

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY



201303050021

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A. NAME & PHONE OF CONTACT AT FILER [optional]

Mary Lindsay Evans 704.343.2277

B. SEND ACKNOWLEDGMENT TO: (Name and Address)Mary Lindsay Evans
McGuireWoods LLP
P.O. Box 31247
Charlotte, North Carolina 28213Chicago Title
620616559

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME Northwest Restaurants, Inc.				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 18815 139th Avenue NE, Suite C		CITY Woodinville	STATE WA	POSTAL CODE 98072
1d. TAX ID #: SSN OR EIN		1e. TYPE OF ORGANIZATION Corporation	1f. JURISDICTION OF ORGANIZATION Washington	1g. ORGANIZATIONAL ID #, if any 601-645-120 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Bank of America, N.A., as Administrative Agent				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 101 South Tryon Street, NC1-002-15-36		CITY Charlotte	STATE NC	POSTAL CODE 28255

4. This FINANCING STATEMENT covers the following collateral:

ALL OF DEBTOR'S RIGHTS, TITLE AND INTEREST IN AND TO THE TYPES OR ITEMS OF COLLATERAL DESCRIBED ON ANNEX A ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF. THE COLLATERAL IS LOCATED ON, OR USED IN CONNECTION WITH THE REAL PROPERTY DESCRIBED ON EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

LOT 2, BINDING SITE PLAN NO. MV-1-99
P119198/8039-000-002-0000Chicago Title has placed this
document for recording as a
customer courtesy and accepts no
liability for its accuracy or validity5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAIOL ☐ SELLER/BUYER ☐ AG LIEN ☐ NON-UCC FILING6. ☒ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the
REAL ESTATE RECORDS Attach Addendum [if applicable]7. Check to REQUEST SEARCH REPORT(S) on Debtor(s)
[ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2**8. OPTIONAL FILER REFERENCE DATA**

Filed with: Skagit County, WA Store No. E080-009 (f/k/a No. 63)

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME Northwest Restaurants, Inc.		
OR	9b. INDIVIDUAL'S LAST NAME	FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

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11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME SUFFIX
11c. MAILING ADDRESS			CITY	STATE POSTAL CODE COUNTRY
11d.	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID#, if any <input type="checkbox"/> NONE

12. ☐ ADDITIONAL SECURED PARTY'S or ☐ ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME				
OR	12b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME SUFFIX
12c. MAILING ADDRESS			CITY	STATE POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☒ fixture filing.

14. Description of real estate:

The real property described on **EXHIBIT A** attached hereto and incorporated herein by reference.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

See **EXHIBIT A** attached hereto and incorporated herein by reference.

16. Additional collateral description:



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17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY

☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years

☐ Filed in connection with a Public-Finance Transaction — effective 30 years

**ANNEX A
TO UCC FINANCING STATEMENT**

DEBTOR: Northwest Restaurants, Inc.

SECURED PARTY: Bank of America, N.A., as Administrative Agent

The Financing Statement covers the following types or items of property of the Debtor or in which the Debtor has or may have or acquire an interest or the power to transfer rights therein, whether now owned or existing or hereafter created, acquired or arising and wheresoever located (all capitalized terms not defined below are defined on Annex I hereto or in the Credit Agreement (as defined in Annex I), a copy of which is on file with the Secured Party):

(a) all of the following personal property of the Debtor or in which the Debtor has or may have or acquire an interest or the power to transfer rights therein, whether now owned or existing or hereafter created, acquired or arising and used in connection with, or located on or about, the Restaurant operated at the real property described on Exhibit A attached hereto and incorporated herein by reference:

(i) All inventory, including all goods manufactured or acquired for sale or lease, and any piece goods, raw materials, work in process and finished merchandise, component materials, and all supplies, goods, incidentals, office supplies, packaging materials and any and all items used or consumed in the operation of the business of the Debtor or which may contribute to the finished product or to the sale, promotion and shipment thereof, in which the Debtor now or at any time hereafter may have an interest, whether or not the same is in transit or in the constructive, actual or exclusive occupancy or possession of the Debtor or is held by the Debtor or by others for the Debtor's account (collectively referred to hereinafter as "Inventory");

