

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 13, 2013

AMP HOLDING INC.

(Exact name of registrant as specified in its charter)

Nevada

000-53704

26-1394771

(State or Other Jurisdiction of Incorporation)

(Commission File Number)

(IRS Employer Identification Number)

100 Commerce Drive, Loveland, Ohio 45140  
(Address of principal executive offices) (zip code)

513-360-4704  
(Registrant's telephone number, including area code)

Copies to:

Stephen M. Fleming, Esq.  
Fleming PLLC  
49 Front Street, Suite 206  
Rockville Centre, New York 11570  
Phone: (516) 833-5034  
Fax: (516) 977-1209

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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<b>Item 1.01</b>	<b>Entry Into A Material Definitive Agreement</b>
<b>Item 2.01</b>	<b>Completion of Acquisition or Disposition of Assets</b>
<b>Item 2.03</b>	<b>Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a</b>
<b>Registrant</b>	
<b>Item 3.02</b>	<b>Unregistered Sales of Equity Securities</b>

As previously reported, on March 4, 2013, AMP Trucks Inc. (“AMP Trucks”), an Indiana corporation and a wholly-owned subsidiary of AMP Holding Inc. (the “Company”), entered into an Asset Purchase Agreement with Workhorse Custom Chassis, LLC (“Workhorse”), an Illinois limited liability company and a wholly-owned affiliate of Navistar International Corporation, to purchase certain assets including the Workhorse ® brand, logo, intellectual property, patents and assembly plant in Union City, Indiana (the “Assets”).

On March 13, 2013, AMP Trucks closed the acquisition of the Assets from Workhorse for a purchase price of \$5,000,000 of which \$2,750,000 was paid in cash and the delivery of a Secured Debenture (the “Debenture”) in the principal amount of \$2,250,000. The Debenture is secured pursuant to a Security Agreement (the “Security Agreement”) and a Mortgage, Security Agreement, Assignment of Rents and Fixture Filing (the “Mortgage”) entered between AMP Trucks and Workhorse. Pursuant to the Security Agreement, AMP Trucks granted Workhorse a security interest in all of the assets of AMP Trucks in order to secure the prompt payment, performance and discharge in full of all of obligations of AMP Trucks under the Debenture. Pursuant to the Mortgage, the Debenture is secured by the real estate and related assets of the plant located in Union City, Indiana. The Debenture matures three years from its effective date of March 13, 2013 (the "Maturity Date") and interest associated with the Debenture is 10% per annum, which is payable on the Maturity Date. AMP Trucks may prepay outstanding principal and interest of the Debenture in full at any time. In the event AMP Trucks prepays outstanding principal and interest, it shall pay an amount equal to all outstanding principal and interest multiplied by 105%. As of the date hereof, AMP Trucks is obligated on \$2,250,000 in face amount of the Debenture. The Debenture is a debt obligation arising other than in the ordinary course of business which constitute direct financial obligations of AMP Trucks. The Company and AMP Electric Vehicles Inc., a wholly owned subsidiary of the Company, guaranteed the payment of the Debenture.

On March 13, 2013, the Company entered into a subscription agreement with various accredited investors (the “March 2013 Accredited Investors”) pursuant to which the March 2013 Accredited Investors purchased 17,925,000 shares of the Company’s common stock (the “March 2013 Subscription Shares”) for a purchase price of \$3,585,000, together with common stock purchase warrants to acquire 8,962,500 shares of common stock at \$0.40 per share for a period of three years (the “March 2013 Warrant” and together with the March 2013 Subscription Shares, the “March 2013 Securities”).

The March 2013 Securities were offered and sold in a private placement transaction made in reliance upon exemptions from registration pursuant to Section 4(2) under the Securities Act of 1933 (the “Securities Act”) and/or Rule 506 promulgated under the Securities Act. The March 2013 Accredited Investors are accredited investors as defined in Rule 501 of Regulation D promulgated under the Securities Act.

The foregoing information is a summary of each of the agreements involved in the transactions described above, is not complete, and is qualified in its entirety by reference to the full text of those agreements, each of which is attached an exhibit to this Current Report on Form 8-K. Readers should review those agreements for a complete understanding of the terms and conditions associated with this transaction.

**Item 9.01 Financial Statements and Exhibits**

Exhibit No.	Description of Exhibit
4.1	Secured Debenture by and between Workhorse Custom Chassis, LLC and AMP Trucks Inc. dated March 13, 2013
4.2	Security Agreement by and between Workhorse Custom Chassis, LLC and AMP Trucks Inc. dated March 13, 2013
4.3	Mortgage, Security Agreement, Assignment of Rents and Fixture Filing by and between Workhorse Custom Chassis, LLC and AMP Trucks Inc. dated March 13, 2013
4.4	Form of Subscription Agreement entered by and between AMP Holding Inn. and the March 2013 Accredited Investors
4.5	Form of Common Stock issued to the March 2013 Accredited Investors
10.1	Asset Purchase Agreement by and between Workhorse Custom Chassis, LLC, as Seller, and AMP Trucks Inc., as Buyer dated as of March 4, 2013 (1)
10.2	Amendment No. 1 to the Asset Purchase Agreement by and between Workhorse Custom Chassis, LLC, as Seller, and AMP Trucks Inc., as Buyer dated as of March 13, 2013

(1) Incorporated by reference to the Form 8-K Current Report as filed with the Securities and Exchange Commission on March 6, 2013

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AMP HOLDING INC.**

Date: March 15, 2013

By: /s/ Stephen Burns  
Name: Stephen Burns  
Title: Chief Executive Officer

This secured debenture has not been registered under the Securities Act of 1933, as amended (the "1933 Act"), or under the provisions of any applicable state securities laws, but has been acquired by the registered holder hereof for purposes of investment and in reliance on statutory exemptions under the 1933 Act, and under any applicable state securities laws. This Debenture may not be sold, pledged, transferred or assigned except in a transaction which is exempt under provisions of the 1933 Act and any applicable state securities laws or pursuant to an effective registration statement; and in the case of an exemption, only if the Company has received an opinion of counsel satisfactory to the Company that such transaction does not require registration of this Debenture.

**AMP TRUCKS INC.**

Date: March 13, 2013

**\$2,250,000**

**SECURED DEBENTURE**

AMP Trucks Inc. (the "Company") for value received, hereby promises to pay to **WORKHORSE CUSTOM CHASSIS, LLC**, or registered assigns (the "Holder") on or before March 13, 2016 (collectively, the "Maturity Date"), at the principal offices of the Company, the principal sum set forth above, and to pay interest on the outstanding principal sum at the rate of ten percent (10%) per annum (this "Debenture"). Interest shall commence accruing on the date hereof, computed on the basis of a 365-day year and the actual number of days elapsed, provided that any payment otherwise due on a Saturday, Sunday or legal Bank holiday may be paid on the following business day. Interest shall compound annually and be payable on the Maturity Date. All payments due hereunder, shall be made in lawful money of the United States of America. In the event that for any reason whatsoever any interest or other consideration payable with respect to this Debenture shall be deemed to be usurious by a court of competent jurisdiction under the laws of the State of Illinois or the laws of any other state governing the repayment hereof, then so much of such interest or other consideration as shall be deemed to be usurious shall be held by the holder as security for the repayment of the principal amount hereof and shall otherwise be waived. The obligations of the Company under this Debenture shall be (a) secured by all of the assets of the Company as set forth in that certain Security Agreement, dated as of the date hereof, by and between the Company and the Holder (the "Security Agreement") and (b) guaranteed by each party listed as a "Guarantor" on the signature pages hereto (collectively, the "Guarantors"). Capitalized terms used but not defined herein shall have the meanings set forth in the Security Agreement.

**1. Transfers of Debenture to Comply with the 1933 Act**

The Holder agrees that this Debenture may not be sold, transferred, pledged, hypothecated or otherwise disposed of except as follows: (a) to a person whom the Debenture may legally be transferred without registration and without delivery of a current prospectus under the 1933 Act with respect thereto and then only against receipt of an agreement of such person to comply with the provisions of this Section 1 with respect to any resale or other disposition of the Debenture; or (b) to any person upon delivery of a prospectus then meeting the requirements of the 1933 Act relating to such securities and the offering thereof for such sale or disposition, and thereafter to all successive assignees.

**2. Right of Prepayment.** The Company may prepay outstanding principal and interest of the Debenture in full at any time. In the event the Company prepays outstanding principal and interest, the Company shall pay an amount equal to all outstanding principal and interest multiplied by 105%.

**3. Waiver and Consent.** To the fullest extent permitted by law and except as otherwise provided herein, the Company waives demand, presentment, protest, notice of dishonor, suit against or joinder of any other person, and all other requirements necessary to charge or hold the Company liable with respect to this Debenture.

**4. Costs, Indemnities and Expenses.** Upon the occurrence of an Event of Default (as defined below), the Company agrees to pay all reasonable fees and costs incurred by the Holder in collecting or securing or attempting to collect or secure this Debenture, including reasonable attorneys' fees and expenses, whether or not involving litigation, collecting upon any judgments and/or appellate or bankruptcy proceedings. The Company agrees to pay any documentary stamp taxes, intangible taxes or other taxes which may now or hereafter apply to this Debenture or any payment made in respect of this Debenture, and the Company agrees to indemnify and hold the Holder harmless from and against any liability, costs, attorneys' fees, penalties, interest or expenses relating to any such taxes, as and when the same may be incurred.

**5. Secured Nature of the Debenture.** This Debenture is secured by all of the assets of AMP Trucks as set forth in the Security Agreement.

