

# UNOFFICIAL COPY

This instrument prepared by and mail to:  
Robinson, Bradshaw & Hinson, P.A.  
101 North Tryon Street  
Suite 1900  
Charlotte, North Carolina 28246  
Attn: Jane S. Ratteree, Esq.



Doc#: 0333044104  
Eugene "Gene" Moore Fee: \$66.00  
Cook County Recorder of Deeds  
Date: 11/26/2003 11:37 AM Pg: 1 of 22

Property of

Above Space for Recorder's Use Only

**THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING** (as hereafter amended, modified, restated, supplemented, extended or renewed from time to time, the "Mortgage") is made and entered into as of the 25<sup>th</sup> day of June, 2003, by and between **RIDDELL, INC.**, an Illinois corporation ("Mortgagor"); and **WACHOVIA BANK, NATIONAL ASSOCIATION**, a national banking association with a mailing address of Charlotte Plaza Building CP-23, 201 South College Street, Charlotte, North Carolina 28288-0680, Attention: Syndication Agency Services ("Wachovia") and in its capacity as administrative agent pursuant to the Credit Agreement, as defined below (in such agency capacity, together with its successors and assigns, the "Mortgage") for Wachovia and any other Lenders (as defined in the Credit Agreement) (Wachovia and such other Lenders, if any, together with their successors and assigns, being collectively referred to herein as the "Lenders").

## WITNESSETH:

**WHEREAS**, Mortgagor, Riddell Holdings, LLC, Riddell Sports Group, Inc. and other subsidiaries of Riddell Sports Group, Inc. (collectively, the "Borrowers") are indebted to the Lenders in the sum of up to Ninety-Six Million and No/100 Dollars (\$96,000,000.00), as evidenced by (a) a series of Term Notes (as hereafter amended, modified, restated, supplemented, extended or renewed from time to time, the "Term Notes") of even date herewith from Borrowers payable to the order of Lenders, or one or some of them, in the aggregate original principal amount of \$50,000,000.00, having a maturity date of June 30, 2008, (b) a series of Revolving Notes (as hereafter amended, modified, restated, supplemented, extended or renewed from time to time, the "Revolving Notes") of even date herewith from Borrowers payable to the order of Lenders, or one or some of them, in the aggregate original principal amount of up to \$30,000,000.00, having a maturity date of June 30, 2008, and (c) a Swingline Note (as hereafter amended, modified, restated, supplemented, extended or renewed from time to time, the "Swingline Note") of even date herewith from Borrowers payable to the order of

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Wachovia in the aggregate original principal amount of up to \$5,000,000.00, having a maturity date that is five (5) Business Days prior to the maturity date of the Term Notes and the Revolving Notes; and

**WHEREAS**, the Term Notes, the Revolving Notes and the Swingline Note are collectively referred to herein as the "Notes," and are payable in accordance with their terms with interest and other charges payable as and at the rates specified in said Notes, all as provided in the Credit Agreement dated the date hereof (as hereafter amended, modified, restated, extended or renewed from time to time, the "Credit Agreement") between Borrowers, Mortgagee and the Lenders, which Credit Agreement, together with the other Credit Documents, as defined below (other than this Mortgage), are incorporated herein by reference as if fully set forth herein; and

**WHEREAS**, Mortgagor desires to secure by the conveyance of the property hereinafter described the performance of the following obligations (collectively, the "Obligations"): payment and performance of all obligations of Borrowers and Mortgagor to Mortgagee and the Lenders under the Credit Agreement and the Credit Documents, whether now existing or arising hereafter, including without limitation (1) payment of all payment obligations evidenced by the Notes, in accordance with the terms thereof; (2) payment of any payment obligations hereunder and under the Credit Agreement and other Credit Documents including without limitation, repayment of any payments or advances made by the Mortgagee or the Lenders in accordance with the Credit Documents; (3) the fulfillment and performance of the other covenants and agreements set forth in the Notes, Credit Agreement, herein and in any of the other instruments or documents evidencing or securing the loan and indebtedness described in the Credit Agreement (the Notes, this Mortgage, the Credit Agreement and such other instruments and documents, as hereafter amended, modified, restated, supplemented, extended or renewed from time to time, are known herein collectively as the "Credit Documents"), including without limitation the payment, if applicable, of all late charges, costs of collection and interest at the specified default rate; (4) payment of any and all other indebtedness owing from Borrowers or Mortgagor to Mortgagee or the Lenders under the Credit Agreement and the other Credit Documents, now existing or hereafter coming into existence, however and whenever incurred or evidenced, whether express or implied, direct or indirect, absolute or contingent, or due or to become due, and all renewals, modifications, extensions and consolidations thereof, including, without limitation, all Secured Obligations as defined in the Security Agreement; and (5) all obligations of the Borrowers to any Lender or any Affiliate (as defined in the Credit Agreement) of any Lender under any Hedge Agreement required or permitted under the Credit Agreement (including any such Hedge Agreement with a party that subsequently ceases to be a Lender);

**NOW, THEREFORE**, in consideration of these premises and for the purposes aforesaid, and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor has given, granted, bargained, sold, conveyed, assigned, and transferred and does hereby mortgage, warrant, give, grant, bargain, sell, convey, assign and transfer unto the Mortgagee, its successors and assigns, with mortgage covenants, all of its right, title and interest in the tracts or parcels of land ("Land") lying and being in the City of Chicago, Cook County, Illinois, as more particularly described in Exhibit A attached hereto and made a part hereof by reference.

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**TOGETHER** with all right, title and interest of the Mortgagor in all buildings, structures and other improvements now or hereafter located on the Land or any part or parcel thereof;

**TOGETHER** with all right, title and interest of the Mortgagor in and to the minerals, shrubs, timber and other emblements now or hereafter located on the Land, or under or above the same;

**TOGETHER** with all and singular the tenements, hereditaments, easements, privileges and appurtenances thereunto belonging or in anywise appertaining, and the reversion or reversions, remainder and remainders, and all leases thereof; and also all the estate, right, title, interest, claim and demand whatsoever of the Mortgagor of, in and to the same and of, in and to every part and parcel thereof;

