ORIGINAL

PAID

SECURED PROMISSORY NOTE
No. [redacted]

$1,700,000.00

Minneapolis, Minnesota
February 1, 2002

FOR VALUE RECEIVED, the undersigned, PETTERS I, INC. a Minnesota corporation (the "Company") promises to pay to the order of METRO GEM CAPITAL II, LLC or its assigns (the "Holder"), at the place designated at any time by the holder hereof, in lawful money of the United States of America and in immediately available funds, the principal amount of One Million Seven Hundred Thousand and No Cents United States Dollars ($1,700,000.00) (the "Principal Amount") on the earlier of (i) the May 2, 2002 day, but in no event later than the 182nd day, after the date hereof, or (ii) the business day after the date upon which Company receives available funds from payment from the buyer on the inventory sale financed by the proceeds of this Note (such date, the "Maturity Date"), together with interest on the unpaid principal balance hereof from the date hereof until this Note is fully paid, at an annual rate of interest, calculated on the basis of actual number of days elapsed in a 360 day year, that shall be equal to Twenty Four percent (24%). The proceeds of this Note will be used to purchase inventory pursuant to the purchase order attached hereto. This Note is secured pursuant to a Security Agreement dated as of December 10, 2001 made by the Company in favor of the Holder (as such agreement may be amended, restated, modified or replaced from time to time, the "Security Agreement")

1. Prepayment. This Note may be prepaid in whole or in part at any time or from time to time, without penalty or premium. Payments hereunder shall be applied first to the payment of accrued interest and then to reduction of principal.

2. Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default:" The Company shall (a) fail to make when due, whether by acceleration or otherwise, any payment of principal of, or interest on, this Note; or (b)(i) be or become insolvent, (ii) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the Company or of all or a substantial part of the Company's property, (iii) commence a voluntary case under any federal or state bankruptcy, insolvency, or similar law, (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, or (v) admit in writing its inability to pay its debts as they come due (vi) make an assignment for the benefit of its creditors; or (vii) become an involuntary party to (or be made the subject of) any bankruptcy proceeding or any other insolvency, readjustment of debt, marshalling of assets and liabilities, or similar procedures of or relating to the Company or relating to all or a significant portion of its properties, which proceeding is not dismissed within 60 days after the commencement thereof.

3. Remedies. If any Event of Default shall occur and be continuing, the outstanding unpaid principal balance of this Note and the accrued interest thereon shall automatically become immediately due and payable. In addition, upon any Event of Default, the Holder may exercise all rights and remedies under the Security Agreement and any other instrument, document or agreement in favor of the Holder, and enforce all rights and remedies under any applicable law. No delay or failure on the part of the Holder in exercising any right or remedy hereunder, or at law or at equity, shall operate as a waiver of or preclude the exercise of any such right or remedy, and no single or partial exercise by the Holder of any such right or remedy shall

GOVERNMENT EXHIBIT
225
08cr364(RHK/AJB)

ARWLTD006737

0225.0001

Exhibit C

FORM OF REQUEST FOR RELEASE OF NOTES

ACF
Account #[redacted]
Request for Release of Metro II Security

To: Wells Fargo Bank Minnesota, National Association
MAC N9311-161, Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479-0067
Attention: Asset-Backed Securities

Re: Custodial Agreement by and between ArrowHead Capital Finance Ltd. and Wells Fargo Bank Minnesota, National Association dated as of November 28, 2001 (as amended or modified to date, the "Agreement").

Ladies and Gentlemen:

In connection with the administration of the Metro II Security held by you as the Custodian for ACF, we certify that the Metro II Security listed below has been finally paid and settled. Upon your confirmation of receipt of the required payment amount set forth below, we request the release of the Metro II Security and direct the Custodian to forward the Metro II Security by courier or overnight delivery at ACF's expense to: Blue Point Management Ltd., c/o AMS Limited, Servicer: The Continental Building, Second Floor, 25 Church Street, Hamilton, HM 12, Bermuda, Attn: David Thompson.

Metro II Security No.	Orig. Date	Principal Amount	Due Date	Interest Due
#020102-3011 Pittsburgh Inc.	2/1/02	$1,700,000.00	5/2/02	24% APR

Capitalized terms used herein but not otherwise defined shall have the same meanings assigned to them in the Agreement.