**6. Representations and Warranties.** Each of the Company and each Guarantor party hereto represents and warrants to the Holder that:

- a. such party is duly organized, validly existing and in good standing (if applicable) under the laws of the jurisdiction of its organization;
- b. such party has authority to own its property and assets and to carry on its business as now conducted, except, in each case, where the failure to do so, or so possess, individually or in the aggregate would not reasonably be expected to result in a material adverse effect;
- c. such party has all requisite organizational power and authority to execute and deliver and perform all its obligations under this Debenture.
- d. such party is qualified to do business in, and is in good standing (where such concept exists) in, every jurisdiction in which the

nature of its business or the ownership or leasing of its properties makes such qualification necessary, except where the failure to be so qualified or in good standing individually or in the aggregate would not reasonably be expected to result in a material adverse effect;

- e. the transactions contemplated hereby and by the Security Agreement are within such party's organizational powers and have been duly authorized by all necessary corporate or limited liability company action;
- f. this Debenture has been duly executed and delivered by such party and constitutes a legal, valid and binding obligation of such party, enforceable in accordance with its terms;
- g. the transactions to be entered into and contemplated by this Debenture and the Security Agreement (a) do not require any consent or approval of, registration or filing with, or any other action by, any governmental authority, (b) will not (i) violate any applicable law or (ii) the organizational documents, bylaws, charter, operating agreement, certificate of formation or certificate of incorporation of such party, (c) will not violate or result in a default under any indenture or any other agreement, instrument or other evidence of indebtedness, and (d) will not result in the creation or imposition of any lien on any asset of such party, except liens created under the Security Agreement.

**7. Event of Default.** An "Event of Default" shall be deemed to have occurred upon the occurrence of any of the following: (a) the Company shall fail to make any payment of the principal, interest, costs, indemnities, or expenses pursuant to this Debenture when and as the same shall become due and payable; (b) any default, whether in whole or in part, in the due observance or performance of any obligations or other covenants, terms or provisions to be performed by the Company under this Debenture; (c) the occurrence of any Event of Default (as defined in the Security Agreement) under the Security Agreement; (d) the direct or indirect change of control of the Company, whether by merger, consolidation, reorganization or the sale or other transfer of a controlling percentage of the stock or other equity interest of the Company; (e) the Company shall make a general assignment for the benefit of its creditors; (f) the Company shall apply for or consent to the appointment of a receiver, trustee, assignee, custodian, sequestrator, conservator, liquidator or similar official for itself or any of its assets and properties; (g) the Company shall voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief as a debtor under the United States Bankruptcy Code or any other liquidation, conservatorship, bankruptcy, general assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally (collectively, the "Debtor Relief Laws"); (h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Company or its debts, or of a substantial part of its assets, under any Debtor Relief Law or (ii) the appointment of a receiver, trustee, assignee, custodian, sequestrator, conservator, liquidator or similar official for itself or any of its assets and properties and, in any such case, such proceeding or petition shall continue undismissed for thirty (30) days or an order or decree approving any of the foregoing shall be entered; (i) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) above; or (j) any lien purported to be created under any Security Agreement in any material portion of the Collateral and the proceeds thereof shall cease to be, or shall be asserted by the Company not to be, a valid and perfected lien on any material portion of the Collateral. Upon the occurrence of an Event of Default, the Holder may declare that the entire principal balance and accrued and unpaid interest outstanding under this Debenture, and all other obligations of the Company under this Debenture, shall be immediately due and payable; provided, that upon the occurrence of an Event of Default pursuant to clauses (e), (f), (g), (h) or (i) of this Section 7, the entire principal balance and accrued and unpaid interest outstanding under this Debenture, and all other obligations of the Company under this Debenture, shall be immediately due and payable without any action on the part of the Holder.

**8. Remedies Upon Event of Default.** In case any one or more Events of Default shall have occurred and be continuing, the Holder may proceed to protect and enforce its rights and remedies under this Debenture or the Security Agreement by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Debenture or the Security Agreement and proceed to enforce the payment thereof or any other legal or equitable right of the Holder.

**9. Maximum Interest Rate.** In no event shall any agreed to or actual interest charged, reserved or taken by the Holder as consideration for this Debenture exceed the limits imposed by Illinois law. In the event that the interest provisions of this Debenture shall result at any time or for any reason in an effective rate of interest that exceeds the maximum interest rate permitted by applicable law, then without further agreement or notice the obligation to be fulfilled shall be automatically reduced to such limit and all sums received by the Holder in excess of those lawfully collectible as interest shall be applied against the principal of this Debenture immediately upon the Holder's receipt thereof, with the same force and effect as though the Company had specifically designated such extra sums to be so applied to principal and the Holder had agreed to accept such extra payment(s) as a premium-free prepayment or prepayments.

**10. Indebtedness.** The Company shall not, directly or indirectly, create, incur, assume or suffer to exist any indebtedness (other than indebtedness outstanding as of the date hereof) unless such indebtedness is subordinated in right of payment to the obligations of the Company under this Debenture and, to the extent such indebtedness is secured, any lien securing such indebtedness is junior in priority to the lien securing the obligations of the Company under this Debenture.

**11. Guarantee.** Each Guarantor unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, the due and punctual payment of all Obligations (as defined in the Security Agreement) (collectively, the "Guaranteed Obligations"), including all such Guaranteed Obligations which shall become due. Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon the Guarantee notwithstanding any extension or renewal of any Guaranteed Obligation.

**12. Guaranteed Obligations Not Waived or Affected.** To the fullest extent permitted by Applicable Law, each Guarantor expressly waives presentment to, demand of payment from and protest to the Company of any of the Guaranteed Obligations, and also waives notice of acceptance of this Debenture, notice of protest for nonpayment and all other notices of any kind. To the fullest extent permitted by applicable law, the obligations of each Guarantor hereunder shall not be affected by (a) the failure of the Holder to assert any claim or demand or to enforce or exercise any right or remedy against the Company or any Guarantor under the provisions of this Debenture, the Security Agreement or otherwise or against any other party with respect to any of the Guaranteed Obligations, (b) any rescission, waiver, amendment or modification of (including, without limitation, any extension, renewal restructuring, any acceptance of late or partial payments under, or any change in the amount of borrowings), or any release from, any of the terms or provisions of this Debenture, the Security Agreement or any other agreement, with respect to any Holder or Guarantor or with respect to the Guaranteed Obligations, (c) the failure to perfect any security interest in, or the release of, any of the security held by or on behalf of the Holder (including, but not limited to, lapse in perfection, impairment of any security for any of the Guaranteed Obligations), (d) any lack of legality, validity or enforceability of this Debenture, the Security Agreement, or any other agreement or instrument creating, providing security for, or otherwise relating to any of the Guaranteed Obligations, (e) any existence, addition, modification, termination, reduction or impairment of value, or release of any other guaranty (or security therefor) of the Guaranteed Obligations or (f) the lack of legal existence of Holder or any Guarantor or legal obligation to discharge any of the Guaranteed Obligations by Holder or any Guarantor for any reason whatsoever, including, without limitation, in any insolvency, bankruptcy or reorganization of Holder or any Guarantor. It is the express purpose and intent of the Guarantors party hereto that this Guarantee and the Guarantors' Guaranteed Obligations hereunder shall be absolute and unconditional under any and all circumstances and shall not be discharged except by payment and performance as herein provided.

**13. Agreement to Pay.** In furtherance of the foregoing and not in limitation of any other right that the Holder has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company or any Guarantor to pay any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will promptly pay, or cause to be paid, to the Holder in cash the amount of such unpaid Guaranteed Obligations. Upon payment by any Guarantor of any sums to the Holder as provided above, all rights of such Guarantor against the Company or any Guarantor arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior payment in full in cash of all the Guaranteed Obligations.

**14. Cancellation of Debenture.** Upon the repayment by the Company of all of its obligations hereunder to the Holder, including, without limitation, the principal amount of this Debenture, plus accrued but unpaid interest, the indebtedness evidenced hereby shall be deemed canceled and paid in full. Except as otherwise required by law or by the provisions of this Debenture, payments received by the Holder hereunder shall be applied first against expenses and indemnities, next against interest accrued on this Debenture, and next in reduction of the outstanding principal balance of this Debenture.

**15. Severability.** If any provision of this Debenture is, for any reason, invalid or unenforceable, the remaining provisions of this Debenture will nevertheless be valid and enforceable and will remain in full force and effect. Any provision of this Debenture that is held invalid or unenforceable by a court of competent jurisdiction will be deemed modified to the extent necessary to make it valid and enforceable and as so modified will remain in full force and effect.

**16. Amendment and Waiver.** This Debenture may be amended, or any provision of this Debenture may be waived only if such amendment or waiver is set forth in a writing executed by Holder. The waiver by Holder of a breach of any provision of this Debenture shall not operate or be construed as a waiver of any other breach.

**17. Successors.** Except as otherwise provided herein, this Debenture shall bind and inure to the benefit of and be enforceable by the Holder and its permitted successors and assigns.

**18. Assignment.** This Debenture shall not be directly or indirectly assignable or delegable by the Company.

**19. Further Assurances.** The Company will execute all documents and take such other actions as the Holder may reasonably request in order to consummate the transactions provided for herein and to accomplish the purposes of this Debenture.