**TOGETHER** with a security interest in all machinery, apparatus, equipment, fittings, and fixtures, whether actually or constructively attached or to be attached to the Land, hereinafter collectively called "Equipment"), now or hereafter located in, upon or under the Land or any part thereof and used or usable in connection with any present or future operation of the Land or the construction of improvements thereon and now owned or hereafter acquired by the Mortgagor, including, but without limiting the generality of the foregoing, all heating, air conditioning, freezing, lighting, laundry, incinerating and power equipment; engines; pipes; pumps; tanks; motors; conduits; switchboards; plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances; air-cooling and air-conditioning apparatus; vacuum cleaning systems; elevators; escalators; shades; awnings; screens, storm doors and windows; stoves; wall beds; refrigerators; attached cabinets; partitions; ducts and compressors; rugs and carpets; draperies; furniture and furnishings; together with all building materials and equipment now or hereafter delivered to the Land or stored with other supplies to be used in construction of the improvements on the Land, including without limitation in a warehouse or at the factory of suppliers, and intended to be installed therein, together with all warehouse receipts or other evidence of ownership; together with all additions thereto and replacements thereof (the Mortgagor hereby agreeing with respect to all additions and replacements to execute and deliver from time to time such further instruments as may be requested by the Mortgagee to confirm the conveyance, transfer and assignment of any of the foregoing);

**TOGETHER** with any and all of Mortgagor's right, title and interest in rents, issues, profits, security deposits and other revenues from the renting, leasing and bailment of said property, the improvements thereon and the Equipment, and all permits, approvals, licenses, development rights, plans and specifications, insurance policies, service contracts, warranties, title insurance policies, title abstracts, other evidence of title, surveys and other rights regarding such property;

**TOGETHER** with any and all of Mortgagor's right, title and interest in awards or payments (including but not limited to condemnation awards and insurance proceeds), including interest thereon, and the right to receive the same, as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade of any street, or (c) any other injury, damage or casualty to or taking or loss of, or decrease in the value of, the Land, the improvements thereon and the Equipment, to the extent of all amounts which may be secured by this Mortgage at the

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date of receipt of any such award or payment and of the reasonable attorneys' fees, costs and disbursements incurred by the Mortgagee in connection with the collection of such award or payment; and

**TOGETHER** with all proceeds, products, replacements, additions, substitutions, renewals and accessions of or to any of the foregoing property.

**TO HAVE AND TO HOLD** all of the aforesaid Land, improvements, property, Equipment, rights and privileges (hereinafter referred to collectively as the "Property") to the Mortgagee, its successors and assigns, in fee simple forever.

The Mortgagor hereby covenants, warrants and represents that it has good and marketable fee simple title in and to the Land and that it has the right to convey the Land; that it is seized of the improvements thereon, Equipment and other property (including any fixtures) in fee (and has title to any appurtenant easements) and has the right to convey the same; that the Property is free and clear of all liens and encumbrances except as set forth in the loan policy of title insurance covering the Property issued to the Mortgagee as of the date of recording of this Mortgage (the "Loan Policy"); that this Mortgage is valid and enforceable in accordance with its terms and creates a perfected first priority mortgage lien in favor of Mortgagee encumbering the Property, subject to laws affecting the rights and remedies and general principles of equity; and that, subject to the liens and encumbrances referenced in the Loan Policy and Permitted Liens, it will warrant and defend the title to the Property against the claims of all persons whomsoever. The Mortgagor shall, upon request of the Mortgagee, execute and deliver such further instruments or assurances as may be necessary or proper to carry out the true intent and purpose of this Mortgage.

**PROVIDED ALWAYS, HOWEVER**, that if the Borrowers or the Mortgagor shall pay and perform or cause to be paid and performed all of the Obligations in accordance with the terms of the Notes, this Mortgage and the other Credit Documents, and any renewals, extensions or modifications thereof, and shall comply with all of the covenants, terms and conditions of the Credit Documents, then this conveyance shall be null and void and may be canceled of record at the request and cost of the Mortgagor, which cost Mortgagor hereby agrees to pay. But if at any time an Event of Default (as hereinafter defined) has occurred, then at the option of the Mortgagee, the entire indebtedness hereby secured shall immediately become due, payable and collectible without notice, regardless of maturity, and this Mortgage may be foreclosed by judicial proceedings, or the Mortgagee is authorized and empowered, without further notice, in accordance with applicable law relating to nonjudicial foreclosure sales then in effect, if any, to foreclose the lien of this Mortgage, and sell and dispose of the Property en masse or in separate parcels (as Mortgagee may elect) and all the right, title, and interest of Mortgagor therein, by sale at any place then authorized by law as may be specified in the notice of such sale to the highest bidder. Mortgagor hereby waives all right to the marshalling of Mortgagor's assets encumbered by this Mortgage and all rights to require the Property to be sold in several parcels. The Mortgagee shall apply the proceeds of the sale (1) first to pay all reasonable fees, charges and costs of conducting the sale and advertising the Property, including without limitation, a commission or fee in connection with the sale, and to pay any prior liens or encumbrances unless such sale is made subject thereto, and to pay necessary costs, or reimburse Mortgagee and the Lenders for their advances, to protect and maintain the Property and pay taxes, insurance

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premiums, accountants' fees, appraisers' fees, environmental engineers' fees, court costs, attorneys' fees and other costs, with interest on Mortgagee's and Lenders' advances at the highest default rate applicable under the Notes, (2) second, to the ratable payment of all other Obligations owing to the Lenders or any other parties described herein, and (3) third, the remainder of the proceeds, if any, to Mortgagor, but only upon delivery and surrender of possession of the Property sold and conveyed together with all records and materials relating thereto. The purchaser at the sale shall not be responsible for the application of the proceeds. Nothing herein dealing with foreclosure procedures which specifies any particular actions to be taken by Mortgagee shall be deemed to contradict the requirements and procedures (now or hereafter existing) of Illinois law, and any such contradiction shall be resolved in favor of Illinois law applicable at the time of foreclosure. The Mortgagee may sell the Equipment and other personal property hereunder in whole or part and in any order, together with the Land and improvements or separately, and the Equipment may be assembled for such sale by the Mortgagee on the Land or elsewhere, in the Mortgagee's sole discretion. The Mortgagee or any Lender may bid and become the purchaser at any sale under this Mortgage, and may apply against the purchase price all or a portion of the balance of the indebtedness secured hereby.

## **THE MORTGAGOR FURTHER COVENANTS, REPRESENTS AND AGREES AS FOLLOWS:**

### **1. Covenant to Pay and Perform Obligations and Taxes; Contests of Taxes.**

(a) The Mortgagor will pay and perform the Obligations as and when due, and will pay prior to delinquency all taxes (other than Mortgagee's and Lenders' income taxes), assessments, levies and other charges of every character upon or against the Property, including without limitation all taxes assessed in Chicago, Cook County, Illinois, and the Mortgagor will promptly upon request by the Mortgagee deliver to the Mortgagee copies of official receipts for all payments of such taxes, assessments, levies and other charges. The Mortgagor shall pay all taxes, stamp taxes or other charges which may be assessed upon the Notes, this Mortgage or any of the other Credit Documents, or for the indebtedness secured hereby, without regard to any law, federal, state or local, heretofore or hereafter enacted, imposing payment of all or any part thereof upon the Mortgagee or the Lenders. In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of debts secured by mortgages or the manner of collecting taxes so as to affect adversely the Mortgagee or the Lenders, the Mortgagor will promptly pay any such tax. If the Mortgagor fails to make such payment, or if any such state, federal, municipal or other governmental law, order, rule or regulation prohibits the Mortgagor from making such payment, then the Obligations, including all principal, interest and other charges, shall become due and payable at the option of the Mortgagee after the passage of thirty (30) days from the date the Mortgagee gives the Mortgagor written notice of such election in the manner provided in Paragraph 28 hereof.

