7] and will have a stated expiration date of _____[8].

We hereby certify that:

(A) the representations and warranties contained in the Credit Agreement and in the other Loan Documents are and will be true and correct in all material respects on the Date of Issuance, both before and after giving effect to the issuance of the Letter of Credit requested hereby, unless stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date;

(B) no Default or Event of Default has occurred and is continuing nor, after giving effect to the issuance of the Letter of Credit requested hereby, would such a Default or Event of Default occur; and

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[3] Date of Issuance which shall be a Business Day that is at least five (5) Business Days after the date hereof (or such earlier date as is acceptable to the respective Issuing Lender in any given case).

[4] Insert applicable currency in which the Letter of Credit is to be denominated (i.e., U.S. Dollars or Canadian Dollars).

[5] Aggregate initial Stated Amount of the Letter of Credit which should not be less than $10,000 (or in the case of a Letter of Credit issued in a currency other than U.S. Dollars, the U.S. Dollar Equivalent thereof) or such lesser amount as is acceptable to the respective Issuing Lender.

[6] Insert name and address of beneficiary.

[7] Insert a description of L/C Supportable Obligations (in the case of standby Letters of Credit) and insert description of permitted trade obligations of the Company or any of its Subsidiaries (in the case of trade Letters of Credit).

[8] Insert the last date upon which drafts may be presented which may not be later than (i) in the case of standby Letters of Credit, the earlier of (x) twelve months after the Date of Issuance (subject to extension for successive 12 month periods to the extent such extension is not beyond five (5) Business Days prior to the Revolving Loan Maturity Date and (y) five (5) Business Days prior to the Revolving Loan Maturity Date and (ii) in the case of trade Letters of Credit, the earlier of (x) 180 days after the Date of Issuance and (y) five (5) Business Days prior to the Revolving Loan Maturity Date.

(C) the applicable conditions set forth in Section 7.03 of the Credit Agreement will be met on the Date of Issuance and immediately after giving effect thereto.

Copies of all material documentation with respect to the supported transaction are attached hereto.

[NAME OF APPLICABLE BORROWER]

By:_____
Name:
Title:

Exhibit D-1
to the Credit Agreement

FORM OF

U.S. PERFECTION CERTIFICATE

Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation ("SSCC"), Smurfit-Stone Container Enterprises, Inc. ("SSCE"), certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents. Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreement or the Guarantee and Collateral Agreement (the "Collateral Agreement") referred to therein, as applicable.

The undersigned, a Responsible Officer of Holdings, hereby certifies to the Administrative Agent and each other Secured Party as follows:

SECTION 1. Names. (a) Attached hereto as Schedule 1 is (i) the exact legal name of each Grantor, as such name appears in its document of formation, (ii) each other legal name such Grantor has had in the past five years, including the date of the relevant name change and (iii) each other name, including trade names and similar appellations, such Grantor or any of its divisions or other business units has used in connection with the conduct of its business or the ownership of its properties at any time during the past five years.

(b) Except as set forth on Schedule 1, no Grantor has changed its identity or corporate structure in any manner within the past five years. Changes in identity or corporate structure include mergers, consolidations and acquisitions, as well as any change in form, nature or jurisdiction of organization. With respect to any such change that has occurred within the past five years, Schedules 1 and 2A set forth the information required by Sections 1 and 2 of this Certificate as to each acquiree or constituent party to such merger, consolidation or acquisition.

SECTION 2. Locations. (a) Attached hereto as Schedule 2A is the (i) jurisdiction of formation and the form of organization of each Grantor, (ii) organizational identification number, if any, assigned to such Grantor by such jurisdiction, (iii) address (including the county) of the chief executive office of such Grantor, (iv) the Federal Taxpayer Identification Number of each Grantor and (v) whether each Grantor is a Transmitting Utility as defined under the Uniform Commercial Code ("UCC") (indicating such Grantor with an "*").

(b) Set forth on Schedule 2B is, with respect to each Grantor, all locations where such Grantor maintains any books or records relating to the Collateral consisting of Accounts, Contract Rights, Chattel Paper or General Intangibles (with each location at which Chattel Paper, if any, is kept being indicated by an "*").

(c) Set forth on Schedule 2C are all other locations in the United States of America where any of the Collateral consisting of Inventory or Equipment is located.

(d) Set forth on Schedule 2D are all the places of business of any Grantor that are not identified above.

SECTION 3. Unusual Transactions. All Accounts have been originated by the Grantors and all Inventory has been acquired by the Grantors in the ordinary course of business.

SECTION 4. File Search Reports. File search reports have been obtained from (i) the UCC filing office related to each location of a Grantor identified on Schedule 2A and (ii) the county recorder's office relating to the county where each Mortgaged Property is located, except as otherwise agreed to by the Administrative Agent in accordance with the final paragraph of the definition of the term "Collateral and Guarantee Requirement" in the Credit Agreement.

SECTION 5. UCC Filings. UCC financing statements have been prepared for filing in the appropriate UCC filing office related to the jurisdiction of formation for each Grantor. Attached hereto as Schedule 5 is a true and correct list of each such filing and the UCC filing office in which such filing is to be made. All filing fees and taxes payable in connection with the filings described in this Section 5 have been paid or will be paid promptly after the Funding Date.

SECTION 6. Equity Interests. Attached hereto as Schedule 6 is a true and correct list of all the Equity Interests that each Grantor is required to pledge under the Guarantee and Collateral Agreement, specifying the issuer and certificate number (if any) of, and the number and percentage of ownership represented by, such Equity Interests, and indicating with a "*" such Equity Interests of any limited liability company or limited partnership that has not opted to have such Equity Interests treated as "Securities" under the UCC.

SECTION 7. Debt Instruments. Attached hereto as Schedule 7 is a true and correct list of all debt instruments and other Indebtedness that each Grantor is required to pledge under the Guarantee and Collateral Agreement, specifying any promissory notes or intercompany notes evidencing such debt instruments or Indebtedness.

SECTION 8. Mortgage Filings. Attached hereto as Schedule 8 is a true and correct list, with respect to all Mortgaged Property, of (a) the exact name of the Person that owns such property, as such name appears in its certificate of organization, (b) if different from the name identified pursuant to clause (a) above, the exact name of the current record owner of such property, as such name appears in the records of the county recorder's office for such property identified pursuant to clause (c) below and (c) the county recorder's office in which a mortgage with respect to such property must be filed or recorded in order for the Security Agent to obtain a perfected security interest therein.

SECTION 9. Intellectual Property. Attached hereto as Schedule 9, in proper form for filing with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, is a true and correct list of each Grantor's (i) registrations for and applications for registration of Copyrights in the United States Copyright Office, (ii) material Copyright Licenses, (iii) issued Patents and applications for Patents in the United States Patent and Trademark Office and (iv) registrations for and applications for registration of Trademarks in the United States Patent and Trademark Office, in each case, including the name of the registered owner or owner of the application, registration or application number, expiration date (if applicable) and a brief description thereof and with respect to (ii) above, the name and address of the licensor and the licensee.

SECTION 10. Commercial Tort Claims. Set forth on Schedule 10 is a true and correct list of claims that exceed $5,000,000 in reasonable estimated value arising in tort with respect to which any Grantor is claimant and which arose in the course of such Grantor's business, including a brief description thereof.

SECTION 11. Deposit Accounts, Securities Accounts and Commodities Accounts. Attached hereto as Schedule 11 is a true and correct list of Deposit Accounts, Securities Accounts and Commodities Accounts maintained by each Grantor, including the name and address of the depositary institution, Securities Intermediary or Commodities Intermediary holding the account, as applicable, the type of account, the account number , whether such account is required to be subject to a Control Agreement pursuant to the Credit Agreement and, if not, why it is not so required.

SECTION 12. Vessels. Set forth below is a list of all vessels with a fair market value in excess of $250,000 (provided that in the case the aggregate fair market value of all vessels owned by the Grantors does not exceed $2,500,000, no such listing is required) owned by each Grantor including (i) the name, official number, weight, length, width and height, regulation patent number, radio call letters and flag country of each such vessel, (ii) the name of the Grantor that owns such vessel and (iii) the fair market value apportioned to such vessel:

SECTION 13. Aircraft. Set forth below is a list of all aircraft with a fair market value in excess of $250,000 (provided that in the case the aggregate fair market value of all aircraft owned by the Grantors does not exceed $2,500,000, no such listing is required) owned by each Grantor including (i) the name, manufacturer, model, serial number and federal registration number of each such aircraft (including each airframe, engine and propeller), (ii) the name of the Grantor that owns such aircraft (including each airframe, engine and propeller) and (iii) the fair market value apportioned to such aircraft (including each airframe, engine and propeller):

IN WITNESS WHEREOF, the undersigned has duly executed this certificate on this ____ day of [ ], 2010.

SMURFIT-STONE CONTAINER CORPORATION

By: _____
Name: _____
Title: _____

Schedule 1

Names

Grantor's Exact Legal Name	Former Names (including date of change)	Other Names

Schedule 2A

Jurisdiction of Formation, Organizational Identification Number,
Chief Executive Office Address and Federal Taxpayer Identification Number

Grantor[1]	Jurisdiction of Formation	Form of Organization	Organizational Identification Number (if any)	Chief Executive Office Address (including county)	Federal Taxpayer Identification Number

[1]Indicate with an asterisk ("*") each Grantor that is a Transmitting Utility as defined under the UCC.

Schedule 2B

Other Addresses (Books or Records)

Grantor	Other Locations where Books or Records relating to the Collateral are Maintained (including county)[1]

[1]Indicate with an asterisk ("*") each location at which Chattel Paper, if any, is kept.

Schedule 2C

Other Addresses (Collateral)

Grantor	Other Locations where Inventory or Equipment is Maintained (including county)

Schedule 2D

Other Addresses

Grantor	Other Places of Business

Schedule 5

UCC Filings

Grantor	UCC Filing Office

Schedule 6

Equity Interests

Grantor	Issuer[1]	Certificate Number	Number of Equity Interests	Percentage of Ownership

Indicate with an "*" each limited liability company or limited partnership that has not opted into Article 8 of the UCC.

Schedule 7

Debt Instruments

Grantor	Creditor	Debtor	Type	Amount

Schedule 8

Mortgaged Property and Mortgage Filings

Owner	Record Owner	Address	County Recorder's Office

Schedule 9

Intellectual Property

I. Registered Copyrights

Registered Owner	Title	Registration Number	Expiration Date

II. Copyright Applications

Owner	Title	Application Number	Filing Date

III. Copyright Licenses

Licensor Name and Address	Licensee Name and Address	Date of License/ Sublicense	Registered Owner	Title	Registration Number

IV. Registered Patents

Registered Owner	Type	Registration Number	Expiration Date

V. Patent Applications

Owner	Type	Application Number	Filing Date

VI. Registered Trademarks

Registered Owner	Mark	Registration Number	Expiration Date

VII. Trademark Applications

Owner	Mark	Application Number	Filing Date

Schedule 10

Commercial Tort Claims

Grantor/Plaintiff	Defendant	Description

Schedule 11

Deposit Accounts

Name and Address of Depositary Institution	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

Securities Accounts

Name and Address of Intermediary Institution	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

Commodities Accounts

Name and Address of Intermediary Institution	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

Exhibit D-2
to the Credit Agreement

FORM OF

CANADIAN PERFECTION CERTIFICATE

Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation ("SSCC"), Smurfit-Stone Container Enterprises, Inc. ("SSCE"), certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents. Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreement or the Canadian Guarantee and Collateral Agreement (the "Collateral Agreement") referred to therein, as applicable.

The undersigned, a Responsible Officer of Holdings, hereby certifies to the Administrative Agent and each other Secured Party as follows:

SECTION 1. Names. Attached hereto as Schedule 1 is the exact legal name of each Grantor, including any French or combined form of name, and all former names of such Grantor.

SECTION 2. Locations. (a) Attached hereto as Schedule 2A is the (i) jurisdiction of formation and the form of organization of each Grantor, and (ii) the address of the chief executive office of such Grantor.

(b) Set forth on Schedule 2B is, with respect to each Grantor, all locations where such Grantor maintains any books or records relating to the Collateral consisting of Accounts, Contract Rights, Chattel Paper or Intangibles (with each location at which Chattel Paper, if any, is kept being indicated by an "*").

(c) Set forth on Schedule 2C are all other locations in Canada where any of the Collateral consisting of Inventory is located.

(d) Set forth on Schedule 2D are all the places of business of any Grantor that are not identified above.

SECTION 3. Unusual Transactions. All Accounts have been originated by the Grantors and all Inventory has been acquired by the Grantors in the ordinary course of business.

SECTION 4. Search Report. Attached hereto as Schedule 4 is a search report summarizing all searches made against each Grantor in the Personal Property Security Register in each province of Canada (or, if applicable, in the Quebec Register of Personal and Movable Real Rights) and in the analogous registry in each other jurisdiction in which tangible (corporeal) personal (movable) property of such Grantor is located (other than de minimis portions of such property) or in which the chief executive office of such Grantor is located.

SECTION 5. PPSA / UCC Filings. PPSA (and, if required, UCC) financing statements have been prepared for filing in the Personal Property Security Register in each province of Canada (or, if applicable, in the Quebec Register of Personal and Movable Real Rights) and in the analogous registry in each other jurisdiction in which tangible (corporeal) personal (movable) property of each Grantor is located (other than de minimis portions of such property) or in which the chief executive office of each Grantor is located. Attached hereto as Schedule 5 is a true and correct list of all jurisdictions in which such filings are to be made. All filing fees and taxes payable in connection with the filings described in this Section 5 have been paid or will be paid promptly after the Funding Date.

SECTION 6. Equity Interests. Attached hereto as Schedule 6 is a true and correct list of all the Equity Interests that each Grantor is required to pledge under the Canadian Guarantee and Collateral Agreement, specifying the issuer and certificate number (if any) of, and the number and percentage of ownership represented by, such Equity Interests, and indicating with a "*" if any Equity Interest in any partnership or limited liability company is not a "Security" for purposes of applicable securities transfer laws.

SECTION 7. [Intentionally Deleted]

SECTION 8. [Intentionally Deleted]

SECTION 9. [Intentionally Deleted]

SECTION 10. [Intentionally Deleted]

SECTION 11. Bank Accounts, Securities Accounts and Futures Accounts. Attached hereto as Schedule 11 is a true and correct list of bank accounts, Securities Accounts and Futures Accounts maintained by each Grantor, including the name and address of the bank, Securities Intermediary or Futures Intermediary holding the account, as applicable, the type of account, the account number, whether such account is required to be subject to a Control Agreement pursuant to the Credit Agreement and, if not, why it is not so required.

SECTION 12. [Intentionally Deleted]

SECTION 13. [Intentionally Deleted]

IN WITNESS WHEREOF, the undersigned has duly executed this Canadian Perfection Certificate on this ____ day of [ ], 2010.

SMURFIT-STONE CONTAINER CORPORATION

By: _____
Name: _____
Title: _____

Schedule 1

Names

Grantor's Exact Legal Name	Former Names

Schedule 2A

Jurisdiction of Formation, Form of Organization and Chief Executive Office Address

Grantor	Jurisdiction of Formation	Form of Organization	Chief Executive Office Address

Schedule 2B

Other Addresses (Books or Records)

Grantor	Other Locations where Books or Records relating to the Collateral are Maintained[1]

[1] Indicate with an asterisk ("*") each location at which Chattel Paper, if any, is kept.

Schedule 2C

Other Addresses (Collateral)

Grantor	Other Locations in Canada where Inventory is Maintained

Schedule 2D

Other Addresses

Grantor	Other Places of Business

Schedule 4

Search Report

Schedule 5

PPSA / UCC Filings

Schedule 6

Equity Interests

Grantor	Issuer[1]	Certificate Number	Number of Equity Interests	Percentage of Ownership

[1] Indicate with an "*" each partnership or limited liability company interest that is not a "Security" for purposes of applicable securities transfer laws.

Schedule 7

[Intentionally Deleted]

Schedule 8

[Intentionally Deleted]

Schedule 9

[Intentionally Deleted]

Schedule 10

[Intentionally Deleted]

Schedule 11

Bank Accounts

Name and Address of Bank	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

Securities Accounts

Name and Address of Intermediary Institution	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

Futures Accounts

Name and Address of Intermediary Institution	Type of Account	Account Number	Subject to Control Agreement (Reason for exclusion)

EXHIBIT E
to the Credit Agreement

FORM OF

LIEN SUBORDINATION AND INTERCREDITOR AGREEMENT

dated as of

[ ], 2010

among

SMURFIT-STONE CONTAINER CORPORATION
(formerly known as Smurfit-Stone Container Enterprises, Inc.),

the Subsidiaries party hereto,

JPMORGAN CHASE BANK, N.A.
as Administrative Agent for the Term Loan Credit Secured Parties

DEUTSCHE BANK AG NEW YORK BRANCH
as Collateral Agent for the Revolving Credit Secured Parties

and

each Permitted Notes Agent
from time to time party hereto

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ARTICLE VI

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LIEN SUBORDINATION AND INTERCREDITOR AGREEMENT dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, this "Agreement"), among SMURFIT-STONE CONTAINER CORPORATION, a Delaware corporation (formerly known as Smurfit-Stone Container Enterprises, Inc.) ("SSCC"); the other SUBSIDIARIES of SSCC whose signatures appear below or who in the future become parties hereto as provided in Section 8.18; JPMORGAN CHASE BANK, N.A., in its capacity as Administrative Agent for, and acting on behalf of, the Term Loan Credit Secured Parties referred to herein (together with its successors and assigns in such capacity, the "Term Loan Credit Agent"); and DEUTSCHE BANK AG NEW YORK BRANCH, in its capacity as Collateral Agent for, and acting on behalf of, the Revolving Credit Secured Parties referred to herein (together with its successors and assigns in such capacity, the "Revolving Credit Agent"); and each Permitted Notes Agent that from time to time becomes a party hereto pursuant to Section 5.07. Capitalized terms used and not otherwise defined in this Agreement are used with the meanings specified in Article I.

SSCC, the Term Loan Credit Lenders from time to time party thereto and the Term Loan Credit Agent have entered into the Term Loan Credit Agreement, under which the Term Loan Credit Lenders have agreed, upon the terms and subject to the conditions set forth therein, to extend credit to SSCC. The Term Loan Credit Obligations will be incurred or guaranteed by the Grantors as provided in the Term Loan Credit Agreement and secured by Liens on the Term Loan Credit Collateral as provided in the Term Loan Credit Collateral Documents.

On or prior to the date hereof, SSCC, the subsidiaries of SSCC party thereto, the Revolving Credit Lenders from time to time party thereto and the Revolving Credit Agent are entering into, or have entered into, as the case may be, the Revolving Credit Agreement, under which the Revolving Credit Lenders are agreeing, upon the terms and subject to the conditions set forth therein, to extend credit to SSCC and certain of its Subsidiaries. The Revolving Credit Obligations will be incurred or guaranteed by, amongst others, the Grantors and secured by Liens, including those on the Revolving Credit Collateral, as provided in the Revolving Credit Collateral Documents.

The Term Loan Credit Documents and the Revolving Credit Documents provide, among other things, that the parties hereto will enter into this Agreement to set forth their relative rights and remedies with respect to the Common Collateral.

The Term Loan Credit Documents and Revolving Credit Documents permit SSCC to issue Permitted Notes secured by the Common Collateral whose Liens on the Common Collateral will be subordinated to the Term Loan Credit Liens with respect to the Non-ABL Collateral but senior to the Revolving Credit Liens and will be subordinated to the Term Loan Credit Liens and Revolving Credit Liens with respect to the ABL Collateral; provided that, among other things, such Permitted Notes be subject

to an Agreement setting forth the relative rights and remedies of the Term Loan Credit Secured Parties, the Revolving Credit Secured Parties and the holders of such debt with respect to the Common Collateral.

Accordingly, in consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Term Loan Credit Agent (for itself and on behalf of the Term Loan Credit Secured Parties), the Revolving Credit Agent (for itself and on behalf of the Revolving Credit Secured Parties) and each Permitted Notes Agent (for itself and on behalf of the Permitted Notes Secured Parties under the applicable Permitted Notes Documents) agree as follows:

ARTICLE I

Definitions

Section 1.01. New York UCC. All capitalized terms used without definition herein that are defined in the UCC as in effect in the State of New York shall have the meanings specified therein.

Section 1.02. Other Defined Terms. As used in the Agreement, the following terms shall have the following meanings:

"ABL Collateral" means any and all present and future right, title and interest of the Grantors in and to the following, whether now owned or hereafter acquired, existing or arising, and wherever located to the extent constituting Common Collateral: (a) all Accounts Receivable and related Records; (b) all Chattel Paper; (c) all Deposit Accounts, Commodities Accounts, Securities Accounts and all lock-boxes at any bank, including all Money and Certificated Securities, Uncertificated Securities, Securities Entitlements and Investment Property or other assets credited thereto or deposited therein (including all cash, cash equivalents, marketable securities and other funds held in or on deposit in any such Deposit Account, Commodity Account or Securities Account but excluding all equity interests of or owned by any of the Grantors and all such assets relating to Intellectual Property), and all cash, cash equivalents, checks and other negotiable instruments, funds and other evidences of payments (but excluding the Non-ABL Sweep Collateral Account and any cash or other assets held in the Non-ABL Sweep Collateral Account in accordance with the Term Loan Credit Agreement as in effect on the date hereof or, provided that any amendment or modification to the terms thereof with respect to such Non-ABL Sweep Account are not materially adverse to the Revolving Credit Lenders, the Term Loan Credit Agreement as Amended from time to time); (d) all Inventory; (e) to the extent evidencing, governing, securing or otherwise related to the items referred to in the preceding clauses (a), (b), (c) and (d) of this definition, all contracts, contract rights, payment intangibles, Documents, Instruments, Letter of Credit Rights and Commercial Tort Claims and other claims or causes of action; (f) all books, Records and data processing software directly relating to, or arising from any of the foregoing; and (g) all substitutions, replacements, products, Supporting Obligations and Proceeds (including, insurance proceeds, income, payments,

damages and proceeds of suit) of any and all of the foregoing. For the avoidance of doubt, ABL Collateral shall not include Intellectual Property.

"ABL Collateral Enforcement Actions" has the meaning assigned to such term in Section 5.06(a).

"ABL Collateral Enforcement Notice" has the meaning assigned to such term in Section 5.06(a).

"Accounts Receivable" means all Accounts and other rights to payment for the sale, lease, license, assignment or other disposal of any Inventory or the performance of services (whether performed or to be performed), existing on the date of this Agreement or hereafter arising, whether or not earned by performance.

"Agent" means (a) with respect to the Term Loan Credit Secured Parties, the Term Loan Credit Agent, (b) with respect to the Revolving Credit Secured Parties, the Revolving Credit Agent and (c) with respect to the Permitted Notes Secured Parties of any Series, the Permitted Notes Agent with respect to such Series.

"Amend" means, in respect of any Indebtedness, obligation or agreement, to amend, restate, modify, waive, supplement, restructure, extend, increase or renew such Indebtedness, in whole or in part. "Amended" and "Amendment" shall have correlative meanings.

"Bankruptcy Case" means a case under the Bankruptcy Code or any other Bankruptcy Law.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now or hereafter in effect, or any successor statute.

"Bankruptcy Law" means the Bankruptcy Code and any similar Federal, state or foreign law for the relief of debtors.

"Canadian Collateral" means any and all of the assets of a Canadian Revolving Credit Loan Party on which any Lien has been granted or is purported to be granted pursuant to a Revolving Credit Collateral Document by such Canadian Revolving Credit Loan Party to secure any Revolving Credit Obligations.

"Canadian Intercompany Notes" means each promissory note evidencing any loan or advance from time to time made by any Grantor to a Canadian Revolving Credit Loan Party, in each case where the obligations evidenced thereby are secured by a Lien on assets of such Canadian Revolving Credit Loan Party.

"Canadian Intercompany Notes Documents" means the Canadian Intercompany Notes and all other instruments, agreements and other documents evidencing or governing the loan evidenced by any Canadian Intercompany Note, providing for any security interest or other right in respect thereof, affecting the terms of

the foregoing or entered into in connection therewith and all schedules, exhibits and annexes to each of the foregoing.

"Canadian Revolving Credit Loan Party" means each Revolving Credit Loan Party that is incorporated, organized, or established in Canada or any province or territory thereof.

"Cash Management Services" shall mean (a) cash management services, including treasury, depository, overdraft, electronic funds transfer and other cash management arrangements and (b) commercial credit card and merchant card services.

"Cash Management and Hedging Obligations" shall mean the Term Loan Credit Cash Management and Hedging Obligations and the Revolving Credit Cash Management and Hedging Obligations.

"Class", when used in reference to (a) any Obligations, refers to whether such Obligations are the Term Loan Credit Obligations, the Revolving Credit Obligations or the Permitted Notes Obligations of any Series, (b) any Agent, refers to whether such Agent is the Term Loan Credit Agent, the Revolving Credit Agent or the Permitted Notes Agent of any Series, (c) any Secured Parties, refers to whether such Secured Parties are the Term Loan Credit Secured Parties, the Revolving Credit Secured Parties or the Permitted Notes Secured Parties of any Series and (d) any Credit Documents, refers to whether such Credit Documents are the Term Loan Credit Documents, the Revolving Credit Documents or the Permitted Notes Documents with respect to Permitted Notes of any Series.

"Collateral" means all Term Loan Credit Collateral, all Revolving Credit Collateral and all Permitted Notes Collateral.

"Collateral Documents" means the Term Loan Credit Collateral Documents, the Revolving Credit Collateral Documents and the Permitted Notes Collateral Documents.

"Common Collateral" means all Collateral that secures two or more Classes of Obligations. For the avoidance of doubt, "Common Collateral" shall not include Canadian Collateral or any other assets of any Person that is not both a Term Loan Credit Loan Party or a Permitted Notes Loan Party, on the one hand, and a Revolving Credit Loan Party, on the other hand.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, or the dismissal or appointment of the management, of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlled" shall have a correlative meaning.

"Controlling Agent" means, with respect to any Common Collateral consisting of ABL Collateral or Non-ABL Collateral, the Agent with respect to the Prior Secured Parties secured by such Common Collateral and in respect of which Common Collateral all Other Secured Parties are Junior Secured Parties. The parties hereto

acknowledge that (a) prior to the Discharge of the Term Loan Credit Obligations, the Term Loan Credit Agent is the Controlling Agent with respect to the Non-ABL Collateral, (b) prior to the Discharge of the Revolving Credit Obligations, the Revolving Credit Agent is the Controlling Agent with respect to the ABL Collateral, (c) after the Discharge of the Term Loan Credit Obligation and prior to the Discharge of the Permitted Notes Obligations, the Designated Permitted Notes Agent will be the Controlling Agent with respect to the Non-ABL Collateral and (d) after the Discharge of the Revolving Credit Obligation and prior to the Discharge of the Term Loan Credit Obligations, the Term Loan Credit Agent will be the Controlling Agent with respect to the ABL Collateral.

"Controlling Secured Parties" means, with respect to any Common Collateral consisting of ABL Collateral or Non-ABL Collateral and any Secured Parties, the Prior Secured Parties with respect to such Common Collateral and in respect of which Common Collateral all Other Secured Parties are Junior Secured Parties.

"Credit Documents" means the Term Credit Documents, the Revolving Credit Documents and the Permitted Notes Documents.

"Designated Permitted Notes Agent" means (a) if there is only one Series of Permitted Notes, the Permitted Notes Agent with respect to such Series and (b) if there is more than one Series of Permitted Notes, the Person designated from time to time by the Permitted Notes Agents with respect to Permitted Notes Documents under which at least a majority of the then aggregate amount of Permitted Notes Obligations are outstanding, in a notice to the Term Loan Credit Agent, the Revolving Credit Agent and SSCC, as the "Designated Permitted Notes Agent".

"DIP Financing" has the meaning set forth in Section 6.01(b).

"DIP Financing Liens" has the meaning set forth in Section 6.01(b).

"Discharge" means, subject to Section 5.09, with respect to any Class of Obligations:

(a) payment in full in cash of the principal of and interest (including interest accruing on or after the commencement of any Insolvency or Liquidation Proceeding, whether or not such interest would be allowed in such Insolvency or Liquidation Proceeding) on all such Obligations (other than Cash Management and Hedging Obligations);

(b) payment in full in cash of all other Obligations (other than Cash Management and Hedging Obligations) of such Class that are due and payable or otherwise accrued and owing at or prior to the time such principal and interest are paid (other than claims, causes of action or other liabilities in respect of which no claim or demand for payment has been made at such time);

(c) termination or expiration of all commitments, if any, to extend credit that would give rise to Obligations (other than Cash Management and Hedging Obligations) of such Class;

(d) termination or cash collateralization of all letters of credit and bankers' acceptances the reimbursement or payment obligations in respect of which constitute Obligations (other than Cash Management and Hedging Obligations) of such Class (any such cash collateralization to be in an amount and manner reasonably satisfactory to the Agent for such Class of Obligations, but in no event shall such amount be greater than 105% of the aggregate undrawn face amount in the case of letters of credit or 105% of the principal amount in the case of bankers' acceptances);

(e) adequate provision (as agreed to by each Agent or otherwise determined by a court of competent jurisdiction) has been made for any contingent or unliquidated Obligations (other than Cash Management and Hedging Obligations) of such Class in respect of claims, causes of action or other monetary liabilities that have been asserted, or threatened in writing (and which would reasonably be expected to be asserted), against the Secured Parties of such Class, and of which the Agent of such Class shall have informed the other Agents in writing concurrently with the satisfaction of each of the requirements set forth in clauses (a) through (d) above; and

(f) in the case of the Discharge of the Revolving Credit Obligations, to the extent that the requirements set forth above have been satisfied with the proceeds of a foreclosure on Collateral or other enforcement action by the Revolving Credit Agent with respect to the Revolving Credit Obligations under the Revolving Credit Collateral Documents, the payment in full in cash of all Revolving Credit Cash Management and Hedging Obligations that are due and payable at such time.

"Discharge of Prior Obligations" means, subject to the provisions of Section 5.09, (a) with respect to the Term Loan Credit Liens on the ABL Collateral and the Term Loan Credit Obligations insofar as they are secured by such Liens, the occurrence of a Discharge of the Revolving Credit Obligations, (b) with respect to the Revolving Credit Liens on the Non-ABL Collateral and the Revolving Credit Obligations insofar as they are secured by such Liens, the occurrence of a Discharge of the Term Loan Credit Obligations and the Permitted Notes Obligations and (c) (i) with respect to the Permitted Notes Liens on the ABL Collateral and the Permitted Notes Obligations insofar as they are secured by such Liens, the occurrence of a Discharge of the Revolving Credit Obligations and the Term Loan Credit Obligations and (ii) with respect to the Permitted Notes Liens on the Non-ABL Collateral and the Permitted Notes Obligations insofar as they are secured by such Liens, the occurrence of a Discharge of the Term Loan Credit Obligations.

"Disposition" has the meaning set forth in Section 5.01(b). "Dispose", when used as a verb, shall have a correlative meaning.

"Domestic Subsidiary" shall mean any Subsidiary organized under the laws of the United States or any State thereof (including the District of Columbia).

"Equity Interests" means shares of capital stock, partnership interests, membership interests, beneficial interests in a trust or other equity ownership interests, whether voting or nonvoting, in, or interests in the income or profits of, a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing.

"GAAP" means generally accepted accounting principles in the United States, applied on a consistent basis.

"Governmental Authority" means the United States or any foreign nation's government and any Federal, state, provincial, regional, local or foreign court or governmental agency, authority, instrumentality or regulatory body.

"Grantors" means, at any time, SSCC and each Domestic Subsidiary that, at such time, has, pursuant to any Collateral Document, granted a Lien on any Common Collateral owned by it to secure any Term Loan Credit Obligation, Revolving Credit Obligation or Permitted Notes Obligation pursuant to any Credit Document; provided that solely for purpose of Section 2.03, a Domestic Subsidiary shall be deemed to be a "Grantor" if it is required pursuant to the Credit Documents of a Class to grant a Lien on assets owed by it to secure Obligations of such Class.

"Hedging Agreement" shall mean any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of SSCC or the Subsidiaries shall be a Hedging Agreement.

"Incremental Revolving Facility" means an incremental revolving facility established under the Term Loan Credit Agreement.

"Indebtedness" means and includes all liabilities, absolute or contingent, that constitute "Indebtedness" within the meaning of the Term Loan Credit Agreement or any equivalent term under the Revolving Credit Agreement or the Permitted Notes Indenture.

"Insolvency or Liquidation Proceeding" means (a) any voluntary or involuntary case or proceeding under the Bankruptcy Code with respect to any Grantor or Canadian Revolving Credit Loan Party; (b) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding, with respect to any Grantor or Canadian Revolving Credit Loan Party, or with respect to a material portion of the assets of any of the foregoing; (c) any liquidation, dissolution, reorganization or winding up of any Grantor or Canadian Revolving Credit Loan Party, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy; or (d) any

assignment for the benefit of creditors or any other marshalling of assets and liabilities of any Grantor or Canadian Revolving Credit Loan Party; provided, in the case of any involuntary case or proceeding, that such case or proceeding shall have continued for 60 days without having been dismissed or discharged.

"Junior Agent" means, with respect to any Common Collateral and any Prior Secured Party, each Agent representing Secured Parties whose Liens on such Common Collateral are Junior Liens.

"Junior Collateral Documents" means, with respect to any Junior Liens, the Collateral Documents pursuant to which such Junior Liens are granted.

"Junior Credit Documents" means (a) with respect to Junior Obligations that are Term Loan Credit Obligations, the Term Loan Credit Documents, (b) with respect to Junior Obligations that are Revolving Credit Obligations, the Revolving Credit Documents and (c) with respect to Junior Obligations that are Permitted Notes Obligations, the Permitted Notes Documents.

"Junior Liens" means (a) with respect to the ABL Collateral (i) prior to the Discharge of the Revolving Credit Obligations, any Term Loan Credit Liens and Permitted Notes Liens and (ii) from and after the Discharge of the Revolving Credit Obligations and prior to the Discharge of the Term Loan Credit Obligations, any Permitted Notes Lien and (b) with respect to the Non-ABL Collateral (i) prior to the Discharge of the Term Loan Credit Obligations, any Permitted Notes Liens and Revolving Credit Liens and (ii) from and after the Discharge of the Term Loan Credit Obligations and prior to the Discharge of the Permitted Notes Obligations, any Revolving Credit Liens.

"Junior Obligations" means (a) with respect to any Common Collateral consisting of ABL Collateral or Non-ABL Collateral or any Prior Liens thereon, any Obligations that are secured by Junior Liens on such Common Collateral and (b) with respect to any Prior Obligations or Prior Secured Parties secured by any Common Collateral consisting of ABL Collateral or Non-ABL Collateral, any Obligations that are secured by Junior Liens on such Common Collateral, but, in each case, only insofar as such Obligations are secured by such Junior Liens, it being agreed that, to the extent provided herein, Obligations secured by Junior Liens on the ABL Collateral or the Non-ABL Collateral, as the case may be, may also be secured by Prior Liens on other Common Collateral and insofar as they shall be secured by such Prior Liens on such other Common Collateral shall constitute Prior Obligations with respect thereto.

"Junior Secured Parties" means, as to any Common Collateral consisting of ABL Collateral and Non-ABL Collateral and any Prior Secured Party, any Secured Parties to the extent the Obligations held by such Secured Parties, or in respect of which such Secured Parties are the obligee, are secured by Junior Liens on such Common Collateral pursuant to the terms of this Agreement.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, assignment for security, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Parties" means the Term Loan Credit Loan Parties, the Revolving Credit Loan Parties and the Permitted Notes Loan Parties.

"New Agent" has the meaning set forth in Section 5.09.

"Non-ABL Collateral" means all Common Collateral that is not ABL Collateral.

"Non-ABL Controlling Agent" means the Controlling Agent with respect to the Non-ABL Collateral.

"Non-ABL Sweep Account" means (a) the "Term Sweep Account" as defined in the Term Loan Credit Agreement and (b) each other Deposit Accounts or Securities Accounts holding only the Proceeds of any sale or disposition of any Non-ABL Collateral and the proceeds or investment thereof for the same purposes and in substantially the same manner as the Non-ABL Sweep Account defined in clause (a) hereof.

"Notice of New Refinancing Obligations" has the meaning set forth in Section 5.09.

"Obligations" means all Term Loan Credit Obligations, all Revolving Credit Obligations and all Permitted Notes Obligations.

"Other Secured Parties" means (a) with respect to any Term Loan Credit Secured Party, the Revolving Credit Secured Parties and the Permitted Notes Secured Parties, (b) with respect to any Revolving Credit Secured Party, the Term Loan Credit Secured Parties and the Permitted Notes Secured Parties and (c) with respect to any Permitted Notes Secured Party, the Term Loan Credit Secured Parties and the Revolving Credit Secured Parties.

"Permitted Notes" means Indebtedness incurred by the Borrower in the form of notes or bonds, the incurrence of which (a) reduces the aggregate principal amount permitted to be incurred under the incremental facility under the Term Loan Agreement or any Refinancing Agreement with respect to Term Loan Credit Obligations or (b) constitutes a Refinancing of loans under the Term Loan Credit Agreement (including, for the avoidance of doubt, pursuant to an exchange of Term Loans for such Permitted Notes), in each case as permitted under the Term Loan Credit Agreement and the Revolving Credit Agreement or any Refinancing Agreement with respect to Term Loan Credit Obligations.

"Permitted Notes Agent" has the meaning set forth in Section 5.08(a).

"Permitted Notes Collateral" means any assets of SSCC or any other Grantor on which any Lien has been granted or is purported to be granted pursuant to a Permitted Notes Collateral Document by SSCC or any other Grantor to secure any Permitted Notes Obligation.

"Permitted Notes Collateral Documents" means each Permitted Notes Mortgage and each other security agreement, instrument and document now existing or entered into after the date hereof that grants a Lien on any assets of SSCC or any of the Subsidiaries constituting Common Collateral to secure any Permitted Notes Obligations; provided that the Permitted Notes Collateral Documents shall be substantially the same as the Term Loan Collateral Documents (with such differences as are reasonably satisfactory to the Term Loan Credit Agent and the Revolving Credit Agent).

"Permitted Notes Documents" means, with respect to any Series of Permitted Notes, each promissory note, indenture, Permitted Notes Collateral Document and each other operative agreement evidencing or governing the Permitted Notes of such Series, each as Amended from time to time.

"Permitted Notes Liens" means Liens on the Common Collateral securing the Permitted Notes Obligations, including all such Liens created under the Permitted Notes Collateral Documents.

"Permitted Notes Loan Party" means SSCC and each Subsidiary that incurs or guarantees the Permitted Notes Obligations pursuant to the Permitted Notes Documents.

"Permitted Notes Mortgage" means each mortgage, deed of trust, assignment of leases and rents, leasehold mortgage or other security document that grants a Lien on any real property owned or leased by SSCC or any other Grantor to secure any Permitted Notes Obligations.

"Permitted Notes Obligations" means, with respect to any Series of Permitted Notes, (a) all principal of, and interest (including any interest which accrues after the commencement of any Bankruptcy Case, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, the Permitted Notes, (b) all other amounts payable to the Permitted Notes Secured Parties under the Permitted Notes Documents and (c) all Amendments or Refinancings of the foregoing; provided that the resulting Indebtedness is secured by Common Collateral and is otherwise effected in accordance with the provisions hereof.

"Permitted Notes Secured Parties" has the meaning set forth in Section 5.08(a).

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

"Pledged Collateral" has the meaning set forth in Section 5.05.

"Prior Agent" means, with respect to any Collateral and any Junior Secured Party, each Collateral Agent representing Secured Parties whose Liens on such Collateral are Prior Liens.

"Prior Collateral Documents" means, with respect to any Junior Agent or any other Junior Secured Parties, any Collateral Documents to the extent that the Obligations created thereunder are Prior Obligations.

"Prior Lien Collateral" means, with respect to any Junior Agent or any other Junior Secured Party, the Common Collateral securing such Junior Secured Party's Junior Liens that also secures Prior Liens of an Other Secured Party.

"Prior Liens" means (a) with respect to the ABL Collateral (i) prior to the Discharge of the Revolving Credit Obligations, any Revolving Credit Lien and (ii) prior to the Discharge of the Term Loan Credit Obligations, any Term Loan Credit Lien and (b) with respect to the Non-ABL Collateral (i) prior to the Discharge of the Term Loan Credit Obligations, any Term Loan Credit Lien and (ii) prior to the Discharge of the Permitted Notes Obligations, any Permitted Notes Lien.

"Prior Obligations" means (a) with respect to any Common Collateral consisting of ABL Collateral or Non-ABL Collateral or any Junior Liens thereon, any Obligations that are secured by Prior Liens on such Common Collateral and (b) with respect to any Junior Obligations or Junior Secured Parties secured by any Common Collateral consisting of ABL Collateral or Non-ABL Collateral, any Obligations that are secured by Prior Liens on such Common Collateral, but, in each case, only insofar as such Obligations are secured by such Prior Liens, it being agreed that, to the extent provided herein, it being agreed that, to the extent provided herein, Obligations secured by Prior Liens on the ABL Collateral or Non-ABL Collateral, as the case may be, may also be secured by Junior Liens on other Common Collateral and insofar as they shall be secured by such Junior Liens on such other Common Collateral shall constitute Junior Obligations with respect thereto.

"Prior Secured Parties" means, with respect to any Common Collateral consisting of ABL Collateral or Non-ABL Collateral and any Junior Secured Parties, any Secured Parties to the extent that the Obligations held by such Secured Parties, or in respect of which such Secured Parties are the obligees, are secured by Prior Liens on such Common Collateral pursuant to the terms of this Agreement.

"Recovery" has the meaning set forth in Section 6.05.

"Refinance" means, in respect of any Indebtedness, to refinance or replace, or to issue other indebtedness in exchange for or replacement of, such Indebtedness in whole or in part. "Refinanced" and "Refinancing" shall have correlative meanings. Notwithstanding anything to the contrary herein, each party hereto acknowledges and agrees that no Incremental Revolving Facility established after the

termination of the Revolving Credit Agreement shall constitute a Refinancing of the Revolving Credit Obligations under this Agreement.

"Refinanced Obligations" has the meaning set forth in Section 5.09.

"Refinancing Obligations" has the meaning set forth in Section 5.09.

"Related Secured Parties" means (a) in the case of the Term Loan Credit Agent, the Term Loan Credit Secured Parties, (b) in the case of the Revolving Credit Agent, the Revolving Credit Secured Parties and (c) in the case of the Permitted Notes Agent, the Permitted Notes Secured Parties.

"Revolving Credit Agent" has the meaning assigned to such term in the preamble to this Agreement.

"Revolving Credit Agreement" means the revolving facility (and, as applicable, term loan facility) agreement, dated as of [•], 2010, among SSCC, certain Subsidiaries, the lenders party thereto and Deutsche Bank AG New York Branch, as the administrative agent, as Amended from time to time.

"Revolving Credit Cash Management and Hedging Obligations" means (a) any and all obligations of the Revolving Credit Loan Parties or any Subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Cash Management Services; provided that the obligations of the Revolving Credit Loan Parties or any Subsidiaries with respect to Cash Management Services described in clause (b) of the definition thereof shall not exceed an aggregate principal amount of $10,000,000, in each case to the extent such obligations are designated by SSCC as "obligations" secured by the Revolving Credit Collateral pursuant to the procedures set forth in the Revolving Credit Agreement and (b) all obligations owing by the Revolving Credit Loan Parties or any Subsidiaries to counterparties to Hedging Agreements, in each case to the extent such obligations are permitted to be and are designated by SSCC as "obligations" secured by the Revolving Credit Collateral pursuant to the procedures set forth in the Revolving Credit Agreement.

"Revolving Credit Collateral" means all assets of SSCC or any other Grantor on which any Lien has been granted or is purported to be granted pursuant to a Revolving Credit Collateral Document by SSCC or any other Grantor to secure any Revolving Credit Obligation.

"Revolving Credit Collateral Documents" means the Revolving Credit Guarantee and Collateral Agreement, the Revolving Credit Mortgages and each other security agreement, instrument and document now existing or entered into after the date hereof (or Amended from time to time) that grants a Lien on any assets of SSCC or any of the Subsidiaries constituting Common Collateral to secure any Revolving Credit Obligations.

"Revolving Credit Documents" means the Revolving Credit Agreement and the Revolving Credit Collateral Documents.

"Revolving Credit Guarantee and Collateral Agreement" means the guarantee and security agreement, as Amended from time to time, pursuant to which SSCC and each Revolving Credit Loan Party guarantees certain of the Revolving Credit Obligations and SSCC and each Domestic Subsidiary party thereto grants or purports to grant security interests to the Revolving Credit Agent and the Revolving Credit Secured Parties on the assets of SSCC and each Domestic Subsidiary party thereto. As of the date hereof, the Revolving Credit Guarantee and Collateral Agreement means the Guarantee and Collateral Agreement dated as of [ ], 2010, among SSCC, the Subsidiaries party thereto and the Revolving Credit Agent.

"Revolving Credit Lenders" means, at any time, Persons that are at such time "Lenders" under and as defined in the Revolving Credit Agreement.

"Revolving Credit Liens" means Liens on the Common Collateral securing the Revolving Credit Obligations, including all such Liens created under the Revolving Credit Collateral Documents.

"Revolving Credit Loan Parties" means the "Loan Parties" as defined in the Revolving Credit Agreement.

"Revolving Credit Mortgage" means each mortgage, deed of trust, assignment of leases and rents, leasehold mortgage or other security document that grants a Lien on any real property owned or leased by SSCC or any other Grantor to secure any Revolving Credit Obligations.

"Revolving Credit Obligations" means (a) all principal of, and interest (including any interest which accrues after the commencement of any Bankruptcy Case, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, the commitments, loans and letters of credit under the Revolving Credit Agreement, (b) all other amounts payable to the Revolving Credit Secured Parties under the Revolving Credit Documents (including with respect to guarantee obligations of any Revolving Credit Loan Party from time to time owed to any Revolving Credit Secured Party, reimbursement of amounts drawn under (and obligations to cash collateralize) letters of credit, fees, expenses and indemnification obligations), (c) all Amendments or Refinancings of the foregoing; provided that the resulting Indebtedness is secured by Common Collateral and is otherwise effected in accordance with the provisions thereof and (d) all Revolving Credit Cash Management and Hedging Obligations.

"Revolving Credit Secured Parties" means the "Secured Parties" as defined in the Revolving Credit Agreement.

"Rising Prior Agent" means, at any time that the Prior Obligations secured by a Prior Lien of a Controlling Agent shall have been Discharged, the Junior Agent that becomes the Controlling Agent at the time of such Discharge hereunder or, if there are no remaining Prior Agents, the Junior Agent.

"Rule 3-16 Collateral" means securities of any Subsidiary (the "Affected Subsidiary"), which if pledged to secure the Permitted Notes Obligations, would require, pursuant to Rule 3-16 of Regulation S-X (as such rule is amended, modified or interpreted by the Securities and Exchange Commission (the "SEC") under the Securities Act of 1934 (or any other similar applicable rule, regulation or law), the filing by SSCC or any other Subsidiary with the SEC (or any other Governmental Authority) of separate financial statements of such Affected Subsidiary that are not already required to be filed with the SEC (or such Governmental Authority) by SSCC or any Subsidiary.

"Secured Parties" means the Term Loan Credit Secured Parties, the Revolving Credit Secured Parties and the Permitted Notes Secured Parties.

"Series", when used in reference to Permitted Notes Obligations, refers to such Permitted Notes Obligations as shall have been issued or incurred pursuant to the same indentures or other agreements and with respect to which the same Person acts as the Agent.

"SSCC" has the meaning assigned to such term in the preamble to this Agreement.

"subsidiary" means, with respect to any Person (herein referred to as the "parent"), any corporation, partnership, association or other business entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by, or otherwise Controlled by, the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" means any direct or indirect subsidiary of SSCC.

"Term Loan Credit Agent" has the meaning assigned to such term in the preamble to this Agreement.

"Term Loan Credit Agreement" means the Credit Agreement dated as of [•], 2010, among SSCC, the lenders party thereto and JPMorgan Chase Bank N.A., as administrative agent, as Amended from time to time.

"Term Loan Credit Cash Management and Hedging Obligations" (a) any and all obligations of the Term Loan Credit Loan Parties or any Subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Cash Management Services; provided that the obligations of the Term Loan Credit Loan Parties or any Subsidiaries with respect to Cash Management Services described in clause (b) of the definition thereof shall not exceed an aggregate principal amount of $10,000,000, in each case to the extent such obligations are designated by SSCC as "obligations" secured by the Term Loan Credit Collateral pursuant to the procedures set forth in the Term Loan Credit Agreement and (b) all obligations owing by the Term Loan Credit Loan Parties or any Subsidiaries to

counterparties to Hedging Agreements, in each case, to the extent such obligations are permitted to be and are designated by SSCC as "obligations" secured by the Term Loan Credit Collateral pursuant to the procedures set forth in the Term Loan Credit Agreement.

"Term Loan Credit Collateral" means all assets of SSCC or any other Grantor on which any Lien has been granted or is purported to be granted pursuant to a Term Loan Credit Collateral Document by SSCC or any other Grantor to secure any Term Loan Credit Obligations.

"Term Loan Credit Collateral Documents" means the Term Loan Credit Guarantee and Collateral Agreement, the Term Loan Credit Mortgages and each other security agreement, instrument and document now existing or entered into after the date hereof (or Amended from time to time) that grants a Lien on any assets of SSCC or any of the Subsidiaries constituting Common Collateral to secure any Term Loan Credit Obligations.

"Term Loan Credit Documents" means the Term Loan Credit Agreement and the Term Loan Credit Collateral Documents.

"Term Loan Credit Guarantee and Collateral Agreement" means the guarantee and security agreement, as Amended from time to time, pursuant to which SSCC and each Term Loan Credit Loan Party guarantees certain of the Term Loan Credit Obligations and SSCC and each Domestic Subsidiary party thereto grants or purports to grant security interests to the Term Loan Credit Agent and the Term Loan Credit Secured Parties on the assets of SSCC and each Domestic Subsidiary party thereto. As of the date hereof, the Term Loan Credit Guarantee and Collateral Agreement means the Guarantee and Collateral Agreement dated as of [ ], 2010, among SSCC, the Subsidiaries party thereto and the Term Loan Credit Agent.

"Term Loan Credit Guarantors" means the "Guarantors" as defined in the Term Loan Credit Agreement.

"Term Loan Credit Lenders" means, at any time, Persons that are at such time "Lenders" under and as defined in the Term Loan Credit Agreement.

"Term Loan Credit Liens" means Liens on the Common Collateral securing the Term Loan Credit Obligations, including all such Liens created under the Term Loan Credit Collateral Documents.

"Term Loan Credit Loan Parties" means the "Loan Parties" as defined in the Term Loan Credit Agreement.

"Term Loan Credit Mortgage" means each mortgage, deed of trust, assignment of leases and rents, leasehold mortgage or other security document that grants a Lien on any real property owned or leased by SSCC or any other Grantor to secure any Term Loan Credit Obligations.

"Term Loan Credit Obligations" means (a) all principal of, and interest (including any interest which accrues after the commencement of any Bankruptcy Case, whether or not allowed or allowable as a claim in any such proceeding) payable with respect to, the commitments and loans under the Term Loan Credit Agreement, (b) all other amounts payable to the Term Loan Credit Secured Parties under the Term Loan Credit Documents (including with respect to guarantee obligations of any Term Loan Credit Loan Party from time to time owed to any Term Loan Credit Secured Party, fees, expenses and indemnification obligations), (c) all Amendments or Refinancings (other than Permitted Notes) of the foregoing; provided that the resulting Indebtedness is secured by Common Collateral and is otherwise effected in accordance with the provisions thereof and (d) all Term Loan Credit Cash Management and Hedging Obligations.