**20. Notices, Consents, etc.** Any notices, consents, waivers or other communications required or permitted to be given under the terms hereof must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) trading day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:



If to Company: **AMP Trucks Inc.**  
100 Commerce Boulevard  
Loveland, Ohio 45140  
Attention: Stephen Burns, CEO  
Telephone: 513-297-3640  
Facsimile: 888-666-2903

With a Copy to: Fleming PLLC  
49 Front Street, Suite 206  
Rockville Centre, New York 11570  
Attention: Stephen M. Fleming, Esq.  
Telephone: 516-833-5034  
Facsimile: 516-977-1209

If to the Holder: Workhorse Custom Chassis, LLC  
c/o Navistar, Inc.  
2701 Navistar Drive  
Lisle, IL 60532  
Attention: General Counsel  
Facsimile: 331-332-2261

With a Copy to: Kirkland & Ellis, LLP  
300 N. LaSalle St.  
Chicago, IL 60654  
Attention: Keith S. Crow, P.C.  
Kevin L. Morris  
Facsimile: 312-862-2200

or at such other address and/or facsimile number and/or to the attention of such other person as the recipient party has specified by written notice given to each other party three (3) trading days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by a nationally recognized overnight delivery service, shall be rebuttable evidence of personal service, receipt by facsimile or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

**21. Governing Law.** All questions concerning the construction, validity and interpretation of this Debenture and any and all disputes or controversies arising out of the subject matter hereof (whether by contract, tort or otherwise) shall be governed by and construed in accordance with the domestic laws of the State of Illinois, without giving effect to any choice of law or conflict of law provision (whether of the State of Illinois or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Illinois.

**22. Jurisdiction.** EACH PARTY HERETO AGREES THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY THE HOLDER PURSUANT TO THIS DEBENTURE SHALL PROPERLY (BUT NOT EXCLUSIVELY) LIE IN ANY FEDERAL OR STATE COURT LOCATED IN COOK COUNTY, ILLINOIS. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH ACTION. EACH PARTY HERETO IRREVOCABLY AGREES THAT VENUE WOULD BE PROPER IN SUCH COURT, AND HEREBY WAIVES ANY OBJECTION THAT SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH ACTION. EACH PARTY HERETO FURTHER AGREES THAT THE MAILING BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF ANY PROCESS REQUIRED BY ANY SUCH COURT SHALL CONSTITUTE VALID AND LAWFUL SERVICE OF PROCESS AGAINST THEM, WITHOUT NECESSITY FOR SERVICE BY ANY OTHER MEANS PROVIDED BY STATUTE OR RULE OF COURT.

**23. No Inconsistent Agreements.** No party hereto will hereafter enter into any agreement, which is inconsistent with the rights granted to the Holder in this Debenture.

**24. Third Parties.** Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity, other than the Holder and its permitted successor and assigns, any rights or remedies under or by reason of this Debenture.

**25. Waiver of Jury Trial.** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS DEBENTURE. EACH PARTY HERETO CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE HOLDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE HOLDER WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH PARTY HERETO UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH PARTY HERETO MAKES THIS WAIVER VOLUNTARILY, AND (D) EACH PARTY HERETO HAS BEEN INDUCED TO ENTER INTO THIS DEBENTURE BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION 25.

**26. Entire Agreement.** This Debenture (including any recitals hereto) set forth the entire understanding of the parties with respect to the subject matter hereof, and shall not be modified or affected by any offer, proposal, statement or representation, oral or written, made by or for any party in connection with the negotiation of the terms hereof, and may be modified only by instruments signed by all of the parties hereto.

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IN WITNESS WHEREOF, this Secured Debenture is executed by the undersigned as of the date hereof.

**“COMPANY”**

**AMP Trucks Inc.**

By: /s/Stephen Burns  
Name: Stephen Burns  
Title: Chief Executive  
Officer

**“GUARANTORS”**

**AMP Electric  
Vehicles, Inc.**

By: /s/Stephen Burns  
Name: Stephen Burns  
Title: Chief Executive  
Officer

**AMP Holding Inc.**

By: /s/Stephen Burns  
Name: Stephen Burns  
Title: Chief Executive  
Officer

## SECURITY AGREEMENT

SECURITY AGREEMENT (this "Agreement"), dated as of March 13, 2013, by and among AMP Trucks Inc., an Indiana corporation (the "Company") and the secured party signatory hereto and their respective endorsees, transferees and assigns (collectively, the "Secured Party").

## WITNESSETH:

WHEREAS, pursuant to the Asset Purchase Agreement, dated as of March 4, 2013, between the Company and the Secured Party (the "Asset Purchase Agreement"), the Company has agreed to issue to the Secured Party and the Secured Party has agreed to purchase from the Company a Secured Debenture, due three years from the date of issue (the "Debenture"); and

WHEREAS, in order to induce the Secured Party to enter into the Asset Purchase Agreement, the Company has agreed to execute and deliver to the Secured Party this Agreement and to grant the Secured Party a security interest in all assets of the Company to secure the prompt payment, performance and discharge in full of all of the Company's obligations under the Debenture; and

NOW, THEREFORE, in consideration of the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Certain Definitions. As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the UCC (such as "general intangibles" and "proceeds") shall have the respective meanings given such terms in Article 9 of the UCC.

(a) "Collateral" means the assets or properties of the Company in which the Secured Party is granted a Security Interest by this Agreement and which shall include the following, whether presently owned or existing or hereafter acquired or coming into existence from time to time, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith:

- (i) all Accounts;
- (ii) all Chattel Paper;
- (iii) all Deposit Accounts;
- (iv) all Documents;
- (v) all General Intangibles;

- (i) all Goods (including, without limitation, Inventory and Equipment);
- (ii) Instruments;
- (iii) all insurance;
- (iv) Intellectual Property;
- (v) Investment Property;
- (vi) all Letter-of-Credit Rights;
- (vii) Money;
- (viii) all Collateral Accounts, and all cash, securities and other investments deposited therein;
- (ix) all Supporting Obligations;
- (x) all Security Entitlements in any or all of the foregoing;  
  
all books, records, ledger cards, files, correspondence, customer lists, blueprints, technical specifications, manuals, computer software, computer printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon; and
- (xi) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing.

(b) “Debtor Relief Law” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, general assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

(c) “Obligations” means all of the Company’s obligations under this Agreement and the Debenture, in each case, whether now existing or hereafter arising (including interest and fees that accrue after the commencement by or against the Company of any proceeding under any Debtor Relief Laws naming the Company as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding), voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, due or to become due, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later decreased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from the Secured Party as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time.

(d) "UCC" means the Uniform Commercial Code, as currently in effect in the State of Illinois.

2. Grant of Security Interest. As an inducement for the Secured Party to purchase the Debenture and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, the Company hereby, unconditionally and irrevocably, pledges, grants and hypothecates to the Secured Party, a continuing security interest in, a continuing lien upon, an unqualified right to possession and disposition of and a right of set-off against, in each case to the fullest extent permitted by law, all of the Company's right, title and interest of whatsoever kind and nature in and to all of the Company's assets, including the real property which is the subject of the Quitclaim Deed (as defined in the Asset Purchase Agreement) and the Collateral (the "Security Interest").

3. Secured Obligations. This Agreement secures, and the Collateral is collateral security for, the prompt and complete payment in full when due, whether at stated maturity, by required payment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) (and any successor provision thereof)), of all Obligations.

4. Authorization to File Financing Statements. The Company hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any relevant jurisdiction any initial financing statements (including fixture filings) with respect to the Collateral or any part thereof and amendments thereto that (i) indicate the Collateral as all assets of the Company or words of similar effect as being of an equal or lesser scope or with greater detail, and (ii) contain the information required by Article 9 of the UCC or the analogous legislation of each applicable jurisdiction for the filing of any financing statement or amendment, including (A) whether the Company is an organization, the type of organization and any organizational identification number issued to the Company and (B) in the case of a financing statement filed as a fixture filing, a sufficient description of the real property to which such Article 9 Collateral relates. The Company agrees to provide such information to the Secured Party promptly upon request.

5. Representations, Warranties, Covenants and Agreements of the Company. The Company represents and warrants to, and covenants and agrees with, the Secured Party as follows:

(a) The Company has the requisite corporate power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by the Company of this Agreement and the filings contemplated herein have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company. This Agreement constitutes a legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditor's rights generally.

(b) The Company represents and warrants that it has no place of business or offices where its respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth on Schedule A attached hereto;

(c) Except as set forth on Schedule C, the Company has good and valid rights and/or title in the Collateral, free and clear of any liens, security interests, encumbrances, rights or claims, and has all requisite organizational power and authority to grant the Security Interest in the Collateral pursuant hereto. Except as set forth on Schedule C, there is not on file in any governmental or regulatory authority, agency or recording office an effective financing statement, security agreement, license or transfer or any notice of any of the foregoing (other than those that have been filed in favor of the Secured Party pursuant to this Agreement) covering or affecting any of the Collateral. So long as this Agreement shall be in effect, the Company shall not execute and shall not knowingly permit to be on file in any such office or agency any such financing statement or other document or instrument (except to the extent filed or recorded in favor of the Secured Party pursuant to the terms of this Agreement).

(d) No part of the Collateral has been judged invalid or unenforceable. No written claim has been received that any Collateral or the Company's use of any Collateral violates the rights of any third party. There has been no adverse decision to the Company's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to the Company's right to keep and maintain such Collateral in full force and effect, and there is no proceeding involving said rights pending or, to the best knowledge of the Company, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) The Company shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule A attached hereto and may not relocate such books of account and records or tangible Collateral unless it delivers to the Secured Party at least 30 days prior to such relocation (i) written notice of such relocation and the new location thereof (which must be within the United States) and (ii) evidence that appropriate financing statements and other necessary documents have been filed and recorded and other steps specified by the Secured Party in its reasonable discretion have been taken to perfect the Security Interest to create in favor of the Secured Party valid, perfected and continuing priority liens in the Collateral.