(b) Notwithstanding anything herein to the contrary, if the Mortgagor in good faith believes that any tax, assessment or other charge payable by it shall be invalid, excessive or unenforceable in whole or in part, the Mortgagor, upon written notice to the Mortgagee in accordance with Paragraph 28 hereof, may, at its sole expense, contest in good faith the validity, amount or enforceability of any such tax, assessment or other charge, provided that such tax is

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bonded off or other security satisfactory to the Mortgagee has been posted so that the Property, or any part thereof, is not in danger of being forfeited. In such event, the Mortgagor shall comply with all requirements of law as to conditions precedent to making any contest, and the Mortgagor covenants to protect the Mortgagee and the Lenders against foreclosure of any lien resulting from imposition of any tax, assessment or other charge which the Mortgagor may contest.

## 2. Insurance.

(a) The Mortgagor will keep the buildings and other improvements now or hereafter on the Property insured against loss and damage by casualty in accordance with the requirements of the Credit Agreement. Mortgagor shall also maintain general liability coverage with Mortgagee named as additional insured, and rental interruption or business interruption insurance in accordance with the requirements of the Credit Agreement. If the Mortgagor fails or refuses to keep the Property so insured, the Mortgagee may procure such insurance as it deems reasonably necessary to protect its interests in the Property, and the cost thereof shall be an Obligation secured by this Mortgage.

(b) In the event of casualty or damage to or loss of any of the Property, the Mortgagor will give immediate oral and written notice to the Mortgagee, which may make proof of loss if not made promptly by the Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such casualty, damage or loss directly to the Mortgagee as its interest may appear instead of to the Mortgagor and the Mortgagee jointly. Any Net Cash Proceeds (as defined in the Credit Agreement) received as a result of a casualty or damage or loss of any of the Property shall be paid and applied as provided in the Credit Agreement.

3. Mortgagee's Self-Help Remedy. If the Mortgagor defaults in the payment of any tax, lien, assessment or charge, or any utility charge, whether public or private, levied or assessed against the Property; defaults in the payment of any insurance premiums; fails to keep the Property in repair; commits, suffers or permits waste; or fails in the performance or observance of any other covenant, condition or term of this Mortgage; or if there be commenced any action at law or equity or any proceeding affecting the title to the Property, the Mortgagee at its option may, without waiving any rights or recourse against the Mortgagor for such default and regardless of whether any period granted to the Mortgagor in the Credit Documents to cure any such default has expired, but shall have no obligation to, cure such default, pay said tax, lien, assessment or charge, utility charge or premium, make such repairs, take such steps as are necessary to prevent or cure such waste and may appear in any such necessary action as the Mortgagee deems advisable in the Mortgagee's sole discretion, and for any of said purposes, the Mortgagee may, but shall not be obligated to, advance such sums of money as it deems necessary. All advances made by the Mortgagee in connection therewith shall be secured hereby, and shall, upon demand, immediately be repaid by the Mortgagor to the Mortgagee with interest thereon at the highest default rate provided in the Notes, from the date advanced until paid. The Mortgagee shall be the sole judge of the legality, validity and priority of any such tax, lien, assessment, charge, claim and premium; and of the necessity for any such action and of the amount necessary to be paid in satisfaction thereof. The Mortgagee is hereby empowered to enter and to authorize others to enter upon the Property or any part thereof for the purpose of

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performing or observing any such default, covenant, condition or term, without thereby becoming liable to the Mortgagor or to any person in possession holding under the Mortgagor.

Upon request by Mortgagee after the occurrence and during the continuance of an Event of Default, Mortgagor shall pay on the first day of each calendar month during the term of the loan secured hereby to the Mortgagee or to its duly authorized agent, in addition to the monthly payments under the terms of the Notes, a sum equal to one-twelfth (1/12th) of the known or estimated (by Mortgagee) annual insurance premiums, real property taxes and assessments with respect to, on or against the Property. Mortgagee will hold such payments, without obligation to pay interest thereon, and will apply the same to the payment of such premiums and taxes, as and when due. If the amount placed in escrow exceeds that necessary to pay such premiums and taxes, the excess shall be applied against the next payments due from Mortgagor and the amount required to be paid into such escrow shall be adjusted by Mortgagee; but if such monthly payments at any time fail to provide sufficient funds to pay such premiums and taxes when due, then Mortgagor shall, upon demand, pay to the Mortgagee the amount necessary to cover the deficiency. When Mortgagor shall have paid and performed all of the Obligations, Mortgagee shall refund to Mortgagor any excess funds accumulated hereunder. In the event of a foreclosure sale of the Property, Mortgagee may apply any balance remaining of the funds accumulated for the above purposes to the payment of the Obligations.

4. **Mortgagor's Property Maintenance Covenant.** The Mortgagor will keep and maintain the Property in reasonable order, repair and condition, reasonable wear and tear excepted, and it will not commit or permit any waste. The Mortgagee shall have the right to inspect the Property at all reasonable times, and access thereto shall be permitted and is hereby granted for that purpose to it or its authorized agents. The Mortgagor shall first obtain the written consent of the Mortgagee, which consent may be granted or withheld in the Mortgagee's sole discretion, before (a) removing or demolishing any building or improvement now or hereafter erected on the Property, (b) altering the arrangement, design or structural character thereof (relocation of non-load bearing walls excepted) or (c) constructing, placing or installing any additional buildings or improvements on the Property; provided, however, that such consent shall not be required if such removal, alteration, demolition or construction is necessary to accommodate the normal operation or expansion of the Mortgagor's business on the Property and does not materially reduce the value of the Property, or is otherwise permitted under the Credit Agreement. Nor shall the Mortgagor remove any fixture owned by it located thereon unless said fixture is replaced by a fixture of equal or greater value and utility, unless otherwise permitted by the Credit Agreement, or unless the removal of said fixture does not materially reduce the value of the Property. The Mortgagor shall give immediate notice orally and in writing to the Mortgagee of any material loss or damage to the Property caused by any casualty.