"Term Loan Credit Secured Parties" means the "Secured Parties" as defined in the Term Loan Credit Guarantee and Collateral Agreement.

"UCC" means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

Section 1.03. Terms Generally. The definitions of terms set forth herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time Amended (subject to any restrictions on such Amendments set forth herein), (b) any definition of or reference to any statute, regulation or other law herein shall be construed (i) as referring to such statute, regulation or other law as from time to time Amended (including by succession of comparable successor statutes, regulations or other laws) and (ii) to include all official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE II

Lien Priorities

Section 2.01. Relative Priorities. Notwithstanding (a) the date, time, method, manner or order of grant, attachment or perfection of any Junior Lien or Prior Lien on any Common Collateral, (b) any provision of the UCC or any other applicable law or of the Term Loan Credit Documents, the Revolving Credit Documents or any Permitted Notes Documents, (c) any defect or deficiency in, or failure to perfect, any Prior Lien, (d) the possession or control by any Agent or any bailee of all or any part of the Common Collateral or (e) any other circumstance whatsoever, each Agent, on behalf of itself and its Related Secured Parties, hereby agrees that:

(i) any Prior Lien on any Common Collateral now or hereafter held by or on behalf of any Prior Agent or any Prior Secured Party or any agent or trustee therefor, regardless of how acquired, whether by grant, possession, statute, operation of law, court order, subrogation or otherwise, shall be senior in all respects and prior to all Junior Liens on such Common Collateral; and

(ii) any Junior Lien on any Common Collateral now or hereafter held by or on behalf of any Junior Agent or any Junior Secured Party or any agent or trustee therefor, regardless of how acquired, whether by grant, possession, statute, operation of law, court order, subrogation or otherwise, shall be junior and subordinated in all respects to all Prior Liens on such Common Collateral.

Any and all foreclosure Proceeds relating to any Common Collateral shall be distributed in accordance with the priorities of the Liens with respect to Common Collateral established hereby, (A) in the case of the Non-ABL Collateral, (1) FIRST to the Term Loan Credit Agent for the benefit of the Term Loan Credit Secured Parties, (2) SECOND, following the Discharge of the Term Loan Credit Obligations, to the Designated Permitted Notes Agent for the benefit of the Permitted Notes Secured Parties, (3) THIRD, following the Discharge of the Term Loan Credit Obligations and the Discharge of the Permitted Notes Obligations, to the Revolving Credit Agent for the benefit of the Revolving Credit Secured Parties and (4) FOURTH, following the Discharge of all Obligations, to the applicable Grantor and (B) in the case of the ABL Collateral, (1) FIRST to the Revolving Credit Agent for the benefit of the Revolving Credit Secured Parties, (2) SECOND, following the Discharge of the Revolving Credit Obligations, to the Term Loan Credit Agent for the benefit of the Term Loan Credit Secured Parties, (3) THIRD, following the Discharge of the Revolving Credit Obligations and the Discharge of the Term Loan Credit Obligations, and subject to the terms of, and the rights of the Grantors under, the Permitted Notes Documents, the Designated Permitted Notes Agent with respect to such series for the benefit of the Permitted Notes Parties and (4) FOURTH, following the Discharge of all Obligations, to the applicable Grantor. All Prior Liens in respect of any Common Collateral shall be and remain (until the Discharge of the Class of Obligations secured by such Prior Liens) senior in right, priority, operation, effect and in all other respects to the Liens securing any other Class of Obligations that are Junior Liens in respect of such Common Collateral, whether or not

such Prior Liens are subordinated to any Lien securing any other obligation of SSCC or the other Grantors.

Section 2.02. Prohibition on Contesting Liens. Each Agent, on behalf of itself and its Related Secured Parties, agrees that none of them will (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the perfection, priority, validity or enforceability of any Prior Lien or any Junior Lien, the validity or enforceability of any Credit Documents or Obligations, the relative rights and duties of the Agents and Secured Parties granted or established under the Credit Documents or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the right of any Agent or Secured Party to enforce this Agreement (including the priority of Liens set forth in Section 2.01).

Section 2.03. No New Liens. Whether or not any Insolvency or Liquidation Proceeding has been commenced by or against SSCC or any other Grantor, SSCC and the other parties hereto agree that none of SSCC and any other Grantor shall grant, and no Secured Party shall accept, any additional Lien on any asset of SSCC or such other Grantor to secure any Obligation unless SSCC or such other Grantor has granted or concurrently grants a Lien on such asset to secure the other outstanding Obligations (all such Liens to have the relative priorities set forth herein based on whether the assets subject to such additional Liens constitute ABL Collateral or Non-ABL Collateral); provided that, with respect to any Lien granted under a Term Loan Credit Mortgage or a Permitted Notes Mortgage with respect to any real property located in the State of New York, such Lien may be granted without a prior or concurrent grant of a Lien thereon to secure the Revolving Credit Obligations so long as, prior to the grant of such Lien under such Term Loan Credit Mortgage or Permitted Notes Mortgage, SSCC or the applicable Grantor shall have given notice thereof to the Revolving Credit Agent and the Revolving Credit Agent shall have notified SSCC that, pursuant to its authority under the Revolving Credit Agreement, the Revolving Credit Agent shall forego such grant of a Lien to secure the Revolving Credit Obligations; provided further that, with respect to any Lien granted under a Term Loan Collateral Document or a Revolving Credit Collateral Document with respect to any Rule 3-16 Collateral, such Lien may be granted without a prior or concurrent grant of a Lien thereon to secure the Permitted Notes Obligations so long as, prior to the grant of such Lien under such Term Loan Credit Collateral Document or Revolving Credit Collateral Document, SSCC or the applicable Grantor shall have given notice thereof to the Permitted Notes Agent and the Permitted Notes Agent shall have notified SSCC that, pursuant to its authority under the Permitted Notes Documents, the Permitted Notes Agent shall forego such grant of a Lien to secure the Permitted Notes Obligations. If a Junior Agent or a Junior Secured Party shall (nonetheless and in breach hereof) hold any Lien on any assets of any Grantor securing any Junior Obligations that are not also subject to a Lien in respect of the Prior Obligations under the Prior Credit Documents and if the Discharge of Prior Obligations has not occurred, then such Junior Agent shall, without the need for any further consent of any party and notwithstanding anything to the contrary in any other document, be deemed to also hold and have held such Lien for the benefit of the Prior Agents as a security for the Prior Obligations (subject to the lien priority and the other terms hereof)

and shall promptly following knowledge thereof notify the Prior Agents in writing of the existence of such Lien and in any event take such actions as may be reasonably requested by any Prior Agent to assign or release such Liens to such Prior Agent (and/or its designee) as security for the applicable Prior Obligations; provided that if the instructions of the Prior Agents conflict, the request of the Controlling Agent shall control. If a Prior Agent or a Prior Secured Party shall (nonetheless and in breach hereof) hold any Lien on any assets of any Grantor securing any Prior Obligations that are not also subject to a Lien in respect of the Junior Obligations under the Junior Credit Documents and if the Discharge of such Junior Obligations has not occurred, then such Prior Agent shall, without the need for any further consent of any party and notwithstanding anything to the contrary in any other document, be deemed to also hold and have held such Lien for the benefit of the Junior Agents as a security for the Junior Obligations (subject to the lien priority and the other terms hereof) and shall promptly following knowledge thereof notify the Junior Agents in writing of the existence of such Lien. To the extent that the foregoing provisions are not complied with for any reason, without limiting any other rights and remedies available to any Prior Agent or any Prior Secured Parties, each Junior Agent, for itself and on behalf of its Related Secured Parties, agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens granted in contravention of this Section shall be subject to Section 4.02. In furtherance of the foregoing, and without limiting Section 8.10, each Grantor agrees, upon request by the Agent with respect to Obligations of any Class, to identify the Collateral of any other Class that could reasonably constitute Common Collateral and the Grantors with respect thereto. For the avoidance of doubt and subject to Section 5.09, in the event letters of credit or bankers' acceptances are cash collateralized in connection with the Discharge of Obligations of a Class pursuant to clause (d) of the definition of Discharge, such cash collateral shall no longer be required to secure the Obligations of any other Class.

Section 2.04. Effectiveness of Lien Priorities. Each of the parties hereto acknowledges that the Lien priorities provided for in this Agreement shall not be affected or impaired in any manner whatsoever, including, without limitation, on account of: (i) the invalidity, irregularity or unenforceability of all or any part of the Credit Documents; (ii) any amendment, change or modification of any Credit Documents; or (iii) any impairment, modification, change, exchange, release or subordination of or limitation on, any liability of, or stay of actions or lien enforcement proceedings against, SSCC or any Loan Party under a Credit Document, or its property, or its estate in bankruptcy resulting from any bankruptcy, arrangement, readjustment, composition, liquidation, rehabilitation, similar proceeding or otherwise involving or affecting any Secured Party.

ARTICLE III

Enforcement

Section 3.01. Exercise of Remedies. (a) Until the Discharge of Prior Obligations has occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against SSCC or any other Grantor, each Junior Agent and each Junior Secured Party will not:

(i) exercise or seek to exercise any rights or remedies with respect to any Common Collateral subject to any Prior Lien (including the exercise of any right of setoff or any right under any lockbox agreement, account control agreement, landlord waiver or bailee's letter or similar agreement or arrangement to which such Junior Agent or such Junior Secured Party is a party) or institute or commence, or join with any Person (other than the Controlling Agent) in commencing, any action or proceeding with respect to such rights or remedies (including any action of foreclosure, enforcement, collection or execution);

(ii) contest, protest or object to any foreclosure proceeding or action brought by any Prior Agent or any Prior Secured Party or any other exercise by any Prior Agent or any Prior Secured Party of any rights and remedies relating to any Common Collateral subject to such Prior Agent's or such Prior Secured Party's Prior Lien, whether under the applicable Prior Credit Documents or otherwise; or

(iii) object to the forbearance by any Prior Agent or any Prior Secured Party from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to any Common Collateral subject to such Prior Agent's or such Prior Secured Party's Prior Lien;

provided that the Junior Liens granted on such Common Collateral shall attach to any Proceeds of such Common Collateral resulting from actions taken by any Prior Agent or any Prior Secured Party in accordance with this Agreement, subject to the relative priorities set forth in Article II.

(b) Subject to the terms and conditions of this Agreement, until the Discharge of Prior Obligations has occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against SSCC or any other Grantor, the Controlling Agent and Controlling Secured Parties shall have the exclusive right to enforce rights, exercise remedies (including setoff and the right to credit bid their debt) and make determinations regarding any release, Disposition or restrictions with respect to any Common Collateral subject to their Prior Liens without any consultation with or the consent of any other Agent or its Related Secured Parties; provided that the Liens of such other Agent and its Related Secured Parties on such Common Collateral shall remain on the Proceeds of such Common Collateral released or Disposed of, subject to the relative priorities set forth in Article II. In exercising rights and remedies with respect to the Common Collateral subject to their Prior Liens, the Controlling Agent and each Controlling Secured Party may enforce the provisions of the applicable Prior Credit Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the right of any agent appointed by them to sell or otherwise Dispose of such Common Collateral upon foreclosure, to incur expenses in connection with such sale or Disposition and to exercise all the rights and remedies of a secured creditor under the UCC and of a secured creditor under Bankruptcy Laws of any applicable jurisdiction.

(c) Notwithstanding the foregoing provisions of this Section, any Junior Agent and any Junior Secured Party may:

(i) file a claim or statement of interest with respect to its Junior Obligations in any Insolvency or Liquidation Proceeding that has been commenced by or against SSCC or any other Grantor;

(ii) take any action (not adverse to the priority status of any Prior Liens on the Common Collateral or the rights of any Prior Agent or any Prior Secured Party to exercise rights and remedies in respect thereof) in order to create, perfect, preserve or protect its Junior Lien on the Common Collateral;

(iii) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Junior Secured Parties, including any claims secured by the Common Collateral, if any, in each case in accordance with the terms of this Agreement;

(iv) vote on any plan of reorganization and file any proof of claim in an Insolvency or Liquidation Proceeding or otherwise, in each case, in accordance with the terms of this Agreement, with respect to the Common Collateral subject to any Prior Liens;

(v) exercise their rights and remedies as unsecured creditors, as provided in paragraph (e) of this Section; and

(vi) exercise the rights and remedies provided for in Section 6.03.

Each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that it will not take or receive any Common Collateral subject to any Prior Lien or any Proceeds of any such Common Collateral in connection with the exercise of any right or remedy (including setoff) with respect to such Common Collateral in violation of this Agreement unless and until the Discharge of the Prior Obligations has occurred. Without limiting the generality of the foregoing, until the Discharge of Prior Obligations has occurred, except as expressly provided in Section 6.03 and this paragraph (c), the sole right of each Junior Agent and each Junior Secured Party with respect to any Common Collateral subject to any Prior Lien is to hold a Junior Lien on such Common Collateral pursuant to the applicable Junior Collateral Documents for the period and to the extent granted therein and to receive a share of the Proceeds thereof, if any, remaining after the Discharge of Prior Obligations has occurred.

(d) Each Junior Agent, for itself and on behalf of its Related Secured Parties:

(i) agrees that it and such Junior Secured Parties will not take any action that would hinder or delay any exercise of rights or remedies under the Prior Credit Documents with respect to, or the realization of the full value of, the Common Collateral on which any Prior Agent has Prior Liens or would otherwise

be prohibited hereunder, including any Disposition of any Common Collateral subject to any Prior Lien, whether by foreclosure or otherwise, or that would limit, invalidate, avoid or set aside any Prior Lien or Prior Collateral Document with respect to the Common Collateral or change the priority of Liens set forth in Section 2.01;

(ii) agrees that it and such Junior Secured Parties will not, until the Discharge of Prior Obligations has occurred, assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshalling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to any Common Collateral subject to any Prior Lien or any other similar rights a junior secured creditor may have under applicable law;

(iii) waives any and all rights it or such Junior Secured Parties may have as junior lien creditors or otherwise to object to the manner in which any Prior Agent or any Prior Secured Party seeks to enforce or collect any Prior Obligations or to enforce or realize on the Prior Liens undertaken in accordance with this Agreement, regardless of whether any action or failure to act by or on behalf of such Prior Agent or such Prior Secured Party is adverse to the interests of the Junior Secured Parties; and

(iv) acknowledges and agrees that no covenant, agreement or restriction contained in any Junior Collateral Documents or any other Junior Credit Document (other than this Agreement) shall be deemed to restrict in any way the rights and remedies of any Prior Agent or any Prior Secured Party with respect to the Common Collateral subject to any Prior Lien as set forth in this Agreement and the Prior Credit Documents.

(e) Except to the extent inconsistent with this Agreement, any Junior Agent and any Junior Secured Party may exercise rights and remedies available to it as an unsecured creditor of SSCC or any other Grantor in accordance with the terms of the applicable Junior Credit Documents and applicable law; provided that in the event that any Junior Secured Party becomes a judgment Lien creditor in respect of any Common Collateral subject to any Prior Lien as a result of its enforcement of its rights as an unsecured creditor with respect to the applicable Junior Obligations, such judgment Lien shall be subject to the terms of this Agreement to the same extent as the other Liens securing the Junior Obligations. Nothing in this Agreement shall prohibit the receipt by any Junior Agent or any Junior Secured Party of the required or permitted payments of interest, principal and other amounts owed in respect of the Junior Obligations so long as such receipt is not the direct or indirect result of the exercise by such Junior Agent or such Junior Secured Party of rights or remedies as a secured creditor (including the exercise of any right of setoff) or enforcement in contravention of this Agreement of any Junior Lien held by any of them. Nothing in this Agreement shall be construed to impair or otherwise adversely affect (i) any rights or remedies the Term Loan Credit Agent or any Term Loan Credit Secured Party may have (1) with respect to any Non-ABL Collateral subject to a Term Loan Credit Lien and (2) following the Discharge of the

Revolving Credit Obligations, with respect to any ABL Collateral subject to a Term Loan Credit Lien, (ii) rights or remedies the Revolving Credit Agent or any Revolving Credit Secured Party may have (1) with respect to any ABL Collateral subject to a Revolving Credit Lien and (2) following the Discharge of the Term Loan Credit Obligations and the Discharge of the Permitted Notes Obligations, with respect to any Non-ABL Collateral subject to a Revolving Credit Lien and (iii) any rights or remedies the Permitted Notes Agent or any Permitted Notes Secured Party may have (1) following the Discharge of the Term Loan Credit Obligations, with respect to any Non-ABL Collateral subject to a Permitted Notes Lien and (2) following the Discharge of Revolving Credit Obligations and the Discharge of the Term Loan Credit Obligations, with respect to any ABL Collateral subject to a Permitted Notes Lien.

(f) Subject to Section 2.03 in the case of clause (i) below, nothing in this Agreement shall restrict the Revolving Credit Agent or any Revolving Credit Secured Party from exercising any right or remedy or taking any other action with respect to (i) Revolving Credit Collateral that does not constitute Common Collateral and (ii) any Canadian Collateral.

ARTICLE IV

Payments

Section 4.01. Application of Proceeds. So long as the Discharge of Prior Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against SSCC or any other Grantor, Common Collateral or Proceeds thereof received in connection with the sale or other disposition of, or collection on, such Common Collateral upon any exercise of remedies shall, subject to Section 5.09, be applied to the applicable Prior Obligations in the order, if any, required by Sections 2.01 and 6.07 and otherwise as specified in the relevant Prior Credit Documents. Upon the Discharge of Prior Obligations, the Controlling Agent shall deliver to the Rising Prior Agent any Common Collateral and Proceeds of Common Collateral held by it in the form in which received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct, to be applied by such Rising Prior Agent to its related Class of Obligations in the order, if any, required by Sections 2.01 and 6.07 and otherwise as specified in the relevant Collateral Documents.

Section 4.02. Payments Over in Violation of Agreement. So long as the Discharge of Prior Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against SSCC or any other Grantor, if any Junior Agent or any Junior Secured Party receives any Common Collateral subject to any Prior Lien or any Proceeds of any such Common Collateral in connection with (i) the exercise of any right or remedy (including any right of setoff) relating to such Collateral in contravention of this Agreement or (ii) the transfer of such Common Collateral or Proceeds to such Junior Agent or such Junior Secured Party by any Person holding a Lien on such Collateral that is subordinated to the Lien of such Junior Agent or such Junior Secured Party, such Collateral or Proceeds shall be segregated and held in trust and forthwith paid over to the Controlling Agent for the benefit of the Controlling Secured

Parties, in the form in which received, with any necessary endorsements, or as a court of competent jurisdiction may otherwise direct. The Controlling Agent is hereby authorized to make any such endorsements as agent for the Junior Agents or Junior Secured Parties (such authorization being coupled with an interest and irrevocable until the Discharge of Prior Obligations has occurred).

ARTICLE V

Other Agreements

Section 5.01. Releases. (a) If in connection with the exercise of the Controlling Agent's remedies (including any Dispositions in connection with such exercise) in respect of any Common Collateral subject to its Prior Liens, the Controlling Agent, for itself or on behalf of the Controlling Secured Parties, releases its Prior Liens on any part of such Common Collateral, then the Junior Liens on such Common Collateral shall be automatically, unconditionally and simultaneously released; provided that such Junior Liens shall remain on the Proceeds of such Common Collateral, subject to the relative priorities set forth in Article II. Each Junior Agent, for itself and on behalf of its Related Secured Parties, agrees promptly to execute and deliver to the Controlling Agent or the applicable Grantor such termination statements, releases and other documents as the Controlling Agent or such Grantor may request to confirm such release.

(b) If, with respect to any Class of Obligations constituting Junior Obligations, in connection with any sale, lease, exchange, transfer or other disposition of any Common Collateral (collectively, a "Disposition") permitted under the terms of all the Prior Credit Documents (other than in connection with the exercise of the Controlling Agent's remedies in respect of Common Collateral as provided in paragraph (a) above), the Controlling Agent, for itself or on behalf of the Controlling Secured Parties, releases any of its Prior Liens on any part of such Common Collateral (other than (i) in connection with the Discharge of Prior Obligations or (ii) after the occurrence and during the continuance of any Event of Default under the Junior Credit Documents of such Class), then the Junior Liens of the Junior Agent and the Junior Secured Parties of such Class on such Collateral shall be automatically, unconditionally and simultaneously released; provided that if such Prior Liens of the Controlling Agent and the Controlling Secured Parties continue to apply to the Proceeds of such Disposition, the Junior Liens of such Class continue to apply to such Proceeds, subject to the relative priorities set forth in Article II. The Junior Agent with respect to such Class of Obligations, for itself or on behalf of its Related Secured Parties, promptly shall execute and deliver to the Controlling Agent or the applicable Grantor such termination statements, releases and other documents as the Controlling Agent or such Grantor may request to confirm such release.

(c) Until the Discharge of Prior Obligations has occurred, each Junior Agent, for itself and on behalf of its Related Secured Parties, hereby irrevocably constitutes and appoints the Controlling Agent and any officer or agent of the Controlling Agent, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name, place and stead of such Junior Agent or its Related

Secured Parties or in the Controlling Agent's own name, from time to time in the Controlling Agent's discretion, for the purpose of carrying out the terms of this Section, to take any and all action and to execute any and all documents and instruments which may be necessary or appropriate to accomplish the purposes of this Section with respect to Common Collateral subject to its prior Lien, including any endorsements or other instruments of transfer or release.

(d) Until the Discharge of Prior Obligations has occurred, to the extent that any Prior Agent or Prior Secured Parties release any Prior Lien on Common Collateral and any such Lien is later reinstated, then each Junior Agent with respect to such Common Collateral, for itself and on behalf of its Related Secured Parties, shall have, and hereby is hereby granted, a Lien on such Common Collateral, subject to the lien subordination provisions of this Agreement.

Section 5.02. Insurance. Until the Discharge of Prior Obligations has occurred, subject to the terms of, and the rights of the Grantors under, the applicable Prior Credit Documents, the Controlling Agent and Controlling Secured Parties shall have the right to adjust settlements for any insurance policy covering any Common Collateral subject to their Prior Liens in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) affecting such Common Collateral. Until the Discharge of Prior Obligations has occurred, subject to the terms of, and the rights of the Grantors under, the Prior Credit Documents, all proceeds of any such policy and any such award (or any payments with respect to a deed in lieu of condemnation) if in respect to (a) Non-ABL Collateral, shall be paid to (i) the Term Loan Credit Agent for the benefit of the Term Loan Credit Secured Parties, (ii) following the Discharge of the Term Loan Credit Obligations, the Designated Permitted Notes Agent for the benefit of the Permitted Notes Secured Parties, (iii) following the Discharge of the Term Loan Credit Obligations and the Discharge of the Permitted Notes Obligations, the Revolving Credit Agent for the benefit of the Revolving Credit Secured Parties and (iv) following the Discharge of all Obligations, to the owner of the subject property, such other Person as may be entitled thereto or as a court of competent jurisdiction may otherwise direct and (b) ABL Collateral, shall be paid to (i) the Revolving Credit Agent for the benefit of the Revolving Credit Secured Parties, (ii) following the Discharge of the Revolving Credit Obligations, the Term Loan Credit Agent for the benefit of the Term Loan Credit Secured Parties, (iii) following the Discharge of the Revolving Credit Obligations and the Discharge of the Term Loan Credit Obligations, the Designated Permitted Notes Agent with respect to such series for the benefit of the Permitted Notes Secured Parties and (iv) following the Discharge of all Obligations, to the owner of the subject property, such other Person as may be entitled thereto or as a court of competent jurisdiction may otherwise direct. Until the Discharge of Prior Obligations has occurred, if any Junior Agent or any Junior Secured Party shall, at any time, receive any proceeds of any such insurance policy or any such award or payment in contravention of this Agreement, it shall segregate and hold in trust and forthwith pay such proceeds over to the Controlling Agent in accordance with Section 4.02.

Section 5.03. Amendments to Prior Credit Documents and Junior Credit Documents. (a) Each Prior Credit Document may be Amended in accordance with the terms thereof, and all Indebtedness under each Prior Credit Document may be Refinanced in accordance with the terms thereof, except, in each case, as prohibited under the Junior Credit Documents as in effect on the date hereof and as Amended from time to time (but without giving effect to any Amendment that prohibits or restricts the Amendment of any Prior Credit Document or the Refinancing of any Indebtedness under any Prior Credit Document to a greater extent than the provisions of such Junior Credit Documents in effect on the date hereof). No Amendment of any Prior Credit Document shall affect the Lien subordination or other provisions of this Agreement.

(b) Each Junior Credit Document may be Amended in accordance with the terms thereof, and all Indebtedness under each Junior Credit Document may be Amended or Refinanced in accordance with the terms thereof, except, in each case, as prohibited under the Prior Credit Documents as in effect on the date hereof and as Amended from time to time (but without giving effect to any Amendment that prohibits or restricts the Amendment of any Junior Credit Document or the Refinancing of any Indebtedness under any Junior Credit Document to a greater extent than the provisions of such Prior Credit Documents in effect on the date hereof). No Amendment of any Junior Credit Document shall affect the Lien subordination or other provisions of this Agreement.

(c) Without in any way limiting the generality of Section 7.03 (but subject to the rights of SSCC and the other Grantors under the Prior Credit Documents and subject to the provisions of Section 5.03(a)), any Prior Agent or any Prior Secured Party may, at any time and from time to time in accordance with the applicable Prior Credit Documents and applicable law, without the consent of, or notice to, any Junior Agent or any Junior Secured Party, without incurring any liabilities or obligations to any Junior Agent or any Junior Secured Party and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of any Junior Agent or any Junior Secured Party is affected, impaired or extinguished thereby) do any one or more of the following:

(i) change the manner, place or terms of payment or change or extend the time of payment of, or Amend the terms of, any of the Prior Obligations or any Prior Lien on any Collateral or guarantee thereof or any liability of SSCC or any other Grantor, or any liability incurred directly or indirectly in respect thereof (including any increase in or extension of the Prior Obligations, without any restriction as to the tenor or terms of any such increase or extension) or otherwise amend, renew, exchange, extend, modify or supplement in any manner any Prior Liens held by the Prior Agents or the Prior Secured Parties, the Prior Obligations or any of the Prior Credit Documents;

(ii) sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the Collateral subject to its Prior Lien or any liability of SSCC or any other Grantor to the Prior Agents or the

Prior Secured Parties, or any liability incurred directly or indirectly in respect thereof;

(iii) settle or compromise any Prior Obligation or any other liability of SSCC or any other Grantor or any security therefor or any liability incurred directly or indirectly in respect thereof and apply any sums by whomsoever paid and however realized to any liability (including the Prior Obligations) in any manner or order; and

(iv) exercise or delay in or refrain from exercising any right or remedy against SSCC, any other Grantor or any other Person or any Collateral, elect any remedy and otherwise deal freely with SSCC, any other Grantor or any Collateral subject to its Prior Lien and any liability incurred directly or indirectly in respect thereof.

(d) In the event that the Controlling Agent of any Class enters into any amendment, waiver or consent in respect of any of the Collateral Documents of such Class for the purpose of adding to, or deleting from, or waiving or consenting to any departures from any provisions of, any such Collateral Document or changing in any manner the rights of such Controlling Agent, its Related Secured Parties, SSCC or any other Grantor thereunder (including the release of any Liens permitted by Section 5.01(a) or (b)), then such amendment, waiver or consent shall apply automatically to any comparable provision of the Collateral Documents relating to the relevant Prior Lien Collateral to the extent securing any Junior Obligations without the consent of any Junior Agents or any Junior Secured Parties and without any action by any Junior Agents, SSCC or any other Grantor; provided, however, that (i) no such amendment, waiver or consent shall (A) remove assets subject to the Junior Liens or release any such Junior Liens, except to the extent that such release is permitted or required by Section 5.01(a) or (b) and provided that there is a concurrent release of the corresponding Liens on the Common Collateral securing the Obligations held by the Controlling Secured Parties and in respect of which such Controlling Secured Parties are the obligees, (B) amend, modify or otherwise affect the rights or duties of any Junior Agent without its prior written consent or (C) permit Liens on the Common Collateral (other than DIP Financing Liens) which are not permitted under the terms of the Credit Documents related to such Junior Obligations and (ii) written notice of such amendment, waiver or consent shall have been given to the Junior Agents.

(e) Without the prior written consent of the Prior Agent, no Junior Collateral Documents may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Junior Collateral Document, would contravene the provisions of this Agreement.

Section 5.04. Legend. SSCC and each Grantor agrees, and each Agent acknowledges, that each Junior Collateral Document shall include the following language (or language to similar effect approved by the Controlling Agent):

"Notwithstanding anything herein to the contrary, the lien and security interest granted pursuant to this Agreement and the exercise of any right or remedy hereunder are subject to the provisions of the Lien Subordination and Intercreditor Agreement dated as of [•], (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), among SSCC, the other subsidiaries of SSCC party thereto, the Term Loan Credit Agent (as defined therein), Revolving Credit Agent (as defined therein) and each Permitted Notes Agent (as defined therein) that becomes a party thereto. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control."

In addition, the Grantors agree that each Revolving Credit Mortgage or Permitted Notes Mortgage in favor of the Junior Secured Parties covering any Common Collateral subject to their Junior Lien shall contain such other language as the Controlling Agent may reasonably request to reflect the subordination of such Revolving Credit Mortgage or Permitted Notes Mortgage, as the case may be, to the Term Loan Credit Mortgage or Permitted Notes Mortgage, as the case may be, in favor of the Prior Secured Parties covering such Common Collateral.

Section 5.05. Bailee for Perfection. (a) Each Prior Agent agrees to hold that part of the Common Collateral on which it holds a Prior Lien and that is in its possession or control, or in the possession or control of its agents or bailees (such Collateral being the "Pledged Collateral"), as collateral agent for its Related Secured Parties and as gratuitous bailee and, with respect to such Common Collateral that cannot be perfected in such manner, as agent for, the other Agents (such bailment or agency being intended, among other things, to satisfy the requirements of Sections 8-301(a)(2) and 9-313(c) of the UCC) and any assignee thereof solely for the purpose of perfecting the security interests granted under the applicable Credit Documents, subject to the terms and conditions of this Section. Each Junior Agent agrees (a) to hold any part of the Pledged Collateral of which it obtains possession or control (including through any of its agents or bailees) as collateral agent for the Prior Secured Parties and Junior Secured Parties and any assignees of the foregoing solely for the purpose of perfecting the security interest granted under the applicable Prior Credit Documents, subject to the terms and conditions of this Section and (b) as soon as practicable after it (or any of its agents or bailees) obtains possession of any Common Collateral, deliver or cause to be delivered such Common Collateral, together with any necessary endorsements, to the Controlling Agent so as to allow such Controlling Agent to obtain control of such Common Collateral and cooperate with such Controlling Agent to assign control over such Common Collateral to the Controlling Agent (or its agents or bailees).

(b) No Prior Agent shall have any obligation whatsoever to the Junior Agents or the Junior Secured Parties to ensure that any Pledged Collateral is genuine or owned by any of the Grantors or to preserve rights or benefits of any Person except as expressly set forth in this Section. The duties or responsibilities of any Agent to the other Agents or the Other Secured Parties under this Section shall be limited solely to holding Pledged Collateral in its possession or under its control as gratuitous bailee or agent in

accordance with this Section and delivering such Pledged Collateral upon the Discharge of Prior Obligations as provided in paragraph (d) below.

(c) No Prior Agent, acting pursuant to this Section, shall have by reason of any Credit Document, this Agreement or any other document a fiduciary relationship in respect of any other Agent or any Secured Party, or any liability to any other Agent or any Secured Party, absent gross negligence or willful misconduct on the part of such Prior Agent.

(d) Upon the Discharge of Prior Obligations, the Controlling Agent as in effect immediately prior to such Discharge of Prior Obligations shall transfer possession of such Common Collateral physically held by such Controlling Agent (or any agent, bailee or designee thereof (other than any other Agent)) and otherwise shall take commercially reasonable actions (in each case at the sole cost and expense of the Grantors) to transfer possession or control of such other Common Collateral or any such account to the Rising Prior Agent (to the extent the Rising Prior Agent has a Priority Lien on such Common Collateral or account after giving effect to any prior or concurrent releases of Liens) including, in the case of any deposit or securities account or securities account holding Common Collateral maintained with such Controlling Agent, taking commercially reasonable actions to enter into a control agreement in favor of the Rising Agent, or transferring all cash and other assets in such account to (i) one or more depositary institutions or securities intermediaries that enter into such a control agreement or (ii) an account maintained by the Rising Prior Agent (or on terms otherwise reasonably acceptable to the Rising Prior Agent)). Notwithstanding anything to the contrary herein, if, for any reason, any Junior Obligations remain outstanding upon the Discharge of Prior Obligations, all rights of the Controlling Agent as in effect immediately prior to such Discharge of Prior Obligations, hereunder and under the applicable Collateral Documents (1) with respect to the delivery and control of any part of the Common Collateral subject to a Prior Lien of such Controlling Agent, and (2) to direct, instruct, vote upon or otherwise influence the maintenance or disposition of such Common Collateral, shall immediately, and (to the extent permitted by law) without further action on the part of either of the Rising Agent or such Controlling Agent, pass to the Rising Agent, who shall thereafter hold such rights for the benefit of its Related Secured Parties.

(e) Subject to the terms of this Agreement, so long as the Discharge of Prior Obligations has not occurred, the Controlling Agent shall be entitled to deal with the Pledged Collateral or Collateral within its "control" in accordance with the terms of this Agreement and the applicable Prior Credit Documents as if the Junior Liens of the Junior Agents and the Junior Secured Parties did not exist.

Section 5.06. Entry Upon Premises by Controlling Agent. (a) If the Revolving Credit Agent shall take any action to exercise its rights or remedies (including any action of foreclosure, enforcement, collection or execution) with respect to the ABL Collateral ("ABL Collateral Enforcement Actions"), each other Agent (subject to a prior written request by the Revolving Credit Agent to the applicable Agent (the "ABL Collateral Enforcement Notice")) (i) shall cooperate with any efforts on the part of the

Revolving Credit Agent (and with its officers, employees, representatives and agents) (at the sole cost and expense of the Revolving Credit Agent and the Revolving Credit Secured Parties (but with the Grantors' reimbursement and indemnity obligation with respect thereto as provided in the Revolving Credit Documents, which shall not be limited hereby)) and subject to the condition that the other Agents and the Other Secured Parties shall have no obligations or duty to take any action or refrain from taking any action that could reasonably be expected to result in the incurrence of any liability or damage to such other Agents or Other Secured Parties to conduct ABL Collateral Enforcement Actions with respect to the ABL Collateral and to complete the processing of any Inventory (including work-in-process) included in the ABL Collateral and to assemble the ABL Collateral and process, ship, produce, store, complete, supply, lease, sell or otherwise handle, deal with, or dispose of, in any lawful manner, the ABL Collateral, (ii) shall not hinder or restrict in any respect the Revolving Credit Agent from taking ABL Collateral Enforcement Actions, from completing the manufacturing and processing of, and turning into finished goods, any ABL Collateral (including raw materials and work-in-process) and assembling the ABL Collateral or shipping, producing, storing, completing, supplying, leasing, selling or otherwise handling, dealing with or disposing of, in any lawful manner, the ABL Collateral and (iii) shall permit the Revolving Credit Agent, its agents, employees, advisers and representatives, at the sole cost and expense of the Revolving Credit Secured Parties (but with the Grantors' reimbursement and indemnity obligation with respect thereto as provided in the Revolving Credit Documents, which shall not be limited hereby), to enter upon and use the Non-ABL Collateral (including manufacturing, storage and transportation facilities and equipment, computers, records, documents and files and Intellectual Property) for a period not to exceed 180 days after the later of (i) date on which such Agent (other than the Revolving Credit Agent) shall obtain possession and control of such Non-ABL Collateral and (ii) the date of delivery of the ABL Collateral Enforcement Notice, for purposes of (A) assembling and storing the ABL Collateral and completing the manufacturing and processing of, and turning into finished goods, any ABL Collateral (including raw materials and work-in-process), (B) selling any or all of the ABL Collateral located on such Non-ABL Collateral, whether in bulk, in lots or to customers in the ordinary course of business or otherwise, (C) removing and transporting any or all of the ABL Collateral located in or on such Non-ABL Collateral, (D) otherwise shipping, storing, leasing, selling or otherwise handling, dealing with, assembling or disposing of, in any lawful manner, the ABL Collateral and (E) taking reasonable actions to protect, secure and otherwise enforce the rights or remedies of the Revolving Credit Agent and the Revolving Credit Secured Parties (including with respect to any ABL Collateral Enforcement Actions) in and to the ABL Collateral; provided, however, that nothing contained in this Agreement shall restrict the Non-ABL Controlling Agent (or any other Agent at the instruction of the Non-ABL Controlling Agent) from selling, assigning or otherwise transferring any Non-ABL Collateral prior to the expiration of such 180 day period if the purchaser, assignee or transferee agrees to be bound by the provisions of this Section in writing (for the benefit of the Revolving Credit Agent and the Revolving Credit Secured Parties). It is agreed that if any stay or other order prohibiting the exercise of rights or remedies with respect to the ABL Collateral has been entered by a court of competent jurisdiction, such 180 day period shall be tolled during the pendency

of any such stay or other order; provided that after the 180th day following the date on which the Non-ABL Controlling Agent (or any other Agent at the instruction of the Non-ABL Controlling Agent) shall obtain possession and control of any Non-ABL Collateral, such period shall terminate as to such Non-ABL Collateral if the Non-ABL Controlling Agent shall determine in good faith and advise the Revolving Credit Agent that the continuance of such period would prevent a contemplated sale of such Non-ABL Collateral or materially reduce the price obtainable in such sale. Notwithstanding anything in this paragraph to the contrary, each Agent (other than the Revolving Credit Agent) and its Related Secured Parties (i) shall have no obligation to exercise rights or remedies that may be available to them under the applicable Credit Documents and (ii) shall be required to permit the Revolving Credit Agent, and its agents, advisers and representatives, to enter upon and use the Non-ABL Collateral only to the extent such Agent or such Related Secured Parties have possession and control of such Non-ABL Collateral.

(b) If the Revolving Credit Agent elects to enter upon and use the Non-ABL Collateral as provided in paragraph (a) of this Section, it shall take all reasonable efforts (and shall direct its agents, advisers and representatives to take all reasonable efforts) to avoid, to the extent reasonably practicable, interference with the operation of the Non-ABL Collateral. Subject to the Non-ABL Controlling Agent having obtained possession and control of any of the Non-ABL Collateral, any Agent (other than the Revolving Credit Agent) may instruct the Revolving Credit Agent in writing to remove all ABL Collateral from such Non-ABL Collateral by the end of the 180 day period referred to in paragraph (a) of this Section, whereupon, at the end of such 180 day period, the Revolving Credit Agent shall, at the sole cost and expense of the Revolving Credit Secured Parties (but with the Grantors' reimbursement and indemnity obligation with respect thereto as provided in the Revolving Credit Documents, which shall not be limited hereby), remove the ABL Collateral from the Non-ABL Collateral; provided that no stay or other order prohibiting such removal has been entered by a court of competent jurisdiction (it being understood and agreed that the running of such 180 day period shall be tolled during the pendency of any such stay or other order). If the Revolving Credit Agent does not remove the ABL Collateral from the Non-ABL Collateral by the end of such 180 day period (or such longer period as such a stay or other order is in effect), the Non-ABL Controlling Agent may cause the ABL Collateral to be removed and, thereafter, store the ABL Collateral in such location or locations as the Non-ABL Controlling Agent shall deem advisable pending repossession by the Revolving Credit Agent. Any costs reasonably incurred by any Agent (other than the Revolving Credit Agent) or its Related Secured Parties by virtue of such removal and storage shall be paid by the Revolving Credit Secured Parties (but with the Grantors' reimbursement and indemnity obligation with respect thereto, as provided in the Revolving Credit Documents, which shall not be limited hereby). The Non-ABL Controlling Agent agrees to notify the Revolving Credit Agent of the location or locations to which any of the ABL Collateral shall have been removed by it pursuant to the foregoing provisions.

(c) During the period of actual occupation, use or control by the Revolving Credit Agent, or its agents, advisers or representatives, of any Non-ABL Collateral, the Revolving Credit Secured Parties shall be obligated hereunder to

(i) reimburse the Agents (other than the Revolving Credit Agent) for all utilities, insurance and all other operating costs of such Non-ABL Collateral during any such period of actual occupation, use or control (calculated on a per diem basis based upon a fraction, the numerator of which shall be the actual number of days of such occupation, use or control and the denominator of which shall be 365 days) to the extent the same are actually paid by such Agent or its Related Secured Parties, (ii) repair at their expense any physical damage to such Non-ABL Collateral directly resulting from such occupancy, use or control, and leave such Non-ABL Collateral in substantially the same condition as it was at the commencement of such occupancy, use or control, ordinary wear and tear excepted, and (iii) indemnify and hold harmless any Agent and its Related Secured Parties from and against any losses, claims, liabilities, costs or expenses directly resulting from such occupancy, use or control or from any acts or omissions of the Revolving Credit Agent or its agents, employees, advisers or representatives in connection therewith, absent gross negligence or willful misconduct on the part of such Agent or such Related Secured Parties. Notwithstanding the foregoing, in no event shall the Revolving Credit Secured Parties have any liability to the Agents (other than the Revolving Credit Agent) and its Related Secured Parties pursuant to this Section as a result of any condition (including any environmental condition, claim or liability) on or with respect to the Non-ABL Collateral existing prior to the date of the exercise by the Revolving Credit Agent of its rights under this Section, and the Revolving Credit Secured Parties shall have no duty or liability to maintain the Non-ABL Collateral in a condition or manner better than that in which it was maintained prior to the use thereof by the Revolving Credit Agent or its agents, employees, advisers or representatives, or for any diminution in the value of the Non-ABL Collateral that results solely from ordinary wear and tear resulting from the use of the Non-ABL Collateral by the Revolving Credit Agent or its agents, advisers or representatives in the manner and for the time periods specified under this Section. Without limiting the rights granted in this Section, the Revolving Credit Agent and the Revolving Credit Secured Parties shall cooperate with the Non-ABL Controlling Agent in connection with any efforts made by it to sell the Non-ABL Collateral.

Section 5.07. Rights under Permits, Licenses and Intellectual Property. Each Agent (other than the Revolving Credit Agent) (a) consents (without any representation, warranty or obligation whatsoever) to the grant by any Grantor to the Revolving Credit Agent of a non-exclusive royalty-free license to use any permit, license or Intellectual Property of such Grantor that is subject to a Lien held by any such Agent (or any permit, license or Intellectual Property acquired by such purchaser, assignee or transferee from any Grantor, as the case may be) in connection with the enforcement of any Revolving Credit Lien held by the Revolving Credit Agent upon any Revolving Credit Collateral and (b) agrees that if the Revolving Credit Agent shall require rights available under any permit, license or Intellectual Property controlled by such Agent, or any of its Affiliates, in order to realize on any ABL Collateral, such Agent shall take all such actions as shall be available to it, consistent with applicable law and reasonably requested by the Revolving Credit Agent, to make such rights available to the Revolving Credit Agent. The Revolving Credit Agent agrees that if any Agent (other than the Revolving Credit Agent) shall require rights available under any permit or license controlled by the Revolving Credit Agent in order to realize on any Non-ABL Collateral,

the Revolving Credit Agent shall take all such actions as shall be available to it, consistent with applicable law and reasonably requested by such Agent, to make such rights available to such Agent. Each Agent agrees that any sale or other transfer of any Common Collateral consisting of Intellectual Property upon any exercise of remedies shall be made expressly subject to the rights to be made available pursuant to this Section in writing (for the benefit of each other Agent and the Related Secured Parties).

Section 5.08. Permitted Notes. (a) To the extent, but only to the extent, permitted by the provisions of the then existing Credit Documents, SSCC may incur Indebtedness in the form of Permitted Notes, which shall be secured by (i) the Non-ABL Collateral on a second lien, junior and subordinated basis to the Term Loan Credit Obligations and on a senior basis to the Revolving Credit Obligations and (ii) the ABL Collateral on a third lien, junior and subordinated basis to both the Term Loan Credit Obligations and the Revolving Credit Obligations, if and subject to the condition that (A) such Permitted Notes are not secured by any property or assets of SSCC or any Subsidiary other than property or assets constituting Term Loan Credit Collateral, (B) such Permitted Notes are not guaranteed by any Subsidiaries other than the Term Loan Credit Guarantors and (C) the Agent of any such Permitted Notes (each a "Permitted Notes Agent"), acting on behalf of the holders of such Permitted Notes (such Permitted Notes Agent and the holders in respect of any such Permitted Notes being referred to as the "Permitted Notes Secured Parties"), becomes a party to this Agreement as a Permitted Notes Agent and by satisfying conditions (i) through (vi), as applicable, of the immediately succeeding paragraph.

(b) In order for a Permitted Notes Agent of any Series to become a party to this Agreement:

(i) such Permitted Notes Agent shall have executed and delivered a Joinder Agreement substantially in the form of Exhibit II (with such changes as may be reasonably approved by the other Agents) pursuant to which it becomes an Agent hereunder, and the Permitted Notes of such Series and the related Permitted Note Secured Parties become subject hereto and bound hereby;

(ii) SSCC shall have delivered to each existing Agent (A) true and complete copies of each of the Permitted Note Documents relating to such Permitted Notes, certified as being true and correct by an officer of SSCC and (B) a certificate of an officer of SSCC that the Permitted Notes can be issued without violating any of the Term Loan Documents, Revolving Credit Documents or Permitted Notes Documents of any existing Series of Permitted Notes;

(iii) all filings, recordations and/or amendments or supplements to the Permitted Notes Collateral Documents related to such Permitted Notes necessary or desirable in the reasonable opinion of the existing Agents to confirm and perfect the appropriate priority Liens with respect to the applicable Collateral securing the Permitted Notes Obligations relating to such Permitted Notes shall have been made, executed and/or delivered (or, with respect to any such filings or recordations, reasonably acceptable provisions to perform such filings or

recordings have been taken in the reasonable judgment of the Controlling Agent), and all fees and taxes in connection therewith shall have been paid (or reasonably acceptable provisions to make such payments have been taken in the reasonable judgment of the Controlling Agent); and

(iv) the Permitted Notes Documents related to such Permitted Notes shall provide, in a manner reasonably satisfactory to the existing Agents, that each Permitted Notes Secured Party of such Series will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Permitted Notes Obligations.

Section 5.09. When Discharge of Obligations Deemed Not To Have Occurred. If SSCC or any other Grantor shall enter into any Refinancing of any Class of Obligations (the Class of Obligations so Refinanced, "Refinanced Obligations") (other than the Permitted Notes) that is (a) permitted by the Credit Documents with respect to each other Class and (b) secured by Liens on Common Collateral securing such Refinanced Obligations, then a Discharge of the Obligations of such Class shall be deemed not to have occurred for all purposes of this Agreement and, subject to the next sentence, from and after the date on which the Notice of New Refinancing Obligations referred to below in this Section is delivered to each other Agent, (i) the obligations under such Refinancing of such Refinanced Obligations (the "Refinancing Obligations") shall automatically be treated as Prior Obligations and/or Junior Obligations (to the same extent and with the same priority and rights with respect to the Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, as the Refinanced Obligations), (ii) the Liens securing such Refinancing Obligations shall be treated as Prior Liens and/or Junior Liens (to the same extent as the corresponding Liens with respect to the Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, securing the Refinanced Obligations) for all purposes of this Agreement, including for purposes of the provisions governing Lien priorities and rights in respect of Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, set forth herein, and (iii) the collateral agent for such Refinancing Obligations (the "New Agent") shall be a Prior Agent and/or Junior Agent for all purposes of this Agreement (to the same extent as the Agent for the Refinanced Obligations with respect to the Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable). If the Obligations of any Class shall be Refinanced (other than the Permitted Notes) in part but not in whole, then (A) both the remaining Obligations of such Class and the Refinancing Obligations shall have the status of the Obligations of such Class hereunder, (B) the Liens on any Common Collateral securing the Refinancing Obligations shall constitute Prior Liens and/or Junior Liens to the same extent as the Liens on such Common Collateral constituting Non-ABL Collateral and ABL Collateral, as applicable, securing such remaining Obligations of such Class (it being understood and agreed that the relative rights of, and priorities of the Liens securing, the obligations under such Refinancing Obligations and such remaining Obligations of such Class shall not be governed by this Agreement) and (C) the original Agent of such Class and the New Agent of such Class shall each have the rights and obligations of the original Agent with respect to the Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, hereunder; provided, that (x) in the event any determinations made or notices

given hereunder by the original Agent and the New Agent of such Class shall conflict, the determination made or notice given by the Agent of such Class representing the greater amount of Obligations of such Class shall control and (y) any Pledged Collateral held by either Agent of such Class shall be held by it both in its own right and as bailee of the other Agent of such Class (in accordance with the provisions and subject to the limitations set forth in Section 5.05), as their interests may appear. Upon receipt of a notice (the "Notice of New Refinancing Obligations") stating that SSCC or any Grantor has Refinanced the Obligations of any Class (other than through the Permitted Notes) on a secured basis as provided above (which notice shall include the identity of the New Agent of such Class, the original Agent of such Class and each other Agent shall promptly enter into such documents and agreements (including Amendments to this Agreement) as SSCC or such New Agent shall reasonably request in order to provide to the New Agent the rights contemplated hereby. As a condition to its ability to enforce this Agreement, the New Agent of any Class shall agree in a writing addressed to each other Agent, for the benefit of such other Agent's Related Secured Parties, and, if any portion of the original Obligations of such Class shall remain outstanding, to the original Agent of such Class , for the benefit of the original Agent's Related Secured Parties, to be bound by the terms of this Agreement. The provisions of this Section are intended to ensure that (i) the Liens on any Common Collateral securing the Refinancing Obligations of each Class (other than the Permitted Notes) will have the same priorities relative to the Liens on such Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, securing the Obligations of each other Class as the Liens that secured such Refinanced Obligations of such Class prior to such Refinancing and (ii) the parties benefited by the Liens on any Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, securing any Refinancing Obligations of a Class (other than the Permitted Notes) will have the same rights and obligations relative to the parties holding Liens on such Common Collateral securing the Obligations of each other Class as the parties that were benefited by the Liens on such Common Collateral constituting Non-ABL Collateral or ABL Collateral, as applicable, that secured such Refinanced Obligations, and such provisions shall be construed accordingly. Notwithstanding anything to the contrary and for the avoidance of doubt, if the Revolving Credit Agreement is terminated in its entirety and an Incremental Revolving Facility is established, then the Revolving Credit Obligations shall be deemed not to have been Refinanced and shall instead be deemed to have been Discharged for all purposes of this Agreement.

