

## SERVICING AGREEMENT

THIS SERVICING AGREEMENT (this "Servicing Agreement") is made and entered into as of March 28, 2003, by and between NORTH STAR CAPITAL ACQUISITION LLC a Minnesota limited liability company ("Client"), and ZENITH ACQUISITION CORP., a New York corporation ("Servicer")

### RECITALS

Client is in the business of purchasing Assets from various Asset Sellers.

Client intends to finance the acquisition of Assets with loans from Lender pursuant to the terms of the Loan Agreement. Pursuant to the Loan Agreement, Client is required to grant Lender security interests in the Collateral.

Client desires to retain Servicer to manage, administer, service, make or cause to be made collection efforts with regard to the Collateral, and dispose of Collateral, all in the manner hereinafter set forth

Servicer acknowledges Lender's interest in the Collateral and agrees to provide the services described herein for the benefit of Client and Lender

In consideration of the foregoing and the agreements set forth in this Servicing Agreement, the parties hereby agree as follows:

### ARTICLE I DEFINITIONS

For purposes of this Servicing Agreement, the following terms shall have the following meanings:

"Assets" shall have the meaning set forth in the Loan Agreement

"Asset Seller" shall have the meaning set forth in the Loan Agreement.

"Business Day" shall have the meaning set forth in the Loan Agreement.

"Collateral" shall have the meaning set forth in the Loan Agreement.

"Collection Account" shall have the meaning set forth in the Loan Agreement.

"Collection Period" shall have the meaning set forth in the Loan Agreement.

"Effective Date" shall mean the date on which Client acquires any Assets financed pursuant to the Loan Agreement.

**"Event of Default"** shall have the meaning set forth in Section 5.1 below.

**"Gross Receipts"** shall have the meaning set forth in the Loan Agreement.

**"Insolvency Proceeding"** means (i) the commencement by a person as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or such person seeking the appointment of a receiver, trustee, custodian or similar official for such person or any substantial part of such person's property, or a decree or order seeking such appointment, (ii) the commencement of any such case or proceeding against a person or another seeking such an appointment which (a) is consented to by such party, (b) results in the entry of an order for relief, such appointment, the issuance of such a protective decree or the entry of an order having similar effect or (c) is not dismissed within 30 days, (iii) the making by a person of a general assignment for the benefit of creditors or (iv) the admission in writing by a person of such person's inability to pay such person's debts as they become due.

**"Lender"** means The Vårde Fund VI, L.P., a Delaware limited partnership.

**"Lien"** shall have the meaning set forth in the Loan Agreement.

**"Loan"** shall have the meaning set forth in the Loan Agreement.

**"Loan Agreement"** means that certain Master Loan Agreement dated as of date auto between Client and Lender, as amended, supplemented or renewed from time to time.

**"Material Adverse Effect"** shall have the meaning set forth in the Loan Agreement.

**"Obligor"** shall have the meaning set forth in the Loan Agreement.

**"Person"** shall have the meaning set forth in the Loan Agreement.

**"Portfolio"** shall have the meaning set forth in the Loan Agreement.

**"Portfolio Budget"** shall have the meaning set forth in the Loan Agreement.

**"Protective Advance"** shall have the meaning set forth in the Loan Agreement.

**"Protective Advance Limit"** shall have the meaning set forth in the Loan Agreement.

**"Remittance Report"** shall have the meaning set forth in the Loan Agreement.

**"Servicing Fees"** shall have the meaning set forth in the Loan Agreement.

**"Subservicer"** shall have the meaning set forth in the Loan Agreement.

ARTICLE II  
ADMINISTRATION AND SERVICING OF COLLATERAL.

Section 2.1 Appointment of Servicer. Client hereby appoints Servicer to manage, administer, service, make or cause to be made, collection efforts with regard to the Collateral and to dispose of Collateral.

