



201305010066

Skagit County Auditor

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PREPARED BY, RECORDING REQUESTED BY,
AND AFTER RECORDING RETURN TO:

Cindy J.K. Davis, Esq.
Greenberg Traurig LLP
Terminus 200
3333 Piedmont Road NE, Suite 2500
Atlanta, GA 30305

CHICAGO TITLE
620018034

(Mount Vernon, Skagit County, Washington)

SUBORDINATION AGREEMENT

by and from

NEPTUNE INVESTMENT LLC, a Washington limited liability company,

"Grantor"

Derdue Foods, LLC

to, and for the benefit of

COÖPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK B.A.,

"RABOBANK NEDERLAND", NEW YORK BRANCH,

in its capacity as collateral agent, "Grantee"

Dated as of April 30, 2013

Address: 1000 Jason Lane, Mount Vernon, Skagit County, Washington

Legal Description (abbr.): Section 17, Township 34, Range 4; PTN. N 1/2 – SW
And Lots 67-70, 82A & 82-84, "Parker Business Center"

FOR THE FULL LEGAL DESCRIPTION: SEE EXHIBIT "A" TO THIS
DOCUMENT

Assessor's Tax Parcel ID Nos.: 4367-000-067-0009; 4367-000-068-0008; 4367-000-
069-0007; 4367-000-070-0004; 4367-000-082-0000; 4367-000-082-0109; 4367-000-
083-0009; 4367-000-084-0008; 340417-3-022-0000; 340417-3-019-0000; and 340417-
3-019-0300 *0000*

Reference Nos.: 201212210124 and 201305010065

After Recording Return To:
Commonwealth Land Title Insurance Co.
T. Vaillant *13-001133*
1015 15th Street, NW, Suite 300
Washington, DC 20005

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT (this "**Agreement**") is dated as of Apr. 1 30, 2013, by and from NEPTUNE INVESTMENT LLC, a Washington limited liability company, having an address of c/o Richard Koplowitz and James Koplowitz, 1210 Dale Lane, P.O. Box 1265, Mount Vernon, Washington 98273 (together with its successors and assigns, "**Subordinated Lender**"), to and in favor of COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "**RABOBANK NEDERLAND**", NEW YORK BRANCH ("**Rabobank**") in its capacity as collateral agent for the Secured Parties (as defined in the Credit Agreement (as hereinafter defined), having an office at 245 Park Avenue, 37th Floor, New York, New York 10167-0062, Attn: Loan Administration (together with its successors and assigns, "**Senior Lender**").

RECITALS

WHEREAS, PERDUE FOODS LLC, a Maryland limited liability company (formerly known as Perdue Farms LLC, successor by merger to Perdue Farms Incorporated), having an address of P.O. Box 1537, Salisbury, Maryland 21802-1537, Attn: Thomas Mahn ("**Borrower**"), is the fee owner of the real property described in Exhibit A attached hereto (the "**Property**").

WHEREAS, Subordinated Lender has made a purchase money loan to Borrower in the original principal amount of Two Million Six Hundred Fifty Thousand and 00/100 Dollars (\$2,650,000.00) (the "**Subordinated Indebtedness**") evidenced by that certain Promissory Note, dated December 21, 2012, from Borrower to Subordinated Lender (the "**Subordinated Note**"), and secured by, among other things, that certain Purchase Money Mortgage, Assignment of Rents and leases, Security Agreement and Fixture Filing (the "**Subordinated Mortgage**") dated December 21, 2012, executed by Borrower in favor of Subordinated Lender, recorded on December 21, 2012, under Auditor's File No. 201212210124, Records of Skagit County, Washington, and encumbering the Property. The Subordinated Note, the Subordinated Mortgage and the other documents evidencing, securing or relating to the Subordinated Indebtedness, as well as any and all renewals, extensions, increases, supplements, amendments, restatements, modifications or replacements thereof from time to time, are hereafter referred to collectively as the "**Subordinated Loan Documents**."

WHEREAS, Borrower, PERDUE AGRIBUSINESS LLC, a Maryland limited liability company ("**Agribusiness**"), PERDUE FARMS INC., a Maryland corporation ("**Parent**") (Borrower, Agribusiness and Parent are hereinafter sometimes collectively referred to as the "**Senior Indebtedness Borrowers**"), certain subsidiaries of Parent party thereto from time to

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time as a "Guarantor", Rabobank, in its capacity as administrative agent and collateral agent, and the various banks and lending institutions who are or may become a party, have entered into that certain Amended and Restated Credit Agreement, dated December 23, 2010, as amended by First Amendment to Amended and Restated Credit Agreement, dated May 23, 2011 (collectively, and as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), providing for term loans, a revolving loan and other extensions of credit to the Senior Indebtedness Borrowers in the maximum principal amount of ONE BILLION DOLLARS (\$1,000,000,000.00) (the "**Senior Indebtedness**"). The Credit Agreement is secured by, among other things, that certain Deed Of Trust, Assignment Of Rents And Leases, Security Agreement And Fixture Filing (the "**Senior Mortgage**"), dated April 30, 2013, executed by Borrower in favor of Senior Lender, recorded on MAY 1, 2013, under Auditor's File No. 201305010065, Records of Skagit County, Washington, and encumbering the Property. The Credit Agreement, Senior Mortgage and any other documents evidencing, securing or relating to the Senior Indebtedness, as well as any and all renewals, extensions, increases, supplements, amendments, restatements, modifications or replacements thereof from time to time, are hereafter referred to collectively as the "**Senior Loan Documents.**"