(f) The Security Interest constitutes (i) a legal and valid security interest in all of the Collateral securing the payment and performance in full of the Obligations and (ii) upon making the filings described in the immediately following sentence, a perfected priority security interest in the Collateral. Except for the filing of financing statements on Form-1 under the UCC with the jurisdictions indicated on Schedule B, attached hereto, no authorization or approval of or filing with or notice to any governmental authority or regulatory body is required either (i) for the grant by the Company of, or the effectiveness of, the Security Interest granted hereby or for the execution, delivery and performance of its obligations in accordance with the terms of this Agreement by the Company or (ii) for the perfection of or exercise by the Secured Party of its rights and remedies hereunder. The Security Interest is and shall be prior to any other lien on any of the Collateral

(g) The execution, delivery and performance of this Agreement does not conflict with or cause a breach or default, or an event that with or without the passage of time or notice, shall constitute a breach or default, under any agreement to which the Company is a party or by which the Company is bound. No consent (including, without limitation, from stock holders or creditors of the Company) is required for the Company to enter into and perform its obligations hereunder.

(h) The Company shall at all times maintain the liens and Security Interest provided for hereunder as valid and perfected priority liens and security interests in the Collateral in favor of the Secured Party until this Agreement and the Security Interest hereunder shall terminate pursuant to Section 11. The Company hereby agrees to defend, at its own expense, the same against any and all persons. The Company shall safeguard and protect all Collateral for the account of the Secured Party. At the request of the Secured Party, the Company agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents (including one or more financing statements pursuant to the UCC (or any other applicable statute)) in form reasonably satisfactory to the Secured Party and will pay the cost of filing the same in all public offices wherever filing is, or is deemed by the Secured Party to be, necessary or desirable to effect the rights and obligations provided for herein. Without limiting the generality of the foregoing, the Company shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interest hereunder, and the Company shall obtain and furnish to the Secured Party from time to time, upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interest hereunder.

(i) The Company will not transfer, pledge, hypothecate, encumber, license (except for non-exclusive licenses granted by the Company in the ordinary course of business), sell or otherwise dispose of any of the Collateral without the prior written consent of the Secured Party.

(j) The Company shall keep and preserve its Equipment, Inventory and other tangible Collateral in good condition, repair and order and shall not operate or locate any such Collateral (or cause to be operated or located) in any area excluded from insurance coverage.

(k) The Company agrees to provide not less than ten (10) days prior written notice to the Secured Party before any change (i) in the legal name of the Company, (ii) in the identity or type of organization or corporate structure of the Company, (iii) in the jurisdiction of organization of the Company, (iv) in the "location" (as determined in accordance with Section 9-307 of the UCC) of the Company, (v) in the organizational identification number of the Company. The Company agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the UCC (or any other applicable statute) that are required in order for the Secured Party to continue following such change to have a valid, legal and perfected (to the extent perfection of the Security Interest in such property is required by the terms hereof), first priority security interest in the Collateral for its benefit and the benefit of the other Secured Parties.



(l) The Company shall, within ten (10) days of obtaining knowledge thereof, advise the Secured Party promptly, in sufficient detail, of any material change in the Collateral, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral or on the Secured Party's security interest therein.

(m) The Company shall promptly execute and deliver to the Secured Party such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Secured Party may from time to time request and may in its sole discretion deem necessary to perfect, protect or enforce its security interest in the Collateral.

(n) The Company shall permit the Secured Party and its representatives and agents to inspect the Collateral at any time upon ten (10) days notice, and to make copies of records pertaining to the Collateral as may be requested by the Secured Party from time to time.

(o) The Company will take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any rights, claims, causes of action and accounts receivable in respect of the Collateral.

(p) The Company shall promptly notify the Secured Party in sufficient detail upon becoming aware of any attachment, garnishment, execution or other legal process levied against any Collateral and of any other information received by the Company that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Secured Party hereunder.

(q) All information heretofore, herein or hereafter supplied to the Secured Party by or on behalf of the Company with respect to the Collateral is accurate and complete in all material respects as of the date furnished.

6. Defaults. The following events shall be "Events of Default":

(a) The occurrence of an Event of Default (as defined in the Debenture) under the Debenture or the occurrence of an Event of Default under that certain Mortgage, Security Agreement, Assignment of Rents and Fixture Filing, dated as of the date hereof by the Company in favor of Secured Party;

(b) Any representation or warranty of the Company in this Agreement shall prove to have been incorrect in any material respect when made; and

(c) The failure by the Company to observe or perform any of its obligations hereunder for ten (10) days after receipt by the Company of notice of such failure from the Secured Party.

7. Duty To Hold In Trust. Upon the occurrence of any Event of Default and at any time thereafter, the Company shall, upon receipt by it of any revenue, income or other sums subject to the Security Interest, whether payable pursuant to the Debenture or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Secured Party and shall forthwith endorse and transfer any such sums or instruments, or both, to the Secured Party for application to the satisfaction of the Obligations.

8. Rights and Remedies Upon Default. Upon occurrence of any Event of Default and at any time thereafter, the Secured Party shall have the right to exercise all of the remedies conferred hereunder and under the Debenture, and the Secured Party shall have all the rights and remedies of a secured party under the UCC and/or any other applicable law (including the Uniform Commercial Code of any jurisdiction in which any Collateral is then located). Without limitation, the Secured Party shall have the following rights and powers:

(a) The Secured Party shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and the Company shall assemble the Collateral and make it available to the Secured Party at a place and time which the Secured Party shall reasonably select, whether at the Company's premises or elsewhere, and make available to the Secured Party, without rent and without obligation to the Company with respect to such occupation, all of the Company's respective premises and facilities for the purpose of the Secured Party taking possession of, removing or putting the Collateral in saleable or disposable form.

(b) The Secured Party shall have the right to operate the business of the Company using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as the Secured Party may deem appropriate, all without (except as shall be required by applicable statute and cannot be waived) advertisement or demand upon or notice to the Company or right of redemption of the Company, which are hereby expressly waived. Upon each such sale, lease, assignment or other transfer of Collateral, the Secured Party may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of the Company, which are hereby waived and released.

9. Application of Proceeds. The proceeds of any such sale, lease or other disposition of the Collateral hereunder shall be applied first, to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable attorneys' fees and expenses incurred by the Secured Party in enforcing its rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations, and to the payment of any other amounts required by applicable law, after which the Secured Party shall pay to the Company any surplus proceeds. If, upon the sale, license or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Party is legally entitled, the Company will be liable for the deficiency, together with interest thereon, at the rate of 15% per annum (the "Default Rate"), and the reasonable fees of any attorneys employed by the Secured Party to collect such deficiency. To the extent permitted by applicable law, the Company waives all claims, damages and demands against the Secured Party arising out of the repossession, removal, retention or sale of the Collateral, unless due to the gross negligence or willful misconduct of the Secured Party.

10. Costs and Expenses. The Company agrees to pay all out-of-pocket fees, costs and expenses incurred in connection with any filing required hereunder, including without limitation, any financing statements, continuation statements, partial releases and/or termination statements related thereto or any expenses of any searches reasonably required by the Secured Party. The Company shall also pay all other claims and charges which in the reasonable opinion of the Secured Party might prejudice, imperil or otherwise affect the Collateral or the Security Interest therein. The Company will also, upon demand, pay to the Secured Party the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Secured Party may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Party under the Debenture. Until so paid, any fees payable hereunder shall be added to the principal amount of the Debenture and shall bear interest at the Default Rate.

11. Responsibility for Collateral. The Company assumes all liabilities and responsibility in connection with all Collateral, and the obligations of the Company hereunder or under the Debenture shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason.

12. Security Interest Absolute. All rights of the Secured Party and all Obligations of the Company hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Debenture or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Debenture or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guaranty, or any other security, for all or any of the Obligations; (d) any action by the Secured Party to obtain, adjust, settle and cancel in its sole discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to the Company, or a discharge of all or any part of the Security Interest granted hereby. Until the Obligations shall have been paid and performed in full, the rights of the Secured Party shall continue even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations or bankruptcy. The Company expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance. In the event that at any time any transfer of any Collateral or any payment received by the Secured Party hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Party, then, in any such event, the Company's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. The Company waives all right to require the Secured Party to proceed against any other person or to apply any Collateral which the Secured Party may hold at any time, or to marshal assets, or to pursue any other remedy. The Company waives any defense arising by reason of the application of the statute of limitations to any obligation secured hereby.

13. Term of Agreement. This Agreement and the Security Interest shall terminate on the date on which all payments under the Debenture have been made in full and all other Obligations have been paid or discharged. Upon such termination, the Secured Party, at the request and at the expense of the Company, will join in executing any termination statement with respect to any financing statement executed and filed pursuant to this Agreement.

14. Power of Attorney; Further Assurances.

(a) The Company authorizes the Secured Party, and does hereby make, constitute and appoint it, and its respective officers, agents, successors or assigns with full power of substitution, as the Company's true and lawful attorney-in-fact, with power, in its own name or in the name of the Company, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any notes, checks, drafts, money orders, or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Secured Party; (ii) to sign and endorse any UCC financing statement or any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receive payment of, give receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; to notify, or to require the Company to notify, Account Debtors to make payment directly to the Secured Party or to an account designated by the Secured Party and adjust, settle or compromise the amount of payment of any Account; and (vi) generally, to do, at the option of the Secured Party, and at the Company's expense, at any time, or from time to time, all acts and things which the Secured Party deems necessary to protect, preserve and realize upon the Collateral and the Security Interest granted therein in order to effect the intent of this Agreement and the Debenture, all as fully and effectually as the Company might or could do; and the Company hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding.

