

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (Optional) Betty Desrochers 401-521-7000	
B. SEND ACKNOWLEDGMENT TO: (Name and Address) <div>Edward G. Avila, Esquire Roberts, Carroll, Feldstein & Peirce 10 Weybosset Street Providence, Rhode Island 02903</div>	

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 Chestnut Cottage, LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 22 Elm Street		CITY Westerly	STATE RI	POSTAL CODE 02891
1d. TAX ID #, SSN OR EIN NOT REQUIRED IN RHODE ISLAND		1e. TYPE OF ORGANIZATION limited liability co.	1f. JURISDICTION OF ORGANIZATION Rhode Island	
		1g. ORGANIZATIONAL ID #, if any 000505623		<input type="checkbox"/> 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 NOT REQUIRED IN RHODE ISLAND		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	
		2g. ORGANIZATIONAL ID #, if any		<input type="checkbox"/> NONE
3. SECURED PARTY'S NAME, (or NAME OF TOTAL ASSIGNEE of ASSGNOR S.P.) - insert only one secured party name (3a or 3b)				
3a. ORGANIZATION'S NAME The Washington Trust Company				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 23 Broad Street		CITY Westerly	STATE RI	POSTAL CODE 02891
				COUNTRY USA

4. The FINANCING STATEMENT covers the following collateral:

See Exhibit A attached hereto and incorporated herein by reference.

Filed with the Rhode Island Secretary of State.

5. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> LESSOR-LESSOR <input type="checkbox"/> CONSIGNEE-CONSIGNOR <input type="checkbox"/> BAILEE-BAILOR <input type="checkbox"/> SELLER-BUYER <input type="checkbox"/> AGENT <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable).	7. TO REQUEST A SEARCH REPORT, FILE A UCC-11
8. OPTIONAL FILER REFERENCE DATA: Our File No. 2007-244	
FILING OFFICE COPY— RHODE ISLAND UCC FINANCING STATEMENT* (FORM UCC1) (REV. 05/01/06)	

EXHIBIT A

Debtor: Chestnut Cottage LLC
22 Elm Street
Westerly, RI 02891

Secured Party: The Washington Trust Company
23 Broad Street
Westerly, RI 02891

As collateral security for the payment and performance of all of the Obligations, the Debtor hereby grants, assigns, conveys, pledges and transfers to the Secured Party, a continuing security interest in the following assets and properties of the Debtor, any and all substitutions therefor and replacements thereof, and any and all additions and accessions thereto whether now owned or hereafter acquired or in which the Debtor may now have or hereafter acquire an interest (all of which are hereinafter collectively referred to as the "Collateral"):

PERSONAL PROPERTY AND FIXTURES: All goods, equipment, machinery, tools and other personal property and fixtures of every kind and description now or hereafter owned by the Debtor or in which the Debtor has an interest (but only to the extent of such interest) and situated or to be situated upon or used in connection with the Premises or in any of the improvements, together with any renewals, replacements or additions thereto or substitutions therefor, all proceeds and products thereof, and now or hereafter located at, or used in connection with the operation of the Premises or the improvements, including without limitation the following:

A. EQUIPMENT, ETC.: All of the Debtor's interest in and to all equipment, fixtures, inventory, goods, materials, supplies, furnishings, accounts, accounts receivable, contract rights, plans, specifications, permits, other rights, bank deposits, warranties, cash, and general intangibles whether now or hereafter existing for use on or in connection with the Premises.

B. PROCEEDS FOR DAMAGE TO THE MORTGAGED PROPERTY: All proceeds (including, without limitation, insurance and condemnation proceeds), including interest thereon, paid for any damage done to the Premises (as hereinafter defined), or any part thereof, or for any portion thereof appropriated for any character of public or quasi-public use in accordance with the provisions, terms and conditions hereinafter set forth.

C. UTILITY DEPOSITS: All right, title and interest of the Debtor in and to all monetary deposits that the Debtor has been or will be required to give to any public or private utility with respect to utility services furnished or to be furnished to the Premises.

D. RECORDS: All of the records and books of account now or hereafter maintained by the Debtor in connection with the operation of the Premises.

E. NAME AND GOODWILL: The right, in event of foreclosure of the Premises hereunder, to take and use any name by which the Premises is then known or any variation of the words thereof, and the goodwill of the Debtor with respect thereto.