WHEREAS, Senior Lender has required the execution of this Agreement to confirm the subordination of the Subordinated Loan and the Subordinated Loan Documents to the Senior Loan and the Senior Loan Documents on the terms set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Subordinated Lender hereby agrees, for itself and its successors and assigns, to, and does hereby unconditionally subordinate the Subordinated Indebtedness, and the lien or charge of all Subordinated Loan Documents, and does hereby waive the priority of the lien arising under the Subordinated Mortgage and the Subordinated Loan Documents in all respects to the lien, charge and operation of the Senior Mortgage, the Senior Indebtedness, and all of the Senior Loan Documents, so that the Senior Loan, the Senior Mortgage and the Senior Loan Documents shall have lien priority over, and shall be superior to and higher in rank and dignity in all respects to, the Subordinated Loan, the Subordinated Mortgage and the Subordinated Loan Documents.

This Agreement is executed and delivered by Subordinating Lender knowing that Senior Lender is relying on, and shall rely upon, Subordinating Lender's representations and covenants made herein. This Subordination Agreement may not be amended, modified or terminated without Senior Lender's prior written consent, which Senior Lender may grant or withhold in its sole discretion.

NOTICE: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, Subordinated Lender has on the date set forth in the acknowledgement hereto, effective as of the date first above written, caused this instrument to be duly EXECUTED AND DELIVERED by authority duly given.

SUBORDINATED LENDER:

NEPTUNE INVESTMENT LLC, a
Washington limited liability company

By: Richard Koplowitz
Name: Richard Koplowitz
Its: member

Acknowledgment

STATE OF Washington)
COUNTY OF Whatcom)

ss.

On this day personally appeared before me RICHARD KOPLWITZ to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as MEMBER of NEPTUNE INVESTMENT LLC, a Washington limited liability company, free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 26th day of February, 2013.

Mark J. Muljat, Notary Public in and for the State of
Washington, residing at Bellingham
My appointment expires Nov. 6, 2015

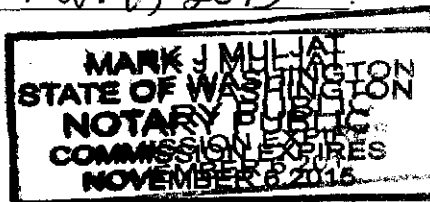


EXHIBIT A

Legal Description

PARCEL A:

The Northerly 417 feet of the portion of the South Half of the Northwest Quarter of the Southwest Quarter, lying Easterly of the Great Northern Railway Company's right-of-way, in Section 17, Township 34 North, Range 4 East of the Willamette Meridian;

EXCEPT the North 30 feet thereof as conveyed to the City of Mount Vernon for street purposes, by deed recorded June 25, 1958, under Auditor's File No. 567041, records of Skagit County, Washington;

TOGETHER WITH that portion of the West Half of adjoining vacated 9th Street, City of Mount Vernon Ordinance No. 2882, as recorded March 2, 1999, under Auditor's File No. 9903020125, records of Skagit County, Washington.

Situated in Skagit County, Washington

PARCEL B:

Lots 67 through 70, inclusive, Parker Business Center, according to the plat thereof, recorded in Volume 11 of Plats, pages 91 through 96, inclusive, records of Skagit County, Washington;

TOGETHER WITH those portions of private roads adjoining to the centerline thereof, as delineated on the face of said Plat;

AND TOGETHER WITH that portion of the East Half of adjoining vacated 9th Street, City of Mount Vernon Ordinance No. 2882, recorded March 2, 1999, under Skagit County Auditor's File No. 9903020125, records of Skagit County, Washington.

Situated in Skagit County, Washington

PARCEL C:

Lots 82A, 82, 83 and 84 and the South Half of private road known as William Way adjoining thereto of Parker Business Center, according to the plat thereof, recorded in Volume 11 of Plats, pages 91 through 96, inclusive, records of Skagit County, Washington;

TOGETHER WITH that portion of the East Half of adjoining vacated 9th Street, City of Mount Vernon Ordinance No. 2882, as recorded March 2, 1999 under Skagit County Auditor's File No. 9903020125, records of Skagit County, Washington.

Situated in Skagit County, Washington



PARCEL D:

Lot 2, and the South 33 feet of Lot 1, CITY OF MOUNT VERNON SHORT PLAT NO. MV-06-95, approved October 11, 1995, recorded October 11, 1995, in Volume 12 of Short Plats, pages 34 and 35, under Auditor's File No. 9510110093, records of Skagit County, Washington; and being a portion of the Southwest Quarter of Section 17, Township 34 North, Range 4 East of the Willamette Meridian.

Situated in Skagit County, Washington