Section 5.10. Canadian Intercompany Notes. The parties hereto acknowledge and agree that, notwithstanding the status of the Canadian Intercompany Notes as Non-ABL Collateral, each of the Term Loan Credit Agent and each Permitted Notes Agent, on behalf of itself and its respective Related Secured Parties, agrees that (a) neither it nor any such Related Secured Parties (nor any of the Secured Parties under and as defined in the Canadian Intercompany Notes Documents) will exercise any rights or remedies against, or otherwise seek to realize on, any Canadian Collateral securing any Canadian Intercompany Note at any time prior to the Discharge of the Revolving Credit Obligations and (b) any Proceeds or other amounts received by the Term Loan Agent or any Permitted Notes Agent, or any of their respective Related Secured Parties (or any Secured Party under and as defined in the Canadian Intercompany Notes Documents) as a

result of any exercise of rights or remedies against or realization upon any Canadian Collateral securing any Canadian Intercompany Note at any time prior to the Discharge of the Revolving Credit Obligations shall be segregated and held in trust and forthwith paid over to the Revolving Credit Agent, for the benefit of the Revolving Credit Secured Parties, in the form in which received, with any necessary endorsements, and shall be applied to satisfy and discharge the Revolving Credit Obligations (with any amount remaining after the Discharge of the Revolving Credit Obligations to be applied (i) FIRST in the manner specified in the relevant Term Loan Credit Document and (ii) SECOND, following the Discharge of Term Loan Credit Obligations, in the manner specified in the Permitted Notes Documents).

Section 5.11. Cash Management and Hedging Obligations. SSCC and each Grantor acknowledges and agrees that (a) no Term Loan Credit Cash Management and Hedging Obligations shall be designated as Revolving Credit Cash Management and Hedging Obligations and (b) no Revolving Credit Cash Management and Hedging Obligations shall be designated as Term Loan Credit Cash Management and Hedging Obligations.

Section 5.12. Access to Information. If any Agent (other than the Revolving Credit Agent) takes actual possession of any documentation of a Grantor (whether such documentation is in the form of a writing or is stored in any data equipment or data record in the physical possession of such Agent), then upon request of the Revolving Credit Agent and reasonable advance notice, such Agent will, unless prohibited by contract or law, permit the Revolving Credit Agent or its representative to inspect and copy such documentation if and to the extent the Revolving Credit Agent certifies to such Agent that:

(a) such documentation contains or may contain information necessary or appropriate, in the good faith opinion of the Revolving Credit Agent, to the enforcement of the Revolving Credit Agent's Liens upon any ABL Collateral; and

(b) the Revolving Credit Agent and the Revolving Credit Secured Parties are entitled to receive and use such information under applicable law and, in doing so, will comply with all obligations imposed by law or contract in respect of the disclosure or use of such information.

ARTICLE VI

Insolvency or Liquidation Proceedings

Section 6.01. Cash Collateral and DIP Financing. (a) This Agreement will continue in full force and effect notwithstanding the commencement of any proceeding under the Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency, receivership or similar law by or against SSCC or any other Grantor.

(b) If SSCC or any Grantor becomes subject to a case under the Bankruptcy Code and, as debtor(s)-in-possession, moves for approval of financing

(including on a priming basis) ("DIP Financing") to be provided by one or more lenders under Section 364 of the Bankruptcy Code or the use of cash collateral as defined in Section 363 of the Bankruptcy Code or any similar Bankruptcy Law, each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that it will raise no objection or oppose or contest (or join with or support any third party opposing, objecting or contesting) to any such financing or to the Liens on the Prior Lien Collateral securing the same ("DIP Financing Liens") or to any use of cash collateral constituting Prior Lien Collateral and will not request adequate protection or any other relief in connection therewith (except, as expressly agreed by the Controlling Agent or to the extent permitted by Section 6.03), unless the Controlling Agent or Controlling Secured Parties then oppose or object to such DIP Financing or such DIP Financing Liens or use of such cash collateral (and, to the extent that such DIP Financing Liens are senior to, or rank *pari passu* with, Prior Liens on such Prior Collateral, each Junior Agent will, for itself and on behalf of the other Junior Secured Parties, subordinate the Junior Liens on such Collateral to the Prior Liens and the DIP Financing Liens on the same basis as the Junior Liens are subordinated to the Prior Liens under this Agreement (and all obligations relating thereto)), so long as, in connection with the grant of any DIP Financing Liens, the Junior Secured Parties retain Liens on all the Prior Lien Collateral with the same priority in relation to the Prior Liens as existed prior to the commencement of the case under the Bankruptcy Code.

(c) Each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that it will not object to or oppose a sale or other disposition of any Prior Lien Collateral (or any portion thereof) under Section 363 of the Bankruptcy Code or any other provision of the Bankruptcy Code free and clear of its Liens (subject to attachment of proceeds with respect to the Junior Lien on such Prior Lien Collateral in favor of such Junior Agent in the same order and manner as otherwise set forth herein) or other claims under Section 363 of the Bankruptcy Code if the Controlling Agent or the Controlling Secured Parties shall have consented to such sale or disposition of such Prior Collateral.

(d) If, in connection with any judicial or insolvency proceeding, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Prior Obligations and the Junior Obligations, then, to the extent the debt obligations distributed on account of the Prior Obligations and on account of the Junior Obligations are secured by Liens upon the same property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

Section 6.02. Relief from the Automatic Stay. Until the Discharge of Prior Obligations has occurred, each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that none of them shall seek (or support any other Person seeking) relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding in respect of any Common Collateral subject to a Prior Lien without the prior written consent of each Prior Agent. Each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that none of them shall oppose (or support any other

Person opposing) any motion of the Controlling Agent seeking relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding in respect of any Common Collateral subject to its Prior Lien.

Section 6.03. Adequate Protection. Each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that it will not contest any request by any Prior Agent or any other Prior Secured Party for adequate protection with respect to their Prior Liens on Common Collateral or contest any objection by a Prior Agent or any other Prior Secured Party to any motion, relief, action or proceeding based on such Prior Agent or other Prior Secured Party claiming a lack of adequate protection with respect to their Prior Liens on Common Collateral. Notwithstanding the foregoing, if a Prior Agent or any Prior Secured Party is granted adequate protection in the form of additional collateral in connection with any use of cash collateral constituting Prior Collateral or DIP Financing secured by Prior Collateral, then each Junior Agent, on behalf of itself and its Related Secured Parties, may seek or request adequate protection in the form of a Lien on such additional collateral, which Lien will be junior and subordinated to the Liens securing the Prior Obligations and such DIP Financing (and all obligations related thereto) on the same basis as the other Junior Liens are subordinated to the Prior Liens under this Agreement. In the event a Junior Agent or any other Junior Secured Party seeks or requests adequate protection in respect of Junior Obligations and such adequate protection is granted in the form of additional collateral, then such Junior Agent, on behalf of itself and its Related Secured Parties, agrees that the Prior Agents and the Prior Secured Parties and any such DIP Financing shall also be granted a senior Lien on such additional collateral as security for the Prior Obligations and for any such DIP Financing and that any Lien on such additional collateral securing the Junior Obligations shall be junior and subordinated to the Lien on such collateral securing the Prior Obligations (and any such DIP Financing and related obligations) and to any other Liens granted to the Prior Secured Parties as adequate protection on the same basis as the other Liens on Common Collateral securing the Junior Obligations are so subordinated to the Liens on Common Collateral securing the Prior Obligations under this Agreement.

Section 6.04. No Waiver. Subject to Sections 3.01(c) and 3.01(e), nothing contained herein shall prohibit or in any way limit any Prior Agent or any Prior Secured Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by any Junior Agent or any of its Related Secured Parties, including the seeking by any such Junior Agent or any such Related Secured Party of adequate protection or the asserting by any such Junior Agent or any such Related Secured Party of any of its rights and remedies under the applicable Junior Credit Documents or otherwise, in each case to the extent affecting such Prior Agent's or such Prior Secured Parties' rights in its Prior Lien Collateral.

Section 6.05. Avoidance Issues. If any Prior Secured Party is required in any Insolvency or Liquidation Proceeding or otherwise to turn over or otherwise pay to the estate of SSCC or any other Grantor any amount paid in respect of Prior Obligations (a "Recovery"), then such Prior Secured Party shall be entitled to a reinstatement of the applicable Prior Obligations with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be

reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto from such date of reinstatement.

Section 6.06. Post-Petition Interest. (a) Each Junior Agent agrees, on behalf of itself and its Related Secured Parties, that none of them shall oppose or seek to challenge any claim by any Prior Agent or any Prior Secured Party for allowance in any Insolvency or Liquidation Proceeding of Prior Obligations consisting of post-petition interest, fees or expenses to the extent of the value of such Prior Agent's or such Prior Secured Party's Prior Lien on its Prior Lien Collateral, without regard to the existence of the Junior Lien of any Junior Agent or any Junior Secured Party on such Prior Lien Collateral (it being understood and agreed that such value will be determined without regard to the existence of the Junior Liens on the Prior Collateral).

(b) Each Prior Agent agrees, on behalf of itself and its Related Secured Parties, that none of them shall oppose or seek to challenge any claim by any Junior Agent or any Prior Secured Party for allowance in any Insolvency or Liquidation Proceeding of Junior Obligations consisting of post-petition interest, fees or expenses to the extent of the value of such Junior Agent's or such Junior Secured Party's Junior Lien on such Prior Agent's Prior Lien Collateral (it being understood and agreed that such value will be determined only after taking into account the Prior Liens on the Prior Lien Collateral and all Prior Obligations secured thereby (including post-petition interest, fees and expenses)).

Section 6.07. Separate Grants of Security and Separate Classification. Each Agent, for itself and on behalf of its Related Secured Parties, acknowledges and agrees that (a) the grants of Liens pursuant to applicable Collateral Documents constitute separate and distinct grants of Liens; and (b) because of, among other things, their differing rights in the ABL Collateral and the Non-ABL Collateral, the Term Loan Credit Obligations, Revolving Credit Obligations and the Permitted Notes Obligations are fundamentally different from one another and must be separately classified in any plan of reorganization proposed or adopted in an Insolvency or Liquidation Proceeding (other than any such plan of reorganization that provides for the payment in full and in cash of the aggregate principal amount of (and accrued interest, fees, premiums and expenses under) the Term Loan Credit Obligations, the Revolving Credit Obligations and Permitted Notes Obligations). To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of one or more of the Term Loan Credit Secured Parties, Revolving Credit Secured Parties and the Permitted Notes Secured Parties or any of them in respect of any ABL Collateral or Non-ABL Collateral constitute only one secured claim (rather than separate classes of secured claims), then each of the parties hereto hereby acknowledges and agrees that, as set forth in Section 2.01 and as contemplated by Section 4.01, all distributions shall be made as if there were separate classes of secured claims against the Grantors in respect of such ABL Collateral or Non-ABL Collateral (with the effect being that, to the extent that the aggregate value of such ABL Collateral or Non-ABL Collateral is sufficient (for this purpose ignoring all claims held by the Junior Secured Parties), the Controlling Secured Parties shall be entitled to receive, in addition to amounts otherwise distributed to them in

respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest, fees and expenses (including any additional interest payable pursuant to the applicable Prior Credit Documents arising from or related to a default) that are disallowed as a claim in any Insolvency or Liquidation Proceeding before any distribution in respect of ABL Collateral or Non-ABL Collateral, as the case may be, is made in respect of the claims held by the Junior Secured Parties, with each Junior Agent, for itself and on behalf of its Related Secured Parties, hereby acknowledging and agreeing to turn over to (i) FIRST the Controlling Agent, for itself and on behalf of the Controlling Secured Parties and (ii) SECOND, following the Discharge of Obligations with respect to the Controlling Agent, the Rising Prior Agent (if any) for itself and on behalf of such Rising Agent's Related Secured Parties, amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence (with respect to the payment of post-petition interest, fees and expenses), even if such turnover has the effect of reducing the claim or recovery of the Junior Secured Parties).

Section 6.08. Voting. Each of the parties hereto acknowledges and agrees that no Junior Agent or Junior Secured Party shall be required to vote to approve any plan of reorganization with respect to any Grantor for any reason or to agree that any provision of any Junior Credit Document shall survive the effectiveness of any plan of reorganization with respect to any Grantor in an Insolvency or Liquidation Proceeding.

Section 6.09. Application. This Agreement shall be applicable prior to and after the commencement of any Insolvency or Liquidation Proceeding. All references herein to any Grantor shall apply to any trustee for such Person and such Person as debtor in possession. The relative rights as to the Common Collateral and proceeds thereof shall continue after the filing thereof on the same basis as prior to the date of the petition, subject to any court order approving the financing of, or use of cash collateral by, any Grantor.

Section 6.10. Waiver. Except as to claims arising under this Agreement, each Junior Agent, for itself and on behalf of its Related Secured Parties, waives any claim it may hereafter have against any Prior Secured Party arising out of (i) the election of any Prior Secured Party of the application of Section 1111(b)(2) of the Bankruptcy Code, or (ii) in any Insolvency or Liquidation Proceeding, the grant in any cash collateral or financing arrangement of a security interest, subject to the Prior Liens of such Prior Secured Party, in connection with the Common Collateral.

ARTICLE VII

Reliance; Waivers; Etc.

Section 7.01. Reliance. Other than any reliance on the terms of this Agreement, each Agent, on behalf of its Related Secured Parties, acknowledges that such Related Secured Parties have, independently and without reliance on any other Agent or any other Secured Party, and based on documents and information deemed by them to be appropriate, made their own credit analysis and decision to enter into the Credit Documents applicable to such Agent and such Related Secured Parties and be bound by

the terms of this Agreement and agrees, on behalf of its Related Secured Parties, that such Related Secured Parties will continue to make their own credit decisions in taking or not taking any action under such Credit Documents or this Agreement.

Section 7.02. No Warranties or Liability. Each Agent, on behalf of itself and its Related Secured Parties, acknowledges and agrees that the other Agents and their respective Related Secured Parties have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the applicable Credit Documents, the ownership of any Collateral or the perfection or priority of any Liens thereon. Except as otherwise provided herein, the Secured Parties of each Class will be entitled to manage and supervise their respective loans and extensions of credit under the applicable Credit Documents with respect to such Class in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. No Agent or any of its Related Secured Parties shall have any duty to any other Agent or its Related Secured Parties to act or refrain from acting in a manner which allows, or results in, the occurrence or continuance of an event of default or default under any agreements with SSCC or any other Grantor (including any Credit Documents), regardless of any knowledge thereof which they may have or be charged with.

Section 7.03. No Waiver of Lien Priorities. (a) No right of any Agent or any of its Related Secured Parties to enforce any provision of this Agreement or any Credit Document shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of SSCC or any other Grantor or by any act or failure to act by any Agent or Secured Party, or by any noncompliance by any Person with the terms, provisions and covenants of this Agreement, any of the Credit Documents or any Canadian Intercompany Note Documents, regardless of any knowledge thereof that such Agent or any of its Related Secured Parties may have or be otherwise charged with.

(b) Except as otherwise provided herein, each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that Prior Agent and the Prior Secured Parties shall have no liability to such Junior Agent or any such Related Secured Party, and any Junior Agent, on behalf of itself and its Related Secured Parties, hereby waives any claim against any Prior Agent or any Prior Secured Party, arising out of any and all actions which any Prior Agent or any Prior Secured Party may take or permit or omit to take with respect to:

(i) the Prior Credit Documents (other than this Agreement) applicable to such Prior Agent or Prior Secured Party;

(ii) the collection of the Prior Obligations (other than in violation of the express provisions of this Agreement) applicable to such Prior Agent or Prior Secured Party; or

(iii) the foreclosure upon, or sale, liquidation or other disposition of, any Collateral subject to any Prior Agents' or Prior Secured Parties' Prior Liens.

Each Junior Agent, on behalf of itself and its Related Secured Parties, agrees that the Prior Agents and the Prior Secured Parties have no duty to them in respect of the maintenance or preservation of any Collateral subject to any Prior Agents' or Prior Secured Parties' Prior Liens, the Prior Obligations applicable to such Prior Agent or Prior Secured Party or otherwise.

Section 7.04. Obligations Unconditional. All rights, interests, agreements and obligations of the Prior Agents and the Prior Secured Parties and the Junior Agents and the Junior Secured Parties hereunder (and the rights and obligations of the parties hereto set forth in Section 5.05 with respect to the Canadian Collateral) shall remain in full force and effect irrespective of:

(a) any lack of validity or enforceability of any Prior Credit Document or any Junior Credit Document;

(b) except as otherwise expressly set forth in this Agreement, any change in the time, manner or place of payment of, or in any other terms of, the Prior Obligations or the Junior Obligations, or any Amendment, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of any Prior Credit Document or any Junior Credit Document;

(c) except as otherwise expressly set forth in this Agreement, any exchange of any security interest in any Collateral or any other collateral, or any Amendment, whether in writing or by course of conduct or otherwise, of all or any of the Prior Obligations or Junior Obligations or any guarantee thereof;

(d) the commencement of any Insolvency or Liquidation Proceeding in respect of SSCC or any other Grantor;

(e) any other circumstances that otherwise might constitute a defense available to, or a discharge of, SSCC or any other Grantor in respect of any Prior Agent, any Prior Obligations, any Prior Secured Party, any Junior Agent, any Junior Obligations or any Junior Secured Party in respect of this Agreement; or

(f) any circumstance that might constitute a defense available to, or a discharge of, SSCC or any other Grantor in respect of any security interest in the Canadian Collateral or the Canadian Intercompany Notes.

ARTICLE VIII

Miscellaneous

Section 8.01. Conflicts. In the event of any conflict between the provisions of this Agreement and the provisions of any Credit Documents or the Canadian Intercompany Notes Documents, the provisions of this Agreement shall govern and control.

Section 8.02. Effectiveness; Continuing Nature of this Agreement; Severability. This Agreement shall become effective when executed and delivered by the parties hereto. This is a continuing agreement of lien subordination, and the Secured Parties of any Class may continue, at any time and without notice to any Agent or Secured Party of any other Class to extend credit and other financial accommodations and lend monies to or for the benefit of SSCC or any Grantor constituting Obligations of such Class in reliance hereon. Each Agent, on behalf of itself and its Related Secured Parties, hereby waives any right it or any of them may have under applicable law to revoke this Agreement or any of the provisions hereof. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All references to SSCC or any other Grantor shall include SSCC or such Grantor as debtor and debtor-in-possession and any receiver or trustee for SSCC or any other Grantor (as the case may be) in any Insolvency or Liquidation Proceeding. Without limiting the generality of the foregoing, this Agreement is intended to constitute and shall be deemed to constitute a "subordination agreement" within the meaning of Section 510(a) of the Bankruptcy Code and is intended to be and shall be interpreted to be enforceable to the maximum extent permitted pursuant to applicable nonbankruptcy law.

Section 8.03. Amendments; Waivers. No Amendment of any of the provisions of this Agreement shall be effective unless the same shall be in writing and signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific matter involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time; provided that additional Grantors may be added as parties hereto in accordance with the provisions of Section 8.18. Notwithstanding the foregoing, none of SSCC or any other Grantor shall have any right to consent to or approve any Amendment of any provision of this Agreement (and its signature thereto shall not be required) except to the extent its rights or obligations are affected; provided that SSCC shall be provided with written notice of (and fully executed copies of) all Amendments of any provision of this Agreement.

Section 8.04. Information Concerning Financial Condition of SSCC and Subsidiaries. Each Agent, on behalf of its Related Secured Parties, acknowledges that none of the Agents or the Secured Parties shall be responsible for keeping any other Agent or Secured Party informed of (a) the financial condition of SSCC and the Subsidiaries or (b) any other circumstances bearing upon the risk of nonpayment of the Term Loan Credit Obligations, the Revolving Credit Obligations or the Permitted Notes Obligations. No Agent or any Secured Party shall have any duty to advise any other Agent or any other Secured Party of information known to it regarding such condition or any such circumstances or otherwise. In the event any Agent or any other Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any other Agent or any other Secured Party, it shall be under no obligation:

(a) to make, and no Agent and any Secured Party shall make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided;

(b) to provide any additional information or to provide any such information on any subsequent occasion;

(c) to undertake any investigation; or

(d) to disclose any information which such party wishes to maintain confidential or is otherwise required to maintain confidential.

Section 8.05. Subrogation. Subject to the Discharge of the Prior Obligations, with respect to the value of any payments or distributions in cash, property or other assets that any Junior Agent or any Junior Secured Party pays over to any Prior Agent or any Prior Secured Party under the terms of this Agreement, such Junior Agent or such Junior Secured Party shall be subrogated to the rights of such Prior Agent or such Prior Secured Party; provided that each Junior Agent, on behalf of itself and the Junior Secured Parties, hereby agrees not to assert or enforce all such rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of Prior Obligations has occurred. SSCC and the other Grantors acknowledge and agree that the value of any payments or distributions in cash, property or other assets received by any Junior Agent or any Junior Secured Party that are paid over to any Prior Agent or any Prior Secured Party pursuant to this Agreement shall not reduce any of the applicable Junior Obligations.

Section 8.06. Application of Payments. All payments received by any Prior Agent or any Prior Secured Parties may be applied, reversed and reapplied, in whole or in part, to such part of the Prior Obligations as shall be provided in the applicable Prior Credit Documents. Each Junior Agent, on behalf of itself and its Related Secured Parties, assents to any extension or postponement of the time of payment of the Prior Obligations or any part thereof and to any other indulgence with respect thereto, to any substitution, exchange or release of any security which may at any time secure any part of the Prior Obligations and to the addition or release of any other Person primarily or secondarily liable therefor.

Section 8.07. Governing Law; Jurisdiction; Consent to Service of Process. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

(b) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of any New York State court or Federal court of the United States sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or

for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party hereto may otherwise have to bring any action or proceeding relating to this Agreement in the courts of any jurisdiction.

(c) Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any New York State or Federal court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8.09. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 8.08. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.08.

Section 8.09. Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, addressed to the recipients at their addresses set forth in Schedule I hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 8.10. Further Assurances. Each Agent, on behalf of itself and its Related Secured Parties and the other parties hereto agree that each of them shall take such further actions and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as any Agent may reasonably request to effectuate the terms of and the Lien priorities contemplated by this Agreement.

Section 8.11. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of each Agent, each Secured Party, SSCC and any Subsidiary party hereto that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

Section 8.12. Specific Performance. Each of the Term Loan Credit Agent, the Revolving Credit Agent and any Permitted Notes Agent may demand specific performance of this Agreement. Each of the Term Loan Credit Agent, on behalf of itself and the Term Loan Credit Secured Parties, the Revolving Credit Agent, on behalf of itself and the Revolving Credit Secured Parties, and any Permitted Notes Agent, on behalf of itself and the applicable Permitted Notes Secured Parties, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action brought by the Term Loan Credit Agent, the Term Loan Credit Secured Parties, the Revolving Credit Agent, the Revolving Credit Secured Parties, any Permitted Notes Agent or the Permitted Notes Secured Parties, as the case may be.

Section 8.13. Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 8.14. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by facsimile or electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 8.15. Authorization. By its signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement.

Section 8.16. No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of each of the parties hereto and its respective successors and assigns, including each of the Term Loan Credit Secured Parties, the Revolving Credit Secured Parties and the Permitted Notes Secured Parties. Nothing in this Agreement shall impair, as between SSCC, the other Grantors or any other Revolving Credit Loan Parties, on the one hand, and the Agents and Secured Parties

of each Class, on the other hand, the obligations of SSCC, the other Grantors and the other Revolving Credit Loan Parties to pay principal, interest, fees and other amounts as provided in the Credit Documents of the applicable Class.

Section 8.17. Provisions Solely To Define Relative Rights. The intercreditor provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of (a) the Term Loan Credit Agent and the Term Loan Credit Secured Parties, (b) the Revolving Credit Agent and the Revolving Credit Secured Parties and (c) the Permitted Notes Agents and the Permitted Notes Secured Parties. Nothing in this Agreement (i) is intended to or shall impair the obligations of SSCC, the other Grantor or the other Revolving Credit Loan Party, which are absolute and unconditional, to pay the Obligations of each Class as and when the same shall become due and payable in accordance with their terms or (ii) shall relieve any Grantor from the performance of any term, covenant, condition or agreement on such Grantor's part to be performed or observed under or in respect of any of the Collateral pledged by it or from any liability to any Person under or in respect of any of such Collateral or impose any obligation on any Agent to perform or observe any such term, covenant, condition or agreement on such Grantor's part to be so performed or observed or impose any liability on any Agent for any act or omission on the part of such Grantor relative thereto or for any breach of any representation or warranty on the part of such Grantor contained in this Agreement or any Credit Document, or in respect of the Collateral pledged by it. The obligations of each Grantor contained in this paragraph shall survive the termination of this Agreement and the discharge of such Grantor's other obligations hereunder. Each Agent acknowledges and agrees that no other Agent has made any representation or warranty with respect to the execution, validity, legality, completeness, collectability or enforceability of any other Credit Documents. Except as otherwise provided in this Agreement, each of the Agents will be entitled to manage and supervise their respective extensions of credit to SSCC or any of its Subsidiaries in accordance with law and their usual practices, modified from time to time as they deem appropriate.

Section 8.18. Additional Grantors. Pursuant to the Term Loan Credit Documents, Revolving Credit Documents and the Permitted Notes Documents certain Subsidiaries not party hereto on the date hereof are required to become a party hereto as a "Grantor". Upon the execution and delivery by any Subsidiary of an instrument in the form of Exhibit I hereto, any such Subsidiary shall become a party hereto and a Grantor hereunder with the same force and effect as if originally named as such herein. The execution and delivery of any such instrument shall not require the consent of any other party hereto. The rights and obligations of each party hereto shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

Section 8.19. Term Loan Credit Agent and Revolving Credit Agent. It is understood and agreed that (a) JPMorgan Chase Bank, N.A. ("JPM") is entering into this Agreement in its capacity as administrative agent under the Term Loan Credit Documents and the provisions of Article VIII of the Term Loan Credit Agreement applicable to JPM as administrative agent thereunder shall also apply to JPM as Term Loan Credit Agent hereunder and (b) Deutsche Bank AG New York ("DB") is entering in this Agreement in its capacity as collateral agent under the Revolving Credit Documents and the provisions

of Section 12 of the Revolving Credit Agreement applicable to DB as collateral agent thereunder shall also apply to DB as Revolving Credit Agent hereunder.

[signature page follows]

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

SMURFIT-STONE CONTAINER CORPORATION,

By

_____

Name:
Title:

THE GRANTORS LISTED ON SCHEDULE II HERETO,

By

_____

Name:
Title:

JPMORGAN CHASE BANK, N.A., as
Term Loan Credit Agent,

By

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH,
as Revolving Credit Agent,

By _____

Name:
Title:

SCHEDULE I

Notice Addresses

If to Smurfit-Stone Container Corporation, to it at:

Six CityPlace Drive
Creve Coeur, MO 63141
Attention: Timothy T. Griffith, Vice President and Treasurer
Fax No.: (314) 787 6186)

with a copy to
Winston & Strawn LLP
35 W. Wacker Drive
Chicago, IL 60601
Attention: Brian S. Hart
Fax No.: (312) 558-5700

If to JPMorgan Chase Bank, N.A., to it at:

Loan Agency Services Group
1111 Fannin Street, 10th Floor
Houston, Texas 77002
Attention: Christian Cho and Sylvia Guttierrez
Fax No.: (713) 427-6307

with a copy to
JPMorgan Chase Bank, N.A.
383 Madison Avenue, 24th Floor
New York, NY 10017
Attention: Peter S. Predun
Fax No.: (212) 270-5100

If to Deutsche Bank AG New York Branch, to it at:

60 Wall Street
New York, NY 10005
Attention: Erin Morrissey
Fax No.: 212-797-5690

SCHEDULE II

Grantors

EXHIBIT I to
the Lien Subordination and
Intercreditor Agreement

[FORM OF] SUPPLEMENT NO. __ dated as of [ ], to the Lien Subordination and Intercreditor Agreement dated as of [ ], 2010 (the "Intercreditor Agreement"), among SMURFIT-STONE CONTAINER CORPORATION, a Delaware corporation ("SSCC"); the other SUBSIDIARIES of SSCC identified therein, JPMORGAN CHASE BANK, N.A., as Term Loan Credit Agent, and DEUTSCHE BANK AG NEW YORK BRANCH, as Revolving Credit Agent.

Section 8.18 of the Intercreditor Agreement provides that additional Subsidiaries may become party thereto as a "Grantor" thereunder by execution and delivery of an instrument in the form of this Supplement. Pursuant to one or more of the Credit Documents, the undersigned Subsidiary (the "New Subsidiary") is required to become a party to the Intercreditor Agreement as a "Grantor" thereunder.

Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Intercreditor Agreement.

Reference is made to (a) the Term Loan Credit Agreement, and (b) the Revolving Credit Agreement.

Accordingly, the New Subsidiary hereby agrees as follows:

SECTION 1. In accordance with Section 8.18 of the Intercreditor Agreement, the New Subsidiary by its signature below becomes a party to the Intercreditor Agreement as a "Grantor" with the same force and effect as if originally named therein as such, and the New Subsidiary hereby agrees to all the terms and provisions of the Intercreditor Agreement applicable to it in such capacity thereunder. Each reference to a "Grantor" in the Intercreditor Agreement shall be deemed to include the New Subsidiary.

SECTION 2. The New Subsidiary represents and warrants to the Term Loan Credit Agent, the Revolving Credit Agent, any Permitted Notes Agent and the Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (except as the enforceability thereof may be limited by bankruptcy, insolvency reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (whether enforcement is sought by proceeding in equity or at law)).

SECTION 3. This Supplement shall become effective when the Term Loan Credit Agent, the Revolving Credit Agent and each Permitted Notes Agent shall have received a counterpart (or a copy) of this Supplement that bears the signature of the New Subsidiary. Delivery of an executed signature page to this Supplement by facsimile or electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

IN WITNESS WHEREOF, the New Subsidiary has duly executed this Supplement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY],

by

_____

Name:
Title:

EXHIBIT II to
the Lien Subordination and
Intercreditor Agreement

[FORM OF] JOINDER AGREEMENT NO. [ ] dated as of [ ], 20[ ] to the Lien Subordination and Intercreditor Agreement dated as of [l], 2010 (the "Intercreditor Agreement"), among SMURFIT-STONE CONTAINER CORPORATION, a Delaware corporation ("SSCC"); the other SUBSIDIARIES of SSCC identified therein, JPMORGAN CHASE BANK, N.A., as Term Loan Credit Agent, DEUTSCHE BANK AG NEW YORK BRANCH, as Revolving Credit Agent [and [ ], as Permitted Notes Agent[s]].

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the Intercreditor Agreement.

B. As a condition to the ability of the SSCC to incur Permitted Notes and to secure such Permitted Notes with (i) a third priority Lien, junior and subordinate to both the Revolving Credit Obligations and the Term Loan Credit Obligations, on ABL Collateral, and (ii) a second priority Lien, senior with respect to the Revolving Credit Obligations and junior and subordinate to the Term Loan Credit Obligations, on Non-ABL Collateral, under and pursuant to the relevant Permitted Notes Collateral Documents for such Permitted Notes, among other things, the agent of any such Permitted Notes, acting on behalf of the holders of the Permitted Notes, is required to become party to the Intercreditor Agreement. Section 5.08 of the Intercreditor Agreement provides that such agent may become a party to the Intercreditor Agreement by the execution and delivery by such agent of an instrument in the form of this Joinder Agreement and the satisfaction of the other conditions set forth in Section 5.08 of the Intercreditor Agreement. The undersigned agent ("New Permitted Notes Agent") is executing this Joinder Agreement in accordance with the requirements of the Credit Documents.

Accordingly, the Term Loan Credit Agent, the Revolving Credit Agent, [the Permitted Notes Agent[s]] and the New Permitted Notes Agent agree as follows:

SECTION 1. In accordance with Section 5.08 of the Intercreditor Agreement, the New Permitted Notes Agent by its signature below becomes a Permitted Notes Agent under, and the related Permitted Notes and holders of Permitted Notes become subject to and bound by, the Intercreditor Agreement with the same force and effect as if the New Permitted Notes Agent had originally been named therein as a Permitted Notes Agent, and the New Permitted Notes Agent, on behalf of itself and such holders of Permitted Notes, hereby agrees to all the terms and provisions of the Intercreditor Agreement applicable to it as a Permitted Notes Agent and to the holders of Permitted Notes that it represents as Permitted Notes Secured Parties. Each reference to an "Agent" or "Permitted Notes Agent" in the Intercreditor Agreement shall be deemed to include the New Permitted Notes Agent. The Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Permitted Notes Agent represents and warrants to each other Agent and the other Secured Parties that (i) it has full power and authority to enter into this Joinder Agreement, in its capacity as agent, (ii) this Joinder Agreement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of such Joinder Agreement (except as the enforceability thereof may be limited by bankruptcy, insolvency reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (whether enforcement is sought by proceeding in equity or at law)) and (iii) the Permitted Notes provide that, upon the New Permitted Notes Agent's entry into this Joinder Agreement, the holders of the Permitted Notes will be subject to and bound by the provisions of the Intercreditor Agreement as Permitted Notes Secured Parties.

SECTION 3. This Joinder Agreement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Joinder Agreement shall become effective when each of the Agents party hereto shall have received a counterpart of this Joinder Agreement that bears the signature of the New Permitted Notes Agent. Delivery of an executed signature page to this Joinder Agreement by facsimile transmission shall be effective as delivery of a manually signed counterpart of this Joinder Agreement.

SECTION 4. Except as expressly supplemented hereby, the Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

SECTION 6. In case any one or more of the provisions contained in this Joinder Agreement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 8.09 of the Intercreditor Agreement. All communications and notices hereunder to the New Permitted Notes Agent shall be given to it at the address set forth below its signature hereto.

SECTION 8. SSCC agrees to reimburse each Agent party hereto for its reasonable out-of-pocket expenses in connection with this Joinder Agreement, including the reasonable fees, other charges and disbursements of counsel for such Agent.

IN WITNESS WHEREOF, the parties set forth below have duly executed this Joinder Agreement to the Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW PERMITTED NOTES AGENT], as [ ] for the holders of [ ],

by _____
Name:
Title:

Address for notices:

_____

_____

attention of: _____

Telecopy: _____

JPMORGAN CHASE BANK, N.A.,
as Term Loan Credit Agent,

by _____
Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH,
as Revolving Credit Agent,

by _____
Name:
Title:

[NAME OF PERMITTED NOTES AGENT][1],
as Permitted Notes Agent,

by _____
Name:

[1] If Permitted Notes of another Series is already outstanding.

Title:

Acknowledged by:

SMURFIT-STONE CONTAINER CORPORATION,

by _____
Name:
Title:

THE GRANTORS
LISTED ON SCHEDULE I HERETO,

by _____
Name:
Title:

Schedule I to the
Joinder Agreement to the
Lien Subordination and Intercreditor Agreement

Grantors

Exhibit F
to the Credit Agreement

FORM OF SOLVENCY CERTIFICATE

To the Administrative Agent and each of the Lenders party to the Credit Agreement referred to below:

I, the undersigned, the Treasurer of Smurfit-Stone Container Corporation ("Holdings"), a Delaware corporation, in that capacity only and not in my individual capacity, do hereby certify as of the date hereof that:

1. This Certificate is furnished to the Administrative Agent and the Lenders pursuant to Section 6.02(s) of the ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto (each a "Lender", and, collectively, the "Lenders"), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents (the "Credit Agreement"). Unless otherwise defined herein, capitalized terms used in this Certificate shall have the meanings set forth in the Credit Agreement.

2. Immediately after giving effect to the Transactions to occur on the Funding Date, (a) the present fair saleable value of the assets of Holdings and its Subsidiaries, on a consolidated basis, will exceed the amount that will be required to be paid on or in respect of the existing debts and other liabilities (including contingent liabilities) of Holdings and its Subsidiaries, on a consolidated basis, as they become absolute and mature, (b) Holdings and its Subsidiaries, on a consolidated basis, will not have unreasonably small capital to carry out their businesses as conducted or as proposed to be conducted, and (c) neither SSCC nor any Borrower intends to, nor does it intend to permit any of its Subsidiaries to, and does not believe that it or any such Subsidiary will, incur debts beyond its ability to pay such debts as they become absolute and mature (taking into account the timing and amounts of cash to be received by each of them or any such subsidiary and the amounts to be payable on or in respect of its obligations).

IN WITNESS WHEREOF, the undersigned has set his hand this __ day of _____, 2010.

SMURFIT-STONE CONTAINER CORPORATION

By:_____
Name:
Title:

Exhibit G
to the Credit Agreement

FORM OF COMPLIANCE CERTIFICATE

This Compliance Certificate is delivered to you pursuant to Section 9.04(d) of the ABL Credit Agreement, dated as of [_____], 2010 (as amended, restated, supplemented or modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

1. I am the duly elected, qualified and acting _____ of Holdings.

2. I have reviewed and am familiar with the contents of this Compliance Certificate. I am providing this Compliance Certificate solely in my capacity as a Financial Officer of Holdings. The matters set forth herein are true to the best of my knowledge after due inquiry.

3. I have reviewed the terms of the Credit Agreement and the other Loan Documents and have made or caused to be made under my supervision a review in reasonable detail of the transactions and condition of Holdings and its Subsidiaries during the accounting period covered by the financial statements attached hereto as ANNEX 1 (the "Financial Statements").

[4. After reasonable inquiry, to my knowledge no Default or Event of Default has occurred and is continuing as of the date of this Compliance Certificate[, except for _____].]

[4.][5.] Attached hereto as ANNEX 2 are the computations showing (in reasonable detail) the calculation of, and, during a Compliance Period, compliance with, the Consolidated Fixed Charge Coverage Ratio.

[6. Attached hereto as ANNEX 3 is the information required to establish compliance with certain covenants contained in Sections 10.01, 10.02, 10.03, 10.04, 10.06 and 10.09 of the Credit Agreement for the Test Period ended on [_____, ___].][1]

[7. No Material Subsidiary exists (other than the Loan Parities), except as described on Annex 4.

[1] To be included for any Compliance Certificate being delivered pursuant to Section 9.04(d)(i) of the Credit Agreement.

IN WITNESS WHEREOF, in my capacity as a Financial Officer of Holdings and not in my individual capacity, I have executed this Compliance Certificate this ____ day of _____, 2010.

SMURFIT-STONE CONTAINER CORPORATION

By:_____
Name:
Title:

ANNEX 1

[Applicable Financial Statements To Be Attached]

[Applicable Calculations of Consolidated Fixed Charge Coverage Ratio To Be Attached]

Consolidated Fixed Charge Coverage Ratio for each relevant Test Period referred to in Section 10.16

(i) ____:1.00

(ii) ____:1.00

The information described herein is as of [_____, ____][2] (the "Computation Date") and, except as otherwise indicated below, pertains to the period from [the Funding Date] [January __, 20__] to the Computation Date (the "Relevant Period").

Permitted Acquisitions and Negative and Financial Covenants		**Amount**
A.	Indebtedness as of the Computation Date (Section 10.01)	
	(i) Section 10.01(e)	$_____
	(ii) Section 10.01(f)	$_____
	(iii) Section 10.01(h)	$_____
	(iv) Section 10.01(i)	$_____
	(v) Section 10.01(j)	$_____
	(vi) Section 10.01(n)	$_____
	(vii) Section 10.01(o)	$_____
	(viii) Section 10.01(p)	$_____
	(x) [The Incurrence Test][3]	$_____
B.	Liens as of the Computation Date (Section 10.02)	
	(i) Section 10.02(xi)	$_____
	(ii) Section 10.02(xv)	
C.	Investments, Loans and Advances as of the Computation Date (Section 10.04)	
	(i) Clause (i)(y) of Section 10.04(b)	$_____
	(ii) Section 10.04(c)	$_____
	(iii) Section 10.04(h)	$_____

[2] Insert the last day of the respective fiscal quarter or year covered by the financial statements which are required to be accompanied by this Compliance Certificate.

[3] Attached hereto in reasonable detail is a calculation of the Interest Coverage Ratio to the extent debt is incurred during the Relevant Period pursuant to the Incurrence Test.

(iv) Section 10.04(j) $_____

D. Restricted Payments made during such period (Section 10.06)

(ii) Section 10.06(b)(iii) $_____

(i) Section 10.06(b)(iv) $_____

E. Debt Repayments made during such period (Section 10.09)

(i) Section 10.09(iv) $_____

[Description of any additional Material Subsidiary]

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT[1]

This Assignment and Assumption Agreement (this "Assignment"), is dated as of the Effective Date set forth below and is entered into by and between [the][each] Assignor identified in item [1][2] below ([the] [each, an] "Assignor") and [the] [each] Assignee identified in item 2 below ([the] [each, an] "Assignee"). [It is understood and agreed that the rights and obligations of such [Assignees][and Assignors] hereunder are several and not joint.] Capitalized terms used herein but not defined herein shall have the meanings given to them in the ABL Credit Agreement identified below (as amended, restated, supplemented and/or otherwise modified from time to time, the "Credit Agreement"). The Standard Terms and Conditions for Assignment and Assumption Agreement set forth in Annex 1 hereto (the "Standard Terms and Conditions") are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the] [each] Assignee, and [the] [each] Assignee hereby irrevocably purchases and assumes from [the][each] Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below, the interest in and to all of [the][each] Assignor's rights and obligations under the Credit Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the [respective] Assignor's outstanding rights and obligations identified below (including Revolving Loans, Letters of Credit and Swingline Loans) ([the] [each, an] "Assigned Interest"). [Each] [Such] sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment, without representation or warranty by [the][any] Assignor.

[1. Assignor: _____

2. Assignee: _____][2]

[1][3]. Credit Agreement: ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the Lenders

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1 This Form of Assignment and Assumption Agreement should be used by Lenders for an assignment to a single Assignee or to funds managed by the same or related investment managers.

2 If the form is used for a single Assignor and Assignee, items 1 and 2 should list the Assignor and the Assignee, respectively. In the case of an assignment to funds managed by the same or related investment managers, or an assignment by multiple Assignors, the Assignors and the Assignee(s) should be listed in the table under bracketed item 2 below.

from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents.

[2. Assigned Interest:[3]

Assignor	Assignee	Tranche Assigned	Aggregate Amount of Commitment/Loans under Relevant Tranche for all Lenders	Amount of Commitment/Loans under Relevant Tranche Assigned
[Name of Assignor]	[Name of Assignee]		_____	_____
[Name of Assignor]	[Name of Assignee]		_____	_____

[4. Assigned Interest:[4]

Tranche Assigned	Aggregate Amount of Commitment/Loans under Relevant Tranche for all Lenders	Amount of Commitment/Loans under Relevant Tranche Assigned
	[$]_____	[$]_____

Effective Date _____, ____, ____.

Assignor[s] Information

Payment Instructions: _____

Assignee[s] Information

Payment Instructions: _____

---

[3] Insert this chart if this Form of Assignment and Assumption Agreement is being used for assignments to funds managed by the same or related investment managers or for an assignment by multiple Assignors. Insert additional rows as needed.

[4] Insert this chart if this Form of Assignment and Assumption Agreement is being used by a single Assignor for an assignment to a single Assignee.

	_____		_____
	_____		_____
	_____		_____
	Reference:_____		Reference:_____
Notice Instructions:	_____	Notice Instructions:	_____
	_____		_____
	_____		_____
	_____		_____
	Reference:_____		Reference:_____

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR	ASSIGNEE
[NAME OF ASSIGNOR]	[NAME OF ASSIGNEE][5]
By:_____	By:_____
Name:	Name:
Title:	Title:

5 Add additional signature blocks, as needed, if this Form of Assignment and Assumption Agreement is being used by funds managed by the same or related investment managers.

[Consented to and][6] Accepted:

DEUTSCHE BANK AG NEW YORK BRANCH,
as Administrative Agent

By:_____
Name:
Title:

By:_____
Name:
Title:

**[DEUTSCHE BANK AG NEW YORK BRANCH,
as Fronting Lender**

By:_____
Name:
Title:][7]

[SMURFIT-STONE CONTAINER CORPORATION

By:_____
Name:
Title:][8]

[NAME OF ISSUING LENDER], as Issuing Lender

By:_____
Name:
Title:

---

6 Insert only if assignment is being made to an Eligible Transferee pursuant to Section 13.04(b)(y) of the Credit Agreement. Consent of the Administrative Agent shall not be unreasonably withheld or delayed.

7 Consent of the Fronting Lender (not to be unreasonably withheld, delayed or conditioned) is required unless the assignment is to a Person that will not be a Participating Specified Foreign Currency Lender.

8 Insert only if (i) no Default or Event of Default is then in existence and (ii) the assignment is being made to an Eligible Transferee pursuant to 13.04(b)(y) of the Credit Agreement. Consent of Holdings shall not be unreasonably withheld or delayed.

ANNEX I
TO
EXHIBIT H

SMURFIT-STONE CONTAINER CORPORATION

ABL CREDIT AGREEMENT

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION AGREEMENT

1. Representations and Warranties.

1.1. Assignor. [The] [Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the] [its] Assigned Interest, (ii) [the] [its] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, any other Loan Document or any other instrument or document delivered pursuant thereto (other than this Assignment) or any collateral thereunder, (iii) the financial condition of Holdings, any of its Subsidiaries or affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Holdings, any of its Subsidiaries or affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. [The] [Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) confirms that it is (A) a Lender, (B) a parent company and/or an affiliate of [the][each] Assignor which is at least 50% owned by [the][each] Assignor or its parent company, (C) a fund that invests in bank loans and is managed by the same investment advisor as a Lender, by an affiliate of such investment advisor or by a Lender or (D) an Eligible Transferee under Section 13.04(b) of the Credit Agreement; (iii) confirms that it is not, or would not constitute upon the effectiveness of this Assignment, a Defaulting Lender, (iv) from and after the Effective Date, it shall be bound by the provisions of the ABL Facility Agreement and, to the extent of [the][its] Assigned Interest, shall have the obligations of a Lender thereunder, (v) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 9.04 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase [the][its] Assigned Interest on the basis of which it has made such analysis and decision and (vi) if it is organized under the laws of a jurisdiction outside the United States, it has attached to this Assignment any tax documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by it; (b) agrees that it will, independently and without reliance upon the Administrative Agent, [the][each] Assignor, or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (c) appoints and authorizes the Administrative Agent and the Security Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to or otherwise conferred upon the Administrative Agent or the Security Agent by the terms thereof, together

with such powers as are reasonably incidental thereto; and (d) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payment. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the] [each] Assigned Interest (including payments of principal, interest, fees, commissions and other amounts) to [the][each] Assignor for amounts which have accrued to but excluding the Effective Date and to [the] [each] Assignee for amounts which have accrued from and after the Effective Date.

3. Effect of Assignment. Upon the delivery of a fully executed original hereof to the Administrative Agent, as of the Effective Date, (i) [the][each] Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment, have the rights and obligations of a Lender thereunder and under the other Loan Documents and (ii) [the][each] Assignor shall, to the extent provided in this Assignment, relinquish its rights and be released from its obligations under the Credit Agreement and the other Loan Documents.

4. General Provisions. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of the Assignment. THIS ASSIGNMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK (INCLUDING, WITHOUT LIMITATION, SECTION 5.1401 OF THE GENERAL OBLIGATIONS LAW).

* * *

Exhibit I
to the Credit Agreement

FORM OF JOINDER AGREEMENT

THIS JOINDER IN CREDIT AGREEMENT, (this "Joinder") is executed as of [___ ___, ___] by [NAME OF NEW SUBSIDIARY], a _____ [corporation] [limited liability company] [partnership] (the "Joining Party"), and delivered to Deutsche Bank AG New York Branch, as Administrative Agent and as Security Agent, for the benefit of the Secured Parties. Except as otherwise defined herein, terms used herein and defined in the Credit Agreement shall be used herein as therein defined.

W I T N E S S E T H:

WHEREAS, Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the various lenders from time to time party thereto (the "Lenders"), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents, have entered into an ABL Credit Agreement, dated as of [_____], 2010 (as the same may be amended, modified or supplemented from time to time, the "Credit Agreement"), providing for the making of Loans to, and the issuance of Letters of Credit for the accounts of, the Borrowers as contemplated therein;

WHEREAS, the Joining Party is a direct or indirect [Domestic][Canadian] Subsidiary of Holdings and desires, or is required pursuant to the provisions of the Credit Agreement, to become a Borrower under the Credit Agreement; and

WHEREAS, the Joining Party will obtain benefits from (i) the incurrence of Loans by the Borrowers, and the issuance of, and participation in, Letters of Credit for the accounts of the Borrowers, in each case pursuant to the Credit Agreement, and (ii) the entering into of Secured Hedging Agreements and Secured Cash Management Agreements, and, accordingly, desires to execute this Joinder in order to (x) satisfy the requirements described in the preceding paragraph, (y) induce the Lenders to make Loans to the Borrowers and issue, and/or participate in, Letters of Credit for the accounts of the Borrowers and (z) induce the respective Secured Parties to enter into Secured Hedging Agreements and Secured Cash Management Agreements;

NOW, THEREFORE, in consideration of the foregoing and other benefits accruing to the Joining Party, the receipt and sufficiency of which are hereby acknowledged, the Joining Party hereby makes the following representations and warranties to the Secured Parties and hereby covenants and agrees with each Secured Parties as follows:

1. By this Joinder, the Joining Party becomes a [U.S.][Canadian] Borrower for all purposes under the Credit Agreement, pursuant to Section 9.09 thereof.

2. The Joining Party agrees that, upon its execution hereof, it will become a [U.S.][Canadian] Borrower under the Credit Agreement, and will be bound by all terms,

conditions and duties applicable to a [U.S.][Canadian] Borrower under the Credit Agreement and the other Loan Documents (including each Note, whether or not such Joining Party actually signs a counterpart thereof). Without limitation of the foregoing, and in furtherance thereof, the Joining Party agrees, on a joint and several basis with the other [U.S.][Canadian] Borrowers, to irrevocably and unconditionally pay in full all of the [U.S.][Canadian] Borrower Obligations of the [U.S.][Canadian] Borrowers in accordance with the terms of the Credit Agreement and the other Loan Documents.

3 The Joining Party hereby makes and undertakes, as the case may be, each covenant, representation and warranty made by, and as each [U.S.][Canadian] Borrower under the Credit Agreement, in each case as of the date hereof (except to the extent any such representation or warranty relates solely to an earlier date in which case such representation and warranty shall be true and correct as of such earlier date), and agrees to be bound by all covenants, agreements and obligations of a [U.S.][Canadian] Borrower, pursuant to the Credit Agreement, respectively, and all other Loan Documents to which it is or becomes a party.

6. This Joinder shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of and be enforceable by each of the parties hereto and its successors and assigns, provided, however, that the Joining Party may not assign any of its rights, obligations or interest hereunder or under any other Loan Document without the prior written consent of the Lenders or as otherwise permitted by the Loan Documents. **THIS JOINDER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.** This Joinder may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. In the event that any provision of this Joinder shall prove to be invalid or unenforceable, such provision shall be deemed to be severable from the other provisions of this Joinder which shall remain binding on all parties hereto.

7. From and after the execution and delivery hereof by the parties hereto, this Joinder shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

8 Each of the representations and warranties set forth in the Credit Agreement and each other Loan Document and applicable to the undersigned is true and correct in all material respects, after giving effect to this Joinder on the date hereof, except to the extent that any such representation and warranty relates solely to any earlier date, in which case such representation and warranty is true and correct in all material respects as of such earlier date.

9. No event has occurred or is continuing as of the date hereof, or will result from the transactions contemplated hereby on the date hereof, that would constitute an Event of Default or a Default.

10. The effective date of this Joinder is [_____], 20[__].

* * *

IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be duly executed as of the date first above written.

[NAME OF NEW BORROWER]

By: _____
Name:
Title:

Accepted and Acknowledged by:

DEUTSCHE BANK AG NEW YORK BRANCH,
as Administrative Agent and as Security Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

BORROWING BASE CERTIFICATE

This Certificate is being delivered pursuant to Section [6.02(n)][9.04(i)] of the ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the Lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"). Unless otherwise defined herein, all terms used herein shall have the meanings ascribed to them in the Credit Agreement.