5. **Compliance With Laws; Zoning.** The Mortgagor shall comply in all respects with all Requirements of Law (as defined in the Credit Agreement) applicable with respect to the conduct of its business and its ownership and operation of the Property, and with all restrictions, easements and utility agreements affecting the Property, except to the extent that a failure to do so would be reasonably likely to have a Material Adverse Effect (as defined in the Credit Agreement).

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6. **Condemnation.** All Net Cash Proceeds paid as a result of the taking of title to or possession of, or for damages to the Property, or any portion thereof, by reason of any condemnation, eminent domain, change of grade or other proceeding shall at the sole option and discretion of the Mortgagee be paid to the Mortgagee, and such monies and awards are hereby assigned to the Mortgagee, and judgment therefor shall be entered in favor of the Mortgagee, and when paid shall be applied in accordance with the requirements of the Credit Agreement. Mortgagor hereby covenants and agrees, upon request by the Mortgagee, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid monies and awards to the Mortgagee free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

7. **Liens.** The Mortgagor agrees to ensure that no liens are filed against the Property by reason of any services or materials supplied thereto, whether such services or materials are supplied to the Mortgagor or to some person, firm or corporation in possession of all or a part of the Property through or under the Mortgagor, or, if any such lien is filed against all or part of the Property, to, within thirty (30) days after notice of the filing of any lien, cause the same to be discharged by deposit, bond, order or otherwise.

8. **Mortgagor's Waivers.** To the extent permitted by law, the Mortgagor hereby waives the right of redemption, any homestead exemptions and any right of appraisal, and any right to trial by jury in any litigation based hereon or arising out of, under or in connection with this Mortgage or any other Credit Document.

9. **Mortgagor's Payment of Mortgagee's and Lenders' Costs.** All reasonable legal fees, costs and expenses incurred by the Mortgagee in any action, legal proceeding or dispute of any kind which affects or pertains to the Obligations, the interest created herein or the Property, other than any such action, legal proceeding or dispute in which Mortgagee is finally adjudged to have breached this Mortgage, together with all other reasonable expenses of Mortgagee in connection with the loan secured hereby (including without limitation reasonable attorneys' fees incurred in closing the loan secured hereby or otherwise, title insurance premiums, environmental assessment costs, appraisal expenses, accountant's fees and stamp taxes) shall be paid by the Mortgagor to the Mortgagee upon demand and shall be secured hereby.

10. **Events of Default.** "Event of Default," "default," "breach" or any similar term shall mean the occurrence or existence of an Event of Default as defined in the Credit Agreement.

11. **Acceleration of Notes.** Upon the occurrence and during the continuance of an Event of Default, the entire balance of the Notes and any or all of the other Obligations, including, without limitation, all accrued interest, may be accelerated in accordance with the terms and provisions of the Credit Agreement.

12. **Rights Upon an Event of Default.** Upon the occurrence and during the continuance of an Event of Default, the Mortgagee, immediately and without additional notice and without liability therefor to the Mortgagor, may, but shall not be obligated to, do or cause to be done any or all of the following: (a) take physical possession of the Property; (b) collect the rents and profits therefrom; (c) enter into contracts for the completion, repair and maintenance of the improvements thereon; (d) expend the undisbursed proceeds, if any, of the loan described in the



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Credit Agreement and any rents, income and profits derived from the Property for payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of any improvements on the Property, preservation of the lien of this Mortgage and satisfaction and fulfillment of any liabilities or obligations of the Mortgagor arising out of or in any way connected with this Mortgage or any of the Credit Documents or the construction of improvements on the Property whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Mortgage; (e) enter into leases demising the Property or any part thereof; (f) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in the Notes, this Mortgage, the Credit Agreement, or any of the other Credit Documents, or to aid the execution of any power herein granted; and (g) generally, supervise, manage, and contract with reference to the Property as if the Mortgagee were equitable owner of the Property. Notwithstanding the occurrence of an Event of Default or acceleration of the Notes and any or all of the other Obligations, the Mortgagee shall continue to have the right to pay money, whether or not the proceeds of the loan described in the Credit Agreement, for the purposes described in Paragraphs 2, 3, and 4 hereof, and all such sums and interest thereon shall be secured hereby. The Mortgagor also agrees that any of the foregoing rights and remedies of the Mortgagee may be exercised at any time independently of the exercise of any other such rights and remedies, and the Mortgagee may continue to exercise any or all such rights and remedies until the Event(s) of Default are cured, or until foreclosure and the conveyance of the Property to the high bidder or until the Obligations are otherwise satisfied, performed and paid in full.

**13. Uniform Commercial Code Remedies.** If any Event of Default shall occur and be continuing, the Mortgagee may require the Mortgagor to assemble such items of the Property as are designated by the Mortgagee and make them available to the Mortgagee at a place designated by the Mortgagee reasonably convenient to both parties and may also exercise and enforce all other rights and remedies afforded a secured party by the Uniform Commercial Code of Illinois. If the Mortgagee elects to proceed under the Uniform Commercial Code of Illinois to dispose of portions of the Property subject to such Uniform Commercial Code, the Mortgagee will give the Mortgagor notice of the time and place of any public sale of any such Property, or of the time after which any private sale or other intended disposition thereof is to be made, by mailing notice to the Mortgagor in the manner provided in this Mortgage at least ten (10) days before the time of such sale or other disposition. The Mortgagor conclusively confirms that these notice provisions are commercially reasonable.

**14. Continuance Upon Partial Foreclosure.** The Mortgagor's duties and responsibilities under the Notes, this Mortgage, the Credit Agreement and the other Credit Documents shall continue until the Obligations are fully paid, notwithstanding any action or actions of partial foreclosure which may be brought to recover any amount or amounts for installments of principal, interest, taxes, assessments, levies, charges, insurance premiums or other amounts due and payable under the provisions of the Notes, this Mortgage, the Credit Agreement and the other Credit Documents.

**15. Appointment of Receiver.** The Mortgagee shall have the right, after an Event of Default has occurred and is continuing, to the appointment of a receiver to take possession of the Property and to collect the rents and profits from the Property without consideration of the value of the Property or the solvency of any person liable for the payment of the amounts then owing;

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and all amounts collected by the receiver shall, after paying the expenses of the receivership which the Mortgagee deems necessary, be applied to the payment of the Obligations; and the Mortgagee, at its option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver is appointed, or if there is a sale of the Property, as provided above, the Mortgagor, or any person in possession of all or part of the Property thereunder, as tenant or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of summary ejectment or other lawful remedy. The Mortgagor will pay to the Mortgagee upon demand all expenses, including receiver's fees, reasonable attorneys' fees, costs and agent's compensation, incurred pursuant to the provisions contained in this Paragraph 15 and all such expenses shall be secured by this Mortgage and shall bear interest at the highest default rate provided in the Notes from the date advanced until paid.