(ii) All goods, including all machinery, equipment, motor vehicles, parts, supplies, apparatus, appliances, tools, patterns, molds, dies, blueprints, fittings, furniture, furnishings, fixtures and articles of tangible personal property of every description, and all computer programs embedded in any of the foregoing and all supporting information relating to such computer programs (collectively referred to hereinafter as "Equipment");

(iii) All books and records relating to any of the foregoing (including customer data, credit files, ledgers, computer programs, printouts, and other computer materials and records (and all media on which such data, files, programs, materials and records are or may be stored));

(b) all of the following personal property of the Debtor or in which the Debtor has or may have or acquire an interest or the power to transfer rights therein, whether now owned or existing or hereafter created, acquired or arising and wheresoever located:

(i) All accounts, and including accounts receivable, contracts, bills, acceptances, choses in action, and other forms of monetary obligations at any time owing to the Debtor arising out of property sold, leased, licensed, assigned or otherwise disposed of or for services rendered or to be rendered by the Debtor, and all of the Debtor's rights with respect to any property represented thereby, whether or not



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delivered, property returned by customers and all rights as an unpaid vendor or lienor, including rights of stoppage in transit and of recovering possession by proceedings including replevin and reclamation (collectively referred to hereinafter as "Accounts");

(ii) All general intangibles, including all rights now or hereafter accruing to the Debtor under contracts, leases, agreements or other instruments, including all contracts or contract rights to perform or receive services, to purchase or sell goods, or to hold or use land or facilities, and to enforce all rights thereunder, all causes of action, corporate or business records, inventions, patents and patent rights, rights in mask works, designs, trade names and trademarks and all goodwill associated therewith, trade secrets, trade processes, copyrights, licenses, permits, franchises, customer lists, computer programs and software, all internet domain names and registration rights thereto, all internet websites and the content thereof, all payment intangibles, all claims under guaranties, tax refund claims, all rights and claims against carriers and shippers, leases, all claims under insurance policies, all interests in general and limited partnerships, limited liability companies, and other Persons not constituting Investment Property (as defined below), all rights to indemnification and all other intangible personal property and intellectual property of every kind and nature (collectively referred to hereinafter as "General Intangibles");

(iii) All deposit accounts, including demand, time, savings, passbook, or other similar accounts maintained with any bank by or for the benefit of the Debtor (collectively referred to hereinafter as "Deposit Accounts");

(iv) All chattel paper, including tangible chattel paper, electronic chattel paper, or any hybrid thereof (collectively referred to hereinafter as "Chattel Paper");

(v) All investment property, including all securities, security entitlements, securities accounts, commodity contracts and commodity accounts of or maintained for the benefit of the Debtor (collectively referred to hereinafter as "Investment Property");

(vi) All instruments, including all promissory notes (collectively referred to hereinafter as "Instruments");

(vii) All documents, including warehouse receipts, bills of lading and other documents of title (collectively referred to hereinafter as "Documents");

(viii) All rights to payment or performance under letters of credit including rights to proceeds of letters of credit ("Letter-of-Credit Rights"), and all guaranties, endorsements, Liens, other Guarantee obligations or supporting obligations of any Person securing or supporting the payment, performance, value or liquidation of any of the foregoing (collectively, with Letter-of-Credit Rights, referred to hereinafter as "Supporting Obligations");

(ix) The commercial tort claims identified on Schedule 9(e) of the Security Agreement, as such Schedule may be supplemented from time to time in accordance with the terms hereof (collectively referred to hereinafter as "Commercial Tort Claims");

(x) All books and records relating to any of the foregoing (including customer data, credit files, ledgers, computer programs, printouts, and other computer



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materials and records (and all media on which such data, files, programs, materials and records are or may be stored)); and

All proceeds, products and replacements of, accessions to, and substitutions for, any of the foregoing items, including without limitation proceeds of insurance policies insuring any of the foregoing.

All of the property and interests in property described herein is collectively referred to as the "Collateral"

Notwithstanding the foregoing, the Collateral shall not include the HVAC, plumbing, or electrical systems, supply and exhaust fans, air ducts, hoods, vents, sign poles or lighting poles, all of which are intended to be fixtures and part of the real property described on Exhibit A attached hereto.