(b) On a continuing basis, the Company will make, execute, acknowledge, deliver, file and record, as the case may be, in the proper filing and recording places in any jurisdiction, including, without limitation, the jurisdictions indicated on Schedule B, attached hereto, all such instruments, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Secured Party, to perfect the Security Interest granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Secured Party the grant or perfection of a security interest in all the Collateral.

(c) The Company hereby irrevocably appoints the Secured Party as the Company's attorney-in-fact, with full authority in the place and stead of the Company and in the name of the Company, from time to time in the Secured Party's discretion, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including the filing, in its sole discretion, of one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of the Company where permitted by law.

15. Notices. All notices, requests, demands and other communications hereunder shall be in writing, with copies to all the other parties hereto, and shall be deemed to have been duly given when (i) if delivered by hand, upon receipt, (ii) if sent by facsimile, upon receipt of proof of sending thereof, (iii) if sent by nationally recognized overnight delivery service (receipt requested), the next business day or (iv) if mailed by first-class registered or certified mail, return receipt requested, postage prepaid, four days after posting in the U.S. mails, in each case if delivered to the following addresses:

If to the Company, to:                   AMP Trucks Inc.  
100 Commerce Boulevard  
Loveland, Ohio 45140  
Attention: Stephen Burns, CEO

With a copy to:                         Fleming PLLC  
Attn: Stephen Fleming  
49 Front Street, Suite 206  
Rockville Centre, NY 11570  
Telephone: (516) 833-5034  
Facsimile: (516) 977-1029

If to the Secured Party, then the address set forth in the Asset Purchase Agreement.

16. Other Security. To the extent that the Obligations are now or hereafter secured by property other than the Collateral or by the guarantee, endorsement or property of any other person, firm, corporation or other entity, then the Secured Party shall have the right, in its sole discretion, to pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any of the Secured Party's rights and remedies hereunder.

17. Miscellaneous.

(a) No course of dealing between the Company and the Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder or under the Debenture shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Secured Party with respect to the Collateral, whether established hereby or by the Debenture or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and is intended to supersede all prior negotiations, understandings and agreements with respect thereto. Except as specifically set forth in this Agreement, no provision of this Agreement may be modified or amended except by a written agreement specifically referring to this Agreement and signed by the parties hereto.

(d) In the event that any provision of this Agreement is held to be invalid, prohibited or unenforceable in any jurisdiction for any reason, unless such provision is narrowed by judicial construction, this Agreement shall, as to such jurisdiction, be construed as if such invalid, prohibited or unenforceable provision had been more narrowly drawn so as not to be invalid, prohibited or unenforceable. If, notwithstanding the foregoing, any provision of this Agreement is held to be invalid, prohibited or unenforceable in any jurisdiction, such provision, as to such jurisdiction, shall be ineffective to the extent of such invalidity, prohibition or unenforceability without invalidating the remaining portion of such provision or the other provisions of this Agreement and without affecting the validity or enforceability of such provision or the other provisions of this Agreement in any other jurisdiction.

(e) No waiver of any breach or default or any right under this Agreement shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default or right, whether of the same or similar nature or otherwise.

(f) No failure or delay by the Secured Party in exercising any right, remedy, power or privilege hereunder or under this Agreement or the Debenture shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder, or any abandonment or discontinuance of steps to enforce such a right, remedy, power or privilege, preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of the Secured Party hereunder and under the Debenture are cumulative and are not exclusive of any other rights, remedies, powers and privileges that the Secured Party would otherwise have.

(g) This Agreement shall be binding upon and inure to the benefit of each party hereto and its successors and assigns.

(h) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(i) All questions concerning the construction, validity and interpretation of this Agreement and any and all disputes or controversies arising out of the subject matter hereof (whether by contract, tort or otherwise) shall be governed by and construed in accordance with the domestic laws of the State of Illinois, without giving effect to any choice of law or conflict of law provision (whether of the State of Illinois or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Illinois.

(j) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION 17(J).

(k) THE PARTIES AGREE THAT JURISDICTION AND VENUE IN ANY ACTION BROUGHT BY ANY PARTY PURSUANT TO THIS AGREEMENT SHALL PROPERLY (BUT NOT EXCLUSIVELY) LIE IN ANY FEDERAL OR STATE COURT LOCATED IN COOK COUNTY, ILLINOIS. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY WITH RESPECT TO SUCH ACTION. THE PARTIES IRREVOCABLY AGREE THAT VENUE WOULD BE PROPER IN SUCH COURT, AND HEREBY WAIVE ANY OBJECTION THAT SUCH COURT IS AN IMPROPER OR INCONVENIENT FORUM FOR THE RESOLUTION OF SUCH ACTION. THE PARTIES FURTHER AGREE THAT THE MAILING BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF ANY PROCESS REQUIRED BY ANY SUCH COURT SHALL CONSTITUTE VALID AND LAWFUL SERVICE OF PROCESS AGAINST THEM, WITHOUT NECESSITY FOR SERVICE BY ANY OTHER MEANS PROVIDED BY STATUTE OR RULE OF COURT.

(l) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile or electronic transmission (including "PDF"), such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the parties hereto have caused this to be duly executed on the day and year first above written.

**COMPANY**

**AMP TRUCKS INC.**

By: \_\_\_\_\_ /s/ Stephen Burns

Name: Stephen Burns

Title Chief Executive Officer

**SECURED PARTY**

**WORKHORSE CUSTOM CHASSIS, LLC**

By: \_\_\_\_\_ /s/ Jim Moran

Name: Jim Moran

Title : VP and Treasurer

*Signature Page to the Security Agreement*



Schedule A

Location of Collateral

940 South State Route 32, Union City, Indiana 47390

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Schedule B

UCC -1 Financing

Filing	Filing Office
UCC-1 Financing Statement	Secretary of State, State of Indiana

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Schedule C

None

(Space above for recorder's use only)

This instrument was prepared by and after recording should be mailed to: Roberto S. Miceli Kirkland & Ellis LLP 300 N. LaSalle Street Chicago, IL 60654

**MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING**

**AMP TRUCKS INC.,  
an Indiana corporation  
as Mortgagor**

**TO**

**WORKHORSE CUSTOM CHASSIS, LLC,  
an Illinois limited liability company,  
as Mortgagee**

Dated as of March 13, 2013

LOCATION OF PREMISES

940 South State Road 32  
Union City, Indiana 47390

**Mortgagor's Employee Identification No:** \_\_\_\_\_  
**Mortgagor's Organizational Identification No:** \_\_\_\_\_

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THIS INSTRUMENT IS A FINANCING STATEMENT FILED AS A FIXTURE FILING PURSUANT TO 1C 26-1-9.1-501 OF THE INDIANA CODE AND IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS UNDER THE NAMES OF MORTGAGOR, AS DEBTOR, AND MORTGAGEE, AS SECURED PARTY.

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**MORTGAGE, SECURITY AGREEMENT,  
ASSIGNMENT OF RENTS AND FIXTURE FILING**

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING (this "Mortgage") is made and effective as of the 13th day of March, 2013, by and between AMP TRUCKS INC., an Indiana corporation, having an address at 100 Commerce Boulevard, Loveland, Ohio 45140 (hereinafter the "Mortgagor"), and WORKHORSE CUSTOM CHASSIS, LLC, an Illinois limited liability company, having an office at c/o Navistar, Inc., 2701 Navistar Drive, Lisle, IL 60532, as payee under the Promissory Note (as hereinafter defined) (hereinafter, the "Mortgagee"). As used herein, the term "Promissory Note" shall mean that certain Secured Debenture dated as of March 13, 2013, made by Mortgagor as maker in favor of Mortgagee as payee. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Promissory Note.

**W I T N E S S E T H:**

That for and in consideration of the sum of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00) and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the Secured Obligations (hereinafter defined) and other obligations of Mortgagor hereinafter set forth, Mortgagor hereby irrevocably mortgages and warrants perfect title and against all previous encumbrances to Mortgagee, its heirs, successors, successors-in-title and assigns, all of the following described interests in land, estates, easements, rights, improvements, personal property, fixtures, equipment, furniture, furnishings, appliances and appurtenances (hereinafter collectively referred to as the "Premises"):

A. All of the right, title and interest of the Mortgagor in and to all that tract or parcel of land in the County of Randolph, State of Indiana, described on Exhibit A, attached hereto and incorporated herein by reference, such tract or parcel of land being hereinafter called the "Land";

B. The buildings, structures and improvements now or hereafter located on the Land (the "Improvements"), all of which are declared to be a part of the real estate encumbered hereby and shall not be removed from the Land without the prior written consent of Mortgagee, and all interest of Mortgagor in and to the streets and roads abutting the Land to the center lines thereof, the strips and gores within or adjoining the Land, the air space and right to use said air space above the Land, all rights of ingress and egress by pedestrians and motor vehicles to parking facilities on or within the Land, and all easements now or hereafter affecting the Land, royalties and all rights appertaining to the use and enjoyment of the Land, including, without limitation, alley, drainage, sewer, mineral, water, oil and gas rights, rights-of-way, vaults, ways, passages, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way belonging, relating or appertaining to the Land or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto and the reversion and reversions, remainder and remainders thereof;