Section 2.2 Duties of Servicer. Servicer will provide the services customarily provided by servicers of collateral of the same or similar type as the Collateral, including the following:

(a) Management of Collateral. Servicer shall manage the Collateral in a manner consistent with the Portfolio Budgets and collect the Collateral in a manner consistent with this Servicing Agreement and act, with respect to the Collateral, in such a manner as will maximize the benefits to be received by Client and Lender. Servicer may compromise, settle and give acquittance for, and prosecute and discontinue suits and proceedings in respect of, the Collateral in the ordinary course of servicing the Collateral, provided, however, that Servicer may not take a course of action including a discounted payment, foreclosure, sale or restructuring of any Collateral that materially varies from the applicable Portfolio Budget without the prior written approval of Client and Lender.

(b) Payment Processing. Servicer will cause all Gross Receipts to be processed in accordance with Section 3.3 of the Loan Agreement.

(c) Reporting. Servicer will assist Client in preparing and delivering on a timely basis the reports identified in Section 6.3 of the Loan Agreement.

Section 2.3 Servicing Fees. As compensation for its services hereunder, Client shall pay to Servicer the Servicing Fees. Servicing Fees will be payable solely from Gross Receipts as provided in the Loan Agreement.

Section 2.4 Expenses of Servicer. Servicer shall be responsible for all internal costs and expenses of performing the services under this Servicing Agreement, including but not limited to rent, salaries and communications.

Section 2.5 Standard of Care. In performing its duties and obligations under this Servicing Agreement, Servicer will comply in all material respects with all applicable federal, state, and local laws and regulations, (including but not limited to any applicable consumer protection laws or regulations), and will exercise that degree of skill and care consistent with the degree of skill and care customarily exercised in the industry with respect to collateral similar to the Collateral, and that is consistent with prudent industry standards, and will apply in performing such duties and obligations, those standards, policies and procedures consistent with the standards, policies and procedures Servicer applies with respect to assets similar to the Collateral owned or serviced by it; provided, however, that notwithstanding the foregoing, Servicer shall not, except pursuant to a judicial order from a court of competent jurisdiction, or as otherwise required by applicable law or regulation or as otherwise permitted in this Servicing Agreement, release or waive the right to collect the unpaid balance on any Collateral. In

performing its duties and obligations hereunder, Servicer shall maintain all state and federal licenses, permits and franchises necessary and appropriate for it to perform its responsibilities hereunder, and shall not impair the rights of Client and Lender in the Collateral.

Section 2.6 Subservicing; Delegation by Servicer. Servicer agrees that the terms and conditions of any subservicing agreement or other assignment or delegation of all or part of Servicer's responsibilities under this Servicing Agreement to any other Subservicer, including any amendment to any such agreement or change in the terms of any such assignment or delegation, must be approved in writing in advance by Client and Lender. Lender's and Client's approval with respect to such subservicing, assignment or delegation may be given or withheld by each such party in its sole and absolute discretion. No such subservicing, assignment or delegation shall relieve Servicer of its obligations hereunder and Servicer shall be responsible for monitoring and enforcing any such subservicing, assignment or delegation for compliance with the terms of this Servicing Agreement. Servicer shall cause any Subservicer to whom any obligation or duty of Servicer hereunder is assigned or delegated to comply with the terms of this Servicing Agreement, including, without limitation, standard of care and licensing provisions of Section 2.5.

Section 2.7 Protective Advances. Client shall reimburse Servicer for all Protective Advances up to the amount of the Protective Advance Limit. Any and all Protective Advances in excess of the Protective Advance Limit must be approved in advance by Client and Lender.

### ARTICLE III COVENANTS OF SERVICER

Servicer covenants and agrees as follows:

(a) Servicer shall defend Client's right, title and interest to and in the Collateral against all claims of third parties claiming through or under Servicer;

(b) Servicer shall promptly notify Client and Lender of the occurrence of any Event of Default and any material breach by Servicer of any of its covenants, obligations or representations and warranties contained herein or any other fact or circumstance known to Servicer which, if not cured, with the passage of time, would result in an Event of Default;

(c) Servicer shall not sell, pledge, assign, or transfer to any other Person, or grant, create, incur, assume, permit or suffer to exist any Lien arising through Servicer on any Collateral owned by Client;

(d) Servicer will promptly advise Lender of any inquiry received from an Obligor which contemplates the consent of Client or Lender regarding settlement of any unasserted claim, defense or compromise of any amount an Obligor owes or any other matters Servicer should reasonably understand are not within Servicer's authority under this Servicing Agreement.

(e) Servicer and every Subservicer shall maintain at all times:

(i) Errors and omissions insurance providing coverage in an amount not less than one million dollars (\$1,000,000). This coverage shall include, but not be limited to, defense and alleged/caused by errors and omissions as well as defense and loss related (directly or indirectly) for alleged violation of federal or state laws relating to collection practices;

(ii) General comprehensive insurance providing coverage in an amount not less than one million dollars (\$1,000,000); and

(iii) Employee dishonesty insurance (or similarly named and purposed insurance or bond) providing coverage in an amount not less than one million dollars (\$1,000,000) to insure/bond theft of money by employees or other authorized persons/entities of Client, Servicer, and/or any Subservicer.

All policies maintained under this Article must name Client and Lender as additional insureds. All policies required under this Article shall be in a form and issued by insurance companies reasonably approved by Client and Lender. Each policy shall require notice to Client and Lender 30 days prior to the expiration or cancellation of the insurance. Lender shall have the right to hold the original policies or duplicate original policies of all insurance required by this Article. Servicer shall promptly deliver to Client and Lender a copy of all renewal and other notices received by such party with respect to the policies and all receipts for paid premiums. At least 30 days prior to the expiration date of a policy, Servicer shall deliver to Lender the original (or a duplicate original) of a renewal policy in form reasonably satisfactory to Lender.

(f) Servicer shall treat all information relating to Client or the Collateral as confidential and, except as necessary or appropriate in connection with the servicing of the Collateral, Servicer shall not disclose any such information without the written consent of Client and Lender.

(g) Servicer shall take, or cause to be taken, all steps necessary to perfect Lender's security interest in the Collateral including, without limitation, the physical delivery of the original Collateral documents, other evidences of indebtedness or chattel paper evidencing or securing the Collateral to such agents, representatives or employees of Lender as Lender may from time to time reasonably direct, the notation of Lender's security interest in any of such Collateral on the instruments and documents evidencing the Collateral or the filing or recording of any assignment, financing statement, notice or other writing, all at Client's expense.

(h) If an Event of Default has occurred and is continuing or exists as of the end of a fiscal year, on or before ninety (90) days after the end of such fiscal year, Servicer shall cause a firm of independent accountants which is a member of the American Institute of Certified Public Accountants (which firm shall be reasonably acceptable to Lender) to furnish a statement to Client and Lender, to the effect that such firm has examined certain documents and records relating to Servicer's loan servicing

and reporting activities and on the basis of such examination, has concluded that, such servicing and reporting requirements have been conducted in compliance with this Servicing Agreement. If such Event of Default is primarily caused by Servicer, the cost to Servicer of such accountant's statements shall be the responsibility of and paid by Servicer. Otherwise, the cost of such statements shall be the responsibility of and paid by Client.

(i) Servicer shall deliver to Client and Lender on or before March 31 of each year, a certificate of an officer of Servicer, dated effective as of March 31 of the preceding year, stating that (i) a review of the activities of Servicer during the preceding twelve-month period and of its performance under this Servicing Agreement has been made under such officer's supervision and (ii) based on such review, Servicer has materially fulfilled all its obligations under this Servicing Agreement throughout such year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof.

(j) Servicer agrees that it will permit any representative or agent of Client and/or Lender, to examine all the books of account, records, reports and other papers of Servicer relating to the Collateral, to make copies and extracts therefrom, and to discuss its affairs, finances and accounts relating to the Collateral with representatives and agents of Client and/or Lender, all at such reasonable times and as often as may be reasonably requested.

(k) Servicer will promptly notify Lender of any threatened or actual litigation involving any Collateral or Servicer (as a party to the litigation) in which the amount of damages claimed is greater than \$50,000.00.

(l) Except for this Servicing Agreement, with respect to all Collateral, Servicer will not, either directly or indirectly, enter into any contracts, agreements or transactions other than agreements for legal services, including but not limited to, brokerage contracts, property management agreements, sales contracts for the providing of any other goods or services, or the reimbursement or payment of any fees or expenses with its members, officers or governors or with any of Client's Affiliates or Servicer's Affiliates or entities owned in whole or in part by Client or Servicer or their members without the prior written consent of Client and Lender, which consent may be withheld for any reason. Servicer and its Affiliates (other than Client) will not lend or invest money in, or borrow from, any person or entity that purchases all or any portion of the Collateral, or any interest therein, without the prior written consent of Lender, which consent may be withheld for any reason.

(m) Servicer will cause David L. Paris, Howard L. Hornblass, and Greg Nowicki to remain senior officers of Servicer and to devote such time to the performance of the services described in this Servicing Agreement as is reasonably necessary to fulfill Servicer's obligations hereunder.

(n) Not later than ninety (90) days after Servicer's fiscal year end, Servicer will provide to Lender, annual financial statements of Servicer reviewed by an independent firm of certified public accountants in accordance with generally accepted accounting principles and certified as correct by a reliable officer of Servicer. Should (i) an Event of Default occur or (ii) the total unpaid principal balance of all Notes exceed ten million dollars (\$10,000,000) as of any fiscal year end of Client; Lender, in its sole and absolute discretion, may require that such financial statements be audited rather than reviewed. The cost of such audit shall be paid by Client.

(o) Not later than sixty (60) days after each fiscal quarter of Servicer, Servicer will provide to Lender, financial statements for such quarter of Servicer prepared in accordance with generally accepted accounting principles and certified as correct by a reliable officer of Servicer.

#### ARTICLE IV REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of Servicer. Servicer represents, warrants and covenants to Client and Lender that during the term of this Servicing Agreement:

(a) Organization and Standing. Servicer is and shall be a corporation duly organized and validly existing under the laws of the State of New York, with power and authority to own its properties and to conduct its business as such properties are owned and such business is presently conducted;

(b) Power and Authority. Servicer has full power and authority to execute, deliver and perform its obligations under this Servicing Agreement and has duly and properly taken all necessary action to permit and authorize the execution, delivery and performance of this Servicing Agreement;

(c) Compliance With Law and Other Agreements. The consummation of the transactions contemplated by this Servicing Agreement and the fulfillment of the terms hereof will not (i) violate Servicer's articles of incorporation or bylaws or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach any contract, indenture, lease, credit agreement or any other agreement or instrument to which Servicer is a party or which may be applicable to Servicer or any of its properties; (ii) result in the creation or imposition of any lien upon any of its properties pursuant to the terms of any such indenture, agreement, or other instrument (other than the Servicing Agreement); or (iii) violate any law, order, rule or regulation applicable to Servicer of any court, federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over Servicer or its property;

(d) Binding Obligations. This Servicing Agreement shall constitute a legal, valid, and binding obligation of Servicer enforceable in accordance with its terms, except

as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law;

(e) Litigation. No proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or threatened against or contemplated by Servicer which would under any circumstance have a material adverse effect on the execution, delivery, performance or enforceability of this Servicing Agreement; and

(f) Disclosure. All factual information (taken as a whole) heretofore or contemporaneously furnished by or on behalf of Servicer orally or in writing to Client or Lender, including but not limited to the collection history, experience and past results of Servicer, does not, and all other such factual information (taken as a whole) hereafter furnished by or on behalf of Servicer to Client or Lender will not, as of the date such information is dated or certified, contain any untrue statement of a material fact or omit to state any material fact necessary to make such information (taken as a whole) not misleading.

Section 4.2 Representations and Warranties of Client. Client hereby represents, warrants and covenants to Servicer that:

(a) Organization and Standing. Client is a limited liability company organized and in good standing under the laws of the State of Minnesota, with power and authority to own its properties and to conduct its business as such properties are owned and such business is presently conducted.

(b) Power and Authority. Client has all requisite power and authority to execute, deliver, and carry out its obligations under this Servicing Agreement and has duly and properly taken all necessary action to permit and authorize the execution, delivery and performance of this Servicing Agreement.

(c) Compliance With Law and Other Agreements. The consummation of the transactions contemplated by this Servicing Agreement and the fulfillment of the terms hereof will not (i) violate Client's articles of organization or operating agreement or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of any contract, indenture, lease, credit agreement or any other agreement or instrument to which Client is a party or which may be applicable to Client or any of its properties; (ii) result in the creation or imposition of any lien upon any of its properties pursuant to the terms of any such indenture, agreement, or other instrument (other than the Servicing Agreement); or (iii) violate any law, order, rule or regulation applicable to Client of any court, federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over Client or its property.



(d) Binding Obligations. This Servicing Agreement shall constitute a legal, valid, and binding obligation of Client enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or at law.

(e) Litigation. No proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or threatened against or contemplated by Client which would under any circumstance have a material adverse effect on the execution, delivery, performance or enforceability of this Servicing Agreement; and

(f) Disclosure. All factual information (taken as a whole) heretofore or contemporaneously furnished by or on behalf of Client orally or in writing to Servicer or Lender; does not, and all other such factual information (taken as a whole) hereafter furnished by or on behalf of Client to Servicer or Lender will not, as of the date such information is dated or certified, contain any untrue statement of a material fact or omit to state any material fact necessary to make such information (taken as a whole) not misleading.

Section 4.3 Survival of Representations and Warranties. The representations and warranties set forth in this Article IV are continuous and shall survive the termination or expiration of this Servicing Agreement, unless otherwise agreed to in writing by the parties.

## ARTICLE V EVENTS OF DEFAULT; REMEDIES

Section 5.1 Events of Default. Any of the following acts or occurrences shall constitute an "Event of Default" under this Servicing Agreement:

(a) The failure to make any payment or deposit required to be made under the terms of this Servicing Agreement which failure continues unremedied for a period of five (5) days after such payment or deposit is due;

(b) The failure to observe or perform any covenant or agreement (other than in subparagraph (a), above) required to be performed under this Servicing Agreement which failure continues unremedied for a period of five (5) days after written notice of such failure shall have been given to the breaching party and which failure Lender determines in its sole but reasonable discretion has had a Material Adverse Effect, or is reasonably likely to have a Material Adverse Effect if not remedied; provided, however, that if the nature of such breach is such that it cannot reasonably be cured within five (5) days following such written notice, but can reasonably be cured within (30) days following such written notice, Servicer may cure such breach by commencing in good faith to cure the breach promptly after its receipt of such written notice and prosecuting

the cure of such breach to completion with diligence and continuity within a reasonable time thereafter, but in any event within thirty (30) days thereafter

(c) Servicer becomes the subject of an Insolvency Proceeding;

(d) Any representation, warranty or statement made in this Servicing Agreement or in any certificate, report or other writing delivered pursuant hereto shall prove to be incorrect in any material respect as of the time when the same shall have been made; or

(e) The occurrence of an "Event of Default" under the Loan Agreement

Section 5.2 Remedies. If an Event of Default shall occur and be continuing, the non-breaching party may exercise any right or remedy available to it under this Servicing Agreement or under applicable law and, in addition, may terminate the rights of the defaulting party under this Servicing Agreement by giving thirty (30) days prior written notice. The rights of Servicer to service any of the Collateral hereunder shall, at Lender's option, terminate upon the occurrence of an Event of Default and written notice of termination by Lender to Servicer.

#### ARTICLE VI TERMINATION OF SERVICING AGREEMENT

Section 6.1 Term of Agreement. The term of this Servicing Agreement shall begin on the Effective Date as set forth above and shall continue until the earlier of (i) collection and resolution of all of the Collateral subject to this Servicing Agreement to Client's and Lender's satisfaction, (ii) termination of this Servicing Agreement under Section 5.2, (iii) by mutual agreement of the parties hereto with the prior written consent of Lender or (iv) at Servicer's option if, after 15 days written notice from Servicer to Lender regarding the failure of Lender to release any Servicing Fees due under this Servicing Agreement to the extent that there were proceeds for distribution for such Servicing Fee pursuant to Section 3.4(c) of the Loan Agreement, Lender fails to cure the failure described in the written notice

Section 6.2 Effect of Termination; Transfer of Servicing. Upon termination of this Servicing Agreement, Servicer shall cooperate in the transfer of the Collateral and all of Servicer's records (in either paper or electronic form) pertaining to the Collateral to Lender or to a replacement servicer as designated by Lender. Any matters pending at the effective termination date will continue to be processed in an orderly and timely fashion; it being intended, however, that responsibility for the Collateral shall transfer as quickly as practicable and in any event within thirty (30) days after the termination date. Upon termination of this Servicing Agreement, Client shall promptly remit payment of any unpaid Servicing Fees to Servicer (except that Client may offset any amounts due to Client and held by Servicer in breach of this Servicing Agreement).

ARTICLE VII  
MISCELLANEOUS PROVISIONS

Section 7.1 Amendment. This Servicing Agreement may only be amended by a written instrument executed by the parties hereto and consented to in writing by Lender. It is the intention of Client and Servicer that Lender is a third party beneficiary with respect to all of the covenants, obligations, agreements, representations and warranties of both Client and Servicer in this Servicing Agreement.

Section 7.2 Waivers. The provisions of this Servicing Agreement may only be waived by written consent of the party making the waiver and the prior written waiver of Lender. The failure of any party at any time to require performance by the others of any provision of this Servicing Agreement shall in no way affect that party's right to enforce such provision, nor shall the waiver by any party of any breach of any provision of this Servicing Agreement be taken or held to be a waiver of any further breach of the same provision or any other provision.

Section 7.3 Notices. Unless otherwise required or provided by this Servicing Agreement, all demands, notices, approvals and other communications hereunder (including Client's reporting obligations set forth herein) (individually and collectively, "Notices") shall be in writing and shall be served either personally or delivered by facsimile or sent by a national overnight delivery or courier company, or by United States registered or certified mail, postage prepaid return receipt requested, and addressed as set forth below. Any such Notices shall be deemed delivered upon delivery or refusal to accept delivery as indicated in writing by the person attempting to make personal service, on the United States Postal Service return receipt, or by similar written advice from the overnight delivery company; provided, however, that if any such Notice shall be sent by telecopier to the telecopier number, if any, set forth above, such Notice shall be deemed given at the time and on the date of machine transmittal (except if sent after 5:00 p.m. recipient's time, then the notice shall be given at 9:00 a.m. on the next Business Day) if the sending party receives a written send verification on its machine and sends a duplicate Notice on the same day or the next Business Day by personal service, registered or certified United States mail, or overnight delivery in the manner described above. Each party hereto shall make an ordinary, good faith effort to ensure that it will accept or receive Notices that are given in accordance with this Section 7.3, and that any person to be given Notice actually receives such Notice. Any party to whom Notices are to be sent pursuant to this Servicing Agreement may from time to time change its address and/or facsimile number for future communication hereunder by giving Notice in the manner prescribed herein to all other parties hereto

If to Client:

North Star Capital Acquisition LLC  
c/o Zenith Acquisition Corp.  
220 John Glenn Drive, Suite 1  
Amherst, NY 14228  
Attention: David L. Paris  
Telephone No.: 716 213.0674

With a Copy to:

Gross Shuman Brizdle & Gilfillan, P.C.  
465 Main Street, Suite 600  
Buffalo, NY 14203-1787  
Attention: Jonathan D. Schecter, Esq.  
Telephone No.: 716.854.4300  
Facsimile No.: 716.854.2787

Facsimile No : 716.213 0681

And to:

Lender and Lender's counsel as more particularly provided in the Loan Agreement.

If to Servicer:

With a Copy to:

Zenith Acquisition Corp.  
220 John Glenn Drive, Suite 1  
Amherst, NY 14228  
Attention: David L Paris  
Telephone No.: 716.213 0674  
Facsimile No : 716.213 0681

Gross Shuman Brizdle & Gilfillan, P.C.  
465 Main Street, Suite 600  
Buffalo, NY 14203-1787  
Attention: Jonathan D. Schecter, Esq.  
Telephone No : 716.854.4300  
Facsimile No : 716.854.2787

And to:

Lender and Lender's counsel as more particularly provided in the Loan Agreement.

Such notice, request, consent, demand or other communication shall be deemed given when so delivered, or if mailed, two days after deposit with the U.S. Postal Service.

Section 7.4 Indemnity. Servicer agrees to indemnify, defend and hold Client and Lender harmless from and against any and all losses, damages, costs, claims, expenses (including reasonable attorneys fees) and liabilities to third parties growing out of or resulting from any breach of this Servicing Agreement by Servicer, any Event of Default caused by Servicer, or by reason of the negligence or willful misconduct of Servicer, its agents, directors, representatives or employees in the performance or non-performance of duties hereunder including but not limited to (i) the failure to comply with all applicable debt collection laws and regulations; (ii) the misapplication (whether negligent or intentional), misappropriation, conversion or theft of any part of the Collateral by any officer, employee, agent or representative of Servicer; (iii) the failure to pay and discharge any liens, encumbrances or security interests in the Collateral (other than liens granted to Lender to secure repayment of Loans) created as a result of the actions of Servicer; (iv) fraud or material misrepresentation or (v) the misapplication of proceeds paid to Servicer under any insurance policies by reason of damage, loss or destruction to any of the Collateral.

Section 7.5 Enforceability of Servicing Agreement. Should any one or more of the provisions of this Servicing Agreement be determined to be illegal or unenforceable, all other provisions shall remain effective and binding on the parties hereto.

Section 7.6 Rights Cumulative. All rights and remedies under this Servicing Agreement are cumulative, and none is intended to be exclusive of another. No delay or omission in insisting upon the strict observance or performance of any provision of this

Servicing Agreement, or in exercising any right or remedy, shall be construed as a waiver or relinquishment of such provision, nor shall it impair such right or remedy.

Section 7.7 Powers of Attorney. Servicer is made Client's attorney-in-fact for the limited purpose of signing documents necessary to: (i) maintain perfection of any Liens and security interests, (ii) release a Lien upon full payment of any related Collateral, (iii) endorse checks for deposit into the Collection Account, and/or (iv) bring, prosecute and dismiss suits and proceedings related to collection activities with respect to the Collateral.

Section 7.8 Assignment and Binding Effect. This Servicing Agreement may be assigned only with the written consent of the parties hereto and the consent of Lender; however, in the event of an assignment, all provisions of this Servicing Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 7.9 Governing Law. This Servicing Agreement shall be deemed entered into with and shall be governed by and interpreted in accordance with the laws of the State of Minnesota

Section 7.10 Certificates and Instruments Held by Lender. Lender shall have custody of all certificates of title and similar instruments relating to Assets. If Servicer should need the certificate of title (or similar instrument) to any Asset to fulfill its obligations under the Servicing Agreement, Servicer shall send Lender a request for such release along with an explanation of the circumstances of the request. If such request is granted, Lender shall deliver the requested certificate or instrument to Servicer, who shall hold such certificate or instrument as bailee of Lender. Servicer covenants to return any such certificate or instrument (or any renewal or replacement thereof) to Lender upon completion of the task which required by use.

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# SERVICING AGREEMENT

[Signature Page]

The undersigned have executed this Servicing Agreement as of the date first above written.

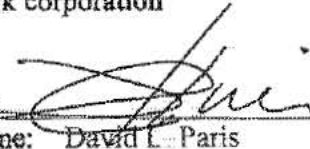
CLIENT:

SERVICER:

NORTH STAR CAPITAL ACQUISITION  
LLC, a Minnesota limited liability company

ZENITH ACQUISITION CORP., a New  
York corporation

By:   
Name: David L. Paris  
Its: President

By:   
Name: David L. Paris  
Its: President