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**ANNEX I
TO UCC FINANCING STATEMENT**

DEBTOR: Northwest Restaurants, Inc.

SECURED PARTY: Bank of America, N.A., as Administrative Agent

The Secured Party is **BANK OF AMERICA, N.A.**, as Administrative Agent (the "**Administrative Agent**") for certain parties including the lenders that from time to time are parties to that certain Credit Agreement by and among the Borrowers (defined below), the Administrative Agent and the Lenders (as defined therein), as the same may from time to time be amended, restated, supplemented, amended and restated or otherwise modified (the "**Credit Agreement**").

"Administrative Agent" means Bank of America, N.A.

"Borrowers" means, collectively, Northwest Restaurants Inc., a Washington corporation, Northwest Restaurants Oregon Inc., an Oregon corporation, Spokane, Inc., a Washington corporation, Coastal Plains Restaurants, LLC, a North Carolina limited liability company, and Plains Coastal Properties, LLC, a North Carolina limited liability company.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" means, as to any Person, any (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantor" means, collectively, the Subsidiaries of the Borrowers (if any) listed on Schedule 6.12 of the Credit Agreement and each other Subsidiary of any Borrower that shall be required to execute and deliver a guaranty or Guaranty Joinder Agreement pursuant to Section 6.12 of the Credit Agreement.



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"Guaranty" means a Guaranty Agreement executed by one or more Guarantors in favor of the Administrative Agent and the Lenders, as supplemented from time to time by execution and delivery of Guaranty Joinder Agreements pursuant to Section 6.12 of the Credit Agreement.

"Guaranty Joinder Agreement" means each guaranty joinder agreement, substantially in the form thereof attached to the Guaranty, executed and delivered by a Subsidiary to the Administrative Agent pursuant to Section 6.12 of the Credit Agreement.

"Liens" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan Parties" means, collectively, each Borrower and each Guarantor.

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

"Restaurant" means any Long John Silver's, Taco Bell, Kentucky Fried Chicken, or A&W restaurant owned or leased by any Borrower or any Subsidiary.

"Security Agreement" means that certain Security Agreement dated as of the October 30, 2012 made by the Loan Parties in favor of the Administrative Agent for the benefit of the Secured Parties, as supplemented from time to time by the execution and delivery of any Security Joinder Agreement pursuant to Section 6.12 of the Credit Agreement or otherwise.

"Security Joinder Agreement" means each Security Joinder Agreement, substantially in the form thereof attached to the Security Agreement, executed and delivered by a Loan Party, to the Administrative Agent pursuant to Section 6.12 of the Credit Agreement or otherwise.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a **"Subsidiary"** or to **"Subsidiaries"** shall refer to a Subsidiary or Subsidiaries of any Borrower.

Terms used herein without meaning shall have the meaning ascribed thereto in the Credit Agreement.



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Store No. E080-009 (f/k/a Store No. 63)
2003 Riverside Drive
Mt. Vernon, WA 98273

EXHIBIT A

Leasehold estate in the following parcel(s) of real property:

LOT 2, BINDING SITE PLAN NO. MV-1-99, APPROVED MAY 13, 2002, AND RECORDED MAY 31, 2002, UNDER AUDITOR'S FILE NO. 200205310140, BEING A PORTION OF THE SOUTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 18, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., IN THE COUNTY OF SKAGIT AND STATE OF WASHINGTON.

(PARCEL NO. P119198/8039-000-002-0000)

(ABBREVIATED LEGAL: LOT 2 CITY OF MOUNT VERNON BSP NO. MV-1-99)

The aforesaid leasehold estate was created by that certain Land and Building Lease Agreement dated December 7, 2012 by and between Don & Carol Tanklage dba Tanklage Properties, as Landlord, and Northwest Restaurants, Inc., a Washington corporation, as Tenant, as the same may have been or may hereafter be amended. A Memorandum of Lease by and between Landlord and Tenant was recorded as Instrument Number 201212130137 in the Recorder's Office of Skagit County, Washington.

The RECORD OWNER of the above-described real property is Don & Carol Tanklage dba Tanklage Properties.



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