BLUE POINT MANAGEMENT LTD

By _____
Its pres
Date: 5/7/02

ARWLTD006738

0225.0002

Exhibit B

FORM OF RECEIPT AND VERIFICATION CERTIFICATION

ACF
Account #[redacted]
Receipt and Verification Certification

To: [name and address of holder]

Re: Custodial Agreement by and between Arrowhead Capital Finance Ltd. and Wells Fargo Bank Minnesota, National Association dated as of December 3, 2001 (as amended or modified to date, the "Agreement").

Ladies and Gentlemen:

In accordance with the provisions of Section 2.2 of the Agreement, the undersigned, as Custodian, hereby certifies that except as noted below, as to the following Metro II Security:

Security No.	Orig. Date	Principal Amount	Due Date	Interest Due
020102-3011 DeHors I, Inc	2/1/02	$1,700,000.00	5/2/02	24%

(i) the Custodian is in receipt of the Metro II Security;

(ii) the Metro II Security appears to be the original signed Metro II Security and each of the name of the issuer, the date of the Metro II Security and the original principal amount of the Metro II Security conforms to the information set forth above; and

(iii) the Custodian is holding the Metro II Security as agent for, and on behalf of, you.

The Custodian has made no independent examination of the Metro II Security beyond the review specifically required in the Agreement. The Custodian makes no representations as to the validity, legality, sufficiency, enforceability, genuineness or collectibility of the Metro II Security.

Capitalized terms used herein but not otherwise defined shall have the same meanings assigned to them in the Agreement.

Dated: 2/1/02

WELLS FARGO BANK MINNESOTA, NATIONAL ASSOCIATION, as Custodian

By: Jeanine C. Casey
Its: Jeanine C. Casey
Corporate Trust Officer

ARWLTD006739

0225.0003

Wells Fargo Bank Minnesota, N.A.
Corporate Trust
Sixth and Marquette
N9311-161
Minneapolis, MN 55479
Phone: (612) 667-2157
Fax: (612) 667-3539

facsimile transmittal

To:	Brian Johnson	Fax:	607-5296
From:	Jeanine Casey	Date:	02/01/02
Re:	Note Receipt	Pages:	2
CC:			

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

The following is a signed Receipt and Verification Certification acknowledging the delivery of Note 6020103-3011 to Wells Fargo today. Thank you.

3011

PETTERS COMPANY, INC.

7585 EQUITABLE DRIVE, EDEN PRAIRIE, MN 55344
PHONE 952-934-9918 FAX 952-975-2295

INVOICE

TO: NATIONWIDE INTERNATIONAL RESOURCES, INC.
2348 WESTWOOD BLVD.
LOS ANGELES, CA 90064

SHIP TO: WILL ADVISE

ORDERED BY:	TOM PETTERS	PURCHASE ORDER NUMBER:	112194
DATE:	1/31/02	SHIP VIA:	BEST WAY
PAYMENT TERMS:	WIRE	F.O.B. POINT	LOS ANGELES

ITEM NO.	DESCRIPTION	UNIT	QTY.	UNIT COST	TOTAL
PW4021	PANASONIC 4 HEAD VCR		1244	$50.43	
CT27D11	PANASONIC 27" STEREO TV		1,194	$237.24	
CT32G6	PANASONIC 32" STEREO TV		666	$345.73	
CT36D11	PANASONIC PANABLACK TV		407	$688.91	
CT36BX31	PANASONIC 36" FLAT SCREEN TV W/2PIP		541	$1,089.90	
PT51HX41	PANASONIC 51" H DEF PROJECTION TV		308	$1,604.58	

SUBTOTAL
Shipping charges
Handling charges
Insurance
Tax rate % Tax
TOTAL DUE

SPECIAL INSTRUCTIONS

ARWLTD006741

0225.0005

FORM OF DISBURSEMENT INSTRUCTIONS

Metro Gem Capital II Account #[redacted]
Disbursement Instructions

To: Wells Fargo Bank Minnesota, National Association
MAC N9311-161, Attention: Asset-Backed Securities

We refer to that certain Custodial Agreement by and among Metro Gem Capital II LLC, and Wells Fargo Bank Minnesota, National Association dated as of December 3, 2001 (as amended or modified to date, the "Custodial Agreement"). Capitalized terms used herein but not otherwise defined shall have the same meanings assigned to them in the Agreement.

A. Pursuant to Section 2.7(c) of the Agreement, please withdraw the following amounts from the Cash Account [redacted] and deliver them as follows:

1. ($_____) _____ Dollars to the Custodian.