The undersigned represents and warrants on behalf of Holdings in his or her capacity as a Financial Officer of Holdings and not in an individual capacity, that the information set forth on the attached Borrowing Base Certificate is, to the best of his or her knowledge, (i) accurate and complete in all material respects, (ii) calculated in accordance with the Credit Agreement and (iii) separately sets forth the U.S. Borrowing Base and the Canadian Borrowing Base as of the close of business on [_____ ___, _____].

IN WITNESS WHEREOF, the undersigned, in his or her capacity as a Financial Officer of Holdings and not in an individual capacity, has executed this Certificate as of this [___] day of [_____ _____].

SMURFIT-STONE CONTAINER
CORPORATION,

By: _____
Name:
Title:

BORROWING BASE CERTIFICATE FOR THE PERIOD ENDING [DATE]
ISSUED BY SMURFIT-STONE CONTAINER CORPORATION

PART A – U.S. BORROWING BASE:

PART B – CANADIAN BORROWING BASE:

Exhibit K
to the Credit Agreement

FORM OF INCREMENTAL COMMITMENT AGREEMENT

[Name(s) of Lender(s)]

[Date]

[Smurfit-Stone Container Corporation]
[_____]
[_____]
Attention: [_____]
Phone: [_____]
Fax: [_____]

Deutsche Bank AG New York Branch, as Administrative Agent for the Lenders party to the Credit Agreement referred to below
60 Wall Street
NYC60-0208, 2nd Floor
New York, New York 10005-2858
Attention: Erin Morrissey
Telephone No.: (212) 250-1765
Telecopier No.: (212) 797-5690
Email: erin.morrisey@db.com

Re: Incremental Commitments

Ladies and Gentlemen:

Reference is hereby made to the ABL Credit Agreement, dated as of [_____], 2010 among Smurfit-Stone Container Corporation, Smurfit-Stone Enterprises Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto (the "Lenders"), Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"). Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings set forth in the Credit Agreement. Each lender (each an "Incremental Lender") party to this letter agreement (this "Agreement") hereby severally agrees to provide the Incremental Commitment set forth opposite its name on Annex I attached hereto (for each such Incremental Lender, its "Incremental Commitment"). Each Incremental Commitment provided pursuant to this Agreement shall be subject to all of the terms and conditions set forth in the Credit Agreement, including, without limitation, Sections 2.01(a) and 2.14 thereof.

Each Incremental Lender, the Borrowers and the Administrative Agent acknowledge and agree that the Incremental Commitments provided pursuant to this Agreement shall constitute Incremental Commitments and, upon the Agreement Effective Date (as hereinafter defined), the Incremental Commitment of each Incremental Lender shall become, or in the case of an existing Lender, shall be added to (and thereafter become a part of), the [U.S. Facility Commitment][the Canadian Facility Commitment] of such Incremental Lender. Each Incremental Lender, the Borrowers and the Administrative Agent further agree that, with respect to the Incremental Commitment provided by each Incremental Lender pursuant to this Agreement, such Incremental Lender shall receive from the Borrowers under the applicable Tranche such upfront fees and/or other fees, if any, as may be separately agreed to in writing with such Borrowers and acknowledged by the Administrative Agent, all of which fees shall be due and payable to such Incremental Lender on the terms and conditions set forth in each such separate agreement.

Furthermore, each of the parties to this Agreement hereby agrees to the terms and conditions set forth on Annex I hereto in respect of each Incremental Commitment provided pursuant to this Agreement.

Each Incremental Lender party to this Agreement, to the extent not already a party to the Credit Agreement as a Lender thereunder, (i) confirms that it is an Eligible Transferee and is not a Defaulting Lender, or would constitute a Defaulting Lender on the Agreement Effective Date, (ii) confirms that it has received a copy of the Credit Agreement and the other Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement and to become a Lender under the Credit Agreement, (iii) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement and the other Loan Documents, (iv) appoints and authorizes the Administrative Agent and the Security Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to the Administrative Agent and the Security Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto, (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement and the other Loan Documents are required to be performed by it as a Lender, and (vi) in the case of each Incremental Lender organized under the laws of a jurisdiction outside the United States, attaches the forms and/or Section 5.04(b)(ii) Certificate referred to in Section 5.04(b) of the Credit Agreement.

Upon the date of (i) the execution of a counterpart of this Agreement by each Incremental Lender, the Administrative Agent, the Borrowers and each Guarantor, (ii) the delivery to the Administrative Agent of a fully executed counterpart (including by way of facsimile or other electronic transmission) hereof, (iii) the payment of any fees then due and payable in connection herewith and (iv) the satisfaction of any other conditions precedent set forth in Section 3 of Annex I hereto (such date, the "Agreement Effective Date"), each Incremental Lender party hereto (i) shall be obligated to make the [U.S. Facility][Canadian Facility] Revolving Loans provided to be made by it as provided in this Agreement on the terms, and subject to the conditions, set forth in the Credit Agreement and in this Agreement and (ii) to

the extent provided in this Agreement, shall have the rights and obligations of a [U.S. Facility][Canadian Facility] Lender thereunder and under the other applicable Loan Documents.

Each [U.S.][Canadian] Borrower acknowledges and agrees that (i) they shall be jointly and severally liable for all [U.S. Facility Obligations][Canadian Facility Obligations] of any [U.S.][Canadian] Borrowers in the same with respect to the Incremental Commitments provided hereby as provided in the Credit Agreement including, without limitation, all [U.S. Facility][Canadian Facility] Revolving Loans made pursuant thereto, and (ii) all such [U.S. Facility Obligations][Canadian Facility Obligations] (including all such [U.S. Facility][Canadian Facility] Revolving Loans) shall be secured by each Security Document that is executed by a [U.S. Loan Party]/[Loan Party] and is entitled to the benefits of the guarantee under the Guarantee and Collateral Agreement [and Canadian Guarantee and Collateral Agreement] in accordance with the requirements of the Credit Agreement.

Each Guarantor acknowledges and agrees that all [U.S Facility Obligations][Canadian Facility Obligations] with respect to the Incremental Commitments provided hereby and all [U.S. Facility][Canadian Facility] Revolving Loans made pursuant thereto shall (i) be fully guaranteed pursuant to the Guarantee and Collateral Agreement [and Canadian Guarantee and Collateral Agreement] as, and to the extent, provided therein and in the Credit Agreement and (ii) be entitled to the benefits of the Loan Documents as, and to the extent, provided therein and in the Credit Agreement.

You may accept this Agreement by signing the enclosed copies in the space provided below, and returning one copy of same to us before the close of business on _____ ___, _____. If you do not so accept this Agreement by such time, our Incremental Commitments set forth in this Agreement shall be deemed canceled.

After the execution and delivery to the Administrative Agent of a fully executed copy of this Agreement (including by way of counterparts and by facsimile or other electronic transmission) by the parties hereto, this Agreement may only be changed, modified or varied by written instrument in accordance with the requirements for the modification of Loan Documents pursuant to Section 13.12 of the Credit Agreement.

In the event of any conflict between the terms of this Agreement and those of the Credit Agreement, the terms of the Credit Agreement shall control.

* * *

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

Very truly yours,

[NAME OF EACH INCREMENTAL LENDER]

By_____
Name:
Title

Agreed and Accepted
this [___] day of [_____, ____]:

[SMURFIT-STONE CONTAINER CORPORATION]

By:_____
Name:
Title:

[NAME OF OTHER BORROWERS]

By:_____
Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH,
as Administrative Agent

By:_____
Name:
Title:

By:_____
Name:
Title:

Each Guarantor acknowledges and agrees to each the foregoing provisions of this Incremental Commitment Agreement and to the incurrence of the [U.S. Facility][Canadian Facility] Revolving Loans to be made pursuant thereto.

[EACH GUARANTOR], as a Guarantor

By: _____
Name:
Title:

ANNEX I

TERMS AND CONDITIONS FOR INCREMENTAL COMMITMENT AGREEMENT

Dated as of _____, ____

1. Names of the Borrowers:

2. Incremental Commitment amounts (as of the Agreement Effective Date):

Names of Incremental Lenders	Amount of Incremental Commitment to be added to U.S. Facility Commitment	Amount of Incremental Commitment to be added to Canadian Facility Commitment

Total:[1]

3. Applicable Margins and Adjustable Applicable Margins to be applicable to all Revolving Loans[2]

4. Applicable Commitment Fee Percentage and Adjustable Applicable Commitment Fee Percentage to be applicable to all Revolving Loans[3]

---

1 The aggregate amount of Incremental Commitments must be at least $25,000,000 (or such lesser amount that is acceptable to the Administrative Agent in its sole discretion). The aggregate amount of all Incremental Commitments permitted to be provided pursuant to Section 2.14 of the Credit Agreement shall not exceed in the aggregate $150,000,000

2 Insert the Applicable Margins that shall apply to the Revolving Loans to be made pursuant to the Incremental Commitments being provided hereunder, provided if the Applicable Margins with respect to the Revolving Loans to be incurred pursuant to an Incremental Commitment shall be higher in any respect than those applicable to any other Loans, the Applicable Margins for the other Loans and extension of credit under the Credit Agreement shall be automatically increased as and to the extent needed to eliminate any deficiencies in accordance with the definition of "Applicable Margin" in the Credit Agreement.

3 Insert the Applicable Commitment Fee Percentage that shall apply to the Revolving Loans to be made pursuant to the Incremental Commitments being provided hereunder, provided if the Applicable Commitment Fee Percentage with respect to the Revolving Loans to be incurred pursuant to an Incremental Commitment shall be higher in any respect than those applicable to any other Loans, the Applicable

5. Other Conditions Precedent:[4]

Commitment Fee Percentage for the other Loans and extension of credit under the Credit Agreement shall be automatically increased as and to the extent needed to eliminate any deficiencies in accordance with the definition of "Applicable Commitment Fee Percentage" in the Credit Agreement.

[4] Insert any additional conditions precedent which may be required to be satisfied prior to the Agreement Effective Date.

Exhibit L
to the Credit Agreement

FORM OF SECTION 5.04(b)(ii) CERTIFICATE

Reference is hereby made to the ABL Credit Agreement, dated as of [_____], 2010, among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation (as amended, restated, modified and/or supplemented from time to time, the "Credit Agreement"; the capitalized terms defined therein being used herein as therein defined). Pursuant to the provisions of Section 5.04(b)(ii) of the Credit Agreement, the undersigned hereby certifies that it is not a "bank" as such term is used in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended.

[NAME OF LENDER**]**

By:_____
Name:
Title:

Date: _____, _____

FORM OF
GUARANTEE AND COLLATERAL AGREEMENT

dated as of

[ ], 2010,

among

SMURFIT-STONE CONTAINER CORPORATION
(formerly known as Smurfit-Stone Container Enterprises, Inc.),

THE SUBSIDIARIES PARTIES HERETO
and

DEUTSCHE BANK AG NEW YORK BRANCH,

as Security Agent

THIS COLLATERAL AGREEMENT IS SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT OF EVEN DATE HEREWITH AMONG SMURFIT-STONE CONTAINER CORPORATION, A DELAWARE CORPORATION (FORMERLY KNOWN AS SMURFIT-STONE CONTAINER ENTERPRISES, INC.), THE OTHER SUBSIDIARIES OF SMURFIT-STONE CONTAINER CORPORATION PARTY THERETO, JPMORGAN CHASE BANK, N.A., IN ITS CAPACITY AS ADMINISTRATIVE AGENT FOR, AND ACTING ON BEHALF OF, THE TERM LOAN CREDIT SECURED PARTIES REFERRED TO THEREIN, DEUTSCHE BANK AG NEW YORK BRANCH, IN ITS CAPACITY AS SECURITY AGENT FOR, AND ACTING ON BEHALF OF, THE REVOLVING CREDIT SECURED PARTIES REFERRED TO THEREIN AND EACH PERMITTED NOTES AGENT THAT FROM TIME TO TIME BECOMES A PARTY THERETO AS MORE FULLY SET FORTH IN SECTION 7.16 HEREOF.

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GUARANTEE AND COLLATERAL AGREEMENT (this "Agreement") dated as of [ ], 2010, among SMURFIT-STONE CONTAINER CORPORATION (formerly known as Smurfit-Stone Container Enterprises, Inc.)[1], the Subsidiaries party hereto and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent.

Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries from time to time party thereto, the Lenders party thereto and DBNY, as Administrative Agent. The Lenders have agreed to extend credit to the Borrowers subject to the terms and conditions set forth in the Credit Agreement. The obligations of the Lenders to extend such credit are conditioned upon, among other things, the execution and delivery of this Agreement. The Subsidiary Parties are affiliates of the Borrowers, will derive substantial benefits from the extension of credit to the Borrowers pursuant to the Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Credit Agreement. (a) Capitalized terms used in this Agreement, including the preamble and introductory paragraph hereto, and not otherwise defined herein have the meanings specified in the Credit Agreement. All terms defined in the New York UCC (as defined herein) and not defined in this Agreement have the meanings specified therein; the term "instrument" shall have the meaning specified in Article 9 of the New York UCC.

(b) The rules of construction specified in Section 1.03 of the Credit Agreement also apply to this Agreement.

SECTION 1.02. Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

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

"Accounts Receivable" means all Accounts and other rights to payment for the sale, lease, license, assignment or other disposal of any Inventory or the

[1] Form assumes agreement to be entered into following the merger of Smurfit-Stone Container Corporation into Smurfit-Stone Enterprises, Inc., after which the surviving corporation shall change its name to Smurfit-Stone Container Corporation.

performance of services (whether performed or to be performed), existing on the date of this Agreement or hereafter arising, whether or not earned by performance.

"Article 9 Collateral" has the meaning assigned to such term in Section 4.01.

"Canadian Collateral" has the meaning assigned to such term in the IntercreditorAgreement.

"Cash Collateral Account" means a non-interest bearing cash collateral account maintained with, and in the sole dominion and control of, the Security Agent for the benefit of the Secured Parties.

"Claiming Party" has the meaning assigned to such term in Section 6.02.

"Collateral" means all Article 9 Collateral in which a security interest has been granted hereunder and all Pledged Collateral.

"Collateral Access Agreement" means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the Security Agent, between the Security Agent and any third party (including any bailee, consignee, customs broker, or other similar Person) (which landlord waiver or other agreement may also be for the benefit of the Term Loan Agent or Permitted Notes Agent) in possession of any Collateral or any landlord of any Loan Party for any real property where any Collateral is located, as such landlord waiver or other agreement may be amended, restated, or otherwise modified from time to time.

"Contract Rights" means all rights of any Grantor under each Contract, including, without limitation, (i) any and all rights to receive and demand payments under any or all Contracts, (ii) any and all rights to receive and compel performance under any or all Contracts and (iii) any and all other rights, interests and claims now existing or in the future arising in connection with any or all Contracts.

"Contracts" means all contracts between any Grantor and one or more additional parties (including, without limitation, any Hedging Agreements, licensing agreements and any partnership agreements, joint venture agreements and limited liability company agreements).

"Contributing Party" has the meaning assigned to such term in Section 6.02.

"Copyright License" means any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by any Grantor or that such Grantor otherwise has the right to license, or granting any right to any Grantor under any copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"Copyright Security Agreement" means the Copyright Security Agreement dated as of the date hereof, among Holdings, the Subsidiaries party thereto and DBNY, as the Security Agent, substantially in the form of Exhibit III.

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

"Credit Agreement" has the meaning assigned to such term in the preliminary statement of this Agreement.

"DBNY" has the meaning assigned to such term in the preliminary statement of this Agreement.

"Discharge" has the meaning assigned to such term in the Intercreditor Agreement.

"Excluded Investment Property" means, at any time, Investment Property (other than those subject to Article III) held by any Grantor in the form of Equity Interests or other securities, in each case, (a) that are not publicly traded, (b) with respect to which a grant of a security interest is not prohibited or does not constitute or result in a breach or termination under the terms of, or a default under, any contract or agreement relating to such Investment Property and (c) whose book value, together with the aggregate book value of all other Excluded Investment Property, does not exceed $50,000,000 in the aggregate at such time.

"Federal Securities Laws" has the meaning assigned to such term in Section 5.04.

"Fixtures" means, with respect to any real property of any Grantor, goods that have become so related to such real property that an interest in them arises under real property law, including all plant fixtures, trade fixtures, business fixtures, other fixtures and storage office facilities, and all additions and accessions thereto and replacements therefor.

"General Intangibles" means all choses in action and causes of action and all other intangible personal property of every kind and nature (other than Accounts) now owned or hereafter acquired by any Grantor, including corporate or other business records, indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, Hedging Agreements and other agreements), Intellectual Property, goodwill, registrations, franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor to secure payment by an Account Debtor of any of the Accounts.

"Grantors" means Holdings and the Subsidiary Parties.

"Guaranteed Party" means Holdings, each other Borrower and each other Loan Party.

"Guarantors" means each Subsidiary Party (other than any U.S. Borrower) with respect to any U.S. Secured Obligations and each U.S. Borrower (including Holdings) with respect to any U.S. Secured Obligations (other than monetary obligations owed by such U.S. Borrower under (i) each Loan Document, (ii) each Secured Hedging Agreement that is treated as a "Hedging Obligation" pursuant to the terms of Section 13.21 of the Credit Agreement and (iii) each Secured Cash Management Agreement that is treated as a "Cash Management Services Obligation" pursuant to the terms of Section 13.21 of the Credit Agreement).

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

"IP Security Agreements" means the Patent and Trademark Security Agreement and the Copyright Security Agreement.

"License" means any Patent License, Trademark License, Copyright License or other license or sublicense agreement relating to intellectual property to which any Grantor is a party, including those listed on Schedule III but excluding any license agreement that validly prohibits the collateral assignment or grant of a security interest by such Grantor.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Patent and Trademark Security Agreement" means the Patent and Trademark Security Agreement dated as of the date thereof, among Holdings, the Subsidiaries party thereto and DBNY, as the Security Agent, substantially in the form of Exhibit II.

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

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

"Permitted Notes Agent" has the meaning assigned to such term in the Intercreditor Agreement.

"Permitted Notes Documents" has the meaning assigned to such term in the Intercreditor Agreement.

"Pledged Collateral" has the meaning assigned to such term in Section 3.01.

"Pledged Debt Securities" has the meaning assigned to such term in Section 3.01.

"Pledged Equity Interests" has the meaning assigned to such term in Section 3.01.

"Pledged Securities" means any promissory notes, stock certificates or other securities certificates or instruments now or hereafter included in the Pledged Collateral, including all certificates, instruments or other documents representing or evidencing any Pledged Collateral.

"Security Interest" has the meaning assigned to such term in Section 4.01.

"SSCE" has the meaning assigned to such term in the preliminary statement of this Agreement and includes any successor by merger or consolidation.

"subsidiary" shall mean, with respect to any Person (herein referred to as the "parent"), any corporation, partnership, association or other business entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by, or otherwise Controlled by, the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" shall mean any direct or indirect subsidiary of Holdings.

"Subsidiary Parties" means (a) the Subsidiaries identified on Schedule I and (b) each other Subsidiary that becomes a party to this Agreement as a Subsidiary Party after the Funding Date, other than any such Subsidiary (excluding any U.S.

Borrower) that is released from its obligations hereunder in accordance with the Credit Agreement.

"Term Loan Credit Documents" has the meaning assigned to such term in the Intercreditor Agreement.

"Term Loan Credit Obligations" shall (i) prior to the Funding Date, have the meaning assigned to such term in the form of Intercreditor Agreement attached as Exhibit F to the Credit Agreement, and (ii) from and after the Funding Date, have the meaning assigned to such term in the Intercreditor Agreement.

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

"Trademarks" means all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and General Intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States, and all extensions or renewals thereof, including those listed on Schedule III, (b) all goodwill associated therewith or symbolized thereby and (c) all other assets, rights and interests that uniquely reflect or embody such goodwill.

"ULC" means an issuer that is an unlimited company or unlimited liability company.

"ULC Laws" means the Companies Act (Nova Scotia), the Business Corporations Act (Alberta), the Business Corporations Act (British Columbia), and any other present or future Laws governing ULCs.

"ULC Shares" means shares or other equity interests in the capital stock of a ULC.

SECTION 1.03. References to "UCC". To the extent required in the context of the pledge of Equity Interests in the Canadian entities referred to in Section 3.01(a)(ii) below, (i) any term defined herein by reference to the "UCC" shall also have any extended, alternative or analogous meaning given to such term in applicable Canadian personal property security, securities transfer and other laws, in all cases for the extension, preservation or betterment of the security and rights of the Administrative Agent, and (ii) all references herein to a financing statement, continuation statement, amendment or termination statement shall be deemed to refer also to the analogous documents used under applicable Canadian personal property security laws.

ARTICLE II

Guarantee

SECTION 2.01. Guarantee. Each Guarantor unconditionally and irrevocably guarantees, jointly with the other Guarantors and severally, as the primary obligation and debt of each Guarantor and not merely as a surety, the due, prompt and complete payment and performance of the U.S. Secured Obligations. Each of the Guarantors further agrees that the U.S. Secured Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any U.S. Secured Obligation. Each of the Guarantors waives presentment to, demand of payment from and protest to any Borrower or any other Guaranteed Party of any of the U.S. Secured Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment.

SECTION 2.02. Guarantee of Payment. Each of the Guarantors further agrees that its guarantee hereunder constitutes a guarantee of payment when due and not of collection, and waives any right to require that any resort be had by the Security Agent or any other Secured Party to any other Guarantor or any Guaranteed Party to any security held for the payment of the U.S. Secured Obligations or to any balance of any deposit account or credit on the books of the Security Agent or any other Secured Party in favor of any Borrower or any other Person.

SECTION 2.03. No Limitations. (a) Except for termination or release of a Guarantor's obligations hereunder as expressly provided in Section 7.13, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense (other than defense of payment in full in cash) or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the U.S. Secured Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by (i) the failure of the Security Agent or any other Secured Party to assert any claim or demand or to enforce any right or remedy under the provisions of any Loan Document, Secured Hedging Agreement, Secured Cash Management Agreement or otherwise; (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, any Loan Document, Secured Hedging Agreement, Secured Cash Management Agreement or any other agreement, including with respect to any other Guarantor under this Agreement; (iii) the release of any security held by the Security Agent or any other Secured Party for the U.S. Secured Obligations or any of them; (iv) any default, failure or delay, wilful or otherwise, in the performance of the U.S. Secured Obligations; or (v) any other act or omission that may or might in any manner or to any extent vary the risk of any Guarantor or otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible

payment in full in cash of all the U.S. Secured Obligations). Each Guarantor expressly authorizes the Secured Parties to take and hold security for the payment and performance of the U.S. Secured Obligations, to exchange, waive or release any or all such security (with or without consideration), to enforce or apply such security and direct the order and manner of any sale thereof in their sole discretion or to release or substitute any one or more other guarantors or obligors upon or in respect of the U.S. Secured Obligations, all without affecting the obligations of any Guarantor hereunder.

(b) To the fullest extent permitted by applicable law, each Guarantor waives any defense based on or arising out of any defense of any Borrower or any other Guaranteed Party or the unenforceability of the U.S. Secured Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guaranteed Party, other than the indefeasible payment in full in cash of all the U.S. Secured Obligations. The Security Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the U.S. Secured Obligations, make any other accommodation with any Borrower or any other Guaranteed Party or exercise any other right or remedy available to them against any Borrower or any other Guaranteed Party, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the U.S. Secured Obligations have been fully and indefeasibly paid in full in cash. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Borrower or any other Guaranteed Party, as the case may be, or any security.

SECTION 2.04. Reinstatement. Each of the Guarantors agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any U.S. Secured Obligations is rescinded or must otherwise be restored by the Security Agent or any other Secured Party upon the bankruptcy or reorganization of any Borrower, any other Guaranteed Party or otherwise.

SECTION 2.05. Agreement To Pay; Subrogation. In furtherance of the foregoing and not in limitation of any other right that the Security Agent or any other Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of any Borrower or any other Guaranteed Party to pay any U.S. Secured Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Security Agent for distribution to the applicable Secured Parties in cash the amount of such unpaid U.S. Secured Obligation. Upon payment by or on behalf of any Guarantor of any sums to the Security Agent as provided above, all rights of such Guarantor against any Borrower or any other Guaranteed Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Article VI.

SECTION 2.06. Information. Each Guarantor assumes all responsibility for being and keeping itself informed of each Borrower's and each other Guaranteed Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the U.S. Secured Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Security Agent or the other Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

ARTICLE III

Pledge of Securities

SECTION 3.01. Pledge. As security for the payment or performance, as the case may be, in full of the U.S. Secured Obligations, each Grantor hereby collaterally assigns and pledges to the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, and hereby grants to the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under:

(a) the shares of capital stock and other Equity Interests of (i) each Guarantor (other than Holdings) owned by such Grantor including those listed on Schedule II, (ii) SSC Canada (or, if applicable, each Foreign Subsidiary of Holdings that owns, directly or indirectly, any Equity Interests of SSC Canada and the Equity Interests of which are owed directly by such Grantor) owned by such Grantor on the date hereof and listed on Schedule II, (iii) each other Foreign Subsidiary of Holdings that is a Material Subsidiary and the Equity Interests of which are owned directly by such Grantor including those listed on Schedule II and (iv) any other Equity Interests obtained in the future by such Grantor in (A) any Domestic Subsidiary of Holdings that is a Material Subsidiary, (B) SSC Canada (or, if applicable, each Foreign Subsidiary of Holdings that owns, directly or indirectly, any Equity Interests of SSC Canada and the Equity Interests of which are owed directly by such Grantor) and (C) any Foreign Subsidiary of Holdings that is a Material Subsidiary and the Equity Interests of which are owned directly by such Grantor, and the certificates representing all such Equity Interests (all such Equity Interests referred to in clauses (i), (ii), (iii), and (iv) above being referred to as the "Pledged Equity Interests"); provided that the Pledged Equity Interests shall not include (x) to the extent that applicable law requires that a Subsidiary issue directors' qualifying shares, any such qualifying shares, and (y) more than 65% of the issued and outstanding voting Equity Interests of SSC Canada or any other Foreign Subsidiary of Holdings;

(b) (i) the promissory notes owned by it on the date hereof and listed opposite the name of such Grantor on Schedule II, (ii) each promissory note evidencing intercompany Indebtedness among Holdings and/or any Subsidiary (including amounts owed in connection with the intercompany settlements with respect to collections from accounts receivable and inventory of U.S. Loan Parties deposited into accounts of Canadian Loan Parties and other intercompany receivables) owned by and owed to such Grantor after the date hereof and (iii) each other promissory note evidencing Indebtedness on or after the date hereof owed to such Grantor other than Indebtedness in

a principal amount of less than $5,000,000, so long as the aggregate principal amount of Indebtedness not so pledged under this exclusion does not exceed $10,000,000 (the promissory notes referenced in the preceding clauses (i), (ii) and (iii) being referred to as the "Pledged Debt Securities");

(c) subject to Section 3.06, all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other Proceeds received in respect of, the securities referred to in clauses (a) and (b) above; and

(d) all Proceeds of any of the foregoing (the items referred to in clauses (a), (b), (c) and (d) of this Section 3.01 above being collectively referred to as the "Pledged Collateral").

TO HAVE AND TO HOLD the Pledged Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, as security for the payment or performance, as the case may be, in full of the U.S. Secured Obligations; subject, however, to the terms, covenants and conditions hereinafter set forth.

SECTION 3.02. Delivery of the Pledged Collateral. (a) Each Grantor agrees promptly to deliver or cause to be delivered to the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) any and all Pledged Securities at any time owned by such Grantor.

(b) Each Grantor will cause any Indebtedness for borrowed money owed to such Grantor by Holdings and/or any Subsidiary (including amounts owed in connection with the intercompany settlements with respect to collections from accounts receivable and inventory of U.S. Loan Parties deposited into accounts of Canadian Loan Parties and other intercompany receivables) (other than any Investment Property on deposit with a Securities Intermediary) to be evidenced by a duly executed promissory note that is pledged and delivered to the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) pursuant to the terms hereof.

(c) Upon delivery to the Security Agent, (i) any Pledged Securities shall be accompanied by undated stock powers duly executed in blank or other instruments of transfer reasonably satisfactory to the Security Agent and by such other instruments and documents as the Security Agent may reasonably request and (ii) all other property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment duly executed by the applicable Grantor and such other instruments or documents as the Security Agent may reasonably request. Each delivery of Pledged Securities after the date of this Agreement shall be accompanied by a schedule describing the Pledged Securities so delivered, which schedule shall be attached hereto as a

supplement to Schedule II and made a part hereof; provided that failure to attach any such schedule hereto shall not affect the validity of such pledge of such Pledged Securities.

(d) The assignment, pledges and security interests granted in Section 3.01 are granted as security only and shall not subject the Security Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Pledged Collateral.

SECTION 3.03. Representations, Warranties and Covenants. The Grantors jointly and severally represent, warrant and covenant to and with the Security Agent, for the benefit of the Secured Parties, that:

(a) Schedule II correctly sets forth, as of the Funding Date, with respect to each Grantor, (i) all of the Equity Interests owned by such Grantor and required to be pledged hereunder on the Funding Date, the percentage of the issued and outstanding units of each class of the Equity Interests of the issuer thereof so represented by the Pledged Equity Interests and the number of each certificate representing the same and (ii) all promissory notes owned by each Grantor and required to be pledged hereunder on the Funding Date;

(b) the Pledged Equity Interests and Pledged Debt Securities, in each case issued by Subsidiaries, have been duly and validly authorized and issued by the issuers thereof and (i) in the case of Pledged Equity Interests, are fully paid and nonassessable and (ii) in the case of Pledged Debt Securities, are legal, valid and binding obligations of the issuers thereof, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(c) except for the security interests granted hereunder, each of the Grantors (i) is and, subject to any sales, transfers or other dispositions, and mergers, consolidations and amalgamations, made in compliance with the Credit Agreement, will continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule II as owned by such Grantor, (ii) holds the same free and clear of all Liens (other than Permitted Liens and other Liens contemplated in the Intercreditor Agreement), (iii) except for Liens contemplated in the Intercreditor Agreement, will not pledge or hypothecate, or otherwise create a consensual Lien on, the Pledged Collateral, and (iv) will defend its title or interest thereto or therein against any and all Liens (other than the Lien created by this Agreement, Permitted Liens and Liens contemplated in the Intercreditor Agreement), however arising, of all Persons whomsoever;

(d) except for restrictions and limitations imposed by the Loan Documents, the Term Loan Credit Documents, the Permitted Notes Documents, the Intercreditor Agreement or applicable laws (including securities laws) generally, and expect for the requirement in the articles or other constating

documents of any Canadian Subsidiary for the approval of the directors and/or shareholders of such Canadian Subsidiary for any transfers of its shares, the Pledged Collateral is and will continue to be freely transferable and assignable, and none of the Pledged Collateral is or will be subject to (i) any option, right of first refusal, shareholders agreement or charter or by-law provisions that might prohibit, impair, delay (except pursuant to any applicable notice or like provisions) or otherwise adversely affect the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Security Agent of its rights and remedies hereunder with respect thereto, or (ii) any other contractual restriction of any nature that might prohibit the pledge of such Pledged Collateral hereunder or prohibit or in any material manner impair, delay or otherwise adversely affect the sale or disposition of such Pledged Collateral pursuant hereto or the exercise by the Security Agent of its rights and remedies hereunder with respect thereto;

(e) each of the Grantors has the power and authority to pledge the Pledged Collateral pledged by it hereunder in the manner hereby done or contemplated;

(f) no consent or approval of any Governmental Authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect);

(g) by virtue of the execution and delivery by the Grantors of this Agreement, when any Pledged Securities are delivered to the Security Agent or Prior Agent in accordance with this Agreement and the Intercreditor Agreement, the Security Agent will obtain a legal, valid and perfected lien upon and security interest in such Pledged Securities as security for the payment and performance of the U.S. Secured Obligations; and

(h) the pledge effected hereby is, subject to the terms of the Intercreditor Agreement, effective to vest in the Security Agent, for the benefit of the Secured Parties, the rights of the Security Agent in the Pledged Collateral as set forth herein.

SECTION 3.04. Certification of Limited Liability Company and Limited Partnership Interests. Each Grantor acknowledges and agrees that (i) to the extent any interest in any limited liability company or limited partnership controlled on or after the date hereof by such Grantor and pledged hereunder is a "security" within the meaning of Article 8 of the New York UCC and is governed by Article 8 of the New York UCC, such interest shall be certificated and (ii) each such interest shall at all times hereafter continue to be such a security and represented by such certificate. Each Grantor further acknowledges and agrees that with respect to any interest in any limited liability company or limited partnership controlled on or after the date hereof by such Grantor and pledged hereunder that is not a "security" within the meaning of Article 8 of the New York UCC, such Grantor shall at no time elect to treat any such interest as a "security" within the meaning of Article 8 of the New York UCC, nor shall such interest be

represented by a certificate, unless such election and such interest is thereafter represented by a certificate that is promptly delivered to the Security Agent pursuant to the terms hereof.

SECTION 3.05. Registration in Nominee Name; Denominations. The Security Agent, on behalf of the Secured Parties, shall have the right (in its sole and absolute discretion), subject to the terms of the Intercreditor Agreement, to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the applicable Grantor, endorsed or assigned in blank or in favor of the Security Agent. The Security Agent shall, at any time after the occurrence and during the continuance of an Event of Default, have the right, subject to the terms of the Intercreditor Agreement, to exchange the certificates representing Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement.

SECTION 3.06. Voting Rights; Dividends and Interest. (a) Unless and until an Event of Default shall have occurred and be continuing and the Security Agent shall have notified the Grantors in writing that their rights under this Section 3.06 are being suspended:

(i) Each Grantor shall be entitled to exercise any and all voting and/or other rights and powers inuring to an owner of Pledged Equity Interests or Pledged Debt Securities or any part thereof for any purpose consistent with the terms of this Agreement, the Credit Agreement and the other Loan Documents; provided that such rights and powers shall not be exercised in any manner that could reasonably be expected to materially and adversely affect the rights inuring to a holder of any Pledged Equity Interests or Pledged Debt Securities or the rights and remedies of any of the Security Agent or the other Secured Parties under this Agreement, the Credit Agreement or any other Loan Document or the ability of the Security Agent or the Secured Parties to exercise the same.

(ii) The Security Agent shall execute and deliver to each Grantor, or cause to be executed and delivered to such Grantor, all such proxies, powers of attorney and other instruments as such Grantor may reasonably request for the purpose of enabling such Grantor to exercise the voting rights and powers it is entitled to exercise pursuant to paragraph (i) above and to receive the cash dividends, interest, principal and other distributions it is entitled to receive and retain pursuant to paragraph (iii) below.

(iii) Each Grantor shall be entitled to receive and retain any and all dividends, interest, principal, cash, instruments and other property and all distributions from time to time received, receivable or otherwise paid on or distributed in respect of, in exchange for or upon conversion of, the Pledged Equity Interests or Pledged Debt Securities to the extent and only to the extent that such dividends, interest, principal and other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws; provided

that any noncash dividends, interest, principal or other distributions that would constitute Pledged Equity Interests or Pledged Debt Securities, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral, and, if received by any Grantor, shall not be commingled by such Grantor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Security Agent and shall be forthwith delivered to the Security Agent in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Security Agent shall have notified the Grantors in writing of the suspension of their rights under paragraph (a)(iii) above, all rights of any Grantor to dividends, interest, principal or other distributions that such Grantor is authorized to receive pursuant to paragraph (a)(iii) above, and the obligations of the Security Agent under paragraph (a)(ii) above, shall cease, and all such rights shall thereupon become vested in the Security Agent, which shall, subject to the terms of the Intercreditor Agreement, have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal or other distributions received by any Grantor contrary to the provisions of this Section 3.06 shall be held in trust for the benefit of the Security Agent, shall be segregated from other property or funds of such Grantor and, subject to the rights of the Term Loan Agent and the Permitted Notes Agent under the Intercreditor Agreement, shall be forthwith delivered to the Security Agent upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Security Agent pursuant to the provisions of this paragraph (b) shall be retained by the Security Agent in an account to be established by the Security Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 5.02. After all Events of Default have been cured or waived and Holdings has delivered to the Security Agent a certificate to that effect, the Security Agent shall promptly repay to each Grantor (without interest) all dividends, interest, principal or other distributions that such Grantor would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) above and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Security Agent shall have notified the Grantors in writing of the suspension of their rights under paragraph (a)(i) above, all rights of any Grantor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) above, and the obligations of the Security Agent under paragraph (a)(ii) above, shall cease, and all such rights shall thereupon become, subject to the rights of the Term Loan Agent and the Permitted Notes Agent under the Intercreditor Agreement, vested in the Security Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that, unless otherwise directed by the Required Lenders, the Security Agent shall have the right from time to

time following and during the continuance of an Event of Default to permit the Grantors to exercise such rights.

(d) Any notice given by the Security Agent to the Grantors suspending their rights under paragraph (a) of this Section 3.06 (i) may be given by telephone if promptly confirmed in writing, (ii) may be given to one or more of the Grantors at the same or different times and (iii) may suspend the rights of the Grantors under paragraph (a)(i) or paragraph (a)(iii) in part without suspending all such rights (as specified by the Security Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Security Agent's right to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing.

SECTION 3.07. Restriction on Transfer. If the constating documents of any issuer (other than a ULC) of any Pledged Securities restrict the transfer of such Pledged Securities, then the applicable Grantor will deliver to the Security Agent a certified copy of a resolution of the directors, shareholders, unitholders or partners of such issuer, as applicable, consenting to the transfer(s) contemplated by this Agreement, including any prospective transfer of such Pledged Securities by the Security Agent on enforcement of its rights under this Agreement.

SECTION 3.08. ULC Shares. Each Grantor acknowledges that certain Collateral may now or in the future consist of ULC Shares, and that it is the intention of the Security Agent and each Grantor that the Security Agent should not under any circumstances prior to realization thereon be held to be a "member" or a "shareholder", as applicable, of a ULC for the purposes of any ULC Laws. Therefore, notwithstanding any provisions to the contrary contained in this Agreement, the Credit Agreement or any other Loan Document, where a Grantor is the registered owner of ULC Shares that are Collateral, such Grantor will remain the sole registered owner of such ULC Shares until such time as such ULC Shares are effectively transferred into the name of the Security Agent or any other Person on the books and records of the applicable ULC. Accordingly, such Grantor shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, in respect of such ULC Shares (other than any dividend or distribution comprised of additional ULC Shares of such issuer, which shall be delivered to the Security Agent to hold hereunder) and shall have the right to vote such ULC Shares and to control the direction, management and policies of the applicable ULC to the same extent as such Grantor would if such ULC Shares were not pledged to the Security Agent hereunder. Nothing in this Agreement, the Credit Agreement or any other Loan Document is intended to, and nothing in this Agreement, the Credit Agreement or any other Loan Document shall, constitute the Security Agent or any Person other than such Grantor as a member or shareholder of a ULC for the purposes of any ULC Laws (whether listed or unlisted, registered or beneficial), until upon the occurrence and during the continuance of an Event of Default, the Security Agent shall have notified such Grantor in writing of the suspension of its rights under Section 3.06(a) and further steps are taken pursuant hereto or thereto to register the Security Agent or such other Person, as specified in such notice, as the holder of the ULC Shares. To the extent any provision hereof would have the effect of constituting the Security Agent as a member or a shareholder, as applicable, of any ULC prior to such time, such provision shall be severed

herefrom and shall be ineffective with respect to ULC Shares that are Collateral without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Collateral that is not ULC Shares. Except upon the exercise of rights of the Security Agent to sell, transfer or otherwise dispose of ULC Shares in accordance with this Agreement, such Grantor shall not cause or permit, or enable an issuer that is a ULC to cause or permit, the Security Agent to: (a) be registered as a shareholder or member of such issuer; (b) have any notation entered in its favour in the share register of such issuer; (c) be held out as a shareholder or member of such issuer; (d) receive, directly or indirectly, any dividends, property or other distributions from such issuer by reason of the Security Agent holding a security interest in the ULC Shares; or (e) act as a shareholder of such issuer, or exercise any rights of a shareholder, including the right to attend a meeting of shareholders of such issuer or to vote the ULC Shares

ARTICLE IV

Security Interests in Personal Property

SECTION 4.01. Security Interest. (a) As security for the payment or performance, as the case may be, in full of the U.S. Secured Obligations, each Grantor hereby collaterally assigns and pledges to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest (the "Security Interest") in, all right, title and interest in, to or under any and all of the following assets and properties now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Article 9 Collateral"):

(i) all Accounts;

(ii) all Chattel Paper (including, without limitation, all Tangible Chattel Paper and all Electronic Chattel Paper);

(iii) all cash and all Deposit Accounts and all monies deposited therein;

(iv) all Equipment (including all Fixtures);

(v) all Documents;

(vi) all General Intangibles (including Intellectual Property);

(vii) all Instruments;

(viii) all Inventory;

(ix) all Investment Property (including all Commodities Contracts, Commodities Accounts, Securities and Securities Accounts and Security Entitlements or Financial Assets credited thereto);

(x) all Letter of Credit Rights (whether or not the respective letter of credit is evidenced by a writing);

(xi) all Commercial Tort Claims described on Schedule IV, as such Schedule may be supplemented from time to time;

(xii) Contracts, together with all Contract Rights arising thereunder;

(xiii) all Goods;

(xiv) all Supporting Obligations;

(xv) all books and Records pertaining to the Article 9 Collateral; and

(xvi) all products and Proceeds of the foregoing (including, without limitation, all insurance and claims for insurance effected or held for the benefit of the Grantors or the Secured Parties in respect thereof and all collateral security and guarantees given by any Person with respect to any of the foregoing).

(b) Each Grantor hereby irrevocably authorizes the Security Agent at any time and from time to time to file in any relevant jurisdiction any financing statements (including fixture filings with respect to Fixtures appurtenant to any Mortgaged Property) with respect to the Article 9 Collateral or any part thereof and amendments thereto that (i) indicate the Collateral as all assets of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail, and (ii) contain the information required by Article 9 of the Uniform Commercial Code or other applicable law of each applicable jurisdiction for the filing of any financing statement or amendment, including (A) whether such Grantor is an organization, the type of organization and any organizational identification number issued to such Grantor and (B) in the case of a financing statement filed as a fixture filing or covering Article 9 Collateral constituting minerals or the like to be extracted or timber to be cut, a sufficient description of the real property to which such Article 9 Collateral relates. Each Grantor agrees to provide such information to the Security Agent promptly upon request.

Each Grantor also ratifies its authorization for the Security Agent to file in any relevant jurisdiction any financing statements or amendments thereto if filed prior to the date hereof.

The Security Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) such documents as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Security Agent as secured party. Each Grantor will pay any applicable filing fees, recordation taxes and related expenses relating to its Collateral.

(c) The Security Interest is granted as security only and shall not subject the Security Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Article 9 Collateral.

(d) Notwithstanding anything herein to the contrary, in no event shall the security interest granted hereunder attach to (i) any shares of capital stock or other Equity Interests (other than those subject to Article III) held by any Grantor with respect to which a grant of a security interest is prohibited or shall constitute or result in a breach or termination under the terms of, or a default under, any contract or agreement relating to such capital stock or Equity Interests, (ii) any contract or other agreement to which any Grantor is a party or to any of its rights, title or interest arising thereunder if and for so long as the grant of such security interest is prohibited or shall constitute or result in a breach or termination under the terms of, or a default under, any such contract or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the New York UCC or any other applicable law or principles of equity), (iii) any rights, assets or property to the extent and for so long as any valid enforceable law or regulation applicable to such rights, assets or property prohibits the creation of a security interest therein and (iv) any rights, assets or property to the extent and for so long as the grant of such security interest would result in material and adverse tax consequences; provided, however, that such security interest shall attach immediately at such time as (A) with respect to clauses (i) and (ii), the condition causing such prohibition, unenforceability, breach or termination shall be remedied or shall otherwise cease to exist, (B) with respect to clause (iii), the expiration of such prohibition and (C) with respect to clause (iv), the termination or lapse of such result, and, to the extent severable, shall attach immediately to any portion of such contract, agreement, rights, assets or property that does not result in any of the consequences specified in this paragraph, including any Proceeds of such contract, agreement, rights, assets or property.

SECTION 4.02. Representations and Warranties. The Grantors jointly and severally represent and warrant to the Security Agent and the Secured Parties that:

(a) Each Grantor has good and valid rights in and title to the Article 9 Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Security Agent the Security Interest in such Article 9 Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than any consent or approval that has been obtained.

(b) The U.S. Perfection Certificate has been duly prepared, completed and executed and the information set forth therein, including the exact legal name of each Grantor, is correct and complete in all material respects as of the Funding Date. The Uniform Commercial Code financing statements (including fixture filings, as applicable) prepared by the Security Agent based upon the information provided to the Security Agent in the U.S. Perfection Certificate for filing in each governmental, municipal or other office specified in Schedule 2 to the U.S. Perfection Certificate (or specified by

notice from Holdings to the Security Agent after the Funding Date in the case of filings, recordings or registrations required by Section 9.09 of the Credit Agreement), are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office in order to perfect the Security Interest in Article 9 Collateral consisting of United States Patents, Trademarks and Copyrights and other than filings, recordings or registrations with respect to federally documented vessels, registered vehicles and railcars and other similar rolling stock) that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Security Agent (for the benefit of the Secured Parties) in respect of all Article 9 Collateral in which the Security Interest may be perfected by filing a Uniform Commercial Code financing statement in the United States (or any political subdivision thereof), and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in the United States for any such Article 9 Collateral, except as provided under applicable law with respect to the filing of continuation statements. Each Grantor shall execute and deliver to the Security Agent on the date hereof each of the IP Security Agreements, containing (i) in the case of the Patent and Trademark Security Agreement, a description of all Article 9 Collateral consisting of the United States Patents and a description of all Article 9 Collateral consisting of United States registered Trademarks (and Trademarks for which United States registration applications are pending) and (ii) in the case of the Copyright Security Agreement, a description of all Article 9 Collateral consisting of Copyrights, for recording by the United States Patent and Trademark Office and the United States Copyright Office pursuant to 35 U.S.C. § 261, 15 U.S.C. § 1060 or 17 U.S.C. § 205 and the regulations thereunder, as applicable, to protect the validity of and to establish a legal, valid and perfected security interest in favor of the Security Agent (for the benefit of the Secured Parties) in respect of all Article 9 Collateral consisting of United States Patents, Trademarks and Copyrights in which a security interest may be perfected by filing, recording or registration in the United States Patent and Trademark Office or the United State Copyright Office, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in the United States for any such United States Patents, Trademarks and Copyrights (other than such actions as are necessary to perfect the Security Interest with respect to any Article 9 Collateral consisting of Patents, Trademarks and Copyrights (or registration or application for registration thereof) acquired or developed after the date hereof).

(c) The Security Interest constitutes (i) a legal and valid security interest in all the Article 9 Collateral securing the payment and performance of the U.S. Secured Obligations, (ii) subject to the filings described in Section 4.02(b), a perfected security interest in all Article 9 Collateral in which a security interest may be perfected by filing Uniform Commercial Code financing statements in the United States (or any political subdivision thereof) and (iii) a security interest that shall be perfected in all Article 9 Collateral in which a security interest may be perfected upon the receipt and recording of the IP Security Agreements with the United States Patent and Trademark Office and the United States Copyright Office, as applicable, on or promptly after the Funding Date. The Security Interest is and shall be prior to any other Lien on any of the Article 9 Collateral, other than Permitted Liens or as otherwise contemplated in the Intercreditor Agreement.

(d) The Article 9 Collateral is owned by the Grantors free and clear of any Lien, except for Permitted Liens or other Liens contemplated in the Intercreditor Agreement. None of the Grantors has filed or consented to the filing of (i) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Article 9 Collateral, or (ii) any assignment in which any Grantor assigns any Collateral as security or any security agreement or similar instrument covering any Article 9 Collateral with the United States Patent and Trademark Office or the United States Copyright Office, except in each case of clauses (i) and (ii) for Permitted Liens or as otherwise contemplated in the Intercreditor Agreement.

(e) Schedule III hereto sets forth, as of the date hereof, for each Grantor (i) all United States registered Patents and Patent applications owned by such Grantor, including the name of the registered owner, type, registration or application number and the expiration date (if already registered) thereof, (ii) all United States registered Trademarks and Trademark applications owned by such Grantor, including the name of the registered owner, the registration or application number and the expiration date (if already registered) thereof, and (iii) all United States registered Copyrights and Copyright applications owned by such Grantor, including the name of the registered owner, title and, if applicable, the registration number of each such Copyright or Copyright application.

(f) Schedule IV hereto sets forth, as of the date hereof, each Commercial Tort Claim in respect of which a compliant or a counterclaim has been filed by any Grantor seeking damages that exceed $5,000,000 in reasonable estimated value and which arose in the course of such Grantor's business.

SECTION 4.03. Covenants. (a) Each Grantor agrees promptly to notify the Security Agent in writing of any change (i) in corporate name, (ii) in the location of its chief executive office or its principal place of business, (iii) in its identity or type of organization or corporate structure, (iv) in its Federal Taxpayer Identification Number or organizational identification number or (v) in its jurisdiction of organization. Each Grantor agrees to promptly provide the Security Agent with certified organizational documents reflecting any of the changes described in the first sentence of this paragraph (a). Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for the Security Agent to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the Article 9 Collateral. Each Grantor agrees promptly to notify the Security Agent if any material portion of the Article 9 Collateral owned or held by such Grantor is damaged or destroyed.

(b) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the Article 9 Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged and, at such time or times, after the occurrence and during the continuance of an Event of Default as the Security Agent may reasonably request, promptly to prepare

and deliver to the Security Agent a duly certified schedule or schedules in form and detail satisfactory to the Security Agent showing the identity, amount and location of any and all Article 9 Collateral.

(c) Each Grantor shall, at its own expense, take any and all actions reasonably necessary to defend title to the Article 9 Collateral against all Persons and to defend the Security Interest of the Security Agent in the Article 9 Collateral and the priority thereof against any Liens other than any Permitted Lien or other Liens contemplated in the Intercreditor Agreement.

(d) Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Security Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements (including fixture filings) or other documents in connection herewith or therewith.

Without limiting the generality of the foregoing, each Grantor hereby authorizes the Security Agent, with prompt notice thereof to the Grantors, to supplement this Agreement by supplementing Schedule III or adding additional schedules hereto to identify specifically any asset or item that may constitute Copyrights, Licenses, Patents or Trademarks; provided that any Grantor shall have the right, exercisable within 30 days after it has been notified by the Security Agent of the specific identification of such Collateral, to advise the Security Agent in writing of any inaccuracy of the representations and warranties made by such Grantor hereunder with respect to such Collateral. Each Grantor agrees that it will use its commercially reasonable efforts to take such action as shall be necessary in order that all representations and warranties hereunder shall be true and correct with respect to such Collateral within 45 days after the date it has been notified by the Security Agent of the specific identification of such Collateral.

(e) The Security Agent and such Persons as the Security Agent may reasonably designate shall have the right, at the Grantors' own cost and expense, to inspect the Article 9 Collateral, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Article 9 Collateral is located, to discuss the Grantors' affairs with the officers of the Grantors and their independent accountants, all in accordance with and subject to the terms and conditions relating to inspections as set forth in Section 9.06 of the Credit Agreement, and to verify under reasonable procedures the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Article 9 Collateral, including, in the case of Accounts or Article 9 Collateral in the possession of any third person, by contacting, with advance notice to and in coordination with the Grantors (unless an Event of Default has occurred and is continuing) Account Debtors or the third person possessing such Article 9 Collateral for the purpose of making such a verification. The Security Agent shall have the absolute right to share any information it gains from such inspection or

verification with any Lender (it being understood that any such information shall be deemed to be "Confidential Information" subject to the provisions of Section 13.16 of the Credit Agreement).

