

as Agent ("Lenders' Agent") have entered into a \$75,000,000.00 Loan Agreement dated as of November 14, 1984 (as amended from time to time the "Loan Agreement") providing for the making of a loan upon the terms and conditions contained therein;

B. Merger Subsidiary, Banks and Bankers Trust Company, as Agent ("Banks' Agent"), have entered into a \$385,000,000.00 Credit Agreement dated as of October 31, 1984 (as amended from time to time the "Bank Credit Agreement"), providing for the making of loans and the issuance of letters of credit upon the terms and conditions contained therein;

C. Merger Subsidiary has merged into Blue Bell, Inc. ("Borrower") and Borrower, as the successor to Merger Subsidiary, has assumed all of the obligations of Merger Subsidiary under the Loan Agreement and under the Bank Credit Agreement;

D. Chemical Bank, as trustee, and Borrower have entered into an Indenture dated of even date herewith (as amended from time to time the "Senior Note Indenture") providing for Borrower to issue \$75,000,000.00 aggregate principal amount of 16% Senior Notes (as amended from time to time the "Senior Notes"), which Senior Notes are to be purchased pursuant to Securities Purchase Agreement dated of even date herewith (the "Securities Purchase Agreement");

E. Mortgagor is a wholly-owned subsidiary of Borrower and will derive substantial benefits from the the loan provided for in the Loan Agreement, the loans and letters of credit provided for in the Bank Credit Agreement and the sale of the Senior Notes. Mortgagor desires to enable Borrower to obtain the loans provided for in the Loan Agreement, to obtain the loans and the issuance of the letters of credit under the Bank Credit Agreement and to sell the Senior Notes;

F. It is a condition precedent to the Lenders making the loan under the Loan Agreement, to the Banks making the loans and issuing the letters of credit under the Bank Credit Agreement and to the purchase of the Senior Notes by the Holders that Mortgagor execute and deliver to Mortgagee this Mortgage; and

G. Mortgagor desires to execute and deliver this Mortgage to satisfy the condition described in the preceding paragraph.

SECTION 1. GRANTING CLAUSE; WARRANTY OF TITLE

1.1 Mortgagor hereby irrevocably grants, transfers, conveys, assigns and mortgages to Mortgagee all of Mortgagor's present and future estate, right, title and interest in and to that real property and all buildings and other improvements now

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