2. ($ 1,700,000.00) One million seven hundred thousand & 00/100 Dollars to the ACF Cash Account [redacted], then withdraw from this account and transfer;

3. ($ 1,700,000.00) One million seven hundred thousand & 00/100 Dollars to the Collateral Account [redacted]

4. [($_____) _____ Dollars to _____ _____ by wire transfer to _____, ABA#_____, Account Number _____, Account Name: _____][In the amounts and to the accounts listed on the attached schedule].

B. Pursuant to Section 4 of the Collateral Agreement, please withdraw the following amounts from the Collateral Account [redacted] and deliver them as follows:

1. ($_____) _____ Dollars to the Cash Account.

2. [($_____) _____ Dollars to _____ _____ by wire transfer to _____, ABA#_____, Account Number _____, Account Name: _____][In the amounts and to the accounts listed on the attached schedule].

~~Metro Gem Capital II LLC~~/ ArrowHead Capital Finance Ltd.

By_____
Its DAVID THOMPSON, DIRECTOR
Date 2/1/02

M1:804454.03

ARWLTD006742

FORM OF DISBURSEMENT INSTRUCTIONS

Metro Gem Capital II
Disbursement Instructions

To: Wells Fargo Bank Minnesota, National Association
[redacted] Attention: Asset-Backed Securities

We refer to that certain Custodial Agreement by and among Metro Gem Capital II LLC, and Wells Fargo Bank Minnesota, National Association dated as of December 3, 2001 (as amended or modified to date, the "Custodial Agreement"). Capitalized terms used herein but not otherwise defined shall have the same meanings assigned to them in the Agreement.

A. Pursuant to Section 2.7(c) of the Agreement, please withdraw the following amounts from the Cash Account [redacted] and deliver them as follows:

1. ($_____) _____ Dollars to the Custodian.

2. ($_____) _____ Dollars to the ACF Cash Account: [redacted], then withdraw from this account and transfer;

3. ($_____) _____ Dollars to the Collateral Account: [redacted]

4. [($_____) _____ Dollars to _____ _____ by wire transfer to _____, ABA#_____, Account Number _____, Account Name: _____][In the amounts and to the accounts listed on the attached schedule].

B. Pursuant to Section 4 of the Collateral Agreement, please withdraw the following amounts from the Collateral Account [redacted] and deliver them as follows:

1. ($_____) _____ Dollars to the Cash Account [redacted]

2. [($ 1,700,000.00) One million seven hundred thousand & 00/100 Dollars to Nationwide International by wire transfer to Bank Leumi USA, ABA# [redacted], Account Number [redacted], Account Name: Nationwide International][In the amounts and to the accounts listed on the attached schedule].

Metro Gem Capital II LLC/ ~~ArrowHead Capital Finance Ltd.~~

By _____
Its _____
Date 6/1/02

M1:804454.03

ARWLTD006743

Wire Information

Nationwide International
2346 Westwood Blvd.
Los Angeles, CA 90064
Account [redacted]

Bank Leumi USA
8383 Wilshire Blvd.
Suite 400
Beverly Hills, CA 90211
[redacted]

$1,700,000.00

ARWLTD006744

0225.0008

Exhibit A

FORM OF TRANSMITTAL LETTER

ACF
Account # [redacted]
Transmittal Letter

To: Wells Fargo Bank Minnesota, National Association
MAC N9311-161, Sixth Street and Marquette Avenue
Minneapolis, Minnesota 55479-0067
Attention: Asset-Backed Securities

We refer to that certain Custodial Agreement by and between ArrowHead Capital Finance Ltd. and Wells Fargo Bank Minnesota, National Association dated as of December 3, 2001 (as amended or modified to date, the "Agreement"). Capitalized terms used herein but not otherwise defined shall have the same meanings assigned to them in the Agreement.

Pursuant to Section 2.1(b) of the Agreement, Metro II hereby delivers to you the Metro II Security described below.