C. All fixtures and articles of personal property and all appurtenances and additions thereto and substitutions or replacements thereof, now or hereafter attached to, contained in, used or intended to be incorporated in or used in connection with the Premises or placed on any part thereof, though not attached thereto, including, but not limited to, all building materials, screens, awnings, shades, blinds, curtains, draperies, carpets, rugs, furniture and furnishings, heating, lighting, plumbing, ventilating, air conditioning, refrigerating, incinerating and elevator plants, stoves, ovens (microwave, convection and others), refrigerators, freezers, ranges, vacuum cleaning systems, call systems, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery, pipes, appliances, equipment, fittings, fixtures and articles of personal property all of which are hereby declared and shall be deemed to be fixtures and accessions to the freehold or leasehold, as the case may be, and a part of the Premises as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the Secured Obligations secured by this Mortgage, and all trade names, trademarks, tradestyles, service marks, copyrights, service contracts, computers and computer software, telephone equipment and systems, warranties, guarantees, business and building licenses and permits, architects and engineers plans, blueprints and drawings relating to the Premises (all of the items described in this paragraph C, the "Personal Property");

D. All leases, lettings and licenses of the Premises or any part thereof now or hereafter entered into by the Mortgagor as landlord (the "Leases"), and the rents, receipts, issues, profits, accounts receivable and revenues of the Premises from time to time accruing under the Leases (including without limitation all rental payments, tenant security deposits and escrow funds) including, without limitation, the right to receive and collect the rents, issues and profits payable thereunder (the "Rents");

E. All extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the foregoing, hereafter acquired by, or released to, Mortgagor, or constructed, assembled or placed thereon, and all conversions of the security constituted thereby, which immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further conveyance, assignment or other act by Mortgagor, shall become subject to the lien of this Mortgage as fully and completely, and with the same effect, as though now owned by Mortgagor and specifically described herein;

F. All unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by Mortgagor in respect of any of the foregoing and all proceeds of the conversion, voluntary or involuntary, of the foregoing or any part thereof into cash or liquidated claims, including, without limitation, proceeds of claims under hazard and title insurance policies and all awards and compensation heretofore and hereafter made to the present and all subsequent owners of the foregoing by any governmental or other lawful authorities for the taking by eminent domain, condemnation or otherwise, of all or any part of the Premises or any easement therein, including awards for any change of grade of streets; and

G. All products and proceeds of any of the foregoing including all such proceeds acquired with cash proceeds in whatever form, whether real or personal property and, if personalty, whether such property shall constitute "goods," "accounts," "inventory," "equipment," "instruments," "chattel paper," "documents" or "general intangibles," all as defined under Article 9 of the Uniform Commercial Code in effect in the State of Indiana.

**TO HAVE AND TO HOLD** the Premises, together with all of the rights, privileges and appurtenances thereunto belonging, and every part thereof unto Mortgagee, its successors and assigns, forever.

**AND** Mortgagor covenants that Mortgagor is lawfully seized and possessed of a good and marketable title and has good right to convey the same, that the same are unencumbered (except to the extent permitted under the Promissory Note), and that Mortgagor does warrant and will forever defend the title thereto against the claims of all persons whomsoever.

**PROVIDED, HOWEVER**, that if the Mortgagor shall pay or cause to be paid and shall perform the Secured Obligations in full, and no other Secured Obligations shall then be outstanding, and the Mortgagor shall perform all covenants contained herein in a timely manner, then this Mortgage and the estate created hereby shall cease, determine, and be utterly null and void; otherwise this Mortgage and said estate shall be and remain in full force and effect and if an Event of Default occurs, Mortgagee is authorized to foreclose and sell the Premises under power of sale or by judicial proceeding according to applicable law and as provided herein.

**THIS INSTRUMENT IS A MORTGAGE** pursuant to the laws of the State of Indiana governing mortgages, and is also a security agreement granting a present and continuing security interest and security title in the portion of the Premises constituting personal property or fixtures, and a financing statement filed as a fixture filing, pursuant to the Uniform Commercial Code of the State of Indiana.

**THIS MORTGAGE** is made and intended to secure payment and performance of the following (collectively, the "Secured Obligations"): (i) all obligations, whether for principal, interest (including without limitation interest which but for the filing of a petition in bankruptcy would accrue on the obligations), fees and other amounts, and whether such obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter reincur under the Promissory Note; (ii) any and all renewal or renewals, extension or extensions, modification or modifications of the Promissory Note, and substitution or substitutions for the Promissory Note, either in whole or in part; (iii) all advances, if any, made by Mortgagee pursuant to the terms of this Mortgage; (iv) all expenses incident to the collection of the indebtedness secured by this Mortgage; and (v) all duties and obligations of Mortgagor under this Mortgage or the "Promissory Note and Security Agreement" (as defined in the Asset Purchase Agreement, dated as of March 4, 2013, by and between Mortgagor and Mortgagee).

Mortgagor hereby further covenants and agrees with Mortgagee as follows:

## ARTICLE I

**Section 1.1 Junior Encumbrances.** Without the prior written consent of Mortgagee, Mortgagor shall not create or permit to exist any liens or encumbrances on the Premises, except as permitted under the Promissory Note.

**Section 1.2 Performance of Secured Obligations by Mortgagor.**

( a ) Payment Obligations. Mortgagor shall pay, when due and payable: (i) the Secured Obligations in accordance with the terms and conditions of the instruments evidencing the same; (ii) all taxes, all assessments, general or special regulatory fees, and all other charges levied or imposed upon or assessed or placed or made against the Premises, this Mortgage, the Promissory Note or the Secured Obligations or any interest of Mortgagee or its affiliates in the Premises, this Mortgage, the Promissory Note or the Secured Obligations; (iii) premiums on policies of fire and casualty insurance covering the Premises required by this Mortgage or now or hereafter required by Mortgagee; (iv) premiums on all other insurance policies required by this Mortgage or now or hereafter required by Mortgagee in connection with the Premises or the Secured Obligations or any part of either; and (v) all ground rents, lease rentals and other payments respecting the Premises payable by Mortgagor. Mortgagor shall promptly deliver to Mortgagee, upon request by Mortgagee, receipts showing payment in full of all of the foregoing items, other than the Secured Obligations.

(b) Performance Obligations. Mortgagor shall fully and timely perform all other Secured Obligations.

**Section 1.3 Mortgagee's Acts on Behalf of Mortgagor.** In the event Mortgagor shall either fail or refuse to pay or cause to be paid, as the same shall become due and payable, any item (including all items specified in Section 1.2 hereof) which Mortgagor is required to pay hereunder or which Mortgagor may pay to cure a default under this Mortgage, or in the event Mortgagor shall either fail or refuse to do or perform any act which Mortgagor is obligated to do or perform under this Mortgage or which Mortgagor may do or perform to cure a default under this Mortgage, or in the event Mortgagee shall be required, or shall find it necessary or desirable in Mortgagee's discretion, to defend, enforce or protect any of the rights and benefits accruing to Mortgagee under any provision of this Mortgage (including, without limitation, Mortgagee's interest in the Premises, insurance and condemnation proceeds and the Rents), then Mortgagee, at Mortgagee's option, may make such payment or do or perform such act on behalf of Mortgagor, or proceed in any manner to defend, enforce or protect any such rights and benefits. All such payments made by Mortgagee and all costs and expenses incurred by Mortgagee in doing or performing all such acts shall be and shall become part of the Secured Obligations and shall bear interest at the default rate as set forth in the Promissory Note from the date paid or incurred by Mortgagee, and the interest thereon shall also be part of the Secured Obligations.

**Section 1.4 Further Assurances.** Mortgagor shall at any time, and from time to time, upon request by Mortgagee, make, execute and deliver, or cause to be made, executed and delivered, any and all other and further instruments, documents, certificates, agreements, letters, representations and other writings as may be reasonably necessary or desirable, in the opinion of Mortgagee, in order to effectuate, complete, correct, perfect or continue and preserve the lien, security interest and security title of Mortgagee under this Mortgage. Mortgagor shall, upon request by Mortgagee, certify in writing to Mortgagee, or to any proposed assignee of this Mortgage, the amount of principal and interest then owing on the Secured Obligations and whether or not any setoffs or defenses exist against all or any part of the Secured Obligations.



**Section 1.5 Rents and Leases.** Cumulative of all rights and remedies herein provided for, Mortgagor hereby absolutely and presently assigns to Mortgagee all existing and future Rents; provided, however, that so long as no Event of Default exists under this Mortgage, Mortgagor may collect Rents and retain or apply such Rents in accordance with the Promissory Note. Mortgagor shall fully and faithfully perform all of the duties and obligations of the lessor, landlord or owner of the Premises under the Leases and observe, satisfy and comply with all of the terms, covenants, conditions, agreements, requirements, restrictions and provisions of the Leases, and do all acts otherwise necessary to maintain and preserve the Rents and prevent any diminishment or impairment of the value of the Leases or the Rents or the interest of Mortgagor or Mortgagee therein or thereunder. Without the prior written consent of Mortgagee, Mortgagor shall not further assign the Rents or the Leases, shall not terminate, alter, modify, or amend in any respect, or accept the surrender of, any of the Leases, and shall not collect Rents for more than one (1) month in advance; provided, however, that so long as no Event of Default exists under this Mortgage, Mortgagor may alter, modify amend or terminate any of the Leases in the ordinary course of business, but only if and to the extent that such modification, amendment, alteration or termination is consistent with the requirements of the Promissory Note. Mortgagor shall procure and deliver to Mortgagee upon request, but not more often than quarterly, estoppel letters or certificates from each lessee, tenant, occupant in possession and other user of the Premises or any part thereof, as required by and in form and substance satisfactory to Mortgagee, and shall deliver to Mortgagee a recordable assignment of all of Mortgagor's interest in all Leases, which assignment shall be in form and substance satisfactory to Mortgagee, together with proof of due service of a copy of such assignment on each lessee, tenant, occupant in possession or other user of the Premises or any part thereof. Notwithstanding anything to the contrary in this Agreement, Mortgagor shall not enter into any Leases without the consent of the Required Mortgagee, in their reasonable discretion.

