

Lessee (a wholly-owned subsidiary of Mercantile Stores Company, Inc.) pursuant to the Lease dated as of August 1, 1978 (herein, together with all amendments and supplements thereto, called the Lease).

Prior to the time of the delivery hereof, Assignor has entered into Note Purchase Agreements providing for issuance of its 8.40% Secured Notes due July 1, 2003 (herein, together with any note or notes or other evidence or evidences of indebtedness issued in exchange therefor or in replacement thereof pursuant to the Indenture, called the Notes). The Notes are being issued pursuant to the Note Purchase Agreements and are secured by an Indenture of Mortgage, Deed of Trust and Security Agreement, dated as of December 4, 1978 (herein, together with all amendments and supplements thereto, called the Indenture), between Assignor, as grantor, and the Trustees, as trustees. The Indenture creates a first lien on and prior security interest with respect to the Property. As additional security for the Notes, the assignment of the Lease to the Trustees pursuant to the Indenture is being confirmed by this Assignment. In order to induce the purchasers of the Notes to purchase the Notes and the Trustees to accept the trusts created by the Indenture, Assignor and Lessee are entering into the undertakings herein set forth with the Trustees.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1) and other good and valuable consideration, the