Metro II Security No.	Orig. Date	Principal Amount	Due Date	Interest Due
#020102-3011 Pillsbury I, Inc.	2/1/02	$1,700,000.00	5/2/02	24% APR

Dated: 2/1/02

METRO GEM CAPITAL II LLC

By [signature]
Its [illegible]

M1:742072.04

ARWLTD006745

0225.0009

COPY

SECURED PROMISSORY NOTE
No. [redacted]

$1,700,000.00

Minneapolis, Minnesota
February 1, 2002

FOR VALUE RECEIVED, the undersigned, PETTERS I, INC. a Minnesota corporation (the "Company") promises to pay to the order of METRO GEM CAPITAL II, LLC or its assigns (the "Holder"), at the place designated at any time by the holder hereof, in lawful money of the United States of America and in immediately available funds, the principal amount of One Million Seven Hundred Thousand and No Cents United States Dollars ($1,700,000.00) (the "Principal Amount") on the earlier of (i) the May 2, 2002 day, but in no event later than the 182nd day, after the date hereof, or (ii) the business day after the date upon which Company receives available funds from payment from the buyer on the inventory sale financed by the proceeds of this Note (such date, the "Maturity Date"), together with interest on the unpaid principal balance hereof from the date hereof until this Note is fully paid, at an annual rate of interest, calculated on the basis of actual number of days elapsed in a 360 day year, that shall be equal to Twenty Four percent (24%). The proceeds of this Note will be used to purchase inventory pursuant to the purchase order attached hereto. This Note is secured pursuant to a Security Agreement dated as of December 10, 2001 made by the Company in favor of the Holder (as such agreement may be amended, restated, modified or replaced from time to time, the "Security Agreement")

1. Prepayment. This Note may be prepaid in whole or in part at any time or from time to time, without penalty or premium. Payments hereunder shall be applied first to the payment of accrued interest and then to reduction of principal.

2. Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default:" The Company shall (a) fail to make when due, whether by acceleration or otherwise, any payment of principal of, or interest on, this Note; or (b)(i) be or become insolvent, (ii) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or the like of the Company or of all or a substantial part of the Company's property, (iii) commence a voluntary case under any federal or state bankruptcy, insolvency, or similar law, (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, or (v) admit in writing its inability to pay its debts as they come due (vi) make an assignment for the benefit of its creditors; or (vii) become an involuntary party to (or be made the subject of) any bankruptcy proceeding or any other insolvency, readjustment of debt, marshalling of assets and liabilities, or similar procedures of or relating to the Company or relating to all or a significant portion of its properties, which proceeding is not dismissed within 60 days after the commencement thereof.

3. Remedies. If any Event of Default shall occur and be continuing, the outstanding unpaid principal balance of this Note and the accrued interest thereon shall automatically become immediately due and payable. In addition, upon any Event of Default, the Holder may exercise all rights and remedies under the Security Agreement and any other instrument, document or agreement in favor of the Holder, and enforce all rights and remedies under any applicable law. No delay or failure on the part of the Holder in exercising any right or remedy hereunder, or at law or at equity, shall operate as a waiver of or preclude the exercise of any such right or remedy, and no single or partial exercise by the Holder of any such right or remedy shall

preclude or estop another or further exercise thereof or exercise of any other right or remedy. No waiver by the Holder hereof shall be effective unless in writing signed by the Holder. A waiver on any one occasion shall not be construed as a waiver of any such right or remedy on any prior or subsequent occasion.

4. Intention of Parties. If this Note is assigned or transferred to a noteholder that is not a "United States person," within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the "Code"), then it is the intention of the Company and such noteholder that all interest accrued and paid on this Note will qualify for exemption from United States withholding tax as "portfolio interest," under Code Sections 871(h)(2) and 881(c)(2) of the Code and the applicable Treasury Regulations promulgated thereunder, and as a result, all interest accrued and paid on this Note will be exempt from United States information reporting under Sections 6041 and 6049 of the Code and United States withholding under Sections 3406, 1441 and 1442 of the Code. The parties agree to cooperate with one another, and to execute and file such forms or other documents, or to do or refrain from doing such other acts, as may be required, to secure such exemptions from United States withholding tax, information reporting, and backup withholding. In furtherance of the foregoing, the Holder hereby represents, warrants and covenants to the Company that such noteholder is and will be as long as any amounts due under this Note are outstanding, a "United States person," within the meaning of Section 7701(a)(30) of the Code. Notwithstanding any other provision in this paragraph 4, any holder of this Note that is a United States person will be subject to limitations under the United States income tax laws.