(f) At its option, the Security Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Article 9 Collateral and not permitted pursuant to the Credit Agreement, and may pay for the maintenance and preservation of the Article 9 Collateral to the extent any Grantor fails to do so as required by the Credit Agreement or this Agreement after written notice thereof is delivered to Holdings by the Security Agent, and each Grantor jointly and severally agrees to reimburse the Security Agent on demand for any payment made or any expense incurred by the Security Agent pursuant to the foregoing authorization; provided that nothing in this paragraph (f) shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Security Agent or any Secured Party to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

(g) Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, Agreement or instrument relating to the Article 9 Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the Security Agent and the Secured Parties from and against any and all liability for such performance.

(h) None of the Grantors shall make or permit to be made an assignment, pledge or hypothecation of the Article 9 Collateral or shall grant any other Lien in respect of the Article 9 Collateral, except as permitted by the Credit Agreement. None of the Grantors shall make or permit to be made any transfer of the Article 9 Collateral except that unless and until the Security Agent shall notify the Grantors in writing that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any Article 9 Collateral, the Grantors may use and dispose of the Article 9 Collateral in any lawful manner not inconsistent with the provisions of this Agreement, the Credit Agreement or any other Loan Document.

(i) None of the Grantors will, without the Security Agent's prior written consent, grant any extension of the time of payment of any Accounts included in the Article 9 Collateral, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof or allow any credit or discount whatsoever thereon, other than extensions, compromises, settlements, releases, credits or discounts granted or made in the ordinary course of business.

(j) The Grantors, at their own expense, shall maintain or cause to be maintained insurance covering physical loss or damage to the Inventory and Equipment

in accordance with the requirements set forth in Section 9.02 of the Credit Agreement. Each Grantor irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of Article 9 Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that any Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Security Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Event of Default, in its sole discretion, upon notice to Holdings obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Security Agent deems advisable. All sums disbursed by the Security Agent in connection with this paragraph, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by the Grantors to the Security Agent and shall be additional U.S. Secured Obligations secured hereby.

(k) Each Grantor shall maintain, in form and manner reasonably satisfactory to the Security Agent, records of its Chattel Paper and its books, records and documents evidencing or pertaining thereto.

(l) Each Grantor will keep and maintain at its own cost and expense accurate records of its Accounts and Contracts, including, but not limited to, originals or copies of all material documentation (including each Contract) with respect thereto, material records of all payments received, all credits granted thereon, all merchandise returned and all other dealings therewith, and such Grantor will make the same available, in accordance with and subject to the terms and conditions relating to inspections set forth in the Credit Agreement to the Security Agent for inspection at such Grantor's own cost and expense. Upon the occurrence and during the continuance of an Event of Default and at the request of the Security Agent, such Grantor shall, at its own cost and expense, deliver all tangible evidence of its Accounts and Contract Rights (including, without limitation, all documents evidencing the Accounts and all Contracts) and such books and records to the Security Agent or to its representatives (copies of which evidence and books and records may be retained by such Grantor). If the Security Agent so directs, upon the occurrence and during the continuance of an Event of Default, such Grantor shall legend, in form and manner satisfactory to the Security Agent, the Accounts and the Contracts, as well as books, records and documents (if any) of such Grantor evidencing or pertaining to such Accounts and Contracts with an appropriate reference to the fact that such Accounts and Contracts have been assigned to the Security Agent and that the Security Agent has a security interest therein.

(m) Upon the occurrence and during the continuance of an Event of Default, if the Security Agent so directs any Grantor in writing, such Grantor agrees (x) to cause all payments on account of the Accounts and Contracts to be made directly to a Cash Collateral Account, (y) that the Security Agent may, at its option, directly notify

the obligors with respect to any Accounts and/or under any Contracts to make payments with respect thereto as provided in the preceding clause (x), and (z) that the Security Agent may enforce collection of any such Accounts and Contracts and may adjust, settle or compromise the amount of payment thereof, in the same manner and to the same extent as such Grantor. Without notice to or assent by any Grantor, the Security Agent may, upon the occurrence and during the continuance of an Event of Default, apply any or all amounts then in, or thereafter deposited in, a Cash Collateral Account toward the payment of the U.S. Secured Obligations in the manner provided in Section 5.02 of this Agreement. The reasonable costs and expenses of collection (including reasonable attorneys' fees), whether incurred by a Grantor or the Security Agent, shall be borne by the relevant Grantor. The Security Agent shall deliver a copy of each notice referred to in the preceding clause (y) to the relevant Grantor, provided that the failure by the Security Agent to so notify such Grantor shall not affect the effectiveness of such notice or the other rights of the Security Agent created by this clause (m).

(n) Except as permitted by clause (i) above, each Grantor shall endeavor in accordance with reasonable business practices to cause to be collected from the account debtor named in each of its Accounts or obligor under any Contract, as and when due (including, without limitation, amounts which are delinquent, such amounts to be collected in accordance with generally accepted lawful collection procedures) any and all amounts owing under or on account of such Account or Contract, and apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account or under such Contract.

(o) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts and Contracts to observe and perform all of the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to such Accounts or such Contracts, as the case may be. Neither the Security Agent nor any other Secured Party shall have any obligation or liability under any Account (or any agreement giving rise thereto) or any Contract by reason of or arising out of this Agreement or the receipt by the Security Agent or any other Secured Party of any payment relating to such Account or Contract, as the case may be, pursuant hereto, nor shall the Security Agent or any other Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account (or any agreement giving rise thereto) or any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by them or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto) or any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to them or to which they may be entitled at any time or times.

SECTION 4.04. Other Actions. In order to further insure the attachment, perfection and priority of, and the ability of the Security Agent to enforce, the Security Interest, each Grantor agrees, in each case at such Grantor's own expense, to take the following actions with respect to the following Article 9 Collateral:

(a) Instruments and Tangible Chattel Paper. In accordance with and in furtherance of Article III, if any Grantor shall at any time hold or acquire any Instruments (other than any Instrument with a face amount of less than $5,000,000 so long as the aggregate principal amount of Instruments under this exclusion does not exceed $10,000,000) or Tangible Chattel Paper with a value of $2,500,000 or more, such Grantor shall forthwith endorse, assign and deliver the same to the Security Agent (or the Term Loan Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement), accompanied by such instruments of transfer or assignment duly executed in blank as the Security Agent may from time to time reasonably request.

(b) Deposit Accounts. For each Deposit Account (or any other demand, time, savings, passbook or similar account whose jurisdiction (determined in accordance with Section 9-304 of the UCC) is within a State of the United States) that any Grantor at any time opens or maintains (other than Excluded Accounts but including each Term Sweep Account that is a Deposit Account), such Grantor shall cause the depositary bank to enter into a Control Agreement with such Grantor and the Security Agent (which Control Agreement may also be for the benefit of the Term Loan Agent); provided that so long as no Dominion Period then exists no Control Agreement shall be required to be entered into until the later of (A) the date that is 60 days after the Funding Date (or such later date as agreed in writing by the Administrative Agent in its sole discretion, or, with respect to any extension of the period for compliance with this paragraph beyond 90 days from the date that is 60 days after the Funding Date, as agreed in writing by the Co-Collateral Agents in their sole discretion) and (B) in the case of deposit accounts opened after the Funding Date, at the time of the establishment of the respective deposit account (or such later date as agreed in writing by the Administrative Agent in its sole discretion). The Security Agent agrees with each Grantor that the Security Agent shall not exercise dominion and control over, or give any instructions or withhold any withdrawal rights from any Grantor, with respect to such accounts or any funds in such accounts, unless an Event of Default or Dominion Period has occurred and is continuing.

(c) Investment Property. Except with respect to any Equity Interest issued by any Subsidiary, if any Grantor shall at any time hold or acquire any certificated securities (other than any Excluded Investment Property) required to be pledged hereunder, such Grantor shall forthwith endorse, assign and deliver the same to the Security Agent (or the Term Loan Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement), accompanied by such instruments of transfer or assignment duly executed in blank as the Security Agent may from time to time specify. Except with respect to any Equity Interest issued by any Subsidiary, if any securities (other than any Excluded Investment Property) now or hereafter acquired by any Grantor are uncertificated and are issued to such Grantor or its nominee directly by the issuer thereof, such Grantor shall promptly notify the Security Agent thereof and, at the Security Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Security Agent, (i) cause such securities to be certificated and

comply with the requirements of the foregoing sentence, (ii) cause the issuer to agree to comply with instructions from the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) as to such securities, without further consent of any Grantor or such nominee, or (iii) arrange for the Security Agent (or the Term Loan Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement), to become the registered owner of such securities. If any Grantor holds any Investment Property (other than any Excluded Investment Property), whether certificated or uncertificated, or other Investment Property (other than any Excluded Investment Property) now or hereafter acquired by any Grantor are held by such Grantor or its nominee through a Securities Intermediary or Commodity Intermediary, except with respect to any Equity Interest issued by any Subsidiary, Grantor shall promptly notify the Security Agent thereof and, at the Security Agent's request and option, pursuant to a Control Agreement (which Control Agreement may also be for the benefit of the Term Loan Agent or Permitted Notes Agent) in form and substance reasonably satisfactory to the Security Agent, either (i) cause such Securities Intermediary or Commodity Intermediary, as the case may be, to agree to comply with Entitlement Orders or other Instructions from the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) to such Securities Intermediary as to such Security Entitlements or to apply any value distributed on account of any Commodity Contract as directed by the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) to such Commodity Intermediary, as the case may be, in each case without further consent of any Grantor, such nominee, or any other Person, or (ii) in the case of Financial Assets or other Investment Property (other than any Excluded Investment Property) held through a Securities Intermediary, arrange for the Security Agent (or the Term Loan Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) to become the Entitlement Holder with respect to such Investment Property, with the Grantor being permitted, only with the consent of the Security Agent, to exercise rights to withdraw or otherwise deal with such Investment Property; provided that so long as no Dominion Period then exists no Control Agreement shall be required to be entered into pursuant to this Section 4.04(c) until the later of (A) the date that is 60 days after the Funding Date (or such later date as agreed in writing by the Administrative Agent in its sole discretion, or, with respect to any extension of the period for compliance with this paragraph beyond 90 days from the date that is 60 days after the Funding Date, as agreed in writing by the Co-Collateral Agents in their sole discretion) and (B) in the case of Securities Accounts and Commodities Accounts opened after the Funding Date, at the time of the establishment of the respective Securities Accounts or Commodities Accounts, as the case may be (or such later date as agreed in writing by the Administrative Agent in its sole discretion). The Security Agent agrees with each of the Grantors that the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection,

in accordance with the Intercreditor Agreement) shall not give any such Entitlement Orders or Instructions or directions to any such issuer, Securities Intermediary or Commodity Intermediary, and shall not exercise dominion and control over, or withhold its consent to, the exercise of any withdrawal or dealing rights by any Grantor, unless an Event of Default or Dominion Period has occurred and is continuing, or, after giving effect to any such investment and withdrawal rights, would occur.

(d) Intentionally Omitted.

(e) Electronic Chattel Paper and Transferable Records. If any Grantor at any time holds or acquires an interest in any Electronic Chattel Paper or any "transferable record", as that term is defined in Section 201 of the Federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, such Grantor shall promptly notify the Security Agent thereof and, at the request of the Security Agent, and subject to the rights of the Term Loan Agent and Permitted Notes Agent under the Intercreditor Agreement, shall take such action as the Security Agent may reasonably request to vest in the Security Agent control under New York UCC Section 9-105 of such Electronic Chattel Paper or control under Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Security Agent agrees with such Grantor that the Security Agent will arrange, pursuant to procedures reasonably satisfactory to the Security Agent and so long as such procedures will not result in the Security Agent's loss of control, for the Grantor to make alterations to the Electronic Chattel Paper or transferable record permitted under UCC Section 9-105 or, as the case may be, Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or Section 16 of the Uniform Electronic Transactions Act for a party in control to allow without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by such Grantor with respect to such Electronic Chattel Paper or transferable record.

(f) Letter-of-Credit Rights. If any Grantor is at any time a beneficiary under a letter of credit now or hereafter issued in favor of such Grantor with a face amount greater than $2,500,000, such Grantor shall promptly notify the Security Agent thereof and, at the request and option of the Security Agent, and subject to the rights of the Term Loan Agent and Permitted Notes Agent under the Intercreditor Agreement, such Grantor shall use commercially reasonable efforts to, pursuant to an agreement in form and substance reasonably satisfactory to the Security Agent, either (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Security Agent of the proceeds of any drawing under the letter of credit or (ii) arrange for the Security Agent to become the transferee beneficiary of the letter of credit, with the Security Agent agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be

paid to the applicable Grantor unless an Event of Default has occurred or is continuing.

(g) Commercial Tort Claims. If any Grantor shall at any time hold a Commercial Tort Claim in which such Grantor is claimant that exceeds $5,000,000 in reasonable estimated value, the Grantor shall promptly notify the Security Agent thereof in a writing signed by such Grantor, including a summary description of such claim, and grant to the Security Agent, subject to the rights of the Term Loan Agent and Permitted Notes Agent under the Intercreditor Agreement, in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Security Agent. Each such summary description delivered after the date of this Agreement shall be attached hereto as a supplement to Schedule IV and made a part hereof.

(h) Collateral Access Agreements. Each Grantor shall use commercially reasonable efforts to obtain a Collateral Access Agreement from (i) the lessor of each leased property which is leased by such Grantor or the mortgagee of any real property owned by such Grantor and which is subject to a mortgage or deed of trust (other than a mortgage or deed of trust that is contemplated in the Intercreditor Agreement), in each case where the fair market value of the Collateral located at such leased or mortgaged property exceeds $5,000,000 and (ii) the bailee or consignee with respect to any third party warehouse, processor converter facility or other similar location where Collateral with a fair market value exceeding $2,000,000 is stored or located, which agreement or letter shall provide access rights and shall otherwise be reasonably satisfactory in form and substance to the Security Agent. Each Grantor shall timely and fully pay and perform its obligations under all leases and other agreements with respect to each leased location or third party warehouse where any Collateral is or may be located, except where the failure to pay or perform could not reasonably be expected to have a Material Adverse Effect.

(i) Each Grantor will, at its own expense, make, execute, endorse, acknowledge, file and/or deliver to the Security Agent from time to time such vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, certificates, reports and other assurances or instruments and take such further steps, including any and all actions as may be necessary or required under the Federal Assignment of Claims Act, relating to its Accounts, Contracts, Instruments and other property or rights covered by the security interest hereby granted, as the Security Agent may reasonably require and consistent with the other terms and conditions of this Agreement and the Credit Agreement.

SECTION 4.05. Covenants Regarding Patent, Trademark and Copyright Collateral. (a) Each Grantor agrees that it will not do any act or omit to do any act (and will exercise commercially reasonable efforts to prevent its licensees from doing any act or omitting to do any act) whereby any Patent may become invalidated or dedicated to

the public, except where failure to comply with the foregoing could not reasonably be expected to have a Material Adverse Effect, and agrees that it shall continue to mark any products covered by a Patent that is material to the conduct of such Grantor's business with the relevant patent number as necessary and sufficient to establish and preserve its maximum rights under applicable patent laws except where the failure to comply with the foregoing could not reasonably be expected to have a Material Adverse Effect.

(b) Each Grantor (either itself or through its licensees or its sublicensees) will, for each Trademark material to the conduct of the business of Holdings and its Subsidiaries, taken as a whole, (i) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, (ii) maintain the quality of products and services offered under such Trademark, (iii) display such Trademark with notice of Federal or foreign registration to the extent necessary and sufficient to establish and preserve its maximum rights under applicable law and (iv) not knowingly use or knowingly permit the use of such Trademark in violation of any third party rights, except where the failure to comply with the foregoing could not reasonably be expected to have a Material Adverse Effect.

(c) Each Grantor (either itself or through its licensees or sublicensees) will, for each work covered by a Copyright material to the business of Holdings and its Subsidiaries, taken as a whole, continue to publish, reproduce, display, adopt and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its maximum rights under applicable copyright laws, except where the failure to comply with the foregoing could not reasonably be expected to have a Material Adverse Effect.

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

(e) Each Grantor agrees to promptly notify the Security Agent if such Grantor, either itself or through any agent, employee, licensee or designee, file an application for any Patent, Trademark or Copyright (or for the registration of any Trademark or Copyright) which is material to the Grantor's business taken as a whole with the United States Patent and Trademark Office or the United States Copyright Office, and, upon request of the Security Agent, such Grantor agrees to execute and deliver IP Security Agreements (in a form similar to the IP Security Agreements executed and delivered on the date hereof) as the Security Agent may reasonably request to evidence the Security Agent's security interest in such Patent, Trademark or Copyright, and each Grantor hereby appoints the Security Agent as its attorney-in-fact to execute

and file such agreements for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable.

(f) Each Grantor will take all reasonably necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States, to maintain and pursue each material application relating to the Patents, Trademarks and/or Copyrights (and to obtain the relevant grant or registration) and to maintain each issued Patent and each registration of the Trademarks and Copyrights that is material to the conduct of the business of Holdings and the Subsidiaries, taken as a whole, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent with good business judgment, to initiate opposition, interference and cancelation proceedings against third parties; provided that, to the extent consistent with the Credit Agreement, no Grantor shall be obligated to pursue, preserve or maintain any Patent, Trademark or Copyright in the event such Grantor determines, in its reasonable business judgment, that the preservation of such Patent, Trademark or Copyright is no longer desirable in the conduct of its business.

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

ARTICLE V

Remedies

SECTION 5.01. Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral to the Security Agent (or the Term Loan Agent or Permitted Notes Agent or a designated bailee for purposes of perfection, in accordance with the Intercreditor Agreement) on demand, and it is agreed that the Security Agent shall have the right to take any of or all the following actions at the same or different times: (a) with respect to any Article 9 Collateral consisting of Intellectual Property, on demand, to cause the Security Interest to become an assignment, transfer and conveyance of any of or all such Article 9 Collateral by the applicable Grantors to the Security Agent, or to license or sublicense, whether general, special or otherwise, and whether on an exclusive or nonexclusive basis, any such Article 9 Collateral throughout the world on such terms and conditions and in such manner as the Security Agent shall determine (other than in violation of any then-existing licensing arrangements to the extent that waivers cannot be obtained), and (b) with or without legal process and with or without prior notice or demand for performance, to take possession of the Article 9 Collateral and without liability for trespass to enter any premises where the Article 9 Collateral may be located for the purpose of taking possession of or removing the Article 9 Collateral and, generally, to exercise any and all rights afforded to a secured party under this Agreement,

the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, each Grantor agrees that the Security Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral at a public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Security Agent shall deem appropriate. The Security Agent shall be authorized at any such sale of securities (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Security Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any sale of Collateral shall hold the property sold absolutely, free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Security Agent shall give the applicable Grantors 10 days' prior written notice (which each Grantor agrees is reasonable notice within the meaning of Section 9-611 of the New York UCC or its equivalent in other jurisdictions) of the Security Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Security Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Security Agent may (in its sole and absolute discretion) determine. The Security Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Security Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Security Agent until the sale price is paid by the purchaser or purchasers thereof, but the Security Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Agreement, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor as a

credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Security Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Security Agent shall have entered into such an agreement all Events of Default shall have been remedied and the U.S. Secured Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Security Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.01 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the New York UCC or its equivalent in other jurisdictions.

SECTION 5.02. Application of Proceeds. The Security Agent shall, subject to the applicable provisions of the Intercreditor Agreement, apply the proceeds of any collection or sale of Collateral, including any Collateral consisting of cash, and the amounts paid or caused to be paid by any Guarantor in accordance with Article II, as set forth in Section 11.02 of the Credit Agreement.

The Security Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of Collateral by the Security Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Security Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Security Agent or such officer or be answerable in any way for the misapplication thereof. It is understood that the Grantors shall remain jointly and severally liable to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the U.S. Secured Obligations.

SECTION 5.03. Grant of License to Use Intellectual Property. For the purpose of enabling the Security Agent to exercise rights and remedies under this Agreement at such time as the Security Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Security Agent an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sublicense any of the Article 9 Collateral consisting of Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Security Agent may only be exercised, at the option of the Security Agent, upon the occurrence and during the continuation of an Event of Default after written notice is given to Holdings of the Security Agent's election to exercise such license; provided that

any license, sublicense or other transaction entered into by the Security Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default. In operating under the license granted by each Grantor pursuant to this Section 5.03, the Security Agent agrees that the goods sold and services rendered under any Trademarks shall be of a nature and quality substantially consistent with those theretofore offered under such Trademarks by such Grantor and such Grantor shall have the right to inspect during the term of such license, at any reasonable time or times upon reasonable notice to the Security Agent, and at such Grantor's own cost and expense, representative samples of goods sold and services rendered under such Trademarks.

SECTION 5.04. Securities Act. In view of the position of the Grantors in relation to the Pledged Collateral, or because of other current or future circumstances, a question may arise under the Securities Act of 1933, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect being called the "Federal Securities Laws") with respect to any disposition of the Pledged Collateral permitted hereunder. Each Grantor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Security Agent if the Security Agent were to attempt to dispose of all or any part of the Pledged Collateral, and might also limit the extent to which or the manner in which any subsequent transferee of any Pledged Collateral could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Security Agent in any attempt to dispose of all or part of the Pledged Collateral under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. Each Grantor recognizes that in light of such restrictions and limitations the Security Agent may, with respect to any sale of the Pledged Collateral, limit the purchasers to those who will agree, among other things, to acquire such Pledged Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that in light of such restrictions and limitations, the Security Agent, in its sole and absolute discretion (a) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Collateral or part thereof shall have been filed under the Federal Securities Laws and (b) may approach and negotiate with a single potential purchaser to effect such sale. Each Grantor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Security Agent shall incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Security Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section 5.04 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Security Agent sells.

SECTION 5.05. Registration. Each Grantor agrees that, upon the occurrence and during the continuance of an Event of Default, if for any reason the

Security Agent desires to sell any of the Pledged Collateral at a public sale, it will, at any time and from time to time, upon the written request of the Security Agent, use commercially reasonable efforts to take or to cause the issuer of such Pledged Collateral to take such action and prepare, distribute and/or file such documents, as are required or advisable in the reasonable opinion of counsel for the Security Agent to permit the public sale of such Pledged Collateral. Each Grantor further agrees to indemnify, defend and hold harmless the Security Agent, each other Secured Party, any underwriter and their respective affiliates and their respective officers, directors, affiliates and controlling persons from and against all loss, liability, expenses, costs of counsel (including reasonable fees and expenses to the Security Agent of legal counsel), and claims (including the costs of investigation) that they may incur insofar as such loss, liability, expense or claim arises out of or is based upon any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Grantor or the issuer of such Pledged Collateral by the Security Agent or any other Secured Party expressly for use therein. Each Grantor further agrees, upon such written request referred to above, to use commercially reasonable efforts to qualify, file or register, or cause the issuer of such Pledged Collateral to qualify, file or register, any of the Pledged Collateral under the Blue Sky or other securities laws of such states as may be requested by the Security Agent and keep effective, or cause to be kept effective, all such qualifications, filings or registrations. Each Grantor will bear all costs and expenses of carrying out its obligations under this Section 5.05. Each Grantor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section 5.05 and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements contained in this Section 5.05 may be specifically enforced.

ARTICLE VI

Indemnity, Subrogation and Subordination

SECTION 6.01. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable law (but subject to Section 6.03), Holdings agrees that (a) in the event a payment of an obligation shall be made by any Guarantor under this Agreement, Holdings shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the Person to whom such payment shall have been made to the extent of such payment and (b) in the event any assets of any Grantor shall be sold pursuant to this Agreement or any other Security Document to satisfy in whole or in part an obligation owed to any Secured Party, Holdings shall indemnify such Grantor in an amount equal to the greater of the book value or the fair market value of the assets so sold.

SECTION 6.02. Contribution and Subrogation. Each Guarantor and Grantor (a "Contributing Party") agrees (subject to Section 6.03) that, in the event a payment shall be made by any other Guarantor hereunder in respect of any U.S. Secured

Obligation or assets of any other Grantor (other than any Borrower) shall be sold pursuant to any Security Document to satisfy any U.S. Secured Obligation owed to any Secured Party and such other Guarantor or Grantor (the "Claiming Party") shall not have been fully indemnified by Holdings as provided in Section 6.01, the Contributing Party shall indemnify the Claiming Party in an amount equal to the amount of such payment or the greater of the book value or the fair market value of such assets, as the case may be, in each case multiplied by a fraction of which the numerator shall be the net worth of the Contributing Party on the date hereof and the denominator shall be the aggregate net worth of all the Guarantors and Grantors on the date hereof (or, in the case of any Guarantor or Grantor becoming a party hereto pursuant to Section 7.14, the date of the supplement hereto executed and delivered by such Guarantor or Grantor). Any Contributing Party making any payment to a Claiming Party pursuant to this Section 6.02 shall be subrogated to the rights of such Claiming Party under Section 6.01 to the extent of such payment.

SECTION 6.03. Subordination. (a) Notwithstanding any provision of this Agreement to the contrary, all rights of the Guarantors and Grantors under Sections 6.01 and 6.02 and all other rights of indemnity, contribution or subrogation under applicable law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the U.S. Secured Obligations. No failure on the part of any Borrower or any Guarantor or Grantor to make the payments required by Sections 6.01 and 6.02 (or any other payments required under applicable law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor or Grantor with respect to its obligations hereunder, and each Guarantor and Grantor shall remain liable for the full amount of the obligations of such Guarantor or Grantor hereunder.

(b) Each Guarantor and Grantor hereby agrees that all Indebtedness and other monetary obligations owed to it by, or by it to, as the case may be, any other Guarantor, Grantor or any other Subsidiary shall be fully subordinated to the indefeasible payment in full in cash of the U.S. Secured Obligations.

ARTICLE VII

Miscellaneous

SECTION 7.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 13.03 of the Credit Agreement. All communications and notices hereunder to any Subsidiary Party shall be given to it in care of Holdings as provided in Section 13.03 of the Credit Agreement.

SECTION 7.02. Waivers; Amendment. (a) No failure or delay by the Security Agent or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Security Agent and

the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any U.S. Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Security Agent or any Lender may have had notice or knowledge of such Default at the time. No notice or demand on any U.S. Loan Party in any case shall entitle any U.S. Loan Party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Security Agent and the U.S. Loan Party or U.S. Loan Parties with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 13.12 of the Credit Agreement.

SECTION 7.03. Security Agent's Fees and Expenses; Indemnification. (a) The parties hereto agree that the Security Agent shall be entitled to reimbursement of its reasonable out-of-pocket expenses incurred hereunder as provided in Section 13.01 of the Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Loan Documents, each Grantor and each Guarantor jointly and severally agrees to indemnify the Security Agent against, and hold the Security Agent harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, disbursements and other charges, incurred by or asserted against the Security Agent arising out of, in connection with, or as a result of, the execution, delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating to any of the foregoing, or any agreement or instrument contemplated hereby, or to the Collateral, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses have resulted from the gross negligence or wilful misconduct of the Security Agent.

(c) Any such amounts payable as provided hereunder shall be additional U.S. Secured Obligations secured hereby and by the other Security Documents. The provisions of this Section 7.03 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the U.S. Secured Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Security Agent or any other Secured Party. All amounts due under this Section 7.03 shall be payable on written demand therefor.

SECTION 7.04. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Guarantor, Grantor or the Security Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

SECTION 7.05. Survival of Agreement. All covenants, agreements, representations and warranties made by the U.S. Loan Parties in the Loan Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders and shall survive the execution and delivery of the Loan Documents and the making of any Loans or issuance of any Letters of Credit, regardless of any investigation made by any Lender or on its behalf and notwithstanding that the Security Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended under the Credit Agreement, and shall continue in full force and effect as long as any Loan Document Obligation or any other amount payable under any Loan Document is outstanding and unpaid and so long as the Commitments have not expired or terminated.

SECTION 7.06. Counterparts; Effectiveness; Several Agreement. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or other electronic imaging shall be as effective as delivery of a manually signed counterpart of this Agreement. This Agreement shall become effective as to any U.S. Loan Party when a counterpart hereof executed on behalf of such U.S. Loan Party shall have been delivered to the Security Agent and a counterpart hereof shall have been executed on behalf of the Security Agent, and thereafter shall be binding upon such U.S. Loan Party and the Security Agent and their respective permitted successors and assigns, and shall inure to the benefit of such U.S. Loan Party, the Security Agent and the other Secured Parties and their respective successors and assigns, except that no U.S. Loan Party shall have the right to assign or transfer its rights or obligations hereunder or any interest herein (and any such assignment or transfer shall be void) except as expressly permitted by the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each U.S. Loan Party and may be amended, modified, supplemented, waived or released with respect to any U.S. Loan Party without the approval of any other U.S. Loan Party and without affecting the obligations of any other U.S. Loan Party hereunder.

SECTION 7.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the

economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7.08. Right of Set-Off. (a) Each U.S. Loan Party expressly agrees to the provisions set forth in Section 13.02 of the Credit Agreement with the same force and effect as if such provisions were set forth in full herein.

(b) Notwithstanding anything to the contrary contained in this Agreement, at any time that the U.S. Secured Obligations shall be secured by any real property located in the State of California, no Secured Party shall exercise any right of set-off, lien or counterclaim or take any court or administrative action or institute any proceedings to enforce any provision of this Agreement without the prior consent of the Security Agent or the Required Lenders or, to the extent required by Section 13.12 of the Credit Agreement, all of the Lenders, if such setoff or action or proceeding would or might (pursuant to Sections 580a, 580b, 580d and 726 of the California Code of Civil Procedure or Section 2924 of the California Civil Code, if applicable, or otherwise) affect or impair the validity, priority, or enforceability of the liens granted to the Security Agent pursuant to this Agreement or the other Security Documents or the enforceability of the Obligations hereunder, and any attempted exercise by any Secured Party or the Security Agent of any such right without obtaining such consent of the Required Lenders or the Security Agent shall be null and void. It is understood and agreed that the foregoing sentence of this Section 7.08(b) is for the sole benefit of the Secured Parties and may be amended, modified or waived in any respect by the Required Lenders (without any requirement of prior notice to or consent by any U.S. Loan Party or any other Person) and does not constitute a waiver of any rights against any U.S. Loan Party or against any Collateral.

SECTION 7.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, including Sections 5-1401 and 5-1402 of Title 14 of the New York General Obligations Law but excluding all other choice of law and conflicts of laws rules thereof.

(b) Each of the U.S. Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other U.S. Loan Document shall affect any right that the Security Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other U.S. Loan

Document against any Grantor or Guarantor, or its properties in the courts of any jurisdiction.

(c) Each of the U.S. Loan Parties hereby irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

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

SECTION 7.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.10.

SECTION 7.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 7.12. Security Interest Absolute. All rights of the Security Agent hereunder, the Security Interest, the grant of a security interest in the Pledged Collateral and all obligations of each Grantor and Guarantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the U.S. Secured Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the U.S. Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or

departure from any guarantee, securing or guaranteeing all or any of the U.S. Secured Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or Guarantor in respect of the U.S. Secured Obligations or this Agreement.

SECTION 7.13. Termination or Release. (a) This Agreement, the Guarantees made herein, the Security Interest, the grant of a security interest in the Pledged Collateral and all other security interests granted hereby shall terminate upon the payment in full in cash of the Loans and all the other Loan Document Obligations (other than unasserted contingent and indemnification obligations), termination of all Commitments and Incremental Commitments and reduction of all exposure under any Letters of Credit issued and any Bankers' Acceptances to zero (or the making of other arrangements satisfactory to the issuers thereof).

(b) A Subsidiary Party (other than any Borrower) shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Subsidiary Party (other than any Borrower) shall be automatically released upon the consummation of any transaction permitted by the Credit Agreement as a result of which such Subsidiary Party (other than any Borrower) ceases to be a Subsidiary; provided that the Required Lenders shall have consented to such transaction (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise.

(c) Upon any sale or other transfer by any Grantor of any Collateral that is permitted under the Credit Agreement (other than a sale or other transfer to a U.S. Loan Party), or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Collateral pursuant to Section 12.10 of the Credit Agreement, the security interest in such Collateral shall be automatically released.

(d) At any time that a Grantor desires that the Security Agent take any action to acknowledge or give effect to any release of a Grantor or Collateral pursuant to the foregoing Section 7.13(a), (b) or (c), Holdings shall deliver to the Security Agent a certificate signed by a principal executive officer of Holdings stating that the release of the respective Grantor or Collateral is permitted pursuant to such Section 7.13(a), (b) or (c). In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Security Agent shall execute and deliver to any Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release; provided, however, that (i) the Security Agent shall not be required to execute any such document on terms which, in its opinion, would expose it to liability or create any obligation or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the U.S. Secured Obligations or any Liens upon (or obligations of Holdings or any of the Subsidiaries in respect of) all interests in Collateral retained by Holdings or any of the Subsidiaries. Any execution and delivery of documents pursuant to this Section 7.13 shall be without recourse to or warranty by the Security Agent.

(e) The Security Agent shall have no liability whatsoever to any other Secured Party as the result of any release of any Subsidiary Party or Collateral by it in

accordance with (or which the Security Agent in good faith believes to be in accordance with) this Section 7.13.

SECTION 7.14. Additional Subsidiaries. Pursuant to Sections 9.09, 10.05(f) and 10.15 of the Credit Agreement, certain Domestic Subsidiaries of Holdings are required to enter into this Agreement as a Subsidiary Party. Upon execution and delivery by the Security Agent and a Subsidiary of an instrument in the form of Exhibit I hereto, such Subsidiary shall become a Subsidiary Party hereunder with the same force and effect as if originally named as a Subsidiary Party herein. The execution and delivery of any such instrument shall not require the consent of any other U.S. Loan Party hereunder. The rights and obligations of each U.S. Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any new U.S. Loan Party as a party to this Agreement.

SECTION 7.15. Security Agent Appointed Attorney-in-Fact. Each Grantor hereby appoints the Security Agent the attorney-in-fact of such Grantor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Security Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Security Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Security Agent's name or in the name of such Grantor (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (c) to sign the name of any Grantor on any invoice or bill of lading relating to any of the Collateral; (d) to send verifications of Accounts Receivable to any Account Debtor; (e) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (f) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (g) to make, settle and adjust claims in respect of Article 9 Collateral under policies of insurance and to endorse the name of such Grantor on any check, draft, instrument or any other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto; (h) to notify, or to require any Grantor to notify, Account Debtors to make payment directly to the Security Agent; and (i) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Security Agent were the absolute owner of the Collateral for all purposes; provided that nothing herein contained shall be construed as requiring or obligating the Security Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Security Agent, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Security Agent and the other Secured Parties shall be accountable only for amounts actually received as a result of the exercise of the powers

granted to them herein, and neither they nor their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or wilful misconduct.

SECTION 7.16. Recourse. This Agreement is made with full recourse to each U.S. Loan Party and pursuant to and upon all the warranties, representations, covenants and agreements on the part of such U.S. Loan Party contained herein, in the Loan Documents, Hedging Agreements or Secured Cash Management Agreements and otherwise in writing in connection herewith or therewith.

SECTION 7.17. Intercreditor Agreement; Possession and Control of Term Priority Collateral. Notwithstanding anything herein to the contrary, the Liens granted to the Security Agent under this Agreement and the exercise of the rights and remedies of the Security Agent hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control. At any time prior to the Discharge of Term Loan Credit Obligations, no Grantor shall be required to take or refrain from taking any action at the request of the Security Agent with respect to any Term Priority Collateral if such action or inaction would be inconsistent with (i) any action or inaction affirmatively requested by the Term Loan Agent in accordance with the Term Facility Documents or (ii) any action or inaction affirmatively required by any of the provisions of the Term Facility Documents. Without limiting the foregoing, at any time prior to the Discharge of Term Loan Credit Obligations, any provision hereof (a) requiring Grantors to deliver possession of any Term Priority Collateral to the Security Agent or its representatives, or to cause the Security Agent or its representatives to control any Term Priority Collateral, shall be deemed to have been complied with if and for so long as the Term Loan Agent shall have such possession or control for the benefit of the Secured Parties and as bailee or sub-agent of the Security Agent as provided in the Intercreditor Agreement or (b) requiring Grantors to name the Security Agent as an additional insured or a loss payee under any insurance policy or a beneficiary of any letter of credit, such requirement shall have been complied with if any such insurance policy or letter of credit also names the Term Loan Agent as an additional insured, loss payee or beneficiary, as the case may be, in each pursuant to the terms of the Intercreditor Agreement. Notwithstanding anything to the contrary herein but subject to the Intercreditor Agreement, in the event the Term Loan Credit Documents or the Permitted Notes Documents provide for the grant of a security interest or pledge over the assets of any Grantor and such assets do not otherwise constitute Collateral under this Agreement or any other Loan Document, such Grantor shall (a) promptly grant a security interest in or pledge such assets to secure the U.S. Secured Obligations (including by consenting to any control agreement with respect to Investment Property in any Securities Account), (b) promptly take any actions necessary to perfect such security interest or pledge that is required under the Term Loan Credit Documents or Permitted Notes Documents, as applicable, and (c) take all other steps reasonably requested by the Security Agent in connection with the foregoing.

SECTION 7.18. Waivers by Loan Parties with Respect to California Real Property. (a) Each U.S. Loan Party hereby acknowledges and affirms that it

understands that to the extent the U.S. Secured Obligations are secured by real property located in the State of California, such U.S. Loan Party shall be liable for the full amount of the liability hereunder notwithstanding foreclosure on such real property by trustee sale or any other reason impairing such U.S. Loan Party's or any Secured Parties' right to proceed against any Borrower, any other Guaranteed Party or any other guarantor of the U.S. Secured Obligations.

(b) Each U.S. Loan Party hereby waives (to the fullest extent permitted by applicable law) all rights and benefits under Section 580a, 580b, 580d and 726 of the California Code of Civil Procedure. Each U.S. Loan Party hereby further waives (to the fullest extent permitted by applicable law), without limiting the generality of the foregoing or any other provision hereof, all rights and benefits which might otherwise be available to such U.S. Loan Party under Sections 2809, 2810, 2815, 2819, 2821, 2839, 2845, 2848, 2849, 2850, 2899 and 3433 of the California Civil Code.

(c) Until the U.S. Secured Obligations have been paid in full in cash, each U.S. Loan Party waives its rights of subrogation and reimbursement and any other rights and defenses available to such U.S. Loan Party by reason of Sections 2787 to 2855, inclusive, of the California Civil Code, including, without limitation, (1) any defenses such U.S. Loan Party may have to this Agreement by reason of an election of remedies by the Secured Parties and (2) any rights or defenses such U.S. Loan Party may have by reason of protection afforded to any Borrower or any other Guaranteed Party pursuant to the antideficiency or other laws of California limiting or discharging such Borrower's or such other Guaranteed Party's indebtedness, including, without limitation, Section 580a, 580b, 580d or 726 of the California Code of Civil Procedure. In furtherance of such provisions, each U.S. Loan Party hereby waives all rights and defenses arising out of an election of remedies by the Secured Parties, even though that election of remedies, such as a nonjudicial foreclosure, destroys such U.S. Loan Party's rights of subrogation and reimbursement against any Borrower or any other Guaranteed Party by the operation of Section 580d of the California Code of Civil Procedure or otherwise.

SECTION 7.19. The Security Agent and the other Secured Parties. The Security Agent will hold in accordance with this Agreement all items of the Collateral at any time received under this Agreement. It is expressly understood and agreed that the obligations of the Security Agent as holder of the Collateral and interests therein and with respect to the disposition thereof, and otherwise under this Agreement, are only those expressly set forth in this Agreement, the Intercreditor Agreement and in Section 12 of the Credit Agreement. The Security Agent shall act hereunder on the terms and conditions set forth herein and in Section 12 of the Credit Agreement.

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

[SMURFIT-STONE CONTAINER CORPORATION]

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I to
the Guarantee and
Collateral Agreement

SUBSIDIARY PARTIES

Schedule II to
the Guarantee and
Collateral Agreement

PLEDGED EQUITY INTERESTS

Holder	Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interest	Percentage of Equity Interests

PLEDGED DEBT SECURITIES

Holder	Issuer	Principal Amount	Date of Note	Maturity Date

Schedule III to
the Guarantee and
Collateral Agreement

U.S. COPYRIGHTS OWNED BY [NAME OF GRANTOR]

[Create a separate page of Schedule III for each Grantor and state if no copyrights are owned. List in numerical order by Registration No.]

U.S. Copyright Registrations

Title	Reg. No.	Author

Pending U.S. Copyright Applications for Registration

Title	Author	Class	Date Filed

LICENSES

[Create a separate page of Schedule III for each Grantor, and state if any Grantor is not a party to a license/sublicense.]

I. Material Licenses/Sublicensees of [Name of Grantor] as Licensor on Date Hereof

A. Copyrights

[List material U.S. copyrights in numerical order by Registration No.]

U.S. Copyrights

Licensee Name and Address	Date of License/ Sublicense	Title of U.S. Copyright	Author	Reg. No.

B. Patents

[List material U.S. patent nos. and U.S. patent application nos. in numerical order.]

U.S. Patents

Licensee Name and Address	Date of License/ Sublicense	Issue Date	Patent No.

U.S. Patent Applications

Licensee Name and Address	Date of License/ Sublicense	Date Filed	Application No.

C. Trademarks

[List material U.S. trademark nos. and U.S. trademark application nos. in numerical order.]

U.S. Trademarks

Licensee Name and Address	Date of License/ Sublicense	U.S. Mark	Reg. Date	Reg. No.

U.S. Trademark Applications

Licensee Name and Address	Date of License/ Sublicense	U.S. Mark	Date Filed	Application No.

II. Material Licensees/Sublicenses of [Name of Grantor] as Licensee on Date Hereof

A. Copyrights

[List material U.S. copyrights in numerical order by Registration No.]

U.S. Copyrights

Licensor Name and Address	Date of License/ Sublicense	Title of U.S. Copyright	Author	Reg. No.

B. Patents

[List material U.S. patent nos. and U.S. patent application nos. in numerical order.]

U.S. Patents

Licensor Name and Address	Date of License/ Sublicense	Issue Date	Patent No.

U.S. Patent Applications

Licensor Name and Address	Date of License/ Sublicense	Date Filed	Application No.

C. Trademarks

[List material U.S. trademark nos. and U.S. trademark application nos. in numerical order.]

U.S. Trademarks

Licensor Name and Address	Date of License/ Sublicense	U.S. Mark	Reg. Date	Reg. No.

U.S. Trademark Applications

Licensor Name and Address	Date of License/ Sublicense	U.S. Mark	Date Filed	Application No.

PATENTS OWNED BY [NAME OF GRANTOR]

[Create a separate page of Schedule III for each Grantor and state if no patents are owned. List in numerical order by Patent No./Patent Application No.]

U.S. Patent Registrations

Patent Numbers	Issue Date

U.S. Patent Applications

Patent Application No.	Filing Date

TRADEMARK/TRADE NAMES OWNED BY [NAME OF GRANTOR]

[Create a separate page of Schedule III for each Grantor and state if no trademarks/trade names are owned. List in numerical order by trademark registration/application no.]

U.S. Trademark Registrations

Mark	Reg. Date	Reg. No.

U.S. Trademark Applications

Mark	Filing Date	Application No.

Schedule IV to
the Guarantee and
Collateral Agreement

COMMERCIAL TORT CLAIMS

Exhibit I to the
Guarantee and
Collateral Agreement

SUPPLEMENT NO. __ dated as of [ ], to the Guarantee and Collateral Agreement dated as of [ ], 2010, among SMURFIT-STONE CONTAINER CORPORATION, a Delaware corporation, each Subsidiary party thereto (each such subsidiary individually a "Subsidiary Guarantor" and collectively, the "Subsidiary Guarantors"; the Subsidiary Guarantors and Holdings are referred to collectively herein as the "Grantors") and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent (in such capacity, the "Security Agent")(the "Guaranty and Collateral Agreement").

A. Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto and Deutsche Bank AG New York Branch, as Administrative Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Guarantee and Collateral Agreement referred to therein.

C. The Grantors have entered into the Guarantee and Collateral Agreement in order to induce the Lenders to make Loans and issue Letters of Credit to the Borrowers. Section 7.14 of Guarantee and Collateral Agreement provides that additional Domestic Subsidiaries of Holdings may become Subsidiary Parties under the Guarantee and Collateral Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Subsidiary") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Subsidiary Party under the Guarantee and Collateral Agreement in order to induce the Lenders to make additional Loans and issue Letters of Credit to the Borrowers and as consideration for Loans previously made to the Borrowers and Letters of Credit previously issued.

Accordingly, the Security Agent and the New Subsidiary agree as follows:

SECTION 1. In accordance with Section 7.14 of the Guarantee and Collateral Agreement, the New Subsidiary by its signature below becomes a Subsidiary Party, Grantor and Guarantor under the Guarantee and Collateral Agreement with the same force and effect as if originally named therein as a Subsidiary Party, Grantor and Guarantor and the New Subsidiary hereby (a) agrees to all the terms and provisions of the Guarantee and Collateral Agreement applicable to it as a Subsidiary Party, Grantor and Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor and Guarantor thereunder are true and correct on and

as of the date hereof. In furtherance of the foregoing, the New Subsidiary, as security for the payment and performance in full of the U.S. Secured Obligations (as defined in the Credit Agreement), does hereby create and grant to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Subsidiary's right, title and interest in and to the Collateral (as defined in the Guarantee and Collateral Agreement) of the New Subsidiary. Each reference to a "Guarantor" or "Grantor" in the Guarantee and Collateral Agreement shall be deemed to include the New Subsidiary. The Guarantee and Collateral Agreement is hereby incorporated herein by reference.

SECTION 2. The New Subsidiary represents and warrants to the Security Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (whether enforcement is sought by a proceeding in equity or at law).

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

SECTION 4. The New Subsidiary hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule with the true and correct legal name of the New Subsidiary, its jurisdiction of formation and the location of its chief executive office, (b) set forth on Schedule II attached hereto is a true and correct schedule, as of the date hereof, of (i) all the Equity Interests owned by the New Subsidiary required to be pledged under Article III, setting forth the percentage of the issued and outstanding units of each class of the Equity Interests of the issuer thereof so owned by the New Subsidiary and the number of each certificate representing the same, and (ii) all debt securities and promissory notes owned by the New Subsidiary required to be pledged under Article III or Section 4.04 (c) set forth on Schedule III attached hereto is a true and correct schedule, as of the date hereof, of all Intellectual Property of the New Subsidiary that would have been required to be set forth on Schedule III to the Guarantee and Collateral Agreement and (d) set forth on Schedule IV attached hereto is a true and correct schedule, as of the date hereof, of all Commercial Tort Claims required to be disclosed under Section 4.04(g) of the Guarantee and Collateral Agreement. The New Subsidiary shall deliver to the Security Agent a certificate executed by an Authorized Officer of the New Subsidiary setting forth the information (other than that set forth on the Schedules described above) required pursuant to the U.S. Perfection Certificate.

SECTION 5. Except as expressly supplemented hereby, the Guarantee and Collateral Agreement shall remain in full force and effect.

SECTION 6. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING SECTIONS 5-1401 AND 5-1402 OF TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.

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

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Guarantee and Collateral Agreement.

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

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

[NAME OF NEW SUBSIDIARY],

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I
to Supplement No. __ to the
Guarantee and
Collateral Agreement

NEW SUBSIDIARY INFORMATION

Name	Jurisdiction of Formation	Chief Executive Office

Schedule II
to the Supplement No. __ to the
Guarantee and
Collateral Agreement

EQUITY INTERESTS

Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interests	Percentage of Equity Interests

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

Schedule III
to the Supplement No. __ to the
Guarantee and
Collateral Agreement

INTELLECTUAL PROPERTY

Schedule IV
to the Supplement No. __ to the
Guarantee and
Collateral Agreement

COMMERCIAL TORT CLAIMS

Exhibit II to the
Guarantee and
Collateral Agreement

[FORM OF] PATENT AND TRADEMARK SECURITY AGREEMENT dated as of [ ] [ ], 20[ ] (this "Agreement"), among [ ] (the "Grantors") and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent.

Reference is made to (a) the Credit Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries of Holdings from time to time party thereto, the Lenders from time to time party thereto and DBNY, as Administrative Agent, and (b) the Guarantee and Collateral Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Collateral Agreement"), among Smurfit-Stone Container Corporation (formerly known as Smurfit-Stone Container Enterprises, Inc.), the Subsidiaries of Holdings party thereto and DBNY, as Security Agent. The Lenders have agreed to extend credit to the Borrowers on the terms and subject to the conditions set forth in the Credit Agreement. The obligations of the Lenders to extend such credit are conditioned on, among other things, the execution and delivery of this Agreement. The Grantors are affiliates of the Borrowers, will derive substantial benefits from the extension of credit to the Borrowers pursuant to the Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

SECTION 1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Collateral Agreement or the Credit Agreement, as applicable. The rules of construction specified in Section 1.02 of the Credit Agreement also apply to this Agreement.

SECTION 2. Grant of Security Interest. As security for the payment or performance, as the case may be, in full of the U.S. Secured Obligations, the Grantor hereby grants to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest (the "Security Interest") in all of such Grantor's right, title and interest in, to and under any Patents now owned or at any time hereafter acquired by such Grantor, including those listed on Schedule I (the "Patent Collateral") and any Trademarks now owned or at any time hereafter acquired by such Grantor, including those listed on Schedule II (the "Trademark Collateral", and together with the Patent Collateral, the "Patent and Trademark Collateral").

SECTION 3. Collateral Agreement. The security interests granted to the Security Agent herein are granted in furtherance, and not in limitation of, the security interests granted to the Security Agent pursuant to the Collateral Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Security Agent with respect to the Patent and Trademark Collateral are more fully set forth in the Collateral Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of

this Agreement and the Collateral Agreement, the terms of the Collateral Agreement shall govern.

SECTION 4. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Agreement.

[Remainder of this page intentionally left blank]

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

[ ]

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I

Schedule II

Exhibit III to the
Guarantee and
Collateral Agreement

[FORM OF] COPYRIGHT SECURITY AGREEMENT dated as of [ ] [ ], 20[ ] (this "Agreement"), among [ ] (the "Grantors") and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent.

Reference is made to (a) the Credit Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries of Holdings from time to time party thereto, the Lenders from time to time party thereto and DBNY, as Administrative Agent, and (b) the Guarantee and Collateral Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Collateral Agreement"), among Smurfit-Stone Container Corporation (formerly known as Smurfit-Stone Container Enterprises, Inc.), the Subsidiaries of Holdings party thereto and DBNY, as Security Agent. The Lenders have agreed to extend credit to the Borrowers on the terms and subject to the conditions set forth in the Credit Agreement. The obligations of the Lenders to extend such credit are conditioned on, among other things, the execution and delivery of this Agreement. The Grantors are affiliates of the Borrowers, will derive substantial benefits from the extension of credit to the Borrowers pursuant to the Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

SECTION 1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Collateral Agreement or the Credit Agreement, as applicable. The rules of construction specified in Section 1.02 of the Credit Agreement also apply to this Agreement.

SECTION 2. Grant of Security Interest. As security for the payment or performance, as the case may be, in full of the U.S. Secured Obligations, the Grantor hereby grants to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest (the "Security Interest") in all of such Grantor's right, title and interest in, to and under any Copyrights now owned or at any time hereafter acquired by such Grantor, including those listed on Schedule I, and any Copyright Licenses under which such Grantor is a licensee, including those listed on Schedule II (collectively, the "Copyright Collateral").