**Section 1.6 Maintenance and Repair.** Mortgagor shall maintain the Premises in good condition and repair, shall not commit or suffer any actual or threatened waste to the Premises, and shall comply with, or cause to be complied with, all statutes, ordinances, rules, regulations, and directives of any governmental authority relating to the Premises or any part thereof or the use or occupancy of the Premises or any part thereof. No part of the Premises, including but not limited to any of the Improvements, shall be removed, demolished or materially altered without the prior written consent of the Required Mortgagee. If at any time during the continuance of the Secured Obligations any addition, alteration, change, repair, reconstruction or other work on the Premises, of any nature, structural or otherwise, becomes necessary or desirable because of damage to or destruction of the Premises or any part thereof or any change of law, the entire expense thereof, regardless of when the same shall be incurred or become due, shall be the sole obligation and responsibility of Mortgagor, and Mortgagor shall pay the entire expense thereof promptly when due. Mortgagor shall not initiate, join in, consent to or acquiesce in any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the use which may be made of the Premises or any part thereof.

**Section 1.7 Insurance.** Mortgagor shall keep the Premises insured against loss or damage by fire and such other casualties and risks as reasonably approved by Mortgagor. In the event of a foreclosure and sale by Mortgagee of the Premises, the purchaser of the Premises shall succeed to all rights of Mortgagor in and to such policies, including the right to the refund of unearned premiums and to dividends thereunder, and Mortgagee may, at Mortgagee's election, assign and deliver the policies to such purchaser without any warranty or representation, express or implied, and without recourse. In the event of damage to or destruction of the Premises or any part thereof, the terms of the Promissory Note shall govern the disposition of insurance proceeds and reconstruction of damaged improvements.

**Section 1.8 Condemnation.** Notwithstanding any injury or damage to, or loss of, the Premises or any part thereof as a result of the exercise of the right of eminent domain, Mortgagor shall continue to pay the Secured Obligations. All sums paid or payable to Mortgagor by reason of any injury or damage to, or loss of, the Premises or any part thereof as a result of the exercise of the right of eminent domain shall be delivered to Mortgagee, and Mortgagee, at Mortgagee's option and at Mortgagee's sole discretion, may either (i) apply the sum or any part thereof to payment of the Secured Obligations, in such order as Mortgagee may determine, or (ii) require Mortgagor to repair, replace or reconstruct the Premises or any part thereof and disburse such sums to Mortgagor to be applied against the costs and expenses thereof as incurred or paid by Mortgagor, pursuant to a disbursement procedure, and under such other terms and conditions, as shall be acceptable to Mortgagee. Notwithstanding anything to the contrary in this Section 1.8, Mortgagor may be entitled to use certain proceeds from a condemnation event to the extent set forth in the Promissory Note.

**Section 1.9 Inspection.** Upon reasonable prior notice (unless an Event of Default then exists), but not more frequently than twice a year (unless an Event of Default then exists) Mortgagor shall permit any person designated by any Mortgagee to visit and inspect the Premises, to examine the books of account and other records of Mortgagor with respect to the Premises, and to discuss the affairs, finances and accounts of Mortgagor with and to be advised as to the same by Mortgagor or a knowledgeable and duly authorized representative of Mortgagor, all at such reasonable times and intervals as any Mortgagee may desire subject to the provisions of the Promissory Note.

**Section 1.10 Restriction on Transfer.** Without the prior written consent of Mortgagee thereto (which consent may be granted or withheld at Mortgagee's sole and absolute discretion) and the recordation of such consent in the public deed records of the County in which the Premises or any part thereof is located, prior to the cancellation, satisfaction and release by Mortgagee of this Mortgage, neither Mortgagor nor any party comprising Mortgagor shall grant, bargain, sell, convey, transfer, assign or exchange (i) all or any portion of the Premises, or (ii) the interest of Mortgagor or such other party in the Premises. The foregoing proscription shall apply to any such sale, conveyance, transfer, assignment or exchange, whether made with or without consideration, and whether arising voluntarily or involuntarily, by reason of merger, consolidation or reorganization, by operation of law, or otherwise.

**Section 1.11 Subrogation.** Mortgagee shall be subrogated to all right, title, equity, liens and claims of all persons to whom Mortgagee has paid or pays money in settlement of claims, liens, encumbrances or charges or in the acquisition of any right or title for Mortgagee's benefit under this Mortgage or for the benefit and account of Mortgagor.

**Section 1.12 Flood Insurance.** Mortgagor represents and certifies to Mortgagee that, to the best of the knowledge of Mortgagor, no part of the Premises lies within a "special flood hazard area" as defined and specified by the Federal Emergency Management Agency pursuant to the Flood Disaster Protection Act of 1973. In the event Mortgagee determines that any portion of the Land upon which any Improvements are located is in fact within such a "special flood hazard area", then Mortgagor, upon receiving written notice from Mortgagee of such determination: (i) shall promptly purchase and pay the premiums for such flood insurance policies as Mortgagee requires; and (ii) shall deliver such policies to Mortgagee together with evidence satisfactory to Mortgagee that the premiums therefor have been paid. Such policies of flood insurance shall be in a form satisfactory to Mortgagee, shall name Mortgagee as an insured thereunder, shall provide that losses thereunder be payable to Mortgagee pursuant to such forms of loss payable clause as Mortgagee may approve, shall be for an amount at least equal to the Secured Obligations or the maximum limit of coverage made available with respect to the Premises under the National Flood Insurance Act of 1968, as amended, whichever is less, and shall be noncancellable as to Mortgagee except upon thirty (30) days prior written notice given by the insurer to Mortgagee. Within fifteen (15) days prior to the expiration date of each such flood insurance policy, Mortgagor shall deliver to Mortgagee a renewal policy or endorsement together with evidence satisfactory to Mortgagee that the premium therefor has been paid.

**Section 1.13 Escrow Deposit.** In order to further secure the payment of the taxes, special assessments and insurance premiums payable with respect to the Premises, upon request therefor by Mortgagee following the occurrence of and during the continuation of an Event of Default, Mortgagor shall deposit with Mortgagee, on the due date of each monthly installment due in respect of the Secured Obligations (or, in the event the Secured Obligations shall not then be paid in monthly installments, on the first (1st) day of each calendar month), a sum which, in the estimation of Mortgagee, shall be equal to one-twelfth (1/12) of the amount of annual taxes, special assessments and casualty insurance premiums payable with respect to the Premises. The deposit shall be held by Mortgagee, free of interest, and free of any liens or claims on the part of creditors of Mortgagor and as part of the security of Mortgagee, and shall be used by Mortgagee to pay current taxes, special assessments and casualty insurance premiums on the Premises as the same accrue and are payable. The deposit shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Mortgagee. If such deposits are insufficient to pay such taxes, special assessments and casualty insurance premiums in full as the same become payable, Mortgagor shall deposit with Mortgagee such additional sum or sums as may be required in order for Mortgagee to pay such taxes, special assessments and casualty insurance premiums in full. Upon any default hereunder, Mortgagee, at Mortgagee's option, may apply said deposit, or any part thereof, to the payment of the Secured Obligations in such order as Mortgagee may determine. Upon the payment in full of the Secured Obligations and the cancellation and satisfaction of record of this Mortgage, Mortgagee shall refund to Mortgagor any such sums then on deposit with Mortgagee. The term "taxes" as used in this Section shall include real property ad valorem taxes, sanitary taxes, personal property ad valorem taxes and any other tax which may be or become a lien against the Premises.

**Section 1.14 Rules, Regulations.** Mortgagor hereby represents, warrants and covenants: (i) that Mortgagor shall comply with all laws, ordinances, rules, regulations, covenants, conditions, and restrictions affecting the Premises and shall not commit or permit any act upon or concerning the Premises in violation of any such laws, ordinances, rules, regulations, and except as set forth in the title commitment for the Premises or as otherwise disclosed to Mortgagee in writing, covenants, conditions, and restrictions; and (ii) that, to the best of Mortgagor's actual knowledge, the location, construction, occupancy, operation and actual or intended use of the Premises do not violate any applicable law, ordinance, rule, regulation, covenant, condition or restriction affecting the Premises. Mortgagor agrees to indemnify and hold Mortgagee and each Mortgagee harmless from and against, and shall reimburse Mortgagee for, any and all claims, demands, causes of action, losses, damages, liabilities, costs and expenses (including, without limitation, reasonable attorney's fees and court costs) arising out of or in connection with the breach of any representation or warranty of Mortgagor set forth in this Section 1.14 and the failure of Mortgagor to perform any obligation herein required to be performed by Mortgagor.

**Section 1.15 Hazardous Materials.** (a) Mortgagor hereby represents and warrants and covenants to and for the benefit of Mortgagee that the Premises have not been and will not be used or operated in any manner that violated or will result in a violation of any environmental law or resulted or will result in a Hazardous Materials Contamination of the Premises or any portion thereof. The term "Hazardous Materials Contamination" shall mean and refer to the contamination of the Premises or any portion thereof, or the soil, surface water, ground water, air, or other elements on, or of, the Premises or any portion thereof, or the buildings, facilities, soil, surface water, ground water, air, or other elements on, or of, any other property, as a result of Hazardous Materials at any time emanating from, migrating onto, or stored, used, treated, manufactured or disposed of on, the Premises or any portion thereof other than use and storage of customary office and medical supplies typical in Mortgagor's industry, which use and storage shall be in accordance with all applicable environmental laws.