**16. Election of Remedies.** The rights of the Mortgagee and the Lenders, granted and arising under the clauses and covenants contained in this Mortgage, the Notes, the Credit Agreement and the other Credit Documents shall be separate, distinct and cumulative of other powers and rights herein granted and all other rights which the Mortgagee or the Lenders may have in law or equity, and none of them shall be in exclusion of the others; and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under this Mortgage and other documents evidencing or securing the Obligations, and preservation of security as provided at law or in equity. No act of the Mortgagee or the Lenders shall be construed as an election to proceed under any one provision, or an election of remedies to the bar of any other remedy allowed herein, at law or in equity, anything herein or otherwise to the contrary notwithstanding.

**17. No Waiver of Default or Remedy.** No delay or forbearance by the Mortgagee or the Lenders in exercising any or all of its rights hereunder or rights otherwise afforded by law shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default as set forth herein or in the event of any subsequent default hereunder, and all such rights shall be cumulative. In case the Mortgagee or the Lenders voluntarily or otherwise shall become a party to any suit or legal proceeding to protect the Property or to protect the lien of this Mortgage, the Mortgagee and the Lenders shall be indemnified and saved harmless and shall be reimbursed by the Mortgagor for any amounts paid, including all costs, charges and reasonable attorneys' fees incurred in any such suit or proceeding, and the same shall be secured by this Mortgage and its payment enforced as if it were a part of the Obligations.

**18. Subrogation of Mortgagee and the Lenders to Rights of Third Parties.** The Mortgagee and the Lenders shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the Obligations.

**19. Security Agreement.**

(a) Mortgagor hereby grants to Mortgagee to secure payment and performance of the Obligations a security interest in all Equipment and other portions of the Property that are or are deemed to be personal property and not a part of the realty. The Mortgagor covenants and agrees that the terms and conditions of this Mortgage, insofar as they govern the relationship between the Mortgagor and the Mortgagee, shall be deemed to apply appropriately as the terms and conditions of a security agreement under the Uniform Commercial Code ("UCC") as adopted in

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Illinois, the lien of which shall be perfected by filing simultaneously or hereafter any financing statements showing the Mortgagee's interest as a lienholder or creditor with respect to any class of items constructed, installed, placed, planted or growing on the Property or related to or arising out of the operation of the Property and described in any UCC financing statements filed by or on behalf of the Mortgagee. In the event of default, the Mortgagee, as secured party, shall have, without limitation, all of the rights and remedies provided for in the UCC as adopted and amended in Illinois.

(b) Mortgagor desires and intends that this Mortgage also constitute a Fixture Filing between Mortgagor as debtor and Mortgagee as secured party pursuant to Section 9-502(c) of the Illinois Uniform Commercial Code. To this end, Mortgagor acknowledges that (i) this Mortgage covers goods which are or are to become fixtures on the Land; (ii) this financing statement is to be recorded; (iii) Mortgagor is the record owner of such property; and (iv) products of collateral are also covered. This Mortgage constitutes a fixture financing statement under the laws of the State of Illinois and for that purpose, the following information is set forth:

- (i) Name of Debtor: Riddell, Inc.
- (ii) Name and address of Secured Party: Wachovia Bank, National Association  
Charlotte Plaza Building CP-23  
201 South College Street  
Charlotte, North Carolina 28288-0680  
Attention: Syndication Agency Services
- (iii) Description of the types (or items) of property covered by this Financing Statement:
- (1) All right, title and interest of the Debtor in all buildings, structures and other improvements now or hereafter located on the Land or any part or parcel thereof; and
  - (2) A security interest in all Equipment, now or hereafter located in, upon or under the Land or any part thereof and used or usable in connection with any present or future operation of the Land or the construction of improvements thereon and now owned or hereafter acquired by the Debtor, including, but without limiting the generality of the foregoing, all heating, air conditioning, freezing, lighting, laundry, incinerating and power equipment; engines; pipes; pumps; tanks; motors; conduits; switchboards; plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances; air-cooling and air-conditioning apparatus; vacuum cleaning systems; elevators; escalators; shades; awnings; screens; storm doors and windows; stoves; wall beds; refrigerators; attached cabinets; partitions; ducts and compressors; rugs and carpets; draperies; furniture and furnishings; together with all building materials and equipment now or hereafter delivered to the Land or stored with other supplies to be used in construction of the improvements on the Land, including without limitation, in a warehouse or at the factory of suppliers, and intended to be installed therein,

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together with all warehouse receipts or other evidence of ownership; together with all additions thereto and replacements thereof.

- (iv) Description of real estate to which collateral is attached or upon which it is located: Described in Exhibit A.
- (v) Federal Identification Number of Debtor: 36-3581631
- (vi) Debtor's State of Formation: Illinois
- (vii) Debtor's Organizational ID #: 55031584

**20. Future Advances; Revolving Credit.** Mortgagee is obligated under the terms of the Credit Agreement to make advances as provided therein, and Mortgagor acknowledges and intends that all such advances, including future advances whenever hereafter made, shall be a lien from the time this Mortgage is recorded, as provided in Section 15-1302(b)(1) of the Act. That portion of the Obligations which comprises the principal amount then outstanding of the Revolving Loans constitutes revolving credit indebtedness secured by a mortgage on real property, pursuant to the terms and conditions of 815 ILCS 205/4.1. Mortgagor covenants and agrees that this Mortgage shall secure the payment of all loans and advances made pursuant to the terms and provisions of the Credit Agreement, whether such loans and advances are made as of the date hereof or at any time in the future, and whether such future advances are obligatory or are to be made at the option of Mortgagee or otherwise (but not advances or loans made more than 20 years after the date hereof), to the same extent as if such future advances were made on the date of the execution of this Mortgage and although there may be no advances made at the time of the execution of this Mortgage and although there may be no other indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all Obligations, including future advances, from the time of its filing of record in the office of the Recorder of Deeds of the County in which the Property is located. The total amount of the Obligations may increase or decrease from time to time, but the total unpaid principal balance of the Obligations (including disbursements which Mortgagee may make under this Mortgage or any other document or instrument evidencing or securing the Obligations) at any time outstanding shall not exceed \$96,000,000.00. This Mortgage shall be valid and, to the extent permitted by law, shall have priority over all subsequent liens and encumbrances, including statutory liens except taxes and assessments levied on the Property, to the extent of the maximum amount secured hereby.