5. Assignment. This Note may not ba assigned without the prior written consent of the Company. The terms and conditions of this Note shall be binding upon and inure to the benefit of the Company and the Holder and its permitted assigns; provided, however, that if such assignment is to any noteholder that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code, then such noteholder shall submit to the Company on or before the date of such assignment two accurate and complete original signed copies of Internal Revenue Service ("IRS") Form W-8BEN, W-8ECI, or W-8IMY, as applicable (or any successor form prescribed by the IRS), certifying as to such noteholder's complete exemption from United States withholding tax, information reporting and backup withholding with respect to all payments to be made to such noteholder under this Note, and if an event occurs that would require a change in the exempt status of such noteholder or any of the other information provided on the most recent IRS Form W-8BEN, W-8ECI, or W-8IMY (or successor form) previously submitted by such noteholder to the Company hereunder, such noteholder will so inform the Company in writing (or by submitting to the Company a new IRS Form W-8BEN, W-8ECI, or W-8IMY (or successor form) within 30 days after the occurrence of such event. Any attempted assignment in violation of this Section 5 shall be void and of no force and effect. Until there has been a valid assignment of this Note and of all of the rights hereunder by the Holder in accordance with this Section 5, the Company shall deem and treat the Holder as the absolute beneficial owner and holder of this Note and of all of the rights hereunder for all purposes (including, without limitation, for the purpose of receiving all payments to be made under this Note). Notwithstanding any other provision in this Note to the contrary, the Company shall be entitled, to the extent it is required to do so by law, to deduct or withhold taxes imposed by the United States (or any political subdivision or taxing authority thereof or therein) from interest, fees, or other amounts payable under this Note for the account of the Holder or any subsequent noteholder which is not a United States person (as that term is defined in Section 7701(a)(30) of the Code) to the extent that such Holder or subsequent noteholder has not provided to the Company IRS forms that establish a complete exemption from such deduction or withholding and the Company shall not be obligated to make any additional payments to the Holder or

noteholder in respect of taxes so withheld or deducted or imposed by the United States if such Holder or noteholder has not provided to the Company the IRS forms required to be provided to the Company pursuant to this Note.

6. Waiver. The Company waives diligence, demand, presentment, notice of nonpayment, protest, and notice of protest all in the sole discretion of the Holder and without notice and without affecting in any manner the liability of the Company.

7. No Oral Modification. This Note may not be changed, modified or terminated orally.

8. Governing Law. This Note is being delivered in, and shall be governed by the laws of, the State of Minnesota.

PETTERS I, INC.

By: _____

Its: _____

::ODMA\PCDOCS\FBDOCS1\2584234\1

COPY

3011

2,420,403.50

Boscov's Purchase Order

P.O. #	85598	Ship Date	2-15-02
Vendor	PETTERS	Cancel	3-22-02
Sub-Dept#		Ship Point	
Class	644	Freight	Prepaid / Collect
Terms	NET 60 DAYS		

Style	Description	Qty	Cost	Retail
PV4651	PANASONIC 4HEAD VCR	1,244	58.00	72,152.00
CT27D11	PANASONIC 27" STEREO TV	1,395	270.83	375,799.07
CT 32S36	PANASONIC 32" STEREO TV	866	397.59	344,312.94
CT36D11	PANASONIC 36" TAU TV	407	788.80	321,041.60
CT 36XX31	PANASONIC 36" FLAT SCREEN TV W/2 PIP	541	[illegible]	616,078.38
PT51HX41	PANASONIC 51" HI DEF PROJECTION TV	368	[illegible]	679,059.56
				# 2,420,403.50

DEPT: 644
PURCHASE:
VENDOR: PETTERS COMPANY, INC. 671-2
CO:
BUYER:

Send Invoices Correspondence to:
Invoices: P.O. Box 4131
Correct P.O. Box 4282
Reading, PA 19606

2-1-02

Buyer

PETTERS COMPANY, INC.

7585 EQUITABLE DRIVE, EDEN PRAIRIE, MN 55344
PHONE 952-934-9918 FAX 952-975-2295

INVOICE

TO: NATIONWIDE INTERNATIONAL RESOURCES, INC.
2346 WESTWOOD BLVD.
LOS ANGELES, CA 90064

SHIP TO: WILL ADVISE

ORDERED BY:	TOM PETTERS	PURCHASE ORDER NUMBER:	112194
DATE:	1/31/02	SHIP VIA:	BEST WAY
PAYMENT TERMS:	WIRE	F.O.B. POINT	LOS ANGELES

ITEM NO.	DESCRIPTION	UNIT	QTY.	UNIT COST	TOTAL AMOUNT
PW4021	PANASONIC 4 HEAD VCR		1244	$50.43	
CT27D11	PANASONIC 27" STEREO TV		1,194	$237.24	
CT32G6	PANASONIC 32" STEREO TV		868	$345.73	
CT36D11	PANASONIC PANABLACK TV		407	$685.91	
CT36SX31	PANASONIC 36" FLAT SCREEN TV W/2PIP		541	$1,089.90	
PT51HX41	PANASONIC 51" H DEF PROJECTION TV		368	$1,604.58	