SECTION 3. Collateral Agreement. The security interests granted to the Security Agent herein are granted in furtherance, and not in limitation of, the security interests granted to the Security Agent pursuant to the Collateral Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Security Agent with respect to the Copyright Collateral are more fully set forth in the Collateral Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the Collateral Agreement, the terms of the Collateral Agreement shall govern.

SECTION 4. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Agreement.

[Remainder of this page intentionally left blank]

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

[ ],

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I

Schedule II

Exhibit N
to the Credit Agreement

FORM OF
CANADIAN GUARANTEE AND COLLATERAL AGREEMENT

dated as of

[ ], 2010,

among

SMURFIT-STONE CONTAINER CANADA, L.P.

THE CANADIAN SUBSIDIARIES PARTIES HERETO
and

DEUTSCHE BANK AG NEW YORK BRANCH,

as Security Agent

TABLE OF CONTENTS

Exhibits

CANADIAN GUARANTEE AND COLLATERAL AGREEMENT (this "Agreement") dated as of [ ], 2010, among SMURFIT-STONE CONTAINER CANADA, L.P., an Ontario limited partnership, the Canadian Subsidiaries party hereto and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent.

Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, restated, supplemented or otherwise modified from time to time (the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries from time to time party thereto, the Lenders party thereto, DBNY, as Administrative Agent and Security Agent, and DBNY, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents. The Lenders have agreed to extend credit to the Borrowers subject to the terms and conditions set forth in the Credit Agreement. The obligations of the Lenders to extend such credit are conditioned upon, among other things, the execution and delivery of this Agreement. The Canadian Subsidiary Parties are affiliates of the Borrowers, will derive substantial benefits from the extension of credit to the Borrowers pursuant to the Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Credit Agreement. (a) Capitalized terms used in this Agreement, including the preamble and introductory paragraph hereto, and not otherwise defined herein have the meanings specified in the Credit Agreement. All terms defined in the PPSA (as defined herein) and not defined in this Agreement have the meanings specified therein.

(b) The rules of construction specified in Section 1.03 of the Credit Agreement also apply to this Agreement.

SECTION 1.02. Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

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

"Accounts Receivable" means all Accounts and other rights to payment for the sale, lease, license, assignment or other disposal of any Inventory or the performance of services (whether performed or to be performed), existing on the date of this Agreement or hereafter arising, whether or not earned by performance.

"Canadian Borrower" means each Canadian Subsidiary of Holdings identified on the signature pages to the Credit Agreement (together with each other Canadian Subsidiary of Holdings that becomes a Canadian Borrower pursuant to Section 9.09(b) of the Credit Agreement).

"Canadian Subsidiary" shall mean any direct or indirect subsidiary of Holdings that is incorporated or organized in Canada or any province or territory thereof.

"Canadian Subsidiary Parties" means (a) the Canadian Subsidiaries identified on Schedule I and (b) each other Canadian Subsidiary that becomes a party to this Agreement as a Canadian Subsidiary Party after the Funding Date, other than any such Canadian Subsidiary that is released from its obligations hereunder in accordance with the Credit Agreement.

"Cash Collateral Account" means a non-interest bearing cash collateral account maintained with, and in the sole dominion and control of, the Security Agent for the benefit of the Secured Parties.

"Claiming Party" has the meaning assigned to such term in Section 6.02.

"Collateral" means all PPSA Collateral in which a security interest has been granted hereunder and all Pledged Collateral.

"Collateral Access Agreement" means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the Security Agent, between the Security Agent and any third party (including any bailee, consignee, customs broker, or other similar Person) in possession of any Collateral or any landlord of any Grantor for any real property where any Collateral is located, as such landlord waiver or other agreement may be amended, restated, or otherwise modified from time to time.

"Contract Rights" means all rights of any Grantor under each Contract, including, without limitation, (i) any and all rights to receive and demand payments under any or all Contracts, (ii) any and all rights to receive and compel performance under any or all Contracts and (iii) any and all other rights, interests and claims now existing or in the future arising in connection with any or all Contracts.

"Contracts" means all contracts between any Grantor and one or more additional parties (including, without limitation, any Hedging Agreements, licensing agreements and any partnership agreements, joint venture agreements and limited liability company agreements).

"Contributing Party" has the meaning assigned to such term in Section 6.02.

"Copyright License" means any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by any Grantor or that such Grantor otherwise has the right to license, or granting any right to any Grantor under any copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"Copyrights" means all of the following now owned or hereafter acquired by any Grantor: (a) all copyright rights in any work subject to the copyright laws of Canada, the United States or any other jurisdiction, whether as author, assignee, transferee or otherwise, and (b) all registrations and applications for registration of any such copyright in Canada, the United States or any other jurisdiction, including registrations, recordings, supplemental registrations and

pending applications for registration in the Canadian Intellectual Property Office, the United States Copyright Office or similar office in any other jurisdiction.

"Credit Agreement" has the meaning assigned to such term in the preliminary statement of this Agreement.

"DBNY" has the meaning assigned to such term in the preliminary statement of this Agreement.

"Excluded Investment Property" means, at any time, Investment Property (other than those subject to Article III) held by any Grantor in the form of Equity Interests or other securities, in each case, (a) that are not publicly traded, (b) with respect to which a grant of a security interest is not prohibited or does not constitute or result in a breach or termination under the terms of, or a default under, any contract or agreement relating to such Investment Property and (c) whose book value, together with the aggregate book value of all other Excluded Investment Property, does not exceed $50,000,000 in the aggregate at such time.

"Intangibles" has the meaning given to such term in the PPSA, and includes, without limitation, all choses in action and causes of action and all other intangible personal property of every kind and nature (other than Accounts) now owned or hereafter acquired by any Grantor, including corporate or other business records, indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, Hedging Agreements and other agreements), Intellectual Property, goodwill, registrations, franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor to secure payment by an Account Debtor of any of the Accounts.

"Grantors" means each of the Canadian Subsidiary Parties.

"Guaranteed Party" means each Canadian Borrower and each other Canadian Loan Party.

"Guarantors" means each Canadian Subsidiary Party (other than any Canadian Borrower) with respect to any Canadian Secured Obligations and each Canadian Borrower with respect to any Canadian Secured Obligations (other than monetary obligations owed by such Canadian Borrower under (i) each Loan Document, (ii) each Secured Hedging Agreement that is treated as a "Hedging Obligation" pursuant to the terms of Section 13.21 of the Credit Agreement, and (iii) each Secured Cash Management Agreement that is treated as a "Cash Management Services Obligation" pursuant to the terms of Section 13.21 of the Credit Agreement).

"Holdings" means Smurfit-Stone Container Corporation (formerly known as Smurfit-Stone Container Enterprises, Inc.).

"Intellectual Property" means all intellectual and similar property of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software and

databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

"License" means any Patent License, Trademark License, Copyright License or other license or sublicense agreement relating to intellectual property to which any Grantor is a party.

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

"Patents" means all of the following now owned or hereafter acquired by any Grantor: (a) all letters patent of Canada, the United States or any other jurisdiction, all registrations and recordings thereof, and all applications for letters patent of Canada, the United States or any other jurisdiction, including registrations, recordings and pending applications in the Canadian Intellectual Property Office, United States Patent and Trademark Office or similar office in any other jurisdiction, and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

"Pledged Collateral" has the meaning assigned to such term in Section 3.01.

"Pledged Debt Securities" has the meaning assigned to such term in Section 3.01.

"Pledged Equity Interests" has the meaning assigned to such term in Section 3.01.

"Pledged Securities" means any promissory notes, stock certificates or other securities certificates or instruments now or hereafter included in the Pledged Collateral, including all certificates, instruments or other documents representing or evidencing any Pledged Collateral.

"PPSA" means the *Personal Property Security Act* (Ontario), and all regulations made thereunder, as in effect from time to time; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by a Personal Property Security Act as in effect in a Canadian jurisdiction other than Ontario, or by the Civil Code of Quebec, "PPSA" means the Personal Property Security Act as in effect from time to time in such other jurisdiction or the Civil Code of Quebec, as applicable, for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority in such Collateral.

"PPSA Collateral" has the meaning assigned to such term in Section 4.01.

"Securities Laws" has the meaning assigned to such term in Section 5.04.

"Security Interest" has the meaning assigned to such term in Section 4.01.

"subsidiary" shall mean, with respect to any Person (herein referred to as the "parent"), any corporation, partnership, association or other business entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by, or otherwise controlled by, the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

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

"Trademarks" means all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and Intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the Canadian Intellectual Property Office, the United States Patent and Trademark Office or similar office in any other jurisdiction, and all extensions or renewals thereof, (b) all goodwill associated therewith or symbolized thereby and (c) all other assets, rights and interests that uniquely reflect or embody such goodwill.

"ULC" means an issuer that is an unlimited company or unlimited liability company.

"ULC Laws" means the *Companies Act* (Nova Scotia), the *Business Corporations Act* (Alberta), the *Business Corporations Act* (British Columbia), and any other present or future Laws governing ULCs.

"ULC Shares" means shares or other equity interests in the capital stock of a ULC.

ARTICLE II

Guarantee

SECTION 2.01. Guarantee. Each Guarantor unconditionally and irrevocably guarantees, jointly with the other Guarantors and severally, as the primary obligation and debt of each Guarantor and not merely as a surety, the due, prompt and complete payment and performance of the Canadian Secured Obligations. Each of the Guarantors further agrees that the Canadian Secured Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any Canadian Secured Obligation. Each of the

Guarantors waives presentment to, demand of payment from and protest to any Canadian Borrower or any other Guaranteed Party of any of the Canadian Secured Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment.

SECTION 2.02. Guarantee of Payment. Each of the Guarantors further agrees that its guarantee hereunder constitutes a guarantee of payment when due and not of collection, and waives any right to require that any resort be had by the Security Agent or any other Secured Party to any other Guarantor or any Guaranteed Party to any security held for the payment of the Canadian Secured Obligations or to any balance of any deposit account or credit on the books of the Security Agent or any other Secured Party in favour of any Canadian Borrower or any other Person.

SECTION 2.03. No Limitations. (a) Except for termination or release of a Guarantor's obligations hereunder as expressly provided in Section 7.13, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense (other than defense of payment in full in cash) or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Canadian Secured Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by (i) the failure of the Security Agent or any other Secured Party to assert any claim or demand or to enforce any right or remedy under the provisions of any Loan Document, Secured Hedging Agreement, Secured Cash Management Agreement or otherwise; (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, any Loan Document, Secured Hedging Agreement, Secured Cash Management Agreement or any other agreement, including with respect to any other Guarantor under this Agreement; (iii) the release of any security held by the Security Agent or any other Secured Party for the Canadian Secured Obligations or any of them; (iv) any default, failure or delay, wilful or otherwise, in the performance of the Canadian Secured Obligations; or (v) any other act or omission that may or might in any manner or to any extent vary the risk of any Guarantor or otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all the Canadian Secured Obligations). Each Guarantor expressly authorizes the Secured Parties to take and hold security for the payment and performance of the Canadian Secured Obligations, to exchange, waive or release any or all such security (with or without consideration), to enforce or apply such security and direct the order and manner of any sale thereof in their sole discretion or to release or substitute any one or more other guarantors or obligors upon or in respect of the Canadian Secured Obligations, all without affecting the obligations of any Guarantor hereunder.

(b) To the fullest extent permitted by applicable law, each Guarantor waives any defense based on or arising out of any defense of any Canadian Borrower or any other Guaranteed Party or the unenforceability of the Canadian Secured Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Canadian Borrower or any other Guaranteed Party, other than the indefeasible payment in full in cash of all the Canadian Secured Obligations. The Security Agent and the other Secured Parties may, at their election, enforce any security held by one or more of them, compromise or adjust any part of the Canadian

Secured Obligations, make any other accommodation with any Canadian Borrower or any other Guaranteed Party or exercise any other right or remedy available to them against any Canadian Borrower or any other Guaranteed Party, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Canadian Secured Obligations have been fully and indefeasibly paid in full in cash. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such action even though such action operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Canadian Borrower or any other Guaranteed Party, as the case may be, or any security.

SECTION 2.04. Reinstatement. Each of the Guarantors agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Canadian Secured Obligations is rescinded or must otherwise be restored by the Security Agent or any other Secured Party upon the bankruptcy or reorganization of any Canadian Borrower, any other Guaranteed Party or otherwise.

SECTION 2.05. Agreement To Pay; Subrogation. In furtherance of the foregoing and not in limitation of any other right that the Security Agent or any other Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of any Canadian Borrower or any other Guaranteed Party to pay any Canadian Secured Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Security Agent for distribution to the applicable Secured Parties in cash the amount of such unpaid Canadian Secured Obligation. Upon payment by or on behalf of any Guarantor of any sums to the Security Agent as provided above, all rights of such Guarantor against any Canadian Borrower or any other Guaranteed Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Article VI.

SECTION 2.06. Information. Each Guarantor assumes all responsibility for being and keeping itself informed of each Canadian Borrower's and each other Guaranteed Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Canadian Secured Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Security Agent or the other Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

ARTICLE III

Pledge of Securities

SECTION 3.01. Pledge. As security for the payment or performance, as the case may be, in full of the Canadian Secured Obligations, each Grantor hereby collaterally assigns and pledges to the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, and hereby grants to the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under:

(a) the shares of capital stock and other Equity Interests of (i) each Canadian Loan Party owned by such Grantor, and of each other subsidiary owned by such Grantor that is a Material Subsidiary of such Grantor, including those listed on Schedule II, (ii) any other shares of capital stock and other Equity Interests in such Canadian Loan Party or other subsidiary that is a Canadian Loan Party owned in the future by such Grantor, and the certificates representing all such Equity Interests (all such Equity Interests referred to in clauses (i) and (ii) above being referred to as the "Pledged Equity Interests"); provided that the Pledged Equity Interests shall not include, to the extent that applicable law requires that a non-Canadian subsidiary issue directors' qualifying shares, any such qualifying shares;

(b) each promissory note evidencing intercompany Indebtedness among Canadian Loan Parties owned by and owed to such Grantor after the date hereof (the "Pledged Debt Securities");

(c) subject to Section 3.06, all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other Proceeds received in respect of, the securities referred to in clauses (a) and (b) above; and

(d) all Proceeds of any of the foregoing (the items referred to in clauses (a), (b), (c) and (d) of this Section 3.01 above being collectively referred to as the "Pledged Collateral").

TO HAVE AND TO HOLD the Pledged Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Security Agent, its successors and assigns, for the ratable benefit of the Secured Parties, as security for the payment or performance, as the case may be, in full of the Canadian Secured Obligations; subject, however, to the terms, covenants and conditions hereinafter set forth.

SECTION 3.02. Delivery of the Pledged Collateral. (a) Each Grantor agrees promptly to deliver or cause to be delivered to the Security Agent any and all Pledged Securities at any time owned by such Grantor.

(b) Each Grantor will cause any Indebtedness for borrowed money owed to such Grantor by any Canadian Loan Party (other than any Investment Property on deposit with a Securities Intermediary) to be evidenced by a duly executed promissory note that is pledged and delivered to the Security Agent pursuant to the terms hereof.

(c) Upon delivery to the Security Agent, (i) any Pledged Securities shall be accompanied by undated stock powers duly executed in blank or other instruments of transfer reasonably satisfactory to the Security Agent and by such other instruments and documents as the Security Agent may reasonably request and (ii) all other property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment duly executed by the applicable Grantor and such other instruments or documents as the Security Agent may reasonably request. Each delivery of Pledged Securities after the date of this Agreement shall be accompanied by a schedule describing the Pledged Securities so delivered, which schedule shall be attached hereto as a supplement to Schedule II and made a part hereof; provided that failure to

attach any such schedule hereto shall not affect the validity of such pledge of such Pledged Securities.

(d) The assignment, pledges and security interests granted in Section 3.01 are granted as security only and shall not subject the Security Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Pledged Collateral.

SECTION 3.03. Representations, Warranties and Covenants. The Grantors jointly and severally represent, warrant and covenant to and with the Security Agent, for the benefit of the Secured Parties, that:

(a) Schedule II correctly sets forth, as of the Funding Date, with respect to each Grantor, (i) all of the Equity Interests owned by such Grantor and required to be pledged hereunder on the Funding Date, the percentage of the issued and outstanding units of each class of the Equity Interests of the issuer thereof so represented by the Pledged Equity Interests and the number of each certificate representing the same and (ii) all promissory notes owned by each Grantor and required to be pledged hereunder on the Funding Date;

(b) the Pledged Equity Interests and Pledged Debt Securities, in each case issued by Canadian Loan Parties, have been duly and validly authorized and issued by the issuers thereof and (i) in the case of Pledged Equity Interests, are fully paid and nonassessable and (ii) in the case of Pledged Debt Securities, are legal, valid and binding obligations of the issuers thereof, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(c) except for the security interests granted hereunder, each of the Grantors (i) is and, subject to any sales, transfers or other dispositions, and mergers, consolidations and amalgamations, made in compliance with the Credit Agreement, will continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule II as owned by such Grantor, (ii) holds the same free and clear of all Liens (other than Permitted Liens), (iii) will not pledge or hypothecate, or otherwise create a consensual Lien on, the Pledged Collateral, and (iv) will defend its title or interest thereto or therein against any and all Liens (other than the Lien created by this Agreement and Permitted Liens), however arising, of all Persons whomsoever;

(d) except for restrictions and limitations imposed by the Loan Documents or applicable laws (including Securities Laws) generally, and except for the requirement in the articles or other constating documents of any Canadian Subsidiary for the approval of the directors and/or shareholders of such Canadian Subsidiary for any transfers of its shares, the Pledged Collateral is and will continue to be freely transferable and assignable, and none of the Pledged Collateral is or will be subject to (i) any option, right of first refusal, shareholders agreement or charter or by-law provisions that might prohibit, impair, delay (except pursuant to any applicable notice or like provisions) or

otherwise adversely affect the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Security Agent of its rights and remedies hereunder with respect thereto, or (ii) any other contractual restriction of any nature that might prohibit the pledge of such Pledged Collateral hereunder or prohibit or in any material manner impair, delay or otherwise adversely affect the sale or disposition of such Pledged Collateral pursuant hereto or the exercise by the Security Agent of its rights and remedies hereunder with respect thereto;

(e) each of the Grantors has the power and authority to pledge the Pledged Collateral pledged by it hereunder in the manner hereby done or contemplated;

(f) no consent or approval of any Governmental Authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect);

(g) by virtue of the execution and delivery by the Grantors of this Agreement, when any Pledged Securities are delivered to the Security Agent in accordance with this Agreement, the Security Agent will obtain a legal, valid and perfected lien upon and security interest in such Pledged Securities as security for the payment and performance of the Canadian Secured Obligations; and

(h) the pledge effected hereby is effective to vest in the Security Agent, for the benefit of the Secured Parties, the rights of the Security Agent in the Pledged Collateral as set forth herein.

SECTION 3.04. Certification of Limited Liability Company and Partnership Interests. Each Grantor acknowledges and agrees that (i) to the extent any interest in any limited liability company or partnership controlled on or after the date hereof by such Grantor and pledged hereunder is a "security" within the meaning of the *Securities Transfer Act, 2006* (Ontario) or other applicable securities transfer laws, such interest shall be certificated and (ii) each such interest shall at all times hereafter continue to be such a security and represented by such certificate. Each Grantor further acknowledges and agrees that with respect to any interest in any limited liability company or partnership controlled on or after the date hereof by such Grantor and pledged hereunder that is not a "security" within the meaning of applicable securities transfer laws, such Grantor shall at no time elect to treat any such interest as a "security" within the meaning given to such term in applicable securities transfer laws, nor shall such interest be represented by a certificate, unless such election is made and such interest is thereafter represented by a certificate that is promptly delivered to the Security Agent pursuant to the terms hereof.

SECTION 3.05. Registration in Nominee Name; Denominations. The Security Agent, on behalf of the Secured Parties, shall have the right (in its sole and absolute discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the applicable Grantor, endorsed or assigned in blank or in favour of the Security Agent. The Security Agent shall, at any time after the occurrence and during the continuance of an Event of Default, have the right to exchange the certificates representing

Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement.

SECTION 3.06. Voting Rights; Dividends and Interest. (a) Unless and until an Event of Default shall have occurred and be continuing and the Security Agent shall have notified the Grantors in writing that their rights under this Section 3.06 are being suspended:

(i) Each Grantor shall be entitled to exercise any and all voting and/or other rights and powers inuring to an owner of Pledged Equity Interests or Pledged Debt Securities or any part thereof for any purpose consistent with the terms of this Agreement, the Credit Agreement and the other Loan Documents; provided that such rights and powers shall not be exercised in any manner that could reasonably be expected to materially and adversely affect the rights inuring to a holder of any Pledged Equity Interests or Pledged Debt Securities or the rights and remedies of any of the Security Agent or the other Secured Parties under this Agreement, the Credit Agreement or any other Loan Document or the ability of the Security Agent or the Secured Parties to exercise the same.

(ii) The Security Agent shall execute and deliver to each Grantor, or cause to be executed and delivered to such Grantor, all such proxies, powers of attorney and other instruments as such Grantor may reasonably request for the purpose of enabling such Grantor to exercise the voting rights and powers it is entitled to exercise pursuant to paragraph (i) above and to receive the cash dividends, interest, principal and other distributions it is entitled to receive and retain pursuant to paragraph (iii) below.

(iii) Each Grantor shall be entitled to receive and retain any and all dividends, interest, principal, cash, instruments and other property and all distributions from time to time received, receivable or otherwise paid on or distributed in respect of, in exchange for or upon conversion of, the Pledged Equity Interests or Pledged Debt Securities to the extent and only to the extent that such dividends, interest, principal and other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws; provided that any noncash dividends, interest, principal or other distributions that would constitute Pledged Equity Interests or Pledged Debt Securities, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral, and, if received by any Grantor, shall not be commingled by such Grantor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Security Agent and shall be forthwith delivered to the Security Agent in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Security Agent shall have notified the Grantors in writing of the suspension of their rights under paragraph (a)(iii) above, all rights of any Grantor to dividends, interest, principal or other

distributions that such Grantor is authorized to receive pursuant to paragraph (a)(iii) above, and the obligations of the Security Agent under paragraph (a)(ii) above, shall cease, and all such rights shall thereupon become vested in the Security Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal or other distributions received by any Grantor contrary to the provisions of this Section 3.06 shall be held in trust for the benefit of the Security Agent, shall be segregated from other property or funds of such Grantor and shall be forthwith delivered to the Security Agent upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Security Agent pursuant to the provisions of this paragraph (b) shall be retained by the Security Agent in an account to be established by the Security Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 5.02. After all Events of Default have been cured or waived and Holdings has delivered to the Security Agent a certificate to that effect, the Security Agent shall promptly repay to each Grantor (without interest) all dividends, interest, principal or other distributions that such Grantor would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) above and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Security Agent shall have notified the Grantors in writing of the suspension of their rights under paragraph (a)(i) above, all rights of any Grantor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) above, and the obligations of the Security Agent under paragraph (a)(ii) above, shall cease, and all such rights shall thereupon become vested in the Security Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that, unless otherwise directed by the Required Lenders, the Security Agent shall have the right from time to time following and during the continuance of an Event of Default to permit the Grantors to exercise such rights.

(d) Any notice given by the Security Agent to the Grantors suspending their rights under paragraph (a) of this Section 3.06 (i) may be given by telephone if promptly confirmed in writing, (ii) may be given to one or more of the Grantors at the same or different times and (iii) may suspend the rights of the Grantors under paragraph (a)(i) or paragraph (a)(iii) in part without suspending all such rights (as specified by the Security Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Security Agent's right to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing.

SECTION 3.07. Restriction on Transfer. If the constating documents of any issuer (other than a ULC) of any Pledged Securities restrict the transfer of such Pledged Securities, then the applicable Grantor will deliver to the Security Agent a certified copy of a resolution of the directors, shareholders, unitholders or partners of such issuer, as applicable, consenting to the transfer(s) contemplated by this Agreement, including any prospective transfer of such Pledged Securities by the Security Agent on enforcement of its rights under this Agreement.

SECTION 3.08. ULC Shares. Each Grantor acknowledges that certain Collateral may now or in the future consist of ULC Shares, and that it is the intention of the Security Agent and each Grantor that the Security Agent should not under any circumstances prior to realization thereon be held to be a "member" or a "shareholder", as applicable, of a ULC for the purposes of any ULC Laws. Therefore, notwithstanding any provisions to the contrary contained in this Agreement, the Credit Agreement or any other Loan Document, where a Grantor is the registered owner of ULC Shares that are Collateral, such Grantor will remain the sole registered owner of such ULC Shares until such time as such ULC Shares are effectively transferred into the name of the Security Agent or any other Person on the books and records of the applicable ULC. Accordingly, such Grantor shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, in respect of such ULC Shares (other than any dividend or distribution comprised of additional ULC Shares of such issuer, which shall be delivered to the Security Agent to hold hereunder) and shall have the right to vote such ULC Shares and to control the direction, management and policies of the applicable ULC to the same extent as such Grantor would if such ULC Shares were not pledged to the Security Agent hereunder. Nothing in this Agreement, the Credit Agreement or any other Loan Document is intended to, and nothing in this Agreement, the Credit Agreement or any other Loan Document shall, constitute the Security Agent or any Person other than such Grantor as a member or shareholder of a ULC for the purposes of any ULC Laws (whether listed or unlisted, registered or beneficial), until, upon the occurrence and during the continuance of an Event of Default, the Security Agent shall have notified such Grantor in writing of the suspension of its rights under section 3.06(a) and further steps are taken pursuant hereto or thereto to register the Security Agent or such other Person, as specified in such notice, as the holder of the ULC Shares. To the extent any provision hereof would have the effect of constituting the Security Agent as a member or a shareholder, as applicable, of any ULC prior to such time, such provision shall be severed herefrom and shall be ineffective with respect to ULC Shares that are Collateral without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Collateral that is not ULC Shares. Except upon the exercise of rights of the Security Agent to sell, transfer or otherwise dispose of ULC Shares in accordance with this Agreement, such Grantor shall not cause or permit, or enable an issuer that is a ULC to cause or permit, the Security Agent to: (a) be registered as a shareholder or member of such issuer; (b) have any notation entered in its favour in the share register of such issuer; (c) be held out as a shareholder or member of such issuer; (d) receive, directly or indirectly, any dividends, property or other distributions from such issuer by reason of the Security Agent holding a security interest in the ULC Shares; or (e) act as a shareholder of such issuer, or exercise any rights of a shareholder, including the right to attend a meeting of shareholders of such issuer or to vote the ULC Shares.

ARTICLE IV

Security Interests in Personal Property

SECTION 4.01. Security Interest. (a) As security for the payment or performance, as the case may be, in full of the Canadian Secured Obligations, each Grantor hereby collaterally assigns and pledges to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Security Agent, its successors and

assigns, for the benefit of the Secured Parties, a security interest (the "Security Interest") in, all right, title and interest in, to or under any and all of the following assets and properties now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "PPSA Collateral"):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Money and all bank accounts and all monies deposited therein;

(iv) all Documents of Title;

(v) all Intangibles (excluding all Intellectual Property);

(vi) all Instruments;

(vii) all Inventory;

(viii) all Investment Property (including all Futures Contracts, Futures Accounts, Securities and Securities Accounts and Security Entitlements or Financial Assets credited thereto);

(ix) all Contracts, together with all Contract Rights arising thereunder;

(x) all Goods (excluding all Equipment and Consumer Goods);

(xi) all books and Records pertaining to the PPSA Collateral; and

(xii) all products and Proceeds of the foregoing (including, without limitation, all insurance and claims for insurance effected or held for the benefit of the Grantors or the Secured Parties in respect thereof and all collateral security and guarantees given by any Person with respect to any of the foregoing).

(b) Each Grantor hereby irrevocably authorizes the Security Agent at any time and from time to time to file in any relevant jurisdiction any financing statements with respect to the PPSA Collateral or any part thereof and amendments thereto that (i) indicate the PPSA Collateral as all assets of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail, and (ii) contain the information required by the PPSA or other applicable law of each applicable jurisdiction for the filing of any financing statement or financing change statement. Each Grantor agrees to provide such information to the Security Agent promptly upon request.

Each Grantor also ratifies its authorization for the Security Agent to file in any relevant jurisdiction any financing statements or financing change statements from time to time.

Each Grantor will pay any applicable filing fees, recordation taxes and related expenses relating to its PPSA Collateral.

(c) The Security Interest is granted as security only and shall not subject the Security Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the PPSA Collateral.

(d) Notwithstanding anything herein to the contrary, in no event shall the security interest granted hereunder attach to (i) any shares of capital stock or other Equity Interests (other than those subject to Article III) held by any Grantor with respect to which a grant of a security interest is prohibited or shall constitute or result in a breach or termination under the terms of, or a default under, any contract or agreement relating to such capital stock or Equity Interests, (ii) any contract or other agreement to which any Grantor is a party or to any of its rights, title or interest arising thereunder if and for so long as the grant of such security interest is prohibited or shall constitute or result in a breach or termination under the terms of, or a default under, any such contract or agreement, (iii) any rights, assets or property to the extent and for so long as any valid enforceable law or regulation applicable to such rights, assets or property prohibits the creation of a security interest therein, (iv) any rights, assets or property to the extent and for so long as the grant of such security interest would result in material and adverse tax consequences, (v) any consumer goods of any Grantor, or (vi) the last day of any real property lease, or any agreement to lease, to which any Grantor is now or becomes a party as lessee, provided that any such last day shall be held in trust by such Grantor for the Security Agent and, on the exercise by the Security Agent of its rights and remedies hereunder, shall be assigned by such Grantor as directed by the Security Agent; provided, however, that such security interest shall attach immediately at such time as (A) with respect to clauses (i) and (ii), the condition causing such prohibition, unenforceability, breach or termination shall be remedied or shall otherwise cease to exist, (B) with respect to clause (iii), the expiration of such prohibition and (C) with respect to clause (iv), the termination or lapse of such result, and, to the extent severable, shall attach immediately to any portion of such contract, agreement, rights, assets or property that does not result in any of the consequences specified in this paragraph, including any Proceeds of such contract, agreement, rights, assets or property.

SECTION 4.02. Representations and Warranties. The Grantors jointly and severally represent and warrant to the Security Agent and the Secured Parties that:

(a) Each Grantor has good and valid rights in and title to the PPSA Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Security Agent the Security Interest in such PPSA Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than any consent or approval that has been obtained.

(b) The Canadian Perfection Certificate has been duly prepared, completed and executed and the information set forth therein, including the exact legal name of each Grantor, is correct and complete in all material respects as of the Funding Date. The PPSA financing statements prepared by the Security Agent based upon the information provided to the Security Agent in the Canadian Perfection Certificate are all the filings, recordings and

registrations that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favour of the Security Agent (for the benefit of the Secured Parties) in respect of all PPSA Collateral in which the Security Interest may be perfected by filing a PPSA financing statement in any province of Canada (other than Quebec), and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in Canada or any other jurisdiction for any such PPSA Collateral, except as provided under applicable law with respect to the filing of a financing change statement to effect a renewal of an existing PPSA registration.

(c) The Security Interest constitutes (i) a legal and valid security interest in all the PPSA Collateral securing the payment and performance of the Canadian Secured Obligations, (ii) subject to registration of the financing statements described in Section 4.02(b), a perfected security interest in all PPSA Collateral in which a security interest may be perfected by filing PPSA financing statements (or analogous documents) in the applicable province of Canada or other applicable jurisdiction. The Security Interest is and shall be prior to any other Lien on any of the PPSA Collateral, other than Permitted Liens.

(d) The PPSA Collateral is owned by the Grantors free and clear of any Lien, except for Permitted Liens. None of the Grantors has filed or consented to the filing of any financing statement or analogous document under the PPSA or any other applicable laws covering any PPSA Collateral, except for Permitted Liens.

SECTION 4.03. Covenants. (a) Each Grantor agrees promptly to notify the Security Agent in writing of any change (i) in corporate name, (ii) in the location of its chief executive office or its principal place of business, (iii) in its identity or type of organization or corporate structure, or (iv) in its jurisdiction of organization. Each Grantor agrees to promptly provide the Security Agent with certified organizational documents reflecting any of the changes described in the first sentence of this paragraph (a). Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the PPSA or otherwise that are required in order for the Security Agent to continue at all times following such change to have a valid, legal and perfected first priority security interest in all the PPSA Collateral. Each Grantor agrees promptly to notify the Security Agent if any material portion of the PPSA Collateral owned or held by such Grantor is damaged or destroyed.

(b) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the PPSA Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged and, at such time or times, after the occurrence and during the continuance of an Event of Default as the Security Agent may reasonably request, promptly to prepare and deliver to the Security Agent a duly certified schedule or schedules in form and detail satisfactory to the Security Agent showing the identity, amount and location of any and all PPSA Collateral.

(c) Each Grantor shall, at its own expense, take any and all actions reasonably necessary to defend title to the PPSA Collateral against all Persons and to defend the Security Interest of the Security Agent in the PPSA Collateral and the priority thereof against any Liens other than any Permitted Lien.

(d) Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Security Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements or other documents in connection herewith or therewith.

Each Grantor agrees that it will use its commercially reasonable efforts to take such action as shall be necessary in order that all representations and warranties hereunder shall be true and correct with respect to such PPSA Collateral within 45 days after the date it has been notified by the Security Agent of the specific identification of such PPSA Collateral.

(e) The Security Agent and such Persons as the Security Agent may reasonably designate shall have the right, at the Grantors' own cost and expense, to inspect the PPSA Collateral, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the PPSA Collateral is located, to discuss the Grantors' affairs with the officers of the Grantors and their independent accountants, all in accordance with and subject to the terms and conditions relating to inspections as set forth in Section 9.06 of the Credit Agreement, and to verify under reasonable procedures the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the PPSA Collateral, including, in the case of Accounts or PPSA Collateral in the possession of any third person, by contacting, with advance notice to and in coordination with the Grantors (unless an Event of Default has occurred and is continuing), Account Debtors or a third person possessing such PPSA Collateral for the purpose of making such a verification. The Security Agent shall have the absolute right to share any information it gains from such inspection or verification with any Lender (it being understood that any such information shall be deemed to be "Confidential Information" subject to the provisions of Section 13.16 of the Credit Agreement).

(f) At its option, the Security Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the PPSA Collateral and not permitted pursuant to the Credit Agreement, and may pay for the maintenance and preservation of the PPSA Collateral to the extent any Grantor fails to do so as required by the Credit Agreement or this Agreement after written notice thereof is delivered to Holdings by the Security Agent, and each Grantor jointly and severally agrees to reimburse the Security Agent on demand for any payment made or any expense incurred by the Security Agent pursuant to the foregoing authorization; provided that nothing in this paragraph (f) shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Security Agent or any Secured Party to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

(g) Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, Agreement or instrument relating to the PPSA Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the

Security Agent and the Secured Parties from and against any and all liability for such performance.

(h) None of the Grantors shall make or permit to be made an assignment, pledge or hypothecation of the PPSA Collateral or shall grant any other Lien in respect of the PPSA Collateral, except as permitted by the Credit Agreement. None of the Grantors shall make or permit to be made any transfer of the PPSA Collateral except that unless and until the Security Agent shall notify the Grantors in writing that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any PPSA Collateral, the Grantors may use and dispose of the PPSA Collateral in any lawful manner not inconsistent with the provisions of this Agreement, the Credit Agreement or any other Loan Document.

(i) None of the Grantors will, without the Security Agent's prior written consent, grant any extension of the time of payment of any Accounts included in the PPSA Collateral, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof or allow any credit or discount whatsoever thereon, other than extensions, compromises, settlements, releases, credits or discounts granted or made in the ordinary course of business.

(j) The Grantors, at their own expense, shall maintain or cause to be maintained insurance covering physical loss or damage to the Inventory in accordance with the requirements set forth in Section 9.02 of the Credit Agreement. Each Grantor irrevocably makes, constitutes and appoints the Security Agent (and all officers, employees or agents designated by the Security Agent) as such Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of PPSA Collateral under policies of insurance, endorsing the name of such Grantor on any cheque, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that any Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Security Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Event of Default, in its sole discretion, upon notice to Holdings obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Security Agent deems advisable. All sums disbursed by the Security Agent in connection with this paragraph, including reasonable legal fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by the Grantors to the Security Agent and shall be additional Canadian Secured Obligations secured hereby.

(k) Each Grantor shall maintain, in form and manner reasonably satisfactory to the Security Agent, records of its Chattel Paper and its books, records and documents evidencing or pertaining thereto.

(l) Each Grantor will keep and maintain at its own cost and expense accurate records of its Accounts and Contracts, including, but not limited to, originals or copies of all material documentation (including each Contract) with respect thereto, material records of all payments received, all credits granted thereon, all merchandise returned and all other dealings

therewith, and such Grantor will make the same available, in accordance with and subject to the terms and conditions relating to inspections set forth in the Credit Agreement to the Security Agent for inspection at such Grantor's own cost and expense. Upon the occurrence and during the continuance of an Event of Default and at the request of the Security Agent, such Grantor shall, at its own cost and expense, deliver all tangible evidence of its Accounts and Contract Rights (including, without limitation, all documents evidencing the Accounts and all Contracts) and such books and records to the Security Agent or to its representatives (copies of which evidence and books and records may be retained by such Grantor). If the Security Agent so directs, upon the occurrence and during the continuance of an Event of Default, such Grantor shall legend, in form and manner satisfactory to the Security Agent, the Accounts and the Contracts, as well as books, records and documents (if any) of such Grantor evidencing or pertaining to such Accounts and Contracts with an appropriate reference to the fact that such Accounts and Contracts have been assigned to the Security Agent and that the Security Agent has a security interest therein.

(m) Upon the occurrence and during the continuance of an Event of Default, if the Security Agent so directs any Grantor in writing, such Grantor agrees (i) to cause all payments on account of the Accounts and Contracts to be made directly to a Cash Collateral Account, (ii) that the Security Agent may, at its option, directly notify the obligors with respect to any Accounts and/or under any Contracts to make payments with respect thereto as provided in the preceding clause (i), and (iii) that the Security Agent may enforce collection of any such Accounts and Contracts and may adjust, settle or compromise the amount of payment thereof, in the same manner and to the same extent as such Grantor. Without notice to or assent by any Grantor, the Security Agent may, upon the occurrence and during the continuance of an Event of Default, apply any or all amounts then in, or thereafter deposited in, a Cash Collateral Account toward the payment of the Canadian Secured Obligations in the manner provided in Section 5.02 of this Agreement. The reasonable costs and expenses of collection (including reasonable legal fees), whether incurred by a Grantor or the Security Agent, shall be borne by the relevant Grantor. The Security Agent shall deliver a copy of each notice referred to in the preceding clause (ii) to the relevant Grantor, provided that the failure by the Security Agent to so notify such Grantor shall not affect the effectiveness of such notice or the other rights of the Security Agent created by this paragraph (m).

(n) Except as permitted by paragraph (i) above, each Grantor shall endeavor in accordance with reasonable business practices to cause to be collected from the account debtor named in each of its Accounts or obligor under any Contract, as and when due (including, without limitation, amounts which are delinquent, such amounts to be collected in accordance with generally accepted lawful collection procedures) any and all amounts owing under or on account of such Account or Contract, and apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account or under such Contract.

(o) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts and Contracts to observe and perform all of the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to such Accounts or such Contracts, as the case may be. Neither the Security Agent nor any other Secured Party shall have any obligation or liability under any

Account (or any agreement giving rise thereto) or any Contract by reason of or arising out of this Agreement or the receipt by the Security Agent or any other Secured Party of any payment relating to such Account or Contract, as the case may be, pursuant hereto, nor shall the Security Agent or any other Secured Party be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Account (or any agreement giving rise thereto) or any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by them or as to the sufficiency of any performance by any party under any Account (or any agreement giving rise thereto) or any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to them or to which they may be entitled at any time or times.

SECTION 4.04. Other Actions. In order to further insure the attachment, perfection and priority of, and the ability of the Security Agent to enforce, the Security Interest, each Grantor agrees, in each case at such Grantor's own expense, to take the following actions with respect to the following PPSA Collateral:

(a) Instruments and Chattel Paper. In accordance with and in furtherance of Article III, if any Grantor shall at any time hold or acquire any Instruments (other than any Instrument with a face amount of less than $5,000,000 so long as the aggregate principal amount of Instruments under this exclusion does not exceed $10,000,000) or Chattel Paper with a value of $2,500,000 or more, such Grantor shall forthwith endorse, assign and deliver the same to the Security Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Security Agent may from time to time reasonably request.

(b) Bank Accounts. For each bank account that any Grantor at any time opens or maintains (other than any Excluded Accounts), such Grantor shall cause the bank to enter into a Control Agreement with such Grantor and the Security Agent; provided that so long as no Dominion Period then exists no Control Agreement shall be required to be entered into until the later of (A) the date that is 60 days after the Funding Date (or such later date as agreed in writing by the Administrative Agent in its sole discretion, or, with respect to any extension of the period for compliance with this paragraph beyond 90 days from the date that is 60 days after the Funding Date, as agreed in writing by the Co-Collateral Agents in their sole discretion) and (B) in the case of bank accounts opened after the Funding Date, at the time of the establishment of the respective bank account (or such later date as agreed in writing by the Administrative Agent in its sole discretion). The Security Agent agrees with each Grantor that the Security Agent shall not exercise dominion and control over, or give any instructions or withhold any withdrawal rights from any Grantor, with respect to such accounts or any funds in such accounts, unless an Event of Default or Dominion Period has occurred and is continuing.

(c) Investment Property. Except with respect to any Equity Interest issued by any Canadian Subsidiary, if any Grantor shall at any time hold or acquire any certificated securities (other than any Excluded Investment Property) required to be pledged hereunder, such Grantor shall forthwith endorse, assign and deliver the same to the Security Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Security Agent may from time to time specify. Except with

respect to any Equity Interest issued by any Canadian Subsidiary, if any securities (other than any Excluded Investment Property) now or hereafter acquired by any Grantor are uncertificated and are issued to such Grantor or its nominee directly by the issuer thereof, such Grantor shall promptly notify the Security Agent thereof and, at the Security Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Security Agent, (i) cause such securities to be certificated and comply with the requirements of the foregoing sentence, (ii) cause the issuer to agree to comply with instructions from the Security Agent as to such securities, without further consent of any Grantor or such nominee, or (iii) arrange for the Security Agent to become the registered owner of such securities. If any Grantor holds any Investment Property (other than any Excluded Investment Property), whether certificated or uncertificated, or other Investment Property (other than any Excluded Investment Property) now or hereafter acquired by any Grantor is held by such Grantor or its nominee through a Securities Intermediary or Futures Intermediary, except with respect to any Equity Interest issued by any Canadian Subsidiary, Grantor shall promptly notify the Security Agent thereof and, at the Security Agent's request and option, pursuant to a Control Agreement in form and substance reasonably satisfactory to the Security Agent, either (i) cause such Securities Intermediary or Futures Intermediary, as the case may be, to agree to comply with Entitlement Orders or other Instructions from the Security Agent to such Securities Intermediary as to such Security Entitlements or to apply any value distributed on account of any Futures Contract as directed by the Security Agent to such Futures Intermediary, as the case may be, in each case without further consent of any Grantor, such nominee, or any other Person, or (ii) in the case of Financial Assets or other Investment Property (other than any Excluded Investment Property) held through a Securities Intermediary, arrange for the Security Agent to become the Entitlement Holder with respect to such Investment Property, with the Grantor being permitted, only with the consent of the Security Agent, to exercise rights to withdraw or otherwise deal with such Investment Property; provided that so long as no Dominion Period then exists no Control Agreement shall be required to be entered into pursuant to this Section 4.04(c) until the later of (A) the date that is 60 days after the Funding Date (or such later date as agreed in writing by the Administrative Agent in its sole discretion, or, with respect to any extension of the period for compliance with this paragraph beyond 90 days from the date that is 60 days after the Funding Date, as agreed in writing by the Co-Collateral Agents in their sole discretion) and (B) in the case of Securities Accounts and Commodities Accounts opened after the Funding Date, at the time of the establishment of the respective Securities Accounts or Commodities Accounts, as the case may be (or such later date as agreed in writing by the Administrative Agent in its sole discretion). The Security Agent agrees with each of the Grantors that the Security Agent shall not give any such Entitlement Orders or Instructions or directions to any such issuer, Securities Intermediary or Futures Intermediary, and shall not exercise dominion and control over, or withhold its consent to, the exercise of any withdrawal or dealing rights by any Grantor, unless an Event of Default or Dominion Period has occurred and is continuing, or, after giving effect to any such investment and withdrawal rights, would occur.

(d) Intentionally Omitted.

(e) Intentionally Omitted.

(f) Intentionally Omitted.

(g) Intentionally Omitted.

(h) Collateral Access Agreements. Each Grantor shall use commercially reasonable efforts to obtain a Collateral Access Agreement from (i) the lessor of each leased property which is leased by such Grantor or the mortgagee of any real property owned by such Grantor and which is subject to a mortgage or deed of trust, in each case where the fair market value of the PPSA Collateral located at such leased or mortgaged property exceeds $5,000,000, and (ii) the bailee or consignee with respect to any third party warehouse, processor converter facility or other similar location where PPSA Collateral with a fair market value exceeding $2,000,000 is stored or located, which agreement or letter shall provide access rights and shall otherwise be reasonably satisfactory in form and substance to the Security Agent. Each Grantor shall timely and fully pay and perform its obligations under all leases and other agreements with respect to each leased location or third party warehouse where any PPSA Collateral is or may be located, except where the failure to pay or perform could not reasonably be expected to have a Material Adverse Effect.

(i) Each Grantor will, at its own expense, make, execute, endorse, acknowledge, file and/or deliver to the Security Agent from time to time such vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, certificates, reports and other assurances or instruments and take such further steps relating to its Accounts, Contracts, Instruments and other property or rights covered by the security interest hereby granted, as the Security Agent may reasonably require and consistent with the other terms and conditions of this Agreement and the Credit Agreement.

SECTION 4.05. [Intentionally Deleted]

ARTICLE V

Remedies

SECTION 5.01. Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral to the Security Agent on demand, and it is agreed that the Security Agent shall have the right, at the same or different times, with or without legal process and with or without prior notice or demand for performance (except as required by applicable law), to take possession of the Collateral and without liability for trespass to enter any premises where the Collateral may be located for the purpose of taking possession of or removing the Collateral and, generally, to exercise any and all rights afforded to a secured party under this Agreement, the PPSA or other applicable law. Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, each Grantor agrees that the Security Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of

the Collateral at a public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Security Agent shall deem appropriate. The Security Agent shall be authorized at any such sale of securities (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Security Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any sale of Collateral shall hold the property sold absolutely, free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Security Agent shall give the applicable Grantors 10 days' prior written notice, or such longer period as may be required by applicable law (which each Grantor agrees is reasonable notice) of the Security Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Security Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Security Agent may (in its sole and absolute discretion) determine. The Security Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Security Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Security Agent until the sale price is paid by the purchaser or purchasers thereof, but the Security Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Agreement, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Security Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Security Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Canadian Secured

Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Security Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.01 shall be deemed to conform to the commercially reasonable standards.

SECTION 5.02. Application of Proceeds. The Security Agent shall apply the proceeds of any collection or sale of Collateral, including any Collateral consisting of cash, and the amounts paid or caused to be paid by any Guarantor in accordance with Article II, as set forth in Section 11.02 of the Credit Agreement.

The Security Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of Collateral by the Security Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Security Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Security Agent or such officer or be answerable in any way for the misapplication thereof. It is understood that the Grantors shall remain jointly and severally liable to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the Canadian Secured Obligations.

SECTION 5.03. Grant of License to Use Intellectual Property. For the purpose of enabling the Security Agent to exercise rights and remedies under this Agreement at such time as the Security Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Security Agent an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sublicense any Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Security Agent may only be exercised, at the option of the Security Agent, upon the occurrence and during the continuation of an Event of Default after written notice is given to Holdings of the Security Agent's election to exercise such license; provided that any license, sublicense or other transaction entered into by the Security Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default. In operating under the license granted by each Grantor pursuant to this Section 5.03, the Security Agent agrees that the goods sold and services rendered under any Trademarks shall be of a nature and quality substantially consistent with those theretofore offered under such Trademarks by such Grantor and such Grantor shall have the right to inspect during the term of such license, at any reasonable time or times upon reasonable notice to the Security Agent, and at such Grantor's own cost and expense, representative samples of goods sold and services rendered under such Trademarks.

SECTION 5.04. Securities Laws. In view of the position of the Grantors in relation to the Pledged Collateral, or because of other current or future circumstances, a question may arise under applicable securities laws (including, without limitation, the *Securities Act*

(Ontario) (such Act and any such similar statute as from time to time in effect being called the "Securities Laws") with respect to any disposition of the Pledged Collateral permitted hereunder. Each Grantor understands that compliance with the Securities Laws might very strictly limit the course of conduct of the Security Agent if the Security Agent were to attempt to dispose of all or any part of the Pledged Collateral, and might also limit the extent to which or the manner in which any subsequent transferee of any Pledged Collateral could dispose of the same. Each Grantor recognizes that in light of such restrictions and limitations the Security Agent may, with respect to any sale of the Pledged Collateral, limit the purchasers to those who will agree, among other things, to acquire such Pledged Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that in light of such restrictions and limitations, the Security Agent, in its sole and absolute discretion (a) may proceed to make such a sale whether or not a prospectus shall have been filed under the Securities Laws and (b) may approach and negotiate with a single potential purchaser to effect such sale. Each Grantor acknowledges and agrees that any such sale might result in prices and other terms less favourable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Security Agent shall incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Security Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after a prospectus had been filed as aforesaid or if more than a single purchaser were approached. The provisions of this Section 5.04 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Security Agent sells.

SECTION 5.05. Public Offering. Each Grantor agrees that, upon the occurrence and during the continuance of an Event of Default, if for any reason the Security Agent desires to sell any of the Pledged Collateral at a public sale, it will, at any time and from time to time, upon the written request of the Security Agent, use commercially reasonable efforts to take or to cause the issuer of such Pledged Collateral to take such action and prepare, distribute and/or file such documents (including a prospectus), as are required or advisable in the reasonable opinion of counsel for the Security Agent to permit the public sale of such Pledged Collateral. Each Grantor further agrees to indemnify, defend and hold harmless the Security Agent, each other Secured Party, any underwriter and their respective affiliates and their respective officers, directors, affiliates and controlling persons from and against all loss, liability, expenses, costs of counsel (including reasonable fees and expenses to the Security Agent of legal counsel), and claims (including the costs of investigation) that they may incur insofar as such loss, liability, expense or claim arises out of or is based upon any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Grantor or the issuer of such Pledged Collateral by the Security Agent or any other Secured Party expressly for use therein. Each Grantor will bear all costs and expenses of carrying out its obligations under this Section 5.05. Each Grantor acknowledges that there is no adequate remedy at law for failure by it to comply with the provisions of this Section 5.05 and that such failure would not be adequately compensable in

damages, and therefore agrees that its agreements contained in this Section 5.05 may be specifically enforced.

ARTICLE VI

Indemnity, Subrogation and Subordination

SECTION 6.01. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable law (but subject to Section 6.03), each Canadian Borrower agrees that (a) in the event a payment of an obligation shall be made by any Guarantor under this Agreement, each Canadian Borrower shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the Person to whom such payment shall have been made to the extent of such payment and (b) in the event any assets of any Grantor shall be sold pursuant to this Agreement or any other Security Document to satisfy in whole or in part an obligation owed to any Secured Party, each Canadian Borrower shall indemnify such Grantor in an amount equal to the greater of the book value or the fair market value of the assets so sold.