**21. Releases and Extensions.** Without affecting the liability of any person (other than any person released pursuant to the provisions of this paragraph) for payment of any indebtedness secured hereby, and without affecting the priority or extent of the security title hereof upon any Property not specifically released pursuant hereto, the Mortgagee or the Lenders may at any time and from time to time (a) release any person liable for payment of the Obligations or any part thereof; (b) extend the time or agree to alter the terms of payment of any of the Obligations or any part thereof; (c) accept additional security of any kind; (d) release any portion of the Property securing the Obligations or any part thereof; or (e) consent to the creation of any easement on or over the Property or any covenants restricting the use or occupancy

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thereof. In addition, Mortgagee agrees to release this Mortgage upon a sale of the Property permitted by the Credit Agreement.

**22. Further Documentation.** At any time, and from time to time, upon request by the Mortgagee, the Mortgagor will make, execute and deliver or cause to be made, executed and delivered, to the Mortgagee any and all other further instruments, certificates and other documents, including without limitation financing statements with respect to all additions and replacements of the Property, as may be necessary in order to effectuate, complete, clarify or perfect or to continue and preserve the obligation of the Mortgagor under this Mortgage, the Credit Agreement, the Notes and the other Credit Documents and the priority of this Mortgage. Upon any failure by the Mortgagor to execute and deliver such instruments, certificates and other documents on or before thirty (30) calendar days after receipt of written request therefor, the Mortgagee may make, execute and record any and all such instruments, certificates and documents for and in the name of the Mortgagor and the Mortgagor hereby irrevocably appoints the Mortgagee the agent and attorney-in-fact of the Mortgagor so to do. The Mortgagor's duties and responsibilities hereunder shall include without limitation the duty to execute and deliver an estoppel certificate to any purchaser, transferee or assignee of the Mortgagee's interest in the Obligations in form and substance satisfactory to such purchaser, transferee or assignee at the Mortgagor's sole cost and expense.

**23. Definition of Terms.** The words "Borrowers," "Mortgagor," "Lenders" and "Mortgagee" whenever used herein shall include all individuals, corporations and any and all other persons or entities, and the respective heirs, executors, administrators, legal representatives, successors and permitted assigns of the parties hereto; and all those holding under either of them, and the pronouns used herein shall include, when appropriate, either gender and both singular and plural and the grammatical construction of sentences shall conform thereto. The term "Mortgagee" and the phrase "holder of the Notes secured hereby" shall be treated as interchangeable.

**24. Severability.** If any clauses or provisions herein contained shall operate or would prospectively operate to invalidate this Mortgage in whole or in part, then, such clauses and provisions only shall be held for naught, as though not herein contained, and the remainder of this Mortgage shall remain operative and in full force and effect.

**25. Maximum Interest Rate.** Nothing contained in this Mortgage or in the Notes, the Credit Agreement or any of the other Credit Documents shall be deemed to establish or require the payment of interest to the Mortgagee or the Lenders at a rate in excess of the maximum rate permitted by governing law. In the event that the rate of interest required to be paid under any of the Credit Documents exceeds the maximum rate permitted by governing law, such rate of interest shall be automatically reduced to the maximum rate permitted by governing law and any amounts collected in excess of the permissible amount shall be deemed a prepayment of principal on the Notes.

**26. Governing Law.** This agreement is delivered and, for the purposes of enforcing the lien of this Mortgage, is intended to be performed in the State of Illinois and shall be construed in accordance with the laws of said State.

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27. **Captions.** All captions used herein are for organizational purposes only and in no way limit, expand or otherwise affect the meaning or effect of the provisions hereof.

28. **Notice.** Any notice required or permitted to be given to the Mortgagor or the Mortgagee hereunder shall be deemed in writing (including telegraphic, telex, facsimile transmission or cable communication) and mailed, telegraphed, telexed, telecopied, cabled or delivered to the party to be notified at the following addresses:

(a) if to the Mortgagor, to Riddell, Inc., c/o Riddell Sports Group, Inc., 3670 N. Milwaukee Ave., Chicago, IL 60641, Attention: Chief Financial Officer, Telecopy No. (773) 794-6155, with a copy to Fenway Partners, 152 West 57<sup>th</sup> Street, New York, NY 10019, Attention: Aron Schwartz, Telecopy No. (212) 581-1066; and

(b) if to the Mortgagee, to Wachovia Bank, National Association, Charlotte Plaza Building, CP-8, 201 South College Street, Charlotte, North Carolina 28288-0680, Attention: Syndication Agency Services, Telecopy No. (704) 383-0288;

or in each case, to such other address as either party may designate for itself by like notice to the other party. All such notices and communications shall be deemed to have been given (i) if mailed as provided above by any method other than overnight delivery service, on the third Business Day after deposit in the mails, (ii) if mailed by overnight delivery service, telegraphed, telexed, telecopied or cabled, when delivered for overnight delivery, delivered to the telegraph company, confirmed by telex answerback, transmitted by telecopier or delivered to the cable company, respectively, or (iii) if delivered by hand, upon delivery; provided that notices and communications to the Mortgagee shall not be effective until received by the Mortgagee.

29. **Capitalized Terms.** All capitalized terms not defined herein shall have the meanings given to them in the Credit Agreement.

30. **Time of Essence.** Time is of the essence with respect to all provisions hereof.

31. **Leases.** Mortgagor will faithfully perform the covenants of the lessor contained in any present or future lease by it of any part or all of the Property, and in pursuance thereof, will neither do anything nor neglect to do anything, nor permit anything to be done which would cause the modification or termination of any of said leases, or of the obligation of any lessee, his or its successors and assigns, or the rents provided for therein or the interest of the lessor or of Mortgagee therein or thereunder. Mortgagor will not assign such leases or the rents therefrom or any part of such leases or rents to anyone other than Mortgagee without the prior written consent of Mortgagee, nor collect such rents (other than a security deposit) for more than one month in advance, nor do any other act whereby the lien of this Mortgage may be impaired in value or quality. Mortgagor will not execute a mortgage, deed of trust or other instrument or permit a lien which may be or become superior to any existing lease of any part of the Property, except as expressly permitted in this Mortgage. Mortgagor will not lease the Property, except as otherwise permitted by the Credit Agreement. All leases affecting the Property entered into after the date hereof shall be made subordinate or superior to the lien of this Mortgage at the option of Mortgagee.