(b) Mortgagor shall notify Mortgagee promptly of any written notice or order which Mortgagor receives from any Governmental Authority with respect to Mortgagor's potential liability for the release or threat of release of any Hazardous Materials, or compliance with any environmental law or Laws, and shall promptly take any and all actions necessary to bring the Premises and its operations at the Premises into compliance with all environmental laws, and shall fully comply with the requirements of all environmental laws which at any time are applicable to the Premises and its operations at the Premises.

(c) In addition to and without limiting the generality of any other provisions of this Mortgage, Mortgagor shall and hereby does indemnify and hold Mortgagee and each Mortgagee and each of their respective officers, directors, employees, shareholders, partners, representatives and agents harmless from and against any and all losses, damages, expenses, fees, claims, demands, causes of action, judgments, costs, and liabilities, including, but not limited to, reasonable attorney's fees and costs of litigation, and costs and expenses of response, remedial and corrective work and other clean up activities, arising out of or in any manner connected with (i) the "release" or "threatened release" (as those terms are defined in CERCLA and the rules and regulations promulgated thereunder, as from time to time amended) of any Hazardous Materials by Mortgagor or Mortgagor's employees, agents, delegees, invitees, licensees, concessionaires, contractors or representatives; (ii) an occurrence of Hazardous Materials Contamination on or about the Premises; (iii) any failure by Mortgagor to comply with any environmental law or environmental permit applicable to the Premises or any use thereof; or (iv) the filing of a lien against the Premises or any part thereof in favor of any governmental entity under any environmental law.

(d) The indemnification provisions contained in sub-Section (c) hereinabove shall survive any payment or satisfaction of the Secured Obligations and any acquisition of the Premises by Mortgagee pursuant to the power of sale contained in this Mortgage, by judicial foreclosure, by conveyance in lieu of foreclosure or otherwise, and such provisions shall remain in full force and effect as long as the possibility exists that Mortgagee or any Mortgagee may suffer or incur any such losses, damages, expenses, fees, claims, demands, causes of action, judgments, costs and liabilities.

**Section 1.16 Public Accommodation Laws.** Mortgagor hereby represents and warrants that to the best of Mortgagor's actual knowledge, the Premises currently comply in all material respects with requirements of the Americans With Disabilities Act of 1990, 42 U.S.C. §12101 et seq., and the regulations promulgated thereunder, and all other federal, state or local laws, ordinances, governmental rules and regulations regarding public accommodations (collectively "Public Accommodation Laws"), and Mortgagor covenants and agrees that the Premises shall at all times remain in full compliance with all Public Accommodation Laws now or hereafter in effect.

**Section 1.17 Security Agreement.**

(a) Except to the extent personal property is utilized at the Premises by Mortgagor under lease from another Person, with respect to the machinery, apparatus, equipment, fittings, fixtures, building supplies and materials, articles of personal property, chattels, chattel paper, documents, inventory, accounts, consumer goods and general intangibles referred to or described in this Mortgage, or in any way connected with the use and enjoyment of the Premises, this Mortgage is hereby made and declared to be a security agreement granting to Mortgagee a present and continuing security interest in each and every item of such property included herein to secure the Secured Obligations, in compliance with the provisions of the Revised Uniform Commercial Code as enacted in the State of Indiana. Mortgagor hereby authorizes Mortgagee, at any time and from time to time, to file a Uniform Commercial Code financing statement or statements reciting this Mortgage to be a security agreement affecting all of such property to perfect such security interest. The remedies for any violation of the covenants, terms and conditions of the security agreement contained in this Mortgage shall be (i) as prescribed herein, or (ii) as prescribed by general law, or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified in said Uniform Commercial Code, all at Mortgagee's sole election. Mortgagor and Mortgagee agree that the filing of such financing statement or statements in the records normally having to do with personal property shall not in any way affect the agreement of Mortgagor and Mortgagee that Mortgagor's right, title and interest in and to everything used in connection with the production of income from the Premises or adapted for use therein (except for removable personal property) or which is described or reflected in this Mortgage, is, and at all times and for all purposes and in all proceedings, legal or equitable, shall be regarded as part of the real estate conveyed hereby regardless of whether (a) any such item is physically attached to the improvements, (b) serial numbers are used for the better identification of certain items capable of being thus identified in an exhibit to this Mortgage, or (c) any such item is referred to or reflected in any such financing statement or statements so filed at any time. Similarly, the mention in any such financing statement or statements of the rights in and to (aa) the proceeds of any fire and/or hazard insurance policy, or (bb) any award in eminent domain proceedings for a taking or for loss of value, or (cc) Mortgagor's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Premises, whether pursuant to lease or otherwise, shall not in any way alter any of the rights of Mortgagee as determined by this Mortgage or affect the priority of Mortgagee's security interest granted hereby or by any other recorded document, it being understood and agreed that such mention in such financing statement or statements is solely for the protection of Mortgagee in the event any court shall at any time hold with respect to the foregoing clauses (aa), (bb) or (cc) of this sentence, that notice of Mortgagee's priority of interest to be effective against a particular class of persons, must be filed in the Uniform Commercial Code records.

(b) Mortgagor warrants that (i) Mortgagor's (that is "Debtor's") name, identity or corporate structure and residence or principal place of business are as set forth in Section 1.17(c) hereof; and (ii) Mortgagor (that is "Debtor") is and has been using or operating under said name, identity or corporate structure without change; except as otherwise disclosed in writing to Mortgagee as of the date hereof. Mortgagor covenants and agrees that Mortgagor will furnish Mortgagee with notice of any change in the matters addressed by clauses (i) or (ii) of this Section 1.17(b) within thirty (30) days of the effective date of any such change and Mortgagor will promptly execute any financing statements or other instruments deemed necessary by Mortgagee to prevent any filed financing statement from becoming misleading or losing its perfected status.

(c) Mortgagor represents and warrants to Mortgagee that: (i) Mortgagor has the full power, authority and legal right to pledge and convey all of the collateral described in Section 1.17(a) (the "UCC Collateral"); (ii) that Mortgagor is the legal and beneficial owner of the UCC Collateral; (iii) that the UCC Collateral is free and clear of any lien except for (1) the lien and security interest created by this Mortgage, and (2) liens permitted by the Promissory Note; (iv) Mortgagor is and at all times will be the sole beneficial owner of the UCC Collateral; and (v) Mortgagor is a corporation, incorporated in the State of Indiana, under the name AMP Trucks Inc., with its principal place of business at 100 Commerce Drive, Loveland, Ohio 45140.

**Section 1.18 Expenses.** Mortgagor will pay or reimburse Mortgagee, upon demand therefor, for all reasonable attorney's fees, costs and expenses incurred by Mortgagee and each Mortgagee in any suit, action, legal proceeding or dispute of any kind in which Mortgagee is made a party or appears as party plaintiff or defendant, affecting the Secured Obligations, this Mortgage or the interest created herein, or the Premises, including, but not limited to, the exercise of the power of sale contained in this Mortgage, any condemnation action involving the Premises or any action to protect the security hereof; and any such amounts paid by Mortgagee shall be added to the Secured Obligations and shall be secured by this Mortgage.

## ARTICLE II

**Section 2.1 Defaults.** The terms "Event of Default" or "Events of Default", wherever used in this Mortgage, shall mean any one or more of the following events:

- (a) The occurrence of any Event of Default, as defined in the Promissory Note; or
- (b) The failure by Mortgagor to comply with any of the terms, conditions, covenants and agreements contained in this Mortgage (after giving effect to any applicable grace or cure periods stated herein or in the Promissory Note); or
- (c) Notwithstanding anything to the contrary contained herein, in the event that any lien or other encumbrance is filed against the Premises or against the Mortgagor which according to law is superior to the lien or encumbrance created by this Mortgage (except for a lien for real property taxes which are not yet due and payable), or if any claim of priority to this Mortgage by title, lien or otherwise is asserted in any legal or equitable proceeding, and Mortgagor does not provide Mortgagee, within ninety (90) days of Mortgagor's actual notice of such lien or claim, with reasonably satisfactory assurance from the insurance company providing title insurance to Mortgagee for the Premises that Mortgagee has title insurance coverage over such superior lien or claim, or Mortgagor does not remove, satisfy or bond such lien or claim within ninety (90) days of Mortgagor's actual notice thereof, Mortgagee may at its option declare an Event of Default hereunder without any further grace or cure periods in favor of Mortgagor.

Mortgagor agrees that nothing contained in this Section 2.1 shall be construed to require Mortgagee to delay in exercising any remedy other than beyond any applicable grace or curative period. Any periods of grace, cure or notice provided for the benefit of Mortgagor in this Mortgage and in the Promissory Note shall run concurrently and not consecutively. Except as specifically set forth in this Article II, Mortgagor shall not be entitled to receive any notice of or time to cure an Event of Default under the provisions of this Mortgage.

**Section 2.2 Acceleration of Maturity.** If an Event of Default shall have occurred then the entire Secured Obligations shall, at the option of Mortgagee, immediately become due and payable without notice, except as specifically provided herein or in the Promissory Note, time being of the essence of this Mortgage; and no omission on the part of Mortgagee to exercise such option when entitled to do so shall be construed as a waiver of such right.

**Section 2.3 Right to Enter and Take Possession.**

(a) