

COLLATERAL ASSIGNMENT OF LEASES AND CONSENT

This Collateral Assignment of Leases ("Assignment") made this _____ day of December, 2014, by La Crosse Pettibone Boat Club, Inc., a Wisconsin corporation (hereinafter called "Assignor") to State Bank Financial (hereinafter called "Assignee").

WITNESSETH

WHEREAS, Assignor desires to enter into a loan transaction whereby Assignor will borrow from Assignee up to \$913,000 ("Loan"); and

WHEREAS, as a condition of such loan transaction, Assignee shall enter into this Assignment.

NOW, THEREFORE, in consideration of the foregoing, it is hereby agreed as follows:

1. **Collateral Assignment.** As collateral for the Loan, Assignor hereby grants, transfers and assigns and sets over to Assignee all Assignor's right, title and interest, including the right of immediate possession and usage as Lessee in the leased premises referred to as the Pettibone Boat Club, 600 South Pettibone Drive, La Crosse, Wisconsin with Lessor City of La Crosse. In the event that the Assignee takes possession of the premises for any reason, the Assignee agrees to fully comply with all terms and conditions of the Lease Agreement with the City of La Crosse. A copy of the Lease dated October 21, 2013 is attached hereto as Exhibit "A" and incorporated into this Assignment by reference as if set forth in full herein. This Assignment shall be of no force or effect unless the City of La Crosse grants its consent as set forth below.

As collateral for the Loan, Assignor hereby grants, transfers and assigns and sets over to Assignee all Assignor's right, title and interest, including the right of

immediate collection of rents and other amounts due as Landlord in the leased premises referred to as the Pettibone Boat Club Restaurant Facility, 600 South Pettibone Drive, La Crosse, Wisconsin with any future restaurant sub-lessee. This Assignment shall be of no force or effect unless the City of La Crosse grants its consent as set forth below and consents to the entrance into of the restaurant sub-lease pursuant to the terms of the City lease with assignor.

2. **Right to Reassign.** Assignor further grants onto Assignee the right to reassign said Lease with the City of La Crosse and the lease with any future restaurant sub-lessee in the event Assignor defaults in any of its obligations under the above specified financing or under such Leases, subject to the requirements that any future assignee of this Assignee must be approved by the Board of Park Commissioners and Common Council of the City of La Crosse. If any such reassignment is approved by the City of La Crosse and the Board of Park Commissioners, any party taking assignment of the Lease must fully comply with all terms and conditions of the Lease Agreement referenced above. In addition, any reassigned entity is also responsible to cure any defaults existing at the time of the reassignment.

3. **Term.** This Assignment shall be and remain in full force and effect so long as there are any obligations owing by Assignor to Assignee pertaining to this Loan. Solely with respect to the Lease with the City of La Crosse, the Assignee may not increase the amount of indebtedness secured by the Assignment beyond the original amount of \$913,000.00. Further Assignee may not use this consent to secure any other loans with the Assignor, its heirs, successors or assigns, without the advance written

consent of the City of La Crosse and the Board of Park Commissioners, which consent may not be unreasonably withheld.

4. **Additional Collateral.** Subject to the terms and conditions of the City's lease and the City's right to possession of the improvements at the end of lease as an additional condition of the Loan transaction, Assignee is requiring that the Assignor grant to Assignee a first priority security interest in all docks, ramps, marine hardware and accessories, marine and restaurant equipment, furniture, fixtures, receivables, miscellaneous equipment, business intangibles and other collateral ("Collateral"), as described in the Commercial Security Agreement for Loan Number 885215 attached hereto, marked as Exhibit "C" and incorporated herein by reference. The security interest of Assignee shall have priority over any and all interests of any other parties, including the Assignor. With respect to the City of La Crosse, the security interest shall have priority, except for any amounts due the City under said lease, for personal property taxes. In the event that the Assignee, due to a default shall remove personal property from the leased premises, the Assignee agrees not to remove any portion of the electrical, mechanical, HVAC or plumbing systems, including water heaters, toilets and bathroom sinks.

5. **Default.** In the event Assignor defaults on any obligation to Assignee, Assignee will have the right, but not the obligation, to assume Assignor's interest in the Leases with the City of La Crosse and with any future restaurant sub-lessee. Furthermore, if Assignor defaults on the Lease with the City of La Crosse, Lessor/City of La Crosse shall give notice of such default to Assignee and Assignee shall be given the option, but not the obligation, to cure every such default within the time periods provided

in the Lease, except that all cure periods shall run from the date of notice from Lessor/City of La Crosse, rather than the date such default occurred.

6. **Rights on Default.** In the event of a default under the Promissory Note, Commercial Security Agreement at Exhibit "C", or under the Lease with the City of La Crosse, Assignor irrevocably appoints Assignee as Assignor's attorney-in-fact with full power of substitution and revocation to exercise Assignor's rights under the Lease with the City of La Crosse and the lease with any future restaurant sub-lessee. Further, Assignee may at any time after such default:

- A. Assume payment and performance of the Lease with City of La Crosse;
- B. Notify Lessor/City of La Crosse of Assignee's election;
- C. Take possession, use or otherwise utilize the Leased Premises, subject to the terms of the Lease; and
- D. Enforce and exercise all rights of a secured creditor under the Uniform Commercial Code, and under the terms of the Promissory Note and Commercial Security Agreement at Exhibit "C", subject to Lease.
- E. Assume collection of rent and other financial obligations and assume all duties of Landlord under the Lease with any future restaurant sub-lessee;
- F. Notify any future restaurant sub-lessee of Assignee's election

7. **Waiver and Non-Assumption.** Nothing contained herein or in the Promissory Note shall be construed to require or imply that Assignee must exercise any

of its rights under this Assignment or to assume any liability owing from Assignor to its Lessor.

8. **Notices.** Any notices or other communication hereunder shall be deemed to have been given when delivered personally, or when deposited in the United States mail, registered or certified, and with proper postage and registration or certification fees prepaid, addressed as follows:

Assignor: La Crosse Pettibone Boat Club, Inc.
P. O. Box 1042
La Crosse, WI 54602-1042

Assignee: State Bank Financial
401 Main Street
La Crosse, WI 54601

Lessor: City of La Crosse
City Hall
400 La Crosse Street
La Crosse, WI 546

Or to such other addresses as any party may designate from time to time by written notice given to the other party in the aforesaid matter.

9. **Miscellaneous.**

A. **Amendment.** Neither this Agreement nor any term or provision hereof may be changed in any manner other than by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.

B. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties.

C. **Additional Documents.** The parties agree to execute such further documents and perform such further acts necessary or helpful to consummate the transactions provided herein.

D. **Binding Effects and Benefits.** This Agreement shall be binding upon and shall be for the benefit of the parties hereto and their successors and assigns.

E. **Section and Other Headings.** The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

F. **Invalidity.** If any part of this Agreement or any portion thereof shall be adjudicated to be void or invalid, the remaining provisions hereof not specifically so adjudicated shall be executed without reference to the portions so adjudicated, insofar as such remaining provisions are capable of execution.

G. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

H. **Governing Law.** This Agreement shall be governed by and construed according to the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date above written.

WITNESS

ASSIGNOR: Pettibone Boat Club, Inc.

LESSOR: CITY OF LA CROSSE

 By: _____
 Title: _____

 By: _____
 Title: _____

 By: _____
 Title: _____

 By: _____

 By: _____

 By: _____

BOARD OF PARK COMMISSIONERS

CONSENT TO ASSIGNMENT OF LEASE AND SECURITY INTEREST

City of La Crosse, Lessor, pursuant to the aforementioned Lease, does hereby consent, subject to the City right of improvement at the end of term, to all the provisions of the above COLLATERAL ASSIGNMENT OF LEASES AND CONSENT provided, however, that such consent shall not be deemed to release or discharge Assignor from any and all obligations and liabilities pursuant to the terms of the Lease. The City of La Crosse shall not be deemed liable to Assignee for any of the obligations of Assignor as a result of this assignment and consent.

This Consent shall be binding upon and inure to the benefit of Lessee, its personal representatives, successors and assigns.

Dated this ____ day of _____, 2014.

STATE OF WISCONSIN)
) ss.
 COUNTY OF LA CROSSE)

Personally came before me this ____ day of _____, 2014, the above-named _____, its _____ and _____, its of Pettibone Boat Club, Inc., to me known to be such offices of said corporation and acknowledge that they executed said instrument as such officers as the deed of the corporation by its authority.

 (print name)
 Notary Public, State of WI
 My Commission Expires: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF LA CROSSE)

Personally came before me this ____ day of _____, 2014, the above-named _____, its _____ and _____, its of the State Bank of La Crosse, to me known to be such offices of said corporation and acknowledge that they executed said instrument as such officers as the deed of the corporation by its authority.

(print name)
Notary Public, State of WI
My Commission Expires: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF LA CROSSE)

Personally came before me this ____ day of _____, 2014, the above-named _____, its _____ and _____, its of the City of La Crosse, to me known to be such offices of said corporation and acknowledge that they executed said instrument as such officers as the deed of the corporation by its authority.

(Print name)
Notary Public, State of WI
My Commission Expires: _____