SECTION 6.02. Contribution and Subrogation. Each Guarantor and Grantor (a "Contributing Party") agrees (subject to Section 6.03) that, in the event a payment shall be made by any other Guarantor hereunder in respect of any Canadian Secured Obligation or assets of any other Grantor (other than any Canadian Borrower) shall be sold pursuant to any Security Document to satisfy any Canadian Secured Obligation owed to any Secured Party and such other Guarantor or Grantor (the "Claiming Party") shall not have been fully indemnified by each Canadian Borrower as provided in Section 6.01, the Contributing Party shall indemnify the Claiming Party in an amount equal to the amount of such payment or the greater of the book value or the fair market value of such assets, as the case may be, in each case multiplied by a fraction of which the numerator shall be the net worth of the Contributing Party on the date hereof and the denominator shall be the aggregate net worth of all the Guarantors and Grantors on the date hereof (or, in the case of any Guarantor or Grantor becoming a party hereto pursuant to Section 7.14, the date of the supplement hereto executed and delivered by such Guarantor or Grantor). Any Contributing Party making any payment to a Claiming Party pursuant to this Section 6.02 shall be subrogated to the rights of such Claiming Party under Section 6.01 to the extent of such payment.

SECTION 6.03. Subordination. (a) Notwithstanding any provision of this Agreement to the contrary, all rights of the Guarantors and Grantors under Sections 6.01 and 6.02 and all other rights of indemnity, contribution or subrogation under applicable law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the Canadian Secured Obligations. No failure on the part of any Canadian Borrower or any Guarantor or Grantor to make the payments required by Sections 6.01 and 6.02 (or any other payments required under applicable law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor or Grantor with respect to its obligations hereunder, and each Guarantor and Grantor shall remain liable for the full amount of the obligations of such Guarantor or Grantor hereunder.

(b) Each Guarantor and Grantor hereby agrees that all Indebtedness and other monetary obligations owed to it by, or by it to, as the case may be, any other Guarantor, Grantor or any other Canadian Subsidiary shall be fully subordinated to the indefeasible payment in full in cash of the Canadian Secured Obligations.

ARTICLE VII

Miscellaneous

SECTION 7.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 13.03 of the Credit Agreement. All communications and notices hereunder to any Canadian Subsidiary Party shall be given to it in care of Holdings as provided in Section 13.03 of the Credit Agreement.

SECTION 7.02. Waivers; Amendment. (a) No failure or delay by the Security Agent or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Security Agent and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Canadian Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Security Agent or any Lender may have had notice or knowledge of such Default at the time. No notice or demand on any Canadian Loan Party in any case shall entitle any Canadian Loan Party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Security Agent and the Canadian Loan Party or Canadian Loan Parties with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 13.12 of the Credit Agreement.

SECTION 7.03. Security Agent's Fees and Expenses; Indemnification. (a) The parties hereto agree that the Security Agent shall be entitled to reimbursement of its reasonable out-of-pocket expenses incurred hereunder as provided in Section 13.01 of the Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Loan Documents, each Grantor and each Guarantor jointly and severally agrees to indemnify the Security Agent against, and hold the Security Agent harmless from, any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, disbursements and

other charges, incurred by or asserted against the Security Agent arising out of, in connection with, or as a result of, the execution, delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating to any of the foregoing, or any agreement or instrument contemplated hereby, or to the Collateral, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses have resulted from the gross negligence or wilful misconduct of the Security Agent.

(c) Any such amounts payable as provided hereunder shall be additional Canadian Secured Obligations secured hereby and by the other Security Documents. The provisions of this Section 7.03 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Canadian Secured Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Security Agent or any other Secured Party. All amounts due under this Section 7.03 shall be payable on written demand therefor.

SECTION 7.04. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Guarantor, Grantor or the Security Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

SECTION 7.05. Survival of Agreement. All covenants, agreements, representations and warranties made by the Canadian Loan Parties in the Loan Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders and shall survive the execution and delivery of the Loan Documents and the making of any Loans or issuance of any Letters of Credit, regardless of any investigation made by any Lender or on its behalf and notwithstanding that the Security Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended under the Credit Agreement, and shall continue in full force and effect as long as any Loan Document Obligation or any other amount payable under any Loan Document is outstanding and unpaid and so long as the Commitments have not expired or terminated.

SECTION 7.06. Counterparts; Effectiveness; Several Agreement. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or other electronic imaging shall be as effective as delivery of a manually signed counterpart of this Agreement. This Agreement shall become effective as to any Canadian Loan Party when a counterpart hereof executed on behalf of such Canadian Loan Party shall have been delivered to the Security Agent and a counterpart hereof shall have been executed on behalf of the Security Agent, and thereafter shall be binding upon such Canadian Loan Party and the Security Agent and their respective permitted successors and assigns, and shall inure to the benefit of such Canadian Loan Party, the Security Agent and the other Secured Parties and their respective successors and assigns, except that no Canadian Loan Party shall have the right to

assign or transfer its rights or obligations hereunder or any interest herein (and any such assignment or transfer shall be void) except as expressly permitted by the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Canadian Loan Party and may be amended, modified, supplemented, waived or released with respect to any Canadian Loan Party without the approval of any other Canadian Loan Party and without affecting the obligations of any other Canadian Loan Party hereunder.

SECTION 7.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7.08. Right of Set-Off. Each Canadian Loan Party expressly agrees to the provisions set forth in Section 13.02 of the Credit Agreement with the same force and effect as if such provisions were set forth in full herein.

SECTION 7.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be governed by, and construed in accordance with, (i) the laws of the State of New York (including Sections 5-1401 and 5-1402 of Title 14 of the New York General Obligations Law but excluding all other choice of law and conflicts of laws rules thereof) with respect to the guarantees and other matters contemplated by Articles II and VI hereof, and other provisions hereof as they relate to such guarantees and other matters, and (ii) the laws of the Province of Ontario, and the laws of Canada applicable therein, with respect to Articles III, IV and V, and other provisions hereof as they relate to Collateral.

(b) Each of the Canadian Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, with respect to the guarantees and other matters contemplated by Articles II and VI hereof, and other provisions hereof as they relate to such guarantees and other matters, to the jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, exclusively, in any action or proceeding arising out of or relating to such matters and to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Furthermore, each of the Canadian Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, with respect to Articles III, IV and V, and other provisions hereof as they relate to Collateral, to the jurisdiction of any court of the Province of Ontario, and any appellate court thereof, non-exclusively, in any action or proceeding arising out of or relating to such matters and to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Ontario court. Each of the parties hereto agrees that a final judgment in any such New York or Ontario, as applicable, action or

proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Security Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Grantor or Guarantor, or its properties in the courts of any jurisdiction.

(c) Each of the Canadian Loan Parties hereby irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

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

SECTION 7.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.10.

SECTION 7.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 7.12. Security Interest Absolute. All rights of the Security Agent hereunder, the Security Interest, the grant of a security interest in the Pledged Collateral and all obligations of each Grantor and Guarantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any agreement with respect to any of the Canadian Secured Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Canadian Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or

consent under or departure from any guarantee, securing or guaranteeing all or any of the Canadian Secured Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or Guarantor in respect of the Canadian Secured Obligations or this Agreement.

SECTION 7.13. Termination or Release. (a) This Agreement, the Guarantees made herein, the Security Interest, the grant of a security interest in the Pledged Collateral and all other security interests granted hereby shall terminate upon the payment in full in cash of the Loans and all the other Loan Document Obligations (other than unasserted contingent and indemnification obligations), termination of all Commitments and Incremental Commitments and reduction of all exposure under any Letters of Credit issued and any Bankers' Acceptances to zero (or the making of other arrangements satisfactory to the issuers thereof).

(b) A Canadian Subsidiary Party shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Canadian Subsidiary Party shall be automatically released upon the consummation of any transaction permitted by the Credit Agreement as a result of which such Canadian Subsidiary Party ceases to be a Canadian Subsidiary; provided that (i) the Required Lenders shall have consented to such transaction (to the extent required by the Credit Agreement) and the terms of such consent did not provide otherwise and (ii) no Canadian Borrower shall be released prior to the payment in full in cash of the Canadian Facility Obligations (other than unasserted contingent and indemnification obligations), termination of all Canadian Facility Commitments and reduction of all exposure under any Canadian Facility Letters of Credit issued and any Canadian Facility Bankers' Acceptances to zero (or the making of other arrangements satisfactory to the issuers thereof).

(c) Upon any sale or other transfer by any Grantor of any Collateral that is permitted under the Credit Agreement (other than a sale or other transfer to a Canadian Loan Party), or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Collateral pursuant to Section 12.10 of the Credit Agreement, the security interest in such Collateral shall be automatically released.

(d) At any time that a Grantor desires that the Security Agent take any action to acknowledge or give effect to any release of a Grantor or Collateral pursuant to the foregoing Section 7.13(a), (b) or (c), the Grantor shall cause Holdings to deliver to the Security Agent a certificate signed by a principal executive officer of Holdings stating that the release of the respective Grantor or Collateral is permitted pursuant to such Section 7.13(a), (b) or (c). In connection with any termination or release pursuant to Section 7.13(a), (b) or (c), the Security Agent shall execute and deliver to any Grantor, at such Grantor's expense, all documents that such Grantor shall reasonably request to evidence such termination or release; provided, however, that (i) the Security Agent shall not be required to execute any such document on terms which, in its opinion, would expose it to liability or create any obligation or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Canadian Secured Obligations or any Liens upon (or obligations of any of the Canadian Subsidiaries in respect of) all interests in Collateral retained by any of the Canadian Subsidiaries. Any execution and delivery of documents pursuant to this Section 7.13 shall be without recourse to or warranty by the Security Agent.

(e) The Security Agent shall have no liability whatsoever to any other Secured Party as the result of any release of any Canadian Subsidiary Party or Collateral by it in accordance with (or which the Security Agent in good faith believes to be in accordance with) this Section 7.13.

SECTION 7.14. Additional Canadian Subsidiaries. Pursuant to Sections 9.09, 10.05(f) and 10.15 of the Credit Agreement, certain Canadian Subsidiaries of Holdings are required to enter into this Agreement as a Canadian Subsidiary Party. Upon execution and delivery by the Security Agent and a Canadian Subsidiary of an instrument in the form of Exhibit I hereto, such Canadian Subsidiary shall become a Canadian Subsidiary Party hereunder with the same force and effect as if originally named as a Canadian Subsidiary Party herein. The execution and delivery of any such instrument shall not require the consent of any other Canadian Loan Party hereunder. The rights and obligations of each Canadian Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any new Canadian Loan Party as a party to this Agreement.

SECTION 7.15. Security Agent Appointed Attorney-in-Fact. Each Grantor hereby appoints the Security Agent the attorney-in-fact of such Grantor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Security Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Security Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Security Agent's name or in the name of such Grantor (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, cheques, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (c) to sign the name of any Grantor on any invoice or bill of lading relating to any of the Collateral; (d) to send verifications of Accounts Receivable to any Account Debtor; (e) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (f) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (g) to make, settle and adjust claims in respect of Collateral under policies of insurance and to endorse the name of such Grantor on any cheque, draft, instrument or any other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto; (h) to notify, or to require any Grantor to notify, Account Debtors to make payment directly to the Security Agent; and (i) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Security Agent were the absolute owner of the Collateral for all purposes; provided that nothing herein contained shall be construed as requiring or obligating the Security Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Security Agent, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Security Agent and the other Secured Parties shall be accountable only for amounts actually received as a

result of the exercise of the powers granted to them herein, and neither they nor their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or wilful misconduct.

SECTION 7.16. Recourse. This Agreement is made with full recourse to each Canadian Loan Party and pursuant to and upon all the warranties, representations, covenants and agreements on the part of such Canadian Loan Party contained herein, in the Loan Documents, Hedging Agreements or Secured Cash Management Agreements and otherwise in writing in connection herewith or therewith.

SECTION 7.17. [Intentionally Deleted]

SECTION 7.18. [Intentionally Deleted]

SECTION 7.19. The Security Agent and the other Secured Parties. The Security Agent will hold in accordance with this Agreement all items of the Collateral at any time received under this Agreement. It is expressly understood and agreed that the obligations of the Security Agent as holder of the Collateral and interests therein and with respect to the disposition thereof, and otherwise under this Agreement, are only those expressly set forth in this Agreement and in Section 12 of the Credit Agreement. The Security Agent shall act hereunder on the terms and conditions set forth herein and in Section 12 of the Credit Agreement.

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

SMURFIT-STONE CONTAINER CANADA, L.P., by its general partner, 3242795 Nova Scotia Limited, as Grantor

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I to
the Canadian Guarantee and
Collateral Agreement

CANADIAN SUBSIDIARY PARTIES

Schedule II to
the Canadian Guarantee and
Collateral Agreement

PLEDGED EQUITY INTERESTS

Holder	Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interest	Percentage of Equity Interests

PLEDGED DEBT SECURITIES

Holder	Issuer	Principal Amount	Date of Note	Maturity Date

SUPPLEMENT NO. __ dated as of [ ], to the Canadian Guarantee and Collateral Agreement dated as of [ ], 2010, among SMURFIT-STONE CONTAINER CANADA, L.P., an Ontario limited partnership, each Canadian Subsidiary party thereto (each such subsidiary individually a "Canadian Subsidiary Guarantor" and collectively, the "Canadian Subsidiary Guarantors"; the Canadian Subsidiary Guarantors and Smurfit-Stone Container Canada, L.P. are referred to collectively herein as the "Grantors") and DEUTSCHE BANK AG NEW YORK BRANCH ("DBNY"), as Security Agent (in such capacity, the "Security Agent")(the "Canadian Guarantee and Collateral Agreement").

A. Reference is made to the ABL Credit Agreement dated as of [ ], 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., certain Subsidiaries of Holdings from time to time party thereto, the lenders from time to time party thereto and Deutsche Bank AG New York Branch, as Administrative Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Canadian Guarantee and Collateral Agreement referred to therein.

C. The Grantors have entered into the Canadian Guarantee and Collateral Agreement in order to induce the Lenders to make Loans and issue Letters of Credit to the Borrowers. Section 7.14 of Canadian Guarantee and Collateral Agreement provides that additional Canadian Subsidiaries of Holdings may become Canadian Subsidiary Parties under the Canadian Guarantee and Collateral Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Canadian Subsidiary (the "New Canadian Subsidiary") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Canadian Subsidiary Party under the Canadian Guarantee and Collateral Agreement in order to induce the Lenders to make additional Loans and issue Letters of Credit to the Borrowers and as consideration for Loans previously made to the Borrowers and Letters of Credit previously issued.

Accordingly, the Security Agent and the New Canadian Subsidiary agree as follows:

SECTION 1. In accordance with Section 7.14 of the Canadian Guarantee and Collateral Agreement, the New Canadian Subsidiary by its signature below becomes a Canadian Subsidiary Party, Grantor and Guarantor under the Canadian Guarantee and Collateral Agreement with the same force and effect as if originally named therein as a Canadian Subsidiary Party, Grantor and Guarantor and the New Canadian Subsidiary hereby (a) agrees to all the terms and provisions of the Canadian Guarantee and Collateral Agreement applicable to it as a Canadian Subsidiary Party, Grantor and Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor and Guarantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the

New Canadian Subsidiary, as security for the payment and performance in full of the Canadian Secured Obligations (as defined in the Credit Agreement), does hereby create and grant to the Security Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Canadian Subsidiary's right, title and interest in and to the Collateral (as defined in the Canadian Guarantee and Collateral Agreement) of the New Canadian Subsidiary. Each reference to a "Guarantor" or "Grantor" in the Canadian Guarantee and Collateral Agreement shall be deemed to include the New Canadian Subsidiary. The Canadian Guarantee and Collateral Agreement is hereby incorporated herein by reference.

SECTION 2. The New Canadian Subsidiary represents and warrants to the Security Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (whether enforcement is sought by a proceeding in equity or at law).

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

SECTION 4. The New Canadian Subsidiary hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule with the true and correct legal name of the New Canadian Subsidiary, its jurisdiction of formation and the location of its chief executive office, and (b) set forth on Schedule II attached hereto is a true and correct schedule, as of the date hereof, of (i) all the Equity Interests owned by the New Canadian Subsidiary required to be pledged under Article III, setting forth the percentage of the issued and outstanding units of each class of the Equity Interests of the issuer thereof so owned by the New Canadian Subsidiary and the number of each certificate representing the same, and (ii) all debt securities and promissory notes owned by the New Canadian Subsidiary required to be pledged under Article III or Section 4.04. The New Canadian Subsidiary shall deliver to the Security Agent a certificate executed by an Authorized Officer of the New Canadian Subsidiary setting forth the information (other than that set forth on the Schedules described above) required pursuant to the U.S. Perfection Certificate.

SECTION 5. Except as expressly supplemented hereby, the Canadian Guarantee and Collateral Agreement shall remain in full force and effect.

SECTION 6. **THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS SPECIFIED IN SECTION 7.09(a) OF THE CANADIAN GUARANTEE AND COLLATERAL AGREEMENT.**

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

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Canadian Guarantee and Collateral Agreement.

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

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

[NAME OF NEW CANADIAN SUBSIDIARY],

by

_____

Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Security Agent,

by

_____

Name:
Title:

Schedule I
to Supplement No. __ to the
Canadian Guarantee and
Collateral Agreement

NEW CANADIAN SUBSIDIARY INFORMATION

Name	Jurisdiction of Formation	Chief Executive Office

EQUITY INTERESTS

Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interests	Percentage of Equity Interests

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

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EXHIBIT O
to the Credit Agreement

[FORM OF]

MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT

From

SMURFIT-STONE CONTAINER CORPORATION,
formerly known as Smurfit-Stone Container Enterprises, Inc.

To

DEUTSCHE BANK AG NEW YORK BRANCH,
as Security Agent

_____

Dated: [•], 2010
Premises: [City], [State] (Site #[•])
[•] County

_____

THIS MORTGAGE IS SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT (AS DEFINED BELOW), AS MORE FULLY SET FORTH IN SECTION 3.08 HEREOF.

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FINANCING STATEMENT dated and effective as of [•], 2010 (this "*Mortgage*"), by SMURFIT-STONE CONTAINER CORPORATION, formerly known as Smurfit-Stone Container Enterprises, Inc., a Delaware corporation, having an office at Six City Place Drive, Creve Coeur, Missouri 63141 (the "*Mortgagor*"), to DEUTSCHE BANK AG NEW YORK BRANCH, having an office at 60 Wall Street, New York, New York 10005 (the "*Mortgagee*") as Security Agent for the Secured Parties (as defined below).

WITNESSETH THAT:

Reference is made to (i) the ABL Credit Agreement dated as of [•], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), among Smurfit-Stone Container Corporation, the Mortgagor, certain Domestic Subsidiaries and Canadian Subsidiaries of Holdings from time to time party thereto, the Lenders from time to time a party thereto, Deutsche Bank AG New York Branch ("DB"), as Administrative Agent and Security Agent, and DB, JPMorgan Chase Bank, N.A. and General Electric Capital Corporation, as Co-Collateral Agents, (ii) the Guarantee and Collateral Agreement dated as of [•], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "*Guarantee and Collateral Agreement*") among the Mortgagor, the Domestic Subsidiaries of Holdings from time to time party thereto and the Security Agent and (iii) the Lien Subordination and Intercreditor Agreement dated as of [•], 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "*Intercreditor Agreement*"), among Holdings, the other U.S. Loan Parties from time to time party thereto, the Security Agent, JPMorgan Chase Bank, N.A., as Term Loan Agent, and, if applicable, one or more Senior Representatives for holders of Permitted Second Lien Notes. Capitalized terms used but not defined herein have the meanings given to them in the Credit Agreement.

In the Credit Agreement, the Lenders have agreed to make Revolving Loans and Swingline Loans to, and issue, and participate in, Letters of Credit for the account of, the Borrowers, pursuant to, upon the terms, and subject to the conditions specified in the Credit Agreement. The Credit Agreement also provides that the Mortgagor may on one or more occasions, by written notice to the Administrative Agent, request Incremental Commitments from one or more Incremental Lenders, which may include any existing Lender. The aggregate principal amount of Revolving Loans, Swingline Loans, Letter of Credit Outstandings, Commitments, Incremental Commitments from time to time outstanding and secured hereby, together with the aggregate amount of obligations from time to time outstanding under Secured Hedging Agreements and Secured Cash Management Agreements the obligations under which constitute Obligations (as defined below) secured hereby, shall not exceed $[•].

Mortgagor is a U.S. Borrower under the Credit Agreement and will derive substantial benefit from the making of the Loans, and the issuance of the Letters of Credit, by the Lenders. In order to induce the Lenders to make Loans and issue Letters of Credit, the Mortgagor has agreed to grant this Mortgage to secure, among other things, the due and

punctual payment and performance of all of the Obligations. The obligations of the Lenders to make Loans and issue Letters of Credit are conditioned upon, among other things, the execution and delivery by the Mortgagor of this Mortgage in the form hereof to secure the Obligations.

As used in this Mortgage, the term "*Obligations*" shall mean and include (a) all Loan Document Obligations owing by any Loan Party, (b) all Hedging Obligations owing by any Loan Party, (c) all Cash Management Services Obligations owing by any Loan Party and (d) all amounts paid (or incurred) by any Indemnified Party as to which such Indemnified Party has the right to reimbursement under Section 13.01 of the Credit Agreement or any indemnity contained in any Security Document; it being acknowledged and agreed that the "Obligations" shall include extensions of credit of the types described above, whether outstanding on the date of the Credit Agreement or this Mortgage or extended from time to time after the date of the Credit Agreement or this Mortgage.

As used in this Mortgage, the term "*Secured Parties*" shall mean (a) the Lender Creditors, (b) the Hedging Creditors, (c) the Cash Management Creditors, (d) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document and (e) the successors and assigns of each of the foregoing.

Pursuant to the requirements of the Credit Agreement, the Mortgagor is granting this Mortgage to create a lien on and a security interest in the Mortgaged Property (as hereinafter defined) to secure the performance and payment by the Loan Parties of the Obligations. The Credit Agreement also requires the granting by other Loan Parties of mortgages, deeds of trust and/or deeds to secure debt (the "*Other Mortgages*") that create liens on and security interests in certain real and personal property other than the Mortgaged Property to secure the performance of the Obligations.

Granting Clauses

NOW, THEREFORE, IN CONSIDERATION OF the foregoing and in order to secure the due and punctual payment and performance of the Obligations for the benefit of the Secured Parties, Mortgagor hereby grants, conveys, mortgages, assigns and pledges to the Mortgagee, a mortgage lien on and a security interest in, all the following described property (the "*Mortgaged Property*") whether now owned or held or hereafter acquired:

(1) the land more particularly described on Exhibit A hereto (the "*Land*"), together with all rights appurtenant thereto, including the easements over certain other adjoining land granted by any easement agreements, covenant or restrictive agreements and all air rights, mineral rights, water rights, timber rights, oil and gas rights and development rights, if any, relating thereto, and also together with all of the other easements, rights, privileges, interests, hereditaments and appurtenances thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim or demand whatsoever of Mortgagor therein and in the streets and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired (the "*Premises*");

(2) all buildings, improvements, structures, paving, parking areas, walkways and landscaping now or hereafter erected or located upon the Land, and all fixtures of every kind and type affixed to the Premises or attached to or forming part of any structures, buildings or improvements and replacements thereof now or hereafter erected or located upon the Land (the "*Improvements*");

(3) all apparatus, movable appliances, building materials, equipment, fittings, furnishings, furniture, machinery and other articles of tangible personal property of every kind and nature, and replacements thereof, now or at any time hereafter placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Improvements or the Premises, including all of Mortgagor's books and records relating thereto and including all pumps, tanks, goods, machinery, tools, equipment, lifts (including fire sprinklers and alarm systems, fire prevention or control systems, cleaning rigs, air conditioning, heating, boilers, refrigerating, electronic monitoring, water, loading, unloading, lighting, power, sanitation, waste removal, entertainment, communications, computers, recreational, window or structural, maintenance, truck or car repair and all other equipment of every kind), restaurant, bar and all other indoor or outdoor furniture (including tables, chairs, booths, serving stands, planters, desks, sofas, racks, shelves, lockers and cabinets), bar equipment, glasses, cutlery, uniforms, linens, memorabilia and other decorative items, furnishings, appliances, supplies, inventory, rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, venetian blinds, partitions, chandeliers and other lighting fixtures, freezers, refrigerators, walk-in coolers, signs (indoor and outdoor), computer systems, cash registers and inventory control systems, and all other apparatus, equipment, furniture, furnishings, and articles used in connection with the use or operation of the Improvements or the Premises, it being understood that the enumeration of any specific articles of property shall in no way result in or be held to exclude any items of property not specifically mentioned (the property referred to in this subparagraph (3), the "*Personal Property*");

(4) all general intangibles owned by Mortgagor and relating to design, development, operation, management and use of the Premises or the Improvements, all certificates of occupancy, zoning variances, building, use or other permits, approvals, authorizations and consents obtained from and all materials prepared for filing or filed with any governmental agency in connection with the development, use, operation or management of the Premises and Improvements, all construction, service, engineering, consulting, leasing, architectural and other similar contracts concerning the design, construction, management, operation, occupancy and/or use of the Premises and Improvements, all architectural drawings, plans, specifications, soil tests, feasibility studies, appraisals, environmental studies, engineering reports and similar materials relating to any portion of or all of the Premises and Improvements, and all payment and performance bonds or warranties or guarantees relating to the Premises or the Improvements, all to the extent assignable (the "*Permits, Plans and Warranties*");

(5) all now or hereafter existing leases or licenses (under which Mortgagor is landlord or licensor) and subleases (under which Mortgagor is sublandlord),

concession, management, mineral or other agreements of a similar kind that permit the use or occupancy of the Premises or the Improvements for any purpose in return for any payment, or the extraction or taking of any gas, oil, water or other minerals from the Premises in return for payment of any fee, rent or royalty (collectively, "*Leases*"), and all agreements or contracts for the sale or other disposition of all or any part of the Premises or the Improvements, now or hereafter entered into by Mortgagor, together with all charges, fees, income, issues, profits, receipts, rents, revenues or royalties payable thereunder ("*Rents*");

(6) all real estate tax refunds and all proceeds of the conversion, voluntary or involuntary, of any of the Mortgaged Property into cash or liquidated claims ("*Proceeds*"), including Proceeds of insurance maintained by the Mortgagor and condemnation awards, any awards that may become due by reason of the taking by eminent domain or any transfer in lieu thereof of the whole or any part of the Premises or Improvements or any rights appurtenant thereto, and any awards for change of grade of streets, together with any and all moneys now or hereafter on deposit for the payment of real estate taxes, assessments or common area charges levied against the Mortgaged Property, unearned premiums on policies of fire and other insurance maintained by the Mortgagor covering any interest in the Mortgaged Property or required by the Credit Agreement; and

(7) all extensions, improvements, betterments, renewals, substitutes and replacements of and all additions and appurtenances to, the Land, the Premises, the Improvements, the Personal Property, the Permits, Plans and Warranties and the Leases, hereinafter acquired by or released to the Mortgagor or constructed, assembled or placed by the Mortgagor on the Land, the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further mortgage, deed of trust, conveyance, assignment or other act by the Mortgagor, all of which shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by the Mortgagor and specifically described herein.

TO HAVE AND TO HOLD the Mortgaged Property unto the Mortgagee, its successors and assigns, for the ratable benefit of the Secured Parties, forever, subject only to Permitted Liens and to satisfaction and release as provided in Section 3.04.

ARTICLE I

Representations, Warranties and Covenants of Mortgagor

Mortgagor agrees, covenants, represents and/or warrants as follows:

SECTION 1.01. *Title, Mortgage Lien.* (a) Mortgagor has good and marketable fee simple title to the Mortgaged Property, subject only to Permitted Liens.

(b) The execution and delivery of this Mortgage is within Mortgagor's corporate powers and has been duly authorized by all necessary corporate and, if required, stockholder action. This Mortgage has been duly executed and delivered by Mortgagor and constitutes a legal, valid and binding obligation of Mortgagor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) The execution, delivery and recordation of this Mortgage (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect and except filings necessary to perfect the lien of this Mortgage, (ii) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of Mortgagor or any order of any Governmental Authority, (iii) will not violate or result in a default under any indenture, agreement or other instrument binding upon Mortgagor or its assets, or give rise to a right thereunder to require any payment to be made by Mortgagor, and (iv) will not result in the creation or imposition of any Lien on any asset of Mortgagor, except the lien of this Mortgage.

(d) This Mortgage and the Uniform Commercial Code Financing Statements described in Section 1.09 of this Mortgage, when duly recorded in the public records identified in the U.S. Perfection Certificate will create a valid, perfected and enforceable lien upon and security interest in all of the Mortgaged Property.

(e) Mortgagor will forever warrant and defend its title to the Mortgaged Property, the rights of Mortgagee therein under this Mortgage and the validity and priority of the lien of this Mortgage thereon against the claims of all persons and parties except those having rights under Permitted Liens to the extent of those rights.

SECTION 1.02. *Credit Agreement.* This Mortgage is given pursuant to the Credit Agreement, the other Loan Documents, the Secured Hedging Agreements and the Secured Cash Management Agreements (collectively, the "*Secured Debt Agreements*"). Mortgagor expressly covenants and agrees to pay when due, and to timely perform, and to cause the other Loan Parties to pay when due, and to timely perform, the Obligations in accordance with the terms of the Secured Debt Agreements.

SECTION 1.03. *Payment of Taxes, and Other Obligations.* (a) Mortgagor will pay and discharge from time to time prior to the time when the same shall become delinquent, and before any interest or penalty accrues thereon or attaches thereto, all Taxes and other obligations with respect to the Mortgaged Property or any part thereof or upon the Rents from the Mortgaged Property or arising in respect of the occupancy, use or possession thereof in accordance with, and to the extent required by, the Credit Agreement.

(b) In the event of the passage of any state, Federal, municipal or other governmental law, order, rule or regulation subsequent to the date hereof (i) deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or in any manner changing or modifying the laws now in force governing the taxation of this Mortgage or

debts secured by mortgages or deeds of trust (other than laws governing income, franchise and similar taxes generally) or the manner of collecting taxes thereon and (ii) imposing a tax to be paid by Mortgagee, either directly or indirectly, on this Mortgage or any of the other Secured Debt Agreements, or requiring an amount of taxes to be withheld or deducted therefrom, Mortgagor will promptly (i) notify Mortgagee of such event, (ii) enter into such further instruments as Mortgagee may determine are reasonably necessary or desirable to obligate Mortgagor to make any additional payments necessary to put the Lenders and Secured Parties in the same financial position they would have been if such law, order, rule or regulation had not been passed and (iii) make such additional payments to Mortgagee for the benefit of the Lenders and Secured Parties.

SECTION 1.04. *Maintenance of Mortgaged Property.* Mortgagor will maintain the Improvements and the Personal Property in the manner required by the Credit Agreement.

SECTION 1.05. *Insurance.* Mortgagor will keep or cause to be kept the Improvements and Personal Property insured against such risks, and in the manner, described in Section 9.02 of the Credit Agreement and shall purchase such additional insurance as may be required from time to time pursuant to the Credit Agreement. Federal Emergency Management Agency Standard Flood Hazard Determination Forms will be purchased by Mortgagor for each Mortgaged Property. If any portion of the Mortgaged Property is located in an area identified as a special flood hazard area by Federal Emergency Management Agency or other applicable agency, Mortgagor will purchase flood insurance in an amount satisfactory to Mortgagee, but in no event less than the maximum limit of coverage available under the National Flood Insurance Act of 1968, as amended.

SECTION 1.06. *Casualty Condemnation/Eminent Domain.* Mortgagor shall give Mortgagee prompt written notice of any casualty or other damage to the Mortgaged Property or any proceeding for the taking of the Mortgaged Property or any portion thereof or interest therein under power of eminent domain or by condemnation or any similar proceeding in accordance with Section 9.05(e) of the Credit Agreement.

SECTION 1.07. *Assignment of Leases and Rents.* (a) Mortgagor hereby irrevocably and absolutely grants, transfers and assigns all of its right title and interest in all Leases and Rents, together with any and all extensions and renewals of the Leases. Mortgagor has not assigned or executed any assignment of, and will not assign or execute any assignment of, any Leases or the Rents payable thereunder to anyone other than Mortgagee.

(b) All material Leases, if any, shall be subordinate to the lien of this Mortgage. Mortgagor will not enter into, modify or amend any Lease if such material Lease, as entered into, modified or amended, will not be subordinate to the lien of this Mortgage.

(c) Subject to Section 1.07(d), Mortgagor has assigned and transferred to Mortgagee all of Mortgagor's right, title and interest in and to the Rents now or hereafter arising from each Lease heretofore or hereafter made or agreed to by Mortgagor, it being intended that this assignment establish, subject to Section 1.07(d), an absolute transfer and assignment of all Rents and all Leases to Mortgagee and not merely to grant a security interest therein. Subject to Section 1.07(d) and any applicable provisions of the Credit Agreement, Mortgagee

may in Mortgagor's name and stead (with or without first taking possession of any of the Mortgaged Property personally or by receiver as provided herein) operate the Mortgaged Property and rent, lease or let all or any portion of any of the Mortgaged Property to any party or parties at such rental and upon such terms as Mortgagee shall, in its sole discretion, determine, and may collect and have the benefit of all of said Rents arising from or accruing at any time thereafter or that may thereafter become due under any Lease.

(d) So long as an Event of Default shall not have occurred and be continuing, Mortgagee will not exercise any of its rights under Section 1.07(c), and Mortgagor shall receive and collect the Rents accruing under any Lease; but after the happening and during the continuance of any Event of Default, Mortgagee may, at its option, receive and collect all Rents and enter upon the Premises and Improvements through its officers, agents, employees or attorneys for such purpose and for the operation and maintenance thereof. Mortgagor hereby irrevocably authorizes and directs each tenant, if any, and each successor, if any, to the interest of any tenant under any Lease, respectively, to rely upon any notice of a claimed Event of Default sent by Mortgagee to any such tenant or any of such tenant's successors in interest, and thereafter to pay Rents to Mortgagee without any obligation or right to inquire as to whether an Event of Default actually exists and even if some notice to the contrary is received from the Mortgagor, who shall have no right or claim against any such tenant or successor in interest for any such Rents so paid to Mortgagee. Each tenant or any of such tenant's successors in interest from whom Mortgagee or any officer, agent, attorney or employee of Mortgagee shall have collected any Rents, shall be authorized to pay Rents to Mortgagor only after such tenant or any of their successors in interest shall have received written notice from Mortgagee that the Event of Default is no longer continuing, unless and until a further notice of an Event of Default is given by Mortgagee to such tenant or any of its successors in interest.

(e) Mortgagee will not become a mortgagee in possession so long as it does not enter or take actual possession of the Mortgaged Property. In addition, Mortgagee shall not be responsible or liable for performing any of the obligations of the landlord under any Lease, for any waste by any tenant, or others, for any dangerous or defective conditions of any of the Mortgaged Property, for negligence in the management, upkeep, repair or control of any of the Mortgaged Property or any other act or omission by any other person.

(f) Mortgagor shall furnish to Mortgagee, within 30 days after a request by Mortgagee to do so, a written statement containing the names of all tenants, subtenants and concessionaires of the Premises or Improvements, the terms of any Lease, the space occupied and the rentals and/or other amounts payable thereunder.

SECTION 1.08. *Restrictions on Transfers and Encumbrances.* Mortgagor shall not directly or indirectly sell, convey, alienate, assign, lease, sublease, license, mortgage, pledge, encumber or otherwise transfer, create, consent to or suffer the creation of any lien, charge or other form of encumbrance upon any interest in or any part of the Mortgaged Property, or be divested of its title to the Mortgaged Property or any interest therein in any manner or way, whether voluntarily or involuntarily (other than resulting from a condemnation), or engage in any common, cooperative, joint, time-sharing or other congregate ownership of all or part thereof, except in each case in accordance with and to the extent permitted by the Credit

Agreement; provided, that Mortgagor may, in the ordinary course of business and in accordance with reasonable commercial standards, enter into easement or covenant agreements that relate to and/or benefit the operation of the Mortgaged Property and that do not materially and adversely affect the value, use or operation of the Mortgaged Property.

SECTION 1.09. *Security Agreement.* This Mortgage is both a mortgage of real property and a grant of a security interest in personal property, and shall constitute and serve as a "Security Agreement" within the meaning of the uniform commercial code as adopted in the state wherein the Premises are located ("*UCC*"). Mortgagor has hereby granted unto Mortgagee a security interest in and to all the Mortgaged Property described in this Mortgage that is not real property, and simultaneously with the recording of this Mortgage, Mortgagor has filed or will file UCC financing statements, and will file continuation statements prior to the lapse thereof, at the appropriate offices in the jurisdiction of formation of the Mortgagor to perfect the security interest granted by this Mortgage in all the Mortgaged Property that is not real property. Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to execute any document and to file the same in the appropriate offices (to the extent it may lawfully do so), and to perform each and every act and thing reasonably requisite and necessary to be done to perfect the security interest contemplated by the preceding sentence. Mortgagee shall have all rights with respect to the part of the Mortgaged Property that is the subject of a security interest afforded by the UCC in addition to, but not in limitation of, the other rights afforded Mortgagee hereunder and under the Security Agreement.

SECTION 1.10. *Filing and Recording.* Mortgagor will cause this Mortgage, the UCC financing statements referred to in Section 1.09, any other security instrument creating a security interest in or evidencing the lien hereof upon the Mortgaged Property and each UCC continuation statement and instrument of further assurance to be filed, registered or recorded and, if necessary, refiled, rerecorded and reregistered, in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to perfect the lien hereof upon, and the security interest of Mortgagee in, the Mortgaged Property until this Mortgage is terminated and released in full in accordance with Section 3.04 hereof. Mortgagor will pay all filing, registration and recording fees, all Federal, state, county and municipal recording, documentary or intangible taxes and other taxes, duties, imposts, assessments and charges, and all reasonable expenses incidental to or arising out of or in connection with the execution, delivery and recording of this Mortgage, UCC continuation statements any mortgage supplemental hereto, any security instrument with respect to the Personal Property, Permits, Plans and Warranties and Proceeds or any instrument of further assurance.

SECTION 1.11. *Further Assurances.* Upon demand by Mortgagee, Mortgagor will, at the cost of Mortgagor and without expense to Mortgagee, do, execute, acknowledge and deliver all such further acts, deeds, conveyances, mortgages, assignments, notices of assignment, transfers and assurances as Mortgagee shall from time to time reasonably require for the better assuring, conveying, assigning, transferring and confirming unto Mortgagee the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage,

or for filing, registering or recording this Mortgage, and on demand, Mortgagor will also execute and deliver and hereby appoints Mortgagee as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to execute and file to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments reasonably requested by Mortgagee to evidence more effectively the lien hereof upon the Personal Property and to perform each and every act and thing requisite and necessary to be done to accomplish the same.

SECTION 1.12. *Additions to Mortgaged Property.* All right, title and interest of Mortgagor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by or released to Mortgagor or constructed, assembled or placed by Mortgagor upon the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further mortgage, conveyance, assignment or other act by Mortgagor, shall become subject to the lien and security interest of this Mortgage as fully and completely and with the same effect as though now owned by Mortgagor and specifically described in the grant of the Mortgaged Property above, but at any and all times Mortgagor will execute and deliver to Mortgagee any and all such further assurances, mortgages, conveyances or assignments thereof as Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Mortgage.

SECTION 1.13. *No Claims Against Mortgagee.* Nothing contained in this Mortgage shall constitute any consent or request by Mortgagee, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof, nor as giving Mortgagor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Mortgagee in respect thereof.

SECTION 1.14. *Fixture Filing.* (a) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined in the UCC) on the Land, and this Mortgage, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said UCC upon such portions of the Mortgaged Property that are or become fixtures.

(b) The real property to which the fixtures relate is described in Exhibit A hereto. The record owner of the real property described in Exhibit A hereto is Mortgagor. The name, type of organization and jurisdiction of organization of the debtor for purposes of this financing statement are the name, type of organization and jurisdiction of organization of the Mortgagor set forth in the first paragraph of this Mortgage, and the name of the secured party for purposes of this financing statement is the name of the Mortgagee set forth in the first paragraph of this Mortgage. The mailing address of the Mortgagor/debtor is the address of the Mortgagor set forth in the first paragraph of this Mortgage. The mailing address of the Mortgagee/secured party from which information concerning the security interest hereunder

may be obtained is the address of the Mortgagee set forth in the first paragraph of this Mortgage. Mortgagor's organizational identification number is 2123437.

ARTICLE II

Defaults and Remedies

SECTION 2.01. *Events of Default.* Any Event of Default under the Credit Agreement (as such term is defined therein) shall constitute an Event of Default under this Mortgage.

SECTION 2.02. *Demand for Payment.* If an Event of Default shall occur and be continuing, then, upon written demand of Mortgagee, Mortgagor will pay to Mortgagee all amounts due hereunder and under the Credit Agreement and the other Loan Documents and such further amount as shall be sufficient to cover the costs and expenses of collection, including attorneys' fees, disbursements and expenses incurred by Mortgagee, and Mortgagee shall be entitled and empowered to institute an action or proceedings at law or in equity for the collection of the sums so due and unpaid, to prosecute any such action or proceedings to judgment or final decree, to enforce any such judgment or final decree against Mortgagor and to collect, in any manner provided by law, all moneys adjudged or decreed to be payable.

SECTION 2.03. *Rights To Take Possession, Operate and Apply Revenues.* (a) If an Event of Default shall occur and be continuing, Mortgagor shall, upon demand of Mortgagee, forthwith surrender to Mortgagee actual possession of the Mortgaged Property and, if and to the extent not prohibited by applicable law, Mortgagee itself, or by such officers or agents as it may appoint, may then enter and take possession of all the Mortgaged Property without the appointment of a receiver or an application therefor, exclude Mortgagor and its agents and employees wholly therefrom, and have access to the books, papers and accounts of Mortgagor.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Mortgagee, Mortgagee may to the extent not prohibited by applicable law, obtain a judgment or decree conferring upon Mortgagee the right to immediate possession or requiring Mortgagor to deliver immediate possession of the Mortgaged Property to Mortgagee, to the entry of which judgment or decree Mortgagor hereby specifically consents. Mortgagor will pay to Mortgagee, upon demand, all reasonable expenses of obtaining such judgment or decree, including reasonable compensation to Mortgagee's attorneys and agents with interest thereon at the rate per annum applicable to overdue amounts under the Credit Agreement as provided in Section 2.08(b) of the Credit Agreement (the "*Interest Rate*"); and all such expenses and compensation shall, until paid, be secured by this Mortgage.

(c) Upon every such entry or taking of possession, Mortgagee may, to the extent not prohibited by applicable law, hold, store, use, operate, manage and control the Mortgaged Property, conduct the business thereof and, from time to time, (i) make all necessary and

proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon, (ii) purchase or otherwise acquire additional fixtures, personalty and other property, (iii) insure or keep the Mortgaged Property insured, (iv) manage and operate the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same, or (v) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Mortgagee, all as may from time to time be directed or determined by Mortgagee to be in its best interest and Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact and agent, for Mortgagor and in its name, place and stead, in any and all capacities, to perform any of the foregoing acts. Mortgagee may collect and receive all the Rents, issues, profits and revenues from the Mortgaged Property, including those past due as well as those accruing thereafter, and, after deducting (i) all expenses of taking, holding, managing and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes), (ii) the costs of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions, (iii) the costs of insurance, (iv) such taxes, assessments and other similar charges as Mortgagee may at its option pay, (v) other proper charges upon the Mortgaged Property or any part thereof and (vi) the compensation, expenses and disbursements of the attorneys and agents of Mortgagee, Mortgagee shall apply the remainder of the moneys and proceeds so received first to the payment of the Mortgagee for the satisfaction of the Obligations, and second, if there is any surplus, to Mortgagor, subject to the entitlement of others thereto under applicable law.

(d) Whenever, before any sale of the Mortgaged Property under Section 2.06, all Obligations that are then due shall have been paid and all Events of Default fully cured, Mortgagee will surrender possession of the Mortgaged Property back to Mortgagor, its successors or assigns. The same right of taking possession shall, however, arise again if any subsequent Event of Default shall occur and be continuing.

SECTION 2.04. *Right To Cure Mortgagor's Failure to Perform.* Should Mortgagor fail in the payment, performance or observance of any term, covenant or condition required by this Mortgage or the Credit Agreement (with respect to the Mortgaged Property), Mortgagee may pay, perform or observe the same, and all payments made or costs or expenses incurred by Mortgagee in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Mortgagor to Mortgagee with interest thereon at the Interest Rate. Mortgagee shall be the judge using reasonable discretion of the necessity for any such actions and of the amounts to be paid. Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or the Improvements or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without having any obligation to so perform or observe and without thereby becoming liable to Mortgagor, to any person in possession holding under Mortgagor or to any other person.

SECTION 2.05. *Right to a Receiver.* If an Event of Default shall occur and be continuing, Mortgagee, upon application to a court of competent jurisdiction, shall be entitled as a matter of right to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the Rents. The receiver shall have all of the rights and powers permitted under the laws of the state wherein the Mortgaged Property is

located. Mortgagor shall pay to Mortgagee upon demand all reasonable expenses, including receiver's fees, reasonable attorney's fees and disbursements, costs and agent's compensation incurred pursuant to the provisions of this Section 2.05; and all such expenses shall be secured by this Mortgage and shall be, without demand, immediately repaid by Mortgagor to Mortgagee with interest thereon at the Interest Rate.

SECTION 2.06. *Foreclosure and Sale.* (a) If an Event of Default shall occur and be continuing, Mortgagee may elect to sell the Mortgaged Property or any part of the Mortgaged Property by exercise of the power of foreclosure or of sale granted to Mortgagee by applicable law or this Mortgage. In such case, Mortgagee may commence a civil action to foreclose this Mortgage, or it may proceed and sell the Mortgaged Property to satisfy any Obligation. Mortgagee or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property, may sell all or such parts of the Mortgaged Property as may be chosen by Mortgagee at the time and place of sale fixed by it in a notice of sale, either as a whole or in separate lots, parcels or items as Mortgagee shall deem expedient, and in such order as it may determine, at public auction to the highest bidder. Mortgagee or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property may postpone any foreclosure or other sale of all or any portion of the Mortgaged Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale. Without further notice, Mortgagee or an officer appointed to sell the Mortgaged Property may make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale. Any person, including Mortgagor or Mortgagee or any designee or affiliate thereof, may purchase at such sale.

(b) The Mortgaged Property may be sold subject to unpaid taxes and Permitted Liens, and, after deducting all costs, fees and expenses of Mortgagee (including costs of evidence of title in connection with the sale), Mortgagee or an officer that makes any sale shall apply the proceeds of sale in the manner set forth in Section 2.08.

(c) Any foreclosure or other sale of less than the whole of the Mortgaged Property or any defective or irregular sale made hereunder shall not exhaust the power of foreclosure or of sale provided for herein; and subsequent sales may be made hereunder until the Obligations have been satisfied, or the entirety of the Mortgaged Property has been sold.

(d) If an Event of Default shall occur and be continuing, Mortgagee may instead of, or in addition to, exercising the rights described in Section 2.06(a) above and either with or without entry or taking possession as herein permitted, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to specifically enforce payment of some or all of the Obligations, or the performance of any term, covenant, condition or agreement of this Mortgage or any other Loan Document or any other right, or (ii) to pursue any other remedy available to Mortgagee, all as Mortgagee shall determine most effectual for such purposes.

SECTION 2.07. *Other Remedies.* (a) In case an Event of Default shall occur and be continuing, Mortgagee may also exercise, to the extent not prohibited by law, any or all of the remedies available to a secured party under the UCC.

(b) In connection with a sale of the Mortgaged Property or any Personal Property and the application of the proceeds of sale as provided in Section 2.08, Mortgagee shall be entitled to enforce payment of and to receive up to the principal amount of the Obligations, plus all other charges, payments and costs due under this Mortgage, and to recover a deficiency judgment for any portion of the aggregate principal amount of the Obligations remaining unpaid, with interest.

SECTION 2.08. *Application of Sale Proceeds and Rents.* After any foreclosure sale of all or any of the Mortgaged Property, Mortgagee shall, subject to the applicable provisions of the Intercreditor Agreement, receive and apply the proceeds of the sale, together with any Rents that may have been collected and any other sums that then may be held by Mortgagee under this Mortgage, in accordance with Section 11.02 of the Credit Agreement. The Mortgagee shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Mortgage. Upon any sale of the Mortgaged Property by the Mortgagee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Mortgagee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgaged Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Mortgagee or such officer or be answerable in any way for the misapplication thereof.

SECTION 2.09. *Mortgagor as Tenant Holding Over.* If Mortgagor remains in possession of any of the Mortgaged Property after any foreclosure sale by Mortgagee, at Mortgagee's election Mortgagor shall be deemed a tenant holding over and shall forthwith surrender possession to the purchaser or purchasers at such sale or be summarily dispossessed or evicted according to provisions of law applicable to tenants holding over.

SECTION 2.10. *Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws.* Mortgagor waives, to the extent not prohibited by law, (i) the benefit of all laws now existing or that hereafter may be enacted (x) providing for any appraisement or valuation of any portion of the Mortgaged Property and/or (y) in any way extending the time for the enforcement or the collection of amounts due under any of the Obligations or creating or extending a period of redemption from any sale made in collecting said debt or any other amounts due Mortgagee, (ii) any right to at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any homestead exemption, stay, statute of limitations, extension or redemption, or sale of the Mortgaged Property as separate tracts, units or estates or as a single parcel in the event of foreclosure or notice of deficiency, and (iii) all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of or each of the Obligations and marshaling in the event of foreclosure of this Mortgage.

SECTION 2.11. *Discontinuance of Proceedings.* In case Mortgagee shall proceed to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceedings shall be discontinued or abandoned for any reason, or shall be determined adversely to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Mortgagee shall continue as if no such proceeding had been taken.

SECTION 2.12. *Suits To Protect the Mortgaged Property.* Mortgagee shall have power (a) to institute and maintain suits and proceedings to prevent any impairment of the Mortgaged Property by any acts that may be unlawful or in violation of this Mortgage, (b) to preserve or protect its interest in the Mortgaged Property and in the Rents arising therefrom and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of or compliance with such enactment, rule or order would impair the security or be prejudicial to the interest of Mortgagee hereunder.

SECTION 2.13. *Filing Proofs of Claim.* In case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, Mortgagee shall, to the extent permitted by law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Mortgagee allowed in such proceedings for the Obligations secured by this Mortgage at the date of the institution of such proceedings and for any interest accrued, late charges and additional interest or other amounts due or that may become due and payable hereunder after such date.

SECTION 2.14. *Possession by Mortgagee.* Notwithstanding the appointment of any receiver, liquidator or trustee of Mortgagor, any of its property or the Mortgaged Property, Mortgagee shall be entitled, to the extent not prohibited by law, to remain in possession and control of all parts of the Mortgaged Property now or hereafter granted under this Mortgage to Mortgagee in accordance with the terms hereof and applicable law.

SECTION 2.15. *Waiver.* (a) No delay or failure by Mortgagee to exercise any right, power or remedy accruing upon any breach or Event of Default shall exhaust or impair any such right, power or remedy or be construed to be a waiver of any such breach or Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time and as often as may be deemed expedient by Mortgagee. No consent or waiver by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of the Obligations shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or of any other Obligations by Mortgagor hereunder. No failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies consequent on any future Event of Default by Mortgagor.