DEFINITIONS

"Code" shall mean the Uniform Commercial Code as the same may be in effect from time to time in the State of Rhode Island.

"Equipment" shall include "equipment" within the meaning of Section 9-102(a)(33) of the Code and, to the extent not otherwise included therein, all machinery, equipment, furniture, parts, tools and dies, of every kind and description, of the Debtor (including automotive equipment), now owned or hereafter acquired by the Debtor, and used or acquired for use in the business of the Debtor, together with all accessions thereto and all substitutions and replacements thereof and parts therefor; all cash or non-cash Proceeds.

"Fixtures" shall mean "fixtures" within the meaning of Section 9-102(a)(41) of the Code and, to the extent not otherwise included therein, all goods which are so related to particular real estate that an interest in them arises under real estate law and all accessions thereto, replacements

thereof and substitutions therefor, including, but not limited to, plumbing, heating and lighting apparatus, mantels, floor coverings, furniture, furnishings, draperies, screens, storm windows and doors, awnings, shrubbery, plants, boilers, tanks, machinery, stoves, gas and electric ranges, wall cabinets, appliances, furnaces, dynamos, motors, elevators and elevator machinery, radiators, blinds and all laundry, refrigerating, gas, electric, ventilating, air-refrigerating, air-conditioning, incinerating and sprinkling and other fire prevention or extinguishing equipment of whatsoever kind and nature and any replacements, accessions and additions thereto, Proceeds thereof and substitutions therefor.

"Obligations" means among other things, all indebtedness, obligations and liabilities of the Debtor to the Secured Party of every kind and description, direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising, regardless of how the same arise or by what instrument, agreement or book account they may be evidenced, or whether evidenced by any instrument, agreement or book account, including, without limitation, all loans (including any loan by renewal or extension), all indebtedness, all undertakings to take or refrain from taking any action, all indebtedness, liabilities or obligations owing from the Debtor to others which the Secured Party may have obtained by purchase, negotiation, discount, assignment or otherwise, and all interest, taxes, fees, charges, expenses and attorneys' fees chargeable to the Debtor or incurred by the Secured Party under the security agreement giving rise to this financing statement, or any other document or instrument delivered in connection therewith.

"Premises" shall mean the real estate of the Debtor located at 25 Chestnut Street, Westerly, Rhode Island, which real estate is more particularly described on Exhibit B attached hereto and incorporated herein by reference.

"Proceeds" shall mean "proceeds" as defined in the Code and, to the extent not otherwise included therein, (a) any and all proceeds of any insurance, indemnity, warranty, guaranty, or other agreement, instrument or undertaking similar to any of the foregoing, payable to the Debtor from time to time with respect to any of the Collateral, (b) any and all payments (in

any form whatsoever) made or due and payable to the Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral, (c) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral, and (d) any products or rents of any of the Collateral.

b
Exhibit "A"

That certain piece or parcel of land located on the westerly side of Chestnut Street in the Town of Westerly, County of Washington and State of Rhode Island and being more particularly described as follows:

Beginning at the southeasterly corner of the herein described parcel at a drill hole located on the westerly street line of Chestnut Street and land now or formerly of The Elms of Westerly, LLC;

Thence North $64^{\circ}19'20''$ West, bounded southwesterly by said The Elms of Westerly LLC land, for a distance of 257.96 feet to a stone bound;

Thence North $26^{\circ}05'43''$ West, bounded northwesterly by said The Elms of Westerly LLC land, for a distance of 39.06 feet to a stone bound and lands now or formerly of Westerly Masonic Foundation;

Thence North $25^{\circ}24'20''$ East, bounded northwesterly by said Westerly Masonic Foundation land, for a distance of 87.76 feet to an iron pipe;

Thence South $64^{\circ}11'33''$ E, bounded northeasterly by said Westerly Masonic Foundation land, for a distance of 231.22 feet to the westerly street line of Chestnut Street;

Thence South $26^{\circ}26'02''$ West, bounded southeasterly by Chestnut Street, for a distance of 126.29 feet to the point and place of beginning.

Containing in all 32,743 square feet or 0.75 acres of land more or less.

Property Address:
25 ~~Chestnut~~ ^{Chester} Street
Westerly, R.I.
AP 067 Lot 14