SUBTOTAL
Shipping charges
Handling charges
Insurance
Tax rate % Tax
TOTAL DUE

SPECIAL INSTRUCTIONS

ARWLTD006750

0225.0014

3011

Filing NO: 20022956884
Filing Date: 2002/02/01
Filing Time: 5:00 PM
State of Minnesota
Processing Office: Secretary of State
Filed by: chuda01

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

METRO GEM, INC.
PO BOX 245
WAYZATA, MN 55391

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: PETTERS 1, INC.

OR 1b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

1c. MAILING ADDRESS: 7595 EQUITABLE DRIVE | CITY: EDEN PRAIRIE | STATE: MN | POSTAL CODE: 55344 | COUNTRY: USA

1d. TAX ID #: SSN OR EIN: 41-2010938 | ADD'L INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION: CORPORATION | 1f. JURISDICTION OF ORGANIZATION: MINNESOTA | 1g. ORGANIZATIONAL ID #, if any: ☑ 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 | COUNTRY

2d. TAX ID #: SSN OR EIN | ADD'L INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any: ☐ 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: METRO GEM CAPITAL II, LLC

OR 3b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

3c. MAILING ADDRESS: 120 SOUTH 6TH STREET, SUITE 2650 | CITY: MINNEAPOLIS | STATE: MN | POSTAL CODE: 55402 | COUNTRY: USA

4. This FINANCING STATEMENT covers the following collateral:

AS ON ATTACHED EXHIBIT A

5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ 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

ARWLTD006751

3011

Exhibit A

Sales Confirmation

This Sales Confirmation is made by PETTERS COMPANY, INC. (the "Seller") and PETTERS I, INC. (the "Buyer") pursuant to the Sales and Servicing Agreement between them dated as of July 18, 2001. This Sales Confirmation is in addition to, and is not in substitution for, all previous Sales Confirmations given under the Sales and Servicing Agreement.

The following inventory sale is sold by the Seller to the Buyer and constitutes Purchase and Sale Rights under the Sales and Servicing Agreement:

Inventory Seller Name: Nationwide Int'l Seller Purchase Order No: 112194

Obligor Name: Boscov's Obligor Purchase Order No: 85598

Purchase Price: $ 2,104,688.37

By signing below, Seller represents and warrants that all Conveyed Property, as such term is defined in the Sales and Servicing Agreement, with respect to the Purchase and Sale Rights listed above, is being sold, assigned, transferred and conveyed to Buyer free and clear of all liens, pledges, encumbrances, security interests, charges or other interests created by Seller. Seller has not sold, assigned or otherwise transferred any right or interest in or to the Conveyed Property for any loan or obligation of Seller or for any other purpose.

PETTERS COMPANY, INC.

By _____

Its _____

Dated: 2-1-02

PETTERS I, INC.

By _____

Its _____

Dated: 2-1-02

[redacted]

3011

Filing NO: 20022956965
Filing Date: 2002/02/01
Filing Time: 5:00 PM
State of Minnesota
Processing Office: Secretary of State
Filed by: chuda01

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

METRO GEM, INC.
PO BOX 245
WAYZATA, MN 55391

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: METRO GEM CAPITAL II, LLC

OR 1b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

1c. MAILING ADDRESS: 120 SOUTH SIXTH STREET, SUITE 2950 | CITY: MINNEAPOLIS | STATE: MN | POSTAL CODE: 55402 | COUNTRY: USA

1d. TAX ID #: SSN OR EIN [redacted] | ADDL INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION: LLC | 1f. JURISDICTION OF ORGANIZATION: DELAWARE | 1g. ORGANIZATIONAL ID #, if any: ☒ 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 | COUNTRY

2d. TAX ID #: SSN OR EIN | ADDL INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any: ☐ 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: ARROWHEAD CAPITAL FINANCE LTD.

OR 3b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX

3c. MAILING ADDRESS: 2ND FLOOR, 25 CHURCH STREET | CITY: HAMILTON | STATE | POSTAL CODE: HM12 | COUNTRY: BERMUDA

4. This FINANCING STATEMENT covers the following collateral:

AS ON ATTACHED EXHIBIT A

5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ 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) (optional) [ADDITIONAL FEE] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA

ARWLTD006753

0225.0017