(b) Even if Mortgagee (i) grants some forbearance or an extension of time for the payment of any sums secured hereby, (ii) takes other or additional security for the payment of any sums secured hereby, (iii) waives or does not exercise some right granted herein or under the Secured Debt Agreements, (iv) releases a part of the Mortgaged Property from this Mortgage, (v) agrees to change some of the terms, covenants, conditions or agreements of any of the Secured Debt Agreements, (vi) consents to the filing of a map, plat or replat affecting the Premises, (vii) consents to the granting of an easement or other right affecting the Premises or (viii) makes or consents to an agreement subordinating Mortgagee's lien on the Mortgaged Property hereunder; no such act or omission shall preclude Mortgagee from

exercising any other right, power or privilege herein granted or intended to be granted in the event of any breach or Event of Default then made or of any subsequent default; nor, except as otherwise expressly provided in an instrument executed by Mortgagee, shall this Mortgage be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or part of the Mortgaged Property, Mortgagee is hereby authorized and empowered to deal with any vendee or transferee with reference to the Mortgaged Property secured hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.

SECTION 2.16. *Waiver of Trial by Jury.* To the fullest extent permitted by applicable law, Mortgagor and Mortgagee each hereby irrevocably and unconditionally waive trial by jury in any action, claim, suit or proceeding relating to this Mortgage and for any counterclaim brought therein. Mortgagor hereby waives all rights to interpose any counterclaim in any suit brought by Mortgagee hereunder and all rights to have any such suit consolidated with any separate suit, action or proceeding.

SECTION 2.17. *Remedies Cumulative.* No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, and each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

ARTICLE III

Miscellaneous

SECTION 3.01. *Partial Invalidity.* In the event any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal or unenforceable in any respect, such validity, illegality or unenforceability shall, at the option of Mortgagee, not affect any other provision of this Mortgage, and this Mortgage shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

SECTION 3.02. *Notices.* All notices and communications hereunder shall be in writing and given to Mortgagor in accordance with the terms of the Credit Agreement at the address set forth on the first page of this Mortgage and to the Mortgagee as provided in the Credit Agreement.

SECTION 3.03. *Successors and Assigns.* All of the grants, covenants, terms, provisions and conditions herein shall run with the Premises and the Improvements and shall apply to, bind and inure to, the benefit of the permitted successors and assigns of Mortgagor and the successors and assigns of Mortgagee.

SECTION 3.04. *Satisfaction and Cancelation.* (a) The conveyance to Mortgagee of the Mortgaged Property as security created and consummated by this Mortgage shall be null and void upon the payment in full in cash of the Loans and all the other Loan Document

Obligations (other than unasserted contingent and indemnification obligations), termination of all Commitments and Incremental Commitments and reduction of all exposure under any Letters of Credit issued and any Bankers' Acceptances to zero (or the making of other arrangements satisfactory to the issuers thereof).

(b) Upon any sale or other transfer by Mortgagor of all or any portion of the Mortgaged Property that is permitted under the Credit Agreement (other than a sale or other transfer to a U.S. Loan Party), or upon the effectiveness of any written consent to the release of the Lien granted hereby in all or any portion of the Mortgaged Property pursuant to Section 12.10 of the Credit Agreement, the Lien in all or such portion of the Mortgaged Property, as applicable, shall be automatically released.

(c) In connection with any termination or release pursuant to paragraph (a) or (b) of this Section 3.04, the Mortgagee shall execute and deliver to Mortgagor, at Mortgagor's expense, all documents that Mortgagor shall reasonably request to evidence such termination or release; provided, however, that (i) the Mortgagee shall not be required to execute any such document on terms which, in its reasonable opinion, would expose it to liability or create any obligation or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Liens upon (or obligations of the Mortgagor or any of the Subsidiaries in respect of) all interests in the Mortgaged Property (if any) retained by the Mortgagor or any of the Subsidiaries. Any execution and delivery of documents pursuant to this Section 3.04 shall be without recourse to or warranty by the Mortgagee.

SECTION 3.05. *Definitions.* The rules of construction specified in Section 1.02 of the Credit Agreement also apply to this Mortgage. As used in this Mortgage, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (a) "*including*" shall mean "including but not limited to"; (b) "*provisions*" shall mean "provisions, terms, covenants and/or conditions"; (c) "*lien*" shall mean "lien, charge, encumbrance, security interest, mortgage or deed of trust"; (d) "*obligation*" shall mean "obligation, duty, covenant and/or condition"; and (e) "any of the Mortgaged Property" shall mean "the Mortgaged Property or any part thereof or interest therein". Any act that Mortgagee is permitted to perform hereunder may be performed at any time and from time to time by Mortgagee or any person or entity designated by Mortgagee. Any act that is prohibited to Mortgagor hereunder is also prohibited to all lessees of any of the Mortgaged Property. Each appointment of Mortgagee as attorney-in-fact for Mortgagor under the Mortgage is irrevocable, with power of substitution and coupled with an interest.

SECTION 3.06. *Multisite Real Estate Transaction.* Mortgagor acknowledges that this Mortgage is one of a number of Other Mortgages and Security Documents that secure the Obligations. Mortgagor agrees that the lien of this Mortgage shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Mortgagee, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by the Mortgagee of any security for or guarantees of any of the Obligations hereby secured, or by any failure, neglect or omission on the part of Mortgagee to realize upon or protect any Obligation or indebtedness hereby secured or any collateral security therefor including the Other Mortgages and other Security

Documents. The lien hereof shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Obligations secured or of any of the collateral security therefor, including the Other Mortgages and other Security Documents or of any guarantee thereof, and Mortgagee may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Mortgages and other Security Documents without first exercising or enforcing any of its rights and remedies hereunder. Such exercise of Mortgagee's rights and remedies under any or all of the Other Mortgages and other Security Documents shall not in any manner impair the indebtedness hereby secured or the lien of this Mortgage and any exercise of the rights or remedies of Mortgagee hereunder shall not impair the lien of any of the Other Mortgages and other Security Documents or any of Mortgagee's rights and remedies thereunder. Mortgagor specifically consents and agrees that Mortgagee may exercise its rights and remedies hereunder and under the Other Mortgages and other Security Documents separately or concurrently and in any order that it may deem appropriate and waives any rights of subrogation.

SECTION 3.07. *No Oral Modification.* This Mortgage may not be changed or terminated orally. Any agreement made by Mortgagor and Mortgagee after the date of this Mortgage relating to this Mortgage shall be superior to the rights of the holder of any intervening or subordinate Mortgage, lien or encumbrance.

SECTION 3.08. *Intercreditor Agreement.* Notwithstanding anything herein to the contrary, the Liens granted to the Mortgagee under this Mortgage and the exercise of the rights and remedies of the Mortgagee hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Mortgage, the terms of the Intercreditor Agreement shall govern and control.

SECTION 3.09. *Reduction of Secured Amount*. In the event the maximum principal amount secured by this Mortgage is less than the aggregate Obligations, then the amount secured hereby shall be reduced only by the last and final sums that Mortgagor or any other Loan Party repays with respect to the Obligations and shall not be reduced by any intervening repayments of the Obligations. So long as the balance of the Obligations exceeds the amount secured hereby, any payments of the Obligations shall not be deemed to be applied against, or reduce, the portion of the Obligations secured by this Mortgage.

SECTION 3.10. *Future Advances*. This Mortgage is given to secure the Obligations under, or in respect of, the Secured Debt Agreements and shall secure not only Obligations with respect to presently existing indebtedness under the foregoing documents and agreements but also any and all other Obligations which may hereafter be owing to the Secured Parties under the Secured Debt Agreements, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized, including future advances and re-advances and other obligations, pursuant to the Secured Debt Agreements, whether such advances or obligations are obligatory or to be made at the option of the Secured Parties, or otherwise, to the same extent as if such future advances or obligations were made on the date of the execution of this Mortgage. The Lien of this

Mortgage shall be valid as to all Obligations secured hereby, including future advances and obligations, from the time of its filing for record in the recorder's office of the county in which the Mortgaged Property is located. 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 and Permitted Liens related thereto. Although this Mortgage is given to secure all future advances and obligations made by Mortgagee and/or the other Secured Parties to or for the benefit of the Borrowers, Mortgagor and/or the Mortgaged Property, whether obligatory or optional, Mortgagor and Mortgagee hereby acknowledge and agree that Mortgagee and the other Secured Parties are obligated by the terms of the Secured Debt Agreements to make certain future advances or obligations, including advances of a revolving nature, subject to the fulfillment of the relevant conditions set forth in the Secured Debt Agreements.

ARTICLE IV

Particular Provisions

This Mortgage is subject to the following provisions relating to the particular laws of the state wherein the Premises are located:

SECTION 4.01. *Applicable Law; Certain Particular Provisions.* This Mortgage shall be governed by and construed in accordance with the internal law of the state where the Mortgaged Property is located, except that Mortgagor expressly acknowledges that by their terms, the Credit Agreement and other Loan Documents (aside from those Other Mortgages to be recorded outside New York) shall be governed by the internal law of the State of New York, without regard to principles of conflict of law. Mortgagor and Mortgagee agree to submit to jurisdiction and the laying of venue for any suit on this Mortgage in the state where the Mortgaged Property is located. The terms and provisions set forth in Appendix A attached hereto are hereby incorporated by reference as though fully set forth herein. In the event of any conflict between the terms and provisions contained in the body of this Mortgage and the terms and provisions set forth in Appendix A, the terms and provisions set forth in Appendix A shall govern and control.

IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered to Mortgagee by Mortgagor and is effective as of the date first above written.

SMURFIT-STONE CONTAINER CORPORATION

By: _____
Name: _____
Title: _____

[ADD LOCAL FORM OF ACKNOWLEDGMENT]

Exhibit A
to Mortgage

Description of the Land

Appendix A
to Mortgage

Local Law Provisions

Exhibit P-1
to the Credit Agreement

April __, 2010

Deutsche Bank AG New York Branch,
as Administrative Agent and Security Agent
60 Wall Street, NYC60-0208
2nd Floor
New York, New York 10005-2858

The Lenders party to the Credit Agreement referred to below

Ladies and Gentlemen:

We have acted as special counsel to Smurfit-Stone Container Corporation, a Delaware corporation ("SSCC"), Smurfit-Stone Container Enterprises, Inc., a Delaware corporation ("SSCE"), and Smurfit-Stone Container Canada, L.P., an Ontario limited partnership ("SSC Canada"), in connection with the execution and delivery of the ABL Credit Agreement dated as of the date hereof (the "Credit Agreement") by and among SSCC, SSCE, SSC Canada, Deutsche Bank AG New York Branch, as Administrative Agent and Security Agent, Deutsche Bank AG New York Branch, JPMorgan Chase Bank, N.A., and General Electric Capital Corporation, as Co-Collateral Agents, and the financial institutions party thereto (the "Lenders"). Capitalized terms used herein, but not otherwise defined herein, shall have the meanings ascribed to such terms in the Credit Agreement. SSCC and SSCE are individually referred to herein as a "Loan Party" and collectively as the "Loan Parties". This opinion letter is delivered to you at our clients' request pursuant to Section 6.01(b) of the Credit Agreement.

In rendering the opinions set forth herein, we have examined (i) the Credit Agreement, (ii) that certain Order dated April __, 2010 issued by the U.S. Bankruptcy Court granting authority to enter into the Credit Agreement and execute, deliver and perform all obligations under the Credit Agreement and other Loan Documents, and (iii) such other agreements, instruments and documents and such questions of law as we have deemed necessary or appropriate to enable us to render the opinions expressed below. Additionally, we have examined originals or copies, certified to our satisfaction, of such certificates of public officials and officers and representatives of the Loan Parties and we have made such inquiries of officers and representatives of the Loan Parties as we have deemed relevant or necessary as the basis for the opinions set forth herein.

In rendering the opinions expressed below, we have, with your consent, assumed the legal capacity of all natural persons executing documents, that the signatures of persons signing all documents in connection with which this opinion letter is rendered are genuine, all documents submitted to us as originals or duplicate originals are authentic and all documents submitted to us as copies, whether certified or not, conform to authentic original documents. In giving the opinions expressed below, we have relied upon and assumed with your permission and without independent investigation or verification of any kind the correctness of (i) the opinions set forth in the separate opinion of Craig A. Hunt, Esq., Senior Vice President, Secretary and General Counsel of the Loan Parties, with respect to the Loan Parties, (ii) the opinions set forth in the separate opinion of Osler, Hoskin & Harcourt LLP, with respect to SSC Canada and 3242795 Nova Scotia Limited, a Nova Scotia company and general partner of SSC Canada, and (iii) the opinions set forth in the separate opinion of Stewart McKelvey Stirling Scales, with respect to SSC Canada, 3242795 Nova Scotia Limited, a Nova Scotia company and general partner of SSC Canada, and 3242796 Nova Scotia Limited, a Nova Scotia company and limited partner of SSC Canada, in each case dated the date hereof and delivered to you pursuant to Section 6.01(b) of the Credit Agreement. Additionally, we have, with your consent, assumed and relied upon, the following:

(a) the accuracy and completeness of all certificates and other statements, documents, records, financial statements and papers reviewed by us, and the accuracy and completeness of all representations, warranties, schedules and exhibits contained in the Credit Agreement, in each case with respect to the factual matters set forth therein;

(b) all parties to the documents reviewed by us are duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation or formation and under the laws of all jurisdictions where they are conducting their businesses or otherwise required to be so qualified, and have full power and authority to execute, deliver and perform under such documents and all such documents have been duly authorized, executed and delivered by such parties; and

(c) because a claimant bears the burden of proof required to support its claims, the Administrative Agent, Security Agent and the Lenders will undertake the effort and expense necessary to fully present their claims in the prosecution of any right or remedy accorded the Administrative Agent, Security Agent or the Lenders under the Credit Agreement.

Whenever our opinion with respect to the existence or absence of facts is indicated to be based on our knowledge or awareness, we are referring to the actual present knowledge of the particular Winston & Strawn LLP attorneys who have represented the Loan Parties during the course of our limited representation of the Loan Parties in connection with the Credit Agreement. Except as expressly set forth herein, we have not undertaken any independent investigation, examination or inquiry to determine the existence or absence of any facts (and have not caused the review of any court file or indices) and no inference as to our knowledge concerning any facts should be drawn as a result of the limited representation undertaken by us.

Based upon the foregoing and subject to the qualifications, limitations and comments stated herein, we are of the opinion that:

1. The Credit Agreement constitutes the legal, valid and binding obligation of each of the Loan Parties and SSC Canada and the Credit Agreement is enforceable against each such Loan Party and SSC Canada in accordance with its terms.

2. Each of the Loan Party's and SSC Canada's execution and delivery of the Credit Agreement and its performance of its obligations thereunder will not constitute a violation by such Loan Party or SSC Canada of any applicable provision of any existing State of New York or United States federal statutory law or governmental regulation covered by this letter, or violate any existing order, writ, injunction or decree of any court or governmental instrumentality applicable to such Loan Party or SSC Canada of which we have knowledge.

3. No Loan Party is presently required to obtain any consent, approval, authorization or order of the State of New York or any United States federal court or governmental agency in connection with the execution, delivery and performance by the Loan Parties of the Credit Agreement, except for: (a) those obtained or made on or prior to the date hereof; (b) actions or filings required in connection with ordinary course conduct by the Loan Parties of their respective businesses and ownership or operation by the Loan Parties of their respective assets; and (c) actions and filings required under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, any state "blue sky" law or related regulation and the Trust Indenture Act of 1939, as amended (as to which matters we express no opinion).

4. None of the Loan Parties is an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, or, to our knowledge, controlled by such a company.

5. None of the Loan Parties is a "holding company" or a "subsidiary company" of a "holding company" or an "affiliate" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

6. To our knowledge, no legal or governmental proceedings are pending or overtly threatened to which any Loan Party is a party or to which any of their respective properties or assets are subject that challenges the validity or enforceability of the Credit Agreement.

The opinions as expressed herein are subject to the following qualifications, limitations and comments:

(a) the enforceability of the Credit Agreement and the obligations of the Loan Parties and SSC Canada thereunder and the availability of certain rights and remedial provisions provided for in the Credit Agreement are subject to the effect of bankruptcy, fraudulent conveyance or transfer, insolvency, reorganization, arrangement, liquidation, conservatorship and moratorium laws and are subject to limitations imposed by other laws and judicial decisions relating to or affecting the rights of creditors or secured creditors generally, and general principles of equity (regardless of whether enforcement is considered in proceedings at law or in equity) upon the availability of injunctive relief or other equitable remedies, including, without limitation, where: (i) the breach of such covenants or provisions imposes restrictions or burdens upon a debtor and it cannot be demonstrated that the enforcement of such remedies, restrictions or burdens is reasonably necessary for the protection of a creditor; (ii) a creditor's enforcement

of such remedies, covenants or provisions under the circumstances, or the manner of such enforcement, would violate such creditor's implied covenant of good faith and fair dealing, or would be commercially unreasonable; or (iii) a court having jurisdiction finds that such remedies, covenants or provisions were, at the time made, or are in application, unconscionable as a matter of law or contrary to public policy;

(b) as to our opinions set forth in paragraph 1 hereof, we express no opinion as to the enforceability of cumulative remedies to the extent such cumulative remedies purport to or would have the effect of compensating the party entitled to the benefits thereof in amounts in excess of the actual loss suffered by such party;

(c) we express no opinion as to the creation, perfection or priority of any security interests;

(d) provisions in the Credit Agreement deemed to impose the payment of interest on interest may be unenforceable, void or voidable under applicable law;

(e) we express no opinion as to the validity, binding effect or enforceability of any indemnification provisions of the Credit Agreement;

(f) requirements in the Credit Agreement specifying that provisions thereof may only be waived in writing may not be valid, binding or enforceable to the extent that an oral agreement or an implied agreement by trade practice or course of conduct has been created modifying any provision of such documents;

(g) we express no opinion with respect to the validity, binding effect or enforceability of any provision of the Credit Agreement which purports to authorize any Person to sign or file documents without the signature of the Loan Parties or SSC Canada;

(h) we express no opinion with respect to the validity, binding effect or enforceability of any purported waiver, release or disclaimer under the Credit Agreement relating to (i) statutory or equitable rights and defenses of the Loan Parties or SSC Canada which are not subject to waiver, release or disclaimer, or (ii) rights or claims of, or duties owing to, the Loan Parties or SSC Canada to the extent limited by applicable law, or to the extent such rights, claims and duties otherwise exist as a matter of law except to the extent the Loan Parties or SSC Canada have effectively so waived, released or disclaimed such rights, claims or duties in accordance with applicable law;

(i) we express no opinion as to the severability of any provision of the Credit Agreement;

(j) certain other rights, remedies and waivers contained in the Credit Agreement may be rendered ineffective, or limited by, applicable laws, rules, regulations, constitutional requirements or judicial decisions governing such provisions, but such laws, rules, regulations, constitutional limitations and judicial decisions do not, in our opinion (subject to the other comments and qualifications set forth in this opinion letter), make the remedies afforded by the Credit Agreement inadequate for the practical realization of the principal benefits intended to

be provided, although they may result in a delay thereof (and we express no opinion with respect to the economic consequences of any such delay);

(k) we express no opinion with respect to the applicability or effect of federal or state anti-trust, unfair competition, tax, pension and employee benefit, environmental, land use and subdivision, racketeering (e.g., RICO), health and safety (e.g., OSHA), labor, (except to the extent set forth in paragraphs 4 and 5 above) securities and "blue sky" laws and regulations;

(l) we express no opinion with respect to the applicability or effect of the statutes and ordinances, the administrative decisions and the rules and regulations of counties, towns, municipalities and special political subdivisions and judicial decisions to the extent that they deal with any of the foregoing;

(m) we express no opinion with respect to the validity, binding effect or enforceability of any provision of the Credit Agreement purporting to establish evidentiary standards or a consent to jurisdiction and venue or waiving service of process or demand or notice and hearing or constitutional rights (including a jury trial) or purporting to eliminate any obligation to marshall assets;

(n) we express no opinion with respect to any provisions of the Credit Agreement purporting to appoint any Person as attorney-in-fact or agent for the Loan Parties or SSC Canada;

(o) we express no opinion as to the effect of the legal or regulatory status or the nature of the business of the Administrative Agent, Security Agent or any Lender on our opinions;

(p) we express no opinion with respect to Section 13.02 of the Credit Agreement to the extent that such section permits setoff to be made without notice; and

(q) although the Credit Agreement provides for obligations of Loan Parties and SSC Canada denominated in a currency other than United States dollars, we express no opinion as to whether a court would award a judgment in a currency other than United States dollars.

The opinions expressed herein are based upon and are limited to the laws of the State of New York and the United States of America, and we express no opinion with respect to the laws of any other state, jurisdiction or political subdivision. The opinions expressed herein based on the laws of the State of New York and the United States of America are limited to the laws generally applicable in transactions of the type covered by the Credit Agreement.

Our opinions set forth in this letter are based upon the facts in existence and laws in effect on the date hereof and we expressly disclaim any obligation to update our opinions herein, regardless of whether changes in such facts or laws come to our attention after the delivery hereof.

This opinion letter is solely for the benefit of the addressees hereof in connection with the execution and delivery of the Credit Agreement. No attorney-client relationship exists or has

existed by reason of our preparation, execution and delivery of this opinion letter to any addressee hereof or any other person or entity except for the Loan Parties and SSC Canada. In permitting reliance hereon by any person or entity other than the Loan Parties and SSC Canada, we are not acting as counsel for such other person or entity and have not assumed and are not assuming any responsibility to advise such other person or entity with respect to the adequacy of this opinion letter for its purposes. This opinion letter may not be relied upon in any manner by any other person and may not be disclosed, quoted, filed with a governmental agency or otherwise referred to without our prior written consent; provided that any Person that subsequently becomes a Lender in accordance with Section 13.04(b) of the Credit Agreement may rely on this opinion letter as of the date of this opinion letter as if it were addressed to such Person and delivered on the date hereof; and provided further, that this opinion may be furnished by you to, but may not be relied upon in any manner by, (i) your legal counsel and independent auditors who need to know such information and are informed of the confidential nature of this opinion, (ii) any regulatory authority having jurisdiction over you upon the request or demand of such regulatory authority, (iii) any Person to the extent required pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding or as otherwise required by applicable law or compulsory legal process, provided that you take reasonable steps to procure that such Person maintains the confidentiality of this opinion, (iv) any Person that subsequently becomes the Administrative Agent or Security Agent in accordance with Section 12.09 of the Credit Agreement, (v) any Person that proposes to become a Lender under the Credit Agreement, and (vi) any Person that proposes to become or becomes a Cash Management Creditor under a Secured Cash Management Agreement or a Hedging Creditor under a Secured Hedging Agreement, in each case, in compliance with the requirements of the Credit Agreement.

Very truly yours,

Winston & Strawn LLP

Exhibit P-2
to the Credit Agreement

April __, 2010

Deutsche Bank AG New York Branch,
as Administrative Agent and Security Agent
60 Wall Street, NYC60-0208
2nd Floor
New York, New York 10005-2858

The Lenders party to the Credit Agreement referred to below

Ladies and Gentlemen:

I am general counsel to Smurfit-Stone Container Corporation, a Delaware corporation ("SSCC"), Smurfit-Stone Container Enterprises, Inc., a Delaware corporation ("SSCE"), and Smurfit-Stone Container Canada, L.P., an Ontario limited partnership ("SSC Canada"). SSCC and SSCE are individually referred to herein as a "Loan Party" and collectively as the "Loan Parties". This opinion is delivered to you pursuant to Section 6.01(b) of the Credit Agreement dated as of the date hereof (the "Credit Agreement") by and among SSCC, SSCE, SSC Canada, Deutsche Bank AG New York Branch, as Administrative Agent and Security Agent, Deutsche Bank AG New York Branch, JPMorgan Chase Bank, N.A., and General Electric Capital Corporation, as Co-Collateral Agents, and the financial institutions party thereto (the "Lenders"). Unless otherwise indicated, capitalized terms used herein but not otherwise defined herein shall have the respective meanings set forth in the Credit Agreement.

In connection with this opinion, I have examined originals or copies, certified or otherwise identified to my satisfaction, of the following:

(i) the certificate of incorporation and bylaws of SSCC and SSCE;

(ii) resolutions of the board of directors of SSCC and SSCE; and

(iii) the Credit Agreement.

In addition, I have obtained and relied without independent investigation upon such certificates and assurances from public officials as I have deemed necessary or appropriate. In my examinations, I have assumed (a) the genuineness of all signatures of all parties other than the Loan Parties, the conformity to original documents of all documents submitted to me as copies or drafts and the authenticity of such originals of such latter documents, (b) as to all parties other than the Loan Parties, the due completion, execution, acknowledgment as indicated thereon and delivery of documents recited herein and therein and validity and enforceability against all parties thereto other than the Loan Parties and (c) that each Person (other than the Loan Parties) which is a party to the Credit Agreement has full power, authority and legal right, under its charter and other governing documents, corporate or other entity legislation and the laws of its state of formation, to perform its respective obligations under the Credit Agreement.

I have investigated such questions of law for the purpose of rendering this opinion as I have deemed necessary. I am opining herein as to United States federal laws, the General Corporation Law of the State of Delaware and the laws of the State of Missouri only, in each case as having effect at the date hereof.

On the basis of the foregoing, and in reliance thereon, and subject to the limitations, qualifications and exceptions set forth herein, I am of the opinion that as of the date hereof:

1. Each of SSCC and SSCE is a corporation duly incorporated, validly existing and in good standing under the laws of its respective state of incorporation. Each of the Loan Parties is qualified to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification necessary, except, as to any Loan Party, for such failures to be qualified and in good standing, if any, which would not have a material adverse effect on the business, properties or operations of such Loan Party. Each Loan Party has all requisite corporate power and authority to own and operate its properties and to carry on its business as now conducted and to execute, deliver and perform its obligations under the Credit Agreement. The execution, delivery and performance by each Loan Party of the Credit Agreement have been duly authorized by all necessary corporate action on the part of such Loan Party and such documents have been duly executed and delivered by each such Loan Party.

2. Each of the Loan Party's and SSC Canada's execution and delivery of the Credit Agreement and its performance of its obligations under the Credit Agreement will not (i) constitute a violation by each such Loan Party or SSC Canada of any applicable provision of the General Corporation Law of the State of Delaware or United States federal statutory law or governmental regulation, or violate any existing order, writ, injunction or decree of any court or governmental instrumentality applicable to such Loan Party or SSC Canada of which I have knowledge; (ii) conflict with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or (other than pursuant to the Loan Documents) result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any Loan Party pursuant to the terms of any material note, deed of trust, license, franchise, permit, agreement or other instrument or obligation to which such Loan

Party is a party, or by which such Loan Party or any of its properties (whether now owned or hereafter acquired) may be bound or affected (except that I express no opinion with respect to breaches or defaults under cross-default or cross-acceleration provisions or with respect to financial covenants or tests) or (iii) violate any existing provisions of the certificate of incorporation or by-laws of the Loan Parties.

3. Other than the Bankruptcy Proceedings (solely with respect to the Loan Parties) and the matters disclosed on Schedule 8.09 to the Credit Agreement, there are no causes of action, claims, proceedings or investigations pending, or to the best of my knowledge, threatened against any of the Loan Parties or SSC Canada, relating to or affecting any of the Loan Parties or SSC Canada (or any of their respective officers or directors in connection with the business or affairs of such Loan Party or SSC Canada), before any court or governmental authority, which could reasonably be expected to have a Material Adverse Effect. Other than the commencement of the Bankruptcy Proceedings (solely with respect to the Loan Parties), there are no causes of action, claims, proceedings or investigations pending or, to the best of my knowledge, threatened, against any of the Loan Parties or SSC Canada challenging the validity or propriety of the transactions contemplated by the Credit Agreement or in which an injunction or order has been entered preventing any of the transactions contemplated by the Credit Agreement. Other than those of the Bankruptcy Courts (solely with respect to the Loan Parties), none of the Loan Parties or SSC Canada is subject to any judgment, order or decree which has a reasonable probability of having a material adverse effect on the business, properties or operations of the Loan Parties and SSC Canada taken as a whole.

4. No Loan Party is presently required to obtain any consent, approval, authorization or order of any Delaware governmental authority under the General Corporation Law of the State of Delaware in connection with the execution, delivery and performance by the Loan Parties of the Credit Agreement, except for: (a) those obtained or made on or prior to the date hereof; and (b) actions or filings required in connection with ordinary course conduct by the Loan Parties of their respective businesses and ownership or operation by the Loan Parties of their respective assets.

5. None of the Loan Parties is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

6. None of the Loan Parties is a "holding company", or a "subsidiary company" of a "holding company", or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company", as such terms are defined in the Public Utility Holding Company Act of 1935, as amended, or a "public utility", as such term is defined in the Federal Power Act, as amended.

This opinion is solely for your benefit in connection with the transactions contemplated by the Credit Agreement and is not to be used, circulated, quoted or otherwise referred to for any other purpose without my prior written consent; provided, however, that Winston & Strawn LLP and any Person that subsequently becomes a Lender in accordance with Section 13.04(b) of the Credit Agreement may rely on this opinion as of the date of this opinion as if it were addressed to such Person and delivered on the date hereof; and provided further, that this opinion may be

furnished by you to, but may not be relied upon in any manner by, (i) your legal counsel and independent auditors who need to know such information and are informed of the confidential nature of this opinion, (ii) any regulatory authority having jurisdiction over you upon the request or demand of such regulatory authority, (iii) any Person to the extent required pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding or as otherwise required by applicable law or compulsory legal process, provided that you take reasonable steps to procure that such Person maintains the confidentiality of this opinion, (iv) any Person that subsequently becomes the Administrative Agent or Security Agent in accordance with Section 12.09 of the Credit Agreement, (v) any Person that proposes to become a Lender under the Credit Agreement, and (vi) any Person that proposes to become or becomes a Cash Management Creditor under a Secured Cash Management Agreement or a Hedging Creditor under a Secured Hedging Agreement, in each case, in compliance with the requirements of the Credit Agreement.

Very truly yours,

Craig A. Hunt
General Counsel

April l 2010

Deutsche Bank AG New York Branch,
as Administrative Agent and Security Agent
60 Wall Street, NYC60-0208
2nd Floor
New York, New York 10005-2858

The Lenders party to the Credit Agreement referred to below

Dear Sirs/Mesdames:

RE: ABL Credit Agreement, dated as of [ ], 2010, among Smurfit-Stone Container Corporation, a Delaware corporation ("SSCC"), Smurfit-Stone Container Enterprises, Inc., a Delaware corporation, Smurfit-Stone Container Canada, L.P., an Ontario limited partnership (the "Canadian Borrower"), certain subsidiaries of SSCC party thereto from time to time, the Lenders party thereto, Deutsche Bank AG New York Branch, as Administrative Agent and Security Agent, and Deutsche Bank AG New York Branch, JPMorgan Chase Bank, N.A., and General Electric Capital Corporation, as Co-Collateral Agents (the "Credit Agreement")

We have acted as counsel in the Province of Ontario to the Canadian Borrower and 3242795 Nova Scotia Limited, a Nova Scotia company, which is the sole general partner of the Canadian Borrower ("**Canadian Borrower GP**"), in connection with the Credit Agreement.

Unless otherwise defined herein, capitalized terms used in this opinion shall have the meanings ascribed thereto in the Credit Agreement. This opinion letter is delivered to you at our client's request pursuant to Section 6.01(b) of the Credit Agreement.

A. Documentation

We have examined an executed copy of the Credit Agreement.

B. Jurisdiction

Our opinion is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein ("**Applicable Laws**").

C. Scope of Examination

In connection with the opinions expressed herein, we have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such

certificates of public officials and of such other certificates, documents and records as we have considered necessary or relevant for the purposes of the opinions hereinafter expressed, including:

(a) the limited partnership agreement dated March 17, 2010, between the Canadian Borrower GP and 3242796 Nova Scotia Limited in respect of the Canadian Borrower (the "**Limited Partnership Agreement**");

(b) a resolution of the Canadian Borrower GP, authorizing the execution and delivery of the Credit Agreement by it, in its capacity as general partner of the Canadian Borrower, and the performance by it, in its capacity as general partner of the Canadian Borrower, of the obligations of the Canadian Borrower under the Credit Agreement; and

(c) an officer's certificate (the "**Officer's Certificate**") dated April l 2010 of the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, as to certain factual matters, a copy of which has been delivered to you.

D. Assumptions and Reliance on Factual Certificates

We have assumed:

(a) with respect to all documents examined by us, the genuineness of all signatures, the legal capacity of individuals signing any documents, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as certified, conformed, electronic telecopied or photocopied copies;

(b) that the Canadian Borrower GP and 3242796 Nova Scotia Limited (the "**Canadian Borrower LP**") are duly incorporated and existing under the laws of their jurisdiction of formation and existence;

(c) that the Canadian Borrower GP has all necessary corporate power and capacity to enter into the Limited Partnership Agreement and to act as general partner of the Canadian Borrower and to enter into and perform its obligations, in its capacity as general partner of the Canadian Borrower, under the Limited Partnership Agreement and the Credit Agreement; and that the Canadian Borrower LP has all necessary corporate power and capacity to enter into the Limited Partnership Agreement;

(d) that all necessary corporate action by the Canadian Borrower GP has been taken to authorize the execution, delivery and performance of the Limited Partnership Agreement and the Credit Agreement, in its capacity as general partner of the Canadian Borrower and that all necessary corporate action by the Canadian Borrower LP has been taken to authorize the execution, delivery and performance of the Limited Partnership Agreement;

(e) that the Limited Partnership Agreement has been executed and delivered by all parties to the Limited Partnership Agreement;

(f) that the Credit Agreement has been duly executed and delivered by the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, in compliance with the laws of the jurisdiction where execution and delivery actually occurred, if other than Ontario; and

(g) that all facts set forth in all certificates supplied, or otherwise conveyed to us, by public officials and in the Officer's Certificate are true.

We have relied exclusively upon the Officer's Certificate with respect to the accuracy of the factual matters contained therein and we have not performed any independent check or verification of such factual matters.

In expressing the opinion set forth in paragraph E.1, we have relied solely upon a certified partnership report issued under the *Limited Partnerships Act* (Ontario) by the Ministry of Government Services (Ontario) dated April 丨, a copy of which has been delivered to you.

E. Opinions

Based and relying on the foregoing, and subject to the qualifications below, we are of the opinion that:

1. **Status**: The Canadian Borrower is a limited partnership formed under the *Limited Partnerships Act* (Ontario). Relying solely on the Officer's Certificate, the Canadian Borrower has not been dissolved as of the date hereof. The Canadian Borrower GP is duly registered as an extra-provincial corporation under the *Corporations Information Act* (Ontario).

2. **Authorization**: All necessary action in accordance with the provisions of the Limited Partnership Agreement has been taken to authorize the execution, delivery and performance of the Credit Agreement by the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower.

3. **Execution and Delivery**. To the extent Applicable Law applies, the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, has executed and delivered the Credit Agreement.

4. **Authorizations and Filings**: No authorization, consent, permit, license or approval of, or other action by, or registration or filing with or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction, is required at this time in connection with the execution, delivery or performance by the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, of the Credit Agreement.

5. **Non-contravention**: The execution and delivery of the Credit Agreement and the performance of the Credit Agreement by the Canadian Borrower GP, in its capacity as

general partner of the Canadian Borrower, does not contravene, breach or result in any default under:

(a) the Limited Partnership Agreement or;

(b) any statute or regulation of the Province of Ontario (or any federal laws of Canada applicable therein) applicable to the Canadian Borrower;

(c) any existing order, writ, injunction or decree of any court or governmental instrumentality applicable to the Canadian Borrower of which we have knowledge (pursuant to our enquiries referred to in paragraph 6).

6. **Litigation**

We have made enquiries of certain members of our Firm providing legal services to the Canadian Borrower as of April 1, 2010 concerning claims or possible claims (as defined for purposes of the Joint Policy Statement of January 1978 approved by The Canadian Bar Association and the Auditing Standards Committee of the Canadian Institute of Chartered Accountants) by or against the Canadian Borrower in respect of which our advice has been sought, and we confirm that the responses which we have received to such enquiry do not identify any claims or possible claims which are not referred to in the Credit Agreement or which might prevent, or would render unlawful, the completion of the transactions provided for in the Credit Agreement.

7. **Application of Foreign Law – New York Law**

In any proceeding in a court of competent jurisdiction in the Province of Ontario (an "**Ontario Court**") for the enforcement of the Credit Agreement, an Ontario Court would apply the laws of the State of New York ("**New York Law**"), in accordance with the parties' choice of New York Law in the Credit Agreement, to all issues which under Applicable Laws are to be determined in accordance with the chosen law of the contract, provided that:

(a) the parties' choice of New York Law is *bona fide* and legal and is not contrary to public policy, as such term is interpreted under Applicable Laws ("**Public Policy**");

(b) in any such proceeding, an Ontario Court:

(i) will not take judicial notice of the provisions of New York Law but will only apply such provisions if they are pleaded and proven by expert testimony;

(ii) will apply Applicable Laws to matters which would be characterized as procedural under Applicable Laws;

(iii) will apply provisions of Applicable Laws that have overriding effect;

(iv) will not apply any New York Law if its application would be contrary to Public Policy;

(v) will not apply any New York Law if such application would be characterized under Applicable Laws as the direct or indirect enforcement of a foreign revenue, expropriatory, penal or other public law; and

(vi) will not enforce the performance of any obligation that is illegal under the laws of any jurisdiction in which the obligation is to be performed; and

(c) an Ontario Court has discretion to decline to hear an action if:

(i) it is contrary to Public Policy;

(ii) it is not the proper forum to hear such an action; or

(iii) another action is properly pending before, or a decision has been rendered by, a foreign authority relating to the same cause of action.

8. **Enforcement of a Foreign Judgment –New York Law**

An Ontario Court would give a judgment based upon a final and conclusive *in personam* judgment of a court of competent jurisdiction in the State of New York (a "**New York Court**") for a sum certain, obtained against the Canadian Borrower or the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, with respect to a claim arising out of the Credit Agreement (a "**New York Judgment**") without reconsideration of the merits provided that:

(a) the New York Court has jurisdiction over the Canadian Borrower and the Canadian Borrower GP, in its capacity as general partner of the Canadian Borrower, according to Applicable Laws;

(b) an action to enforce the New York Judgment must be commenced in an Ontario Court within any applicable limitation period;

(c) an Ontario Court has discretion to stay or decline to hear an action on the New York Judgment if such judgment is under appeal, or there is another subsisting judgment in any jurisdiction relating to the same cause of action;

(d) an Ontario Court will render judgment only in Canadian dollars;

(e) an action in an Ontario Court on the New York Judgment may be affected by bankruptcy, insolvency or laws affecting the enforcement of creditors' rights generally; and

further, an Ontario Court will not give such judgment if:

(f) the New York Judgment was obtained by fraud or in a manner contrary to the principles of natural justice;

(g) the New York Judgment is for a claim which would be characterized as based on foreign revenue, expropriatory, or penal, or other public law under Applicable Laws;

(h) the New York Judgment is contrary to Public Policy or to an order made by the Attorney General of Canada under the *Foreign Extraterritorial Measures Act* (Canada) or by the Competition Tribunal under the *Competition Act* (Canada) in respect of certain judgments referred to in such statutes; and

(i) the New York Judgment has been satisfied or is void or voidable under New York Law.

F. Qualifications

The opinions under Section E above are subject to the following qualifications and limitations:

(a) **Costs and Expenses** – the ability and extent to which the Agents or Lenders would be able to recover or claim for certain costs and expenses in a legal proceeding in the Province of Ontario may be subject to judicial discretion and the tariff provisions of the *Rules of Civil Procedure* (Ontario) notwithstanding express provision in the Credit Agreement to the contrary.

The opinions expressed in this opinion letter are given solely for the use of the Agents and Lenders, together with their successors and permitted assigns, in connection with the transactions referred to in this opinion letter, and may not, in whole or in part, be relied upon by or shown or distributed to any other person or for any other purpose without our prior written consent, provided that Winston and Strawn LLP and any Person that subsequently becomes a Lender in accordance with Section 13.04(b) of the Credit Agreement may rely on this opinion as of the date of this opinion as if it were addressed to such Person and delivered on the date hereof, provided further that copies of this opinion may be furnished by you to, but may not be relied on by, (i) your professional advisers and accountants and to bank auditors and examiners, in each case in connection with their audit and review activities, (ii) any Person as may be required by applicable law or regulation provided that you take reasonable steps to procure that such person maintains the confidentiality of this opinion and (iii) entities (x) that are or become Agents or party to Secured Hedging Agreements or Secured Cash Management Agreements or (y) to whom you propose to sell an interest in the Commitments and/or Loans held by you or propose to enter into Secured Hedging Agreements or Secured Cash Management Agreements with any other Loan Party, in each case, in compliance with the requirements of the Credit Agreement.

Yours very truly,

DS

Exhibit P-4
to the Credit Agreement

April [ ], 2010

Deutsche Bank AG New York Branch,
as Administrative Agent and Security Agent
60 Wall Street, NYC60-0208
2nd Floor
New York, NY 10005-2858

The Lenders party to the Credit Agreement referred to below

Dear Sirs:

Re: ABL Credit Agreement, dated as of April [ ], 2010, among Smurfit-Stone Container Corporation, a Delaware corporation ("SSCC"), Smurfit-Stone Container Canada, L.P., an Ontario limited partnership (the "Canadian Partnership"), certain subsidiaries of SSCC party thereto from time to time, the Lenders party thereto, Deutsche Bank AG New York Branch, as Administrative Agent and Security Agent, and Deutsche Bank AG New York Branch, JPMorgan Chase Bank, N.A., and General Electric Capital Corporation, as Co-Collateral Agents (the "Credit Agreement")

We have acted as local Nova Scotia counsel to the Canadian Partnership, an Ontario limited partnership, and its partners, 3242795 Nova Scotia Limited (the "**General Partner**") and 3242796 Nova Scotia Limited (the "**Limited Partner**" and, collectively with the General Partner, the "**Partners**"), each being a company limited by shares incorporated under the laws of the Province of Nova Scotia, in connection with, *inter alia*, the execution and delivery of the Credit Agreement.

In acting as such counsel, we have examined an original or facsimile of an executed copy of the limited partnership agreement between the Partners forming the Canadian Partnership dated as of March 17, 2010 (the "**Partnership Agreement**") and the Credit Agreement.

Where a term is defined collectively in the plural herein, the singular use of the term means any one of such collective.

In connection with the opinions set out below, we have also examined and relied upon:

1. the memorandum and articles of association of each Partner contained in the minute book of such Partner;

2. a certificate of status for each of the Partners dated April [ ], 2010 issued on behalf of the Registrar of Joint Stock Companies for the Province of Nova Scotia;

3. corporate proceedings of each of the Partners approving the Partnership Agreement;

4. corporate proceedings of the General Partner, on its own behalf and in its capacity as general partner of the Canadian Partnership, approving the Credit Agreement;

5. a certificate dated the date hereof of an officer of each of the Partners (the "**Officer's Certificates**"); and

6. such other records of each of the Partners, such public records and such certificates of officers of each of the Partners and of others as we have deemed relevant and necessary as a basis for the opinions expressed herein.

For purposes of the opinions set out below, we have assumed, without independent verification by us:

(a) with respect to all documents examined by us, the genuineness of all signatures on and the authenticity and completeness of each document submitted to us as an original and the conformity to the authentic original document of each document we have examined as a certified, conformed, facsimile or photostatic copy, and the genuineness of all signatures on, and the authenticity of, the originals of such copies;

(b) the completeness, truth and accuracy of all facts set forth in official public records and certificates and other documents supplied by public officials;

(c) the currency and accuracy of the indices and records maintained at the public offices where we have conducted searches or made inquiries or caused searches or inquiries to be made;

(d) the accuracy of all statements of fact contained in the Officer's Certificates; and

(e) that each of the Credit Agreement and the Partnership Agreement has been delivered by each of the Partners and the Canadian Partnership party thereto, as a matter of fact, to the other parties thereto or their lawful representatives and that no such delivery was subject to any condition or escrow which has not been satisfied.

The opinions set out below are limited to the laws of the Province of Nova Scotia, including the federal laws of Canada applicable therein, as of the date of this opinion letter (collectively, "**Applicable Laws**"). In connection with the opinions set out below, we have considered such matters of law as we have considered necessary or appropriate.

We express no opinion as to whether any requirement of the Partnership Agreement has been satisfied in connection with the authorization, execution or delivery of the Credit Agreement.

Based upon and subject to the foregoing, and to the limitations below, we are of the opinion that:

1. Each of the Partners is a company limited by shares, duly incorporated and validly existing under the *Companies Act* (Nova Scotia).

2. Each of the Partners is registered, and in good standing as to the payment of annual fees, under the *Corporations Registration Act* (Nova Scotia).

3. The General Partner has all requisite corporate power and capacity (i) to act as general partner of the Canadian Partnership, (ii) to own and operate its properties and to carry on its business, on its own behalf and on behalf of the Canadian Partnership, in each case as described in the applicable Officer's Certificate, and (iii) to execute, deliver and perform the obligations of the Canadian Partnership under the Credit Agreement and its obligations under the Partnership Agreement.

4. The Limited Partner has all requisite corporate power and capacity (i) to act as a limited partner of the Canadian Partnership, (ii) to own and operate its properties and to carry on its business, in each case as described in the applicable Officer's Certificate, and (iii) to execute, deliver and perform its obligations under the Partnership Agreement.

5. The execution, delivery and performance by the Partners of the Partnership Agreement have been duly authorized by all necessary corporate action on the part of the Partners, and the Partnership Agreement has been duly executed and delivered by the Partners.

6. The execution, delivery and performance by the General Partner on behalf of the Canadian Partnership of the Credit Agreement have been duly authorized by all necessary corporate action on the part of the General Partner and such Credit Agreement has been duly executed and delivered by the General Partner on behalf of the Canadian Partnership.

7. The execution and delivery of the Credit Agreement by the General Partner on behalf of the Canadian Partnership and its performance of the Canadian Partnership's obligations under the Credit Agreement will not constitute a violation of or conflict with (i) the memorandum of association or articles of association of either of the Partners, or (ii) any law, published rule or governmental regulation of the Province of Nova Scotia or any federal law, published rule or governmental regulation of Canada applicable therein.

8. No authorization, consent, permit, license or approval of, or other action by, or registration or filing with or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction, is required at this time under Applicable Laws in connection with the execution, delivery or performance by the General Partner, in its capacity as general partner of the Canadian Partnership, of the Credit Agreement.

9. In any proceeding in a court of competent jurisdiction in the Province of Nova Scotia (a "**Nova Scotia Court**") for the enforcement of the Credit Agreement, a Nova Scotia Court

would apply the laws of the State of New York ("**New York Law**"), in accordance with the parties' choice of New York Law in the Credit Agreement, to all issues which under Applicable Laws are to be determined in accordance with the chosen law of the contract, provided that:

(a) the parties' choice of New York Law is bona fide and legal and is not contrary to public policy, as such term is interpreted under Applicable Laws ("**Public Policy**");

(b) in any such proceeding, a Nova Scotia Court:

(i) will not take judicial notice of the provisions of New York Law but will only apply such provisions if they are pleaded and proven by expert testimony;

(ii) will apply Applicable Laws to matters which would be characterized as procedural under Applicable Laws;

(iii) will apply provisions of Applicable Laws that have overriding effect;

(iv) will not apply any New York Law if its application would be contrary to Public Policy;

(v) will not apply any New York Law if such application would be characterized under Applicable Laws as the direct or indirect enforcement of a foreign revenue, expropriatory, penal or other public law; and

(vi) will not enforce the performance of any obligation that is illegal under the laws of any jurisdiction in which the obligation is to be performed; and

(c) a Nova Scotia Court has discretion to decline to hear an action if:

(i) it is contrary to Public Policy;

(ii) it is not the proper forum to hear such an action; or

(iii) another action is properly pending before, or a decision has been rendered by, a foreign authority relating to the same cause of action.

10. Applicable Laws permit an action to be brought in a Nova Scotia Court based upon a final and conclusive *in personam* judgment of a court of competent jurisdiction in the State of New York (a "**New York Court**") for a sum certain, obtained against the Canadian Borrower or the General Partner, in its capacity as general partner of the Canadian Borrower, with respect to a claim arising out of the Credit Agreement (a "**New York Judgment**"), without reconsideration of the merits, provided that:

(a) the New York Court has jurisdiction over the Canadian Borrower and the General Partner, in its capacity as general partner of the Canadian Borrower, according to Applicable Laws;

(b) the Canadian Borrower or the General Partner, in its capacity as general partner of the Canadian Borrower, was duly served with the process of the New York Court or appeared to defend such process, and, for the purposes of service of process, it is not sufficient that the Canadian Borrower or the General Partner had agreed to submit to the jurisdiction of the New York Court;

(c) an action to enforce the New York Judgment must be commenced in a Nova Scotia Court within any applicable limitation period;

(d) a Nova Scotia Court has discretion to stay or decline to hear an action on the New York Judgment if such judgment is under appeal, or there is another subsisting judgment in any jurisdiction relating to the same cause of action;

(e) a Nova Scotia Court will render judgment only in Canadian dollars;

(f) an action in a Nova Scotia Court on the New York Judgment may be affected by bankruptcy, insolvency or laws affecting the enforcement of creditors' rights generally; and

further, a Nova Scotia Court will not give such judgment if:

(g) the New York Judgment was obtained by fraud or in a manner contrary to the principles of natural justice;

(h) the New York Judgment is for a claim which would be characterized as based on foreign revenue, expropriatory, or penal, or other public law under Applicable Laws;

(i) the New York Judgment is contrary to Public Policy or to an order made by the Attorney General of Canada under the *Foreign Extraterritorial Measures Act* (Canada) or by the Competition Tribunal under the *Competition Act* (Canada) in respect of certain judgments referred to in such statutes; or

(j) the New York Judgment has been satisfied or is void or voidable under New York Law.

The opinions expressed herein are given as of the date hereof and we undertake no, and hereby expressly disclaim any, obligation to advise you of any change in any matters set forth herein.

This opinion is solely for your benefit, the benefit of the other Agents (as such capitalized term is defined in the Credit Agreement) and your and their successors and permitted assigns, in connection with the transactions contemplated by the Credit Agreement and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent, provided that Winston & Strawn LLP, Osler, Hoskin & Harcourt LLP and any person that subsequently becomes a Lender in accordance with Section 13.04(b) of the Credit Agreement may rely on this opinion in connection with the transactions contemplated by the Credit Agreement as of the date of this opinion as if it were addressed to such person and delivered on the date hereof and provided further that copies of this opinion may be furnished by you to, but may not be relied on by, (i) your professional advisers and accountants and to bank

auditors and examiners, in each case in connection with their audit and review activities, (ii) any person as may be required by applicable law or regulation provided that you take reasonable steps to procure that such person maintains the confidentiality of this opinion and (iii) entities (x) that are or become Agents or party to Secured Hedging Agreements or Secured Cash Management Agreements (as such capitalized terms are defined in the Credit Agreement) or (y) to whom you propose to sell an interest in the Commitments and/or Loans held by you or propose to enter into Secured Hedging Agreements or Secured Cash Management Agreements with any other Loan Party (as such capitalized terms are defined in the Credit Agreement), in each case, in compliance with the requirements of the Credit Agreement.

Yours very truly,

STEWART McKELVEY