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Mortgagor does hereby assign and set over to Mortgagee all leases affecting the Property and all rents, profits, issues and other revenues of the Property, whether under leases or tenancies now existing or hereafter created, and whether such rents, profits, issues and other revenues are to become due, are due or have been collected, and all general intangibles in connection therewith, including without limitation such rents, issues, profits and other revenues as are due and unpaid from time to time, collected rents, issues, profits and other revenues and proceeds of rents, issues, profits and other revenues, accounts into which all or any of such rents, issues, profits and other revenues are deposited from time to time, and all accounts and general intangibles of Mortgagor related in any manner to the Property or the operation thereof, as additional security for the Obligations, as well as all funds received for the purpose of keeping said Property in proper repair, and Mortgagee is given a prior and continuing lien thereon. Mortgagor hereby appoints Mortgagee its attorney to collect such rents and other revenues with or without suit, and to apply the same, less expenses of collection, to the Obligations and to repairs in such manner as Mortgagee may elect; provided, that until there be a default by Mortgagor in the performance of its agreements and undertakings under this Mortgage or under the other Credit Documents, Mortgagor may continue to collect and enjoy said rents and other revenues as they fall due without accountability to Mortgagee, except as Mortgagor is herein required to account. This assignment and power of attorney shall apply to all leases, security deposits, rentals and other amounts received from tenants in the future, whether by present or by future owners of the Property; shall be in addition to other remedies herein provided for in event of default; and may be put into effect independently or concurrently with any of such remedies, but no liability shall attach to Mortgagee on account of failure or inability to collect any such rents or other revenues. If at any time there is any conflict between any provision of this Mortgage and any provision of the aforesaid leases, then such provision of this Mortgage shall govern and apply.

32. **Conflict.** The Obligations are governed by the terms and provisions set forth in the Credit Agreement, and in the event of a conflict between the terms of this Mortgage and the terms of the Credit Agreement, the terms of the Credit Agreement shall control.

33. **Illinois Mortgage Foreclosure Law.** It is the intention of Mortgagor and Mortgagee that the enforcement of the terms and provisions of this Mortgage shall be accomplished in accordance with the Illinois Mortgage Foreclosure Law (the "Act"), 735 (LCS 5/15-1101, et seq., and with respect to such Act, Mortgagor agrees and covenants that:

(a) Mortgagor and Mortgagee shall have the benefit of all of the provisions of the Act, including all amendments thereto which may become effective from time to time after the date hereof. In the event any provision of the Act which is specifically referred to herein may be repealed, Mortgagee shall have the benefit of such provision as most recently existing prior to such repeal, as though the same were incorporated herein by express reference;

(b) Wherever provision is made in this Mortgage or the Credit Agreement for insurance policies to bear mortgage clauses or other loss payable clauses or endorsements in favor of Mortgagee, or to confer authority upon Mortgagee to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure, all such rights and

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powers of the Mortgagee shall continue in the Mortgagee as judgment creditor or mortgagee until confirmation of sale;

(c) All advances, disbursements and expenditures made or incurred by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale, and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by the Mortgage, or the Credit Agreement or by the Act (collectively "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(i) all advances by Mortgagee in accordance with the terms of the Mortgage or the Credit Agreement to: (i) preserve, maintain, repair, restore or rebuild the improvements upon the Property; (ii) preserve the lien of the Mortgage or the priority thereof; or (iii) enforce the Mortgage, as referred to in Subsection (b)(5) of Section 15-1302 of the Act;

(ii) payments by Mortgagee of (i) principal, interest or other obligations in accordance with the terms of any senior mortgage or other prior lien or encumbrance; (ii) real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the Property or any part thereof; (iii) other obligations authorized by the Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 15-1505 of the Act;

(iii) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under senior mortgages or any other prior liens;

(iv) attorneys' fees and other costs incurred: (i) in connection with the foreclosure of the Mortgage as referred to in Sections 15-1504(d)(2) and 15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against the Mortgagee for the enforcement of the Mortgage or arising from the interest of the Mortgagee hereunder; or (iii) in preparation for or in connection with the commencement, prosecution or defense of any other action related to the Mortgage or the Property;

(v) Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Section 15-1508(b)(1) of the Act;

(vi) expenses deductible from proceeds of sale as referred to in Section 15-1512(a) and (b) of the Act;

(vii) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if the Property or any portion thereof constitutes one or more units under a condominium declaration, assessments imposed upon the unit owner thereof; (ii) if Mortgagor's interest in the Property is a leasehold



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estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (iii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the Property imposed by Section 15-1704(c)(1) of the Act; (iv) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (v) payments deemed by Mortgagee to be required for the benefit of the Property or required to be made by the owner of the Property under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the Property; (vi) shared or common expense assessments payable to any association or corporation in which the owner of the Property is a member in any way affecting the Property; (vii) if the loan secured hereby is a construction loan, costs incurred by Mortgagee for demolition, preparation for and completion of construction, as may be authorized by the applicable commitment, loan agreement or other agreement; (viii) payments required to be paid by Mortgagor or Mortgagee pursuant to any lease or other agreement for occupancy of the Property and (ix) if the Mortgage is insured, payment of FHA or private mortgage insurance required to keep such insurance in force.

All Protective Advances shall be so much additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest thereon from the date of the advance until paid at the rate of interest payable after default under the terms of the Notes.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(5) of Section 15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

- (i) any determination of the amount of indebtedness secured by this Mortgage at any time;
- (ii) the indebtedness found due and owing to the Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;
- (iii) if right of redemption has not been waived by this Mortgage, computation of amounts required to redeem, pursuant to Sections 15-1603(d)(2) and 15-1603(e) of the Act;

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(iv) determination of amounts deductible from sale proceeds pursuant to Section 15-1512 of the Act;

(v) application of income in the hands of any receiver or mortgagee in possession; and

(vi) computation of any deficiency judgment pursuant to Sections 15-1508(b)(2), 15-1508(e) and 15-1511 of the Act;

(d) In addition to any provision of this Mortgage authorizing the Mortgagee to take or be placed in possession of the Property, or for the appointment of a receiver, Mortgagee shall have the right, in accordance with Sections 15-1701 and 15-1702 of the Act, to be placed in possession of the Property or at its request to have a receiver appointed, and such receiver, or Mortgagee, if and when placed in possession, shall have, in addition to any other powers provided in this Mortgage, all rights, powers, immunities, and duties as provided for in Sections 15-1701 and 15-1703 of the Act; and

(e) Mortgagor acknowledges that the Property does not constitute agricultural real estate, as said term is defined in Section 15-1201 of the Act or residential real estate as defined in Section 15-1219 of the Act. Pursuant to Section 15-1601(b) of the Act, Mortgagor hereby waives any and all right of redemption.

36. **Variable Rate: Additional Interest.** The Obligations of Borrowers pursuant to the Notes, which obligations are secured by this Mortgage, include, among other things, the obligation to pay interest on the unpaid principal balance of the loan described in the Credit Agreement on the basis of the "Adjusted Base Rate" or "Adjusted LIBOR Rate" which Adjusted Base Rate and Adjusted LIBOR Rate shall accrue from time to time at a variable rate of interest as provided in the Notes.

37. **Business Law.** The Mortgagor stipulates, represents, warrants, affirms and agrees that the Obligations secured by this Mortgage constitute "Business loans" within the meaning of Sections 205/4(c) of Chapter 815 of the Illinois Compiled Statutes, as amended.

38. **Collateral Protection Act.** Pursuant to the Illinois Collateral Protection Act, Mortgagor is hereby notified as follows:

Unless the Mortgagor provides Mortgagee with evidence of the insurance coverage required by this Mortgage, the Credit Agreement or any of the other Credit Documents, Mortgagee may purchase insurance at Mortgagor's expense to protect Mortgagee's interest in the Property or any other collateral for the Obligations. This insurance may, but need not protect Mortgagor's interests. The coverage Mortgagee purchases may not pay any claim that Mortgagor makes or any claim that is made against Mortgagor in connection with the Property or any other collateral for the Obligations. Mortgagor may later cancel any insurance purchased by Mortgagee but only after providing Mortgagee with evidence that Mortgagor has obtained insurance as required by the Mortgage, the Credit Agreement or any of the other Credit Documents. If Mortgagee purchases insurance for the Property or any other collateral for the Obligations, Mortgagor will be responsible for the costs of that insurance, including interest and any

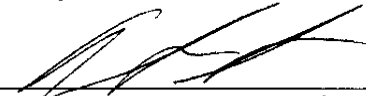
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IN WITNESS WHEREOF, the undersigned, pursuant to duly adopted resolutions of the Mortgagor's board of directors, has caused this Mortgage and Security Agreement to be executed as of the day and year first above written.

**MORTGAGOR:**

**RIDDELL, INC.,**  
an Illinois corporation

By:

  
Name: LAWRENCE S MON  
Title: EXECUTIVE VP

Property of Cook County Clerk's Office

First American Title  
Clerk of Cook County

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STATE OF Illinois

COUNTY OF Cook

I, Rosalinda Czajkowski, a Notary Public in and for the county and state aforesaid, do hereby certify that LAWRENCE SIMON personally appeared before me this day and, being duly sworn, says that he is the EXECUTIVE VP of Riddell, Inc., an Illinois corporation, and that said writing was signed by him in behalf of said corporation by its authority duly given. And the said \_\_\_\_\_ acknowledged the said writing to be the act and deed of said corporation.

WITNESS my hand and notarial seal, this 23<sup>rd</sup> day of June, 2003.

Rosalinda Czajkowski  
Notary Public

My Commission Expires:

August 9<sup>th</sup>, 2005

[NOTARIAL SEAL]



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## EXHIBIT A

### LEGAL DESCRIPTION

THE SOUTHEAST 65 FEET OF LOT 5 IN WILCOX RESUBDIVISION OF PART OF THE NORTH 1/2 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1916 AS DOCUMENT 5994308, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF LOTS 3 AND 4 IN WILCOX RESUBDIVISION OF PART OF THE NORTH 1/2 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHWEST OF MILWAUKEE AVENUE AND EAST OF THE RIGHT OF WAY OF CHICAGO, MILWAUKEE AND ST. PAUL RAILWAY, ACCORDING TO THE PLAT RECORDED NOVEMBER 16, 1916 AS DOCUMENT 5994308, LYING NORTHEASTERLY OF A CURVED LINE CONVEX SOUTHWESTERLY HAVING A RADIUS OF 290 FEET AND TANGENT TO THE NORTH LINE OF THE SOUTH 124.4 FEET OF LOT 2 IN SAID RESUBDIVISION AT A POINT 268.1 FEET WEST OF THE EAST LINE OF THE NORTHWEST 1/4 OF SAID SECTION, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF LOT 2 IN WILCOX RESUBDIVISION OF PART OF THE NORTH 1/2 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY CORNER OF LOT 2, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 2 A DISTANCE OF 3 FEET; THENCE SOUTHWESTERLY ALONG A LINE PARALLEL TO THE NORTHWESTERLY LINE OF SAID LOT 2 TO A POINT ON THE WEST LINE OF SAID LOT, THENCE NORTH ALONG THE WEST LINE OF SAID LOT 2 TO THE NORTHWESTERLY LINE OF SAID LOT 2, THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF SAID LOT 2 TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THE NORTHWESTERLY 85 FEET OF LOT 5 IN WILCOX RESUBDIVISION OF PART OF THE NORTH 1/2 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 16, 1916 AS DOCUMENT 5994308, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

THAT PART OF LOT 3 IN JOHN AND GEORGE L. GRAY'S RESUBDIVISION OF BLOCK 13 AND BLOCK 14 OF GRAYLAND IN THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 40

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NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 25, 1884 IN BOOK 19 OF PLATS, PAGE 9, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF MILWAUKEE AVENUE WHICH IS 145 FEET SOUTHEASTERLY FROM THE MOST NORTHERLY CORNER OF SAID LOT 3; THENCE SOUTHWESTERLY ON A LINE PARALLEL TO THE NORTHWEST LINE OF SAID LOT 3, 125 FEET, THENCE SOUTHEASTERLY ON A LINE PARALLEL WITH THE SOUTHWESTERLY LINE OF MILWAUKEE AVENUE 55 FEET, THENCE NORTHEASTERLY ON A LINE PARALLEL WITH THE NORTHWESTERLY LINE OF SAID LOT 3, 125 FEET TO THE SOUTHWESTERLY LINE OF MILWAUKEE AVENUE, THENCE NORTHWESTERLY 55 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

LOTS 6 AND 7 IN WILCOX RESUBDIVISION OF THAT PART OF THE NORTH 1/2 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN LYING SOUTHWEST OF MILWAUKEE AVENUE AND EAST OF THE RIGHT OF WAY OF CHICAGO, MILWAUKEE AND ST. PAUL RAILWAY, ACCORDING TO THE PLAT OF SAID RESUBDIVISION RECORDED NOVEMBER 16, 1916 AS DOCUMENT 5994308, IN COOK COUNTY, ILLINOIS.

PARCEL 7:

THE SOUTHEASTERLY 10 FEET OF THE NORTHEASTERLY 125 FEET OF LOT 3 IN JOHN AND GEORGE L. GRAY'S RESUBDIVISION OF BLOCKS 13 AND 14 OF GRAYLAND IN THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 25, 1884 IN BOOK 19 OF PLATS, PAGE 9, IN COOK COUNTY, ILLINOIS.

3670 N. Milwaukee Avenue  
Chicago, IL

Pin #

13-22-125-045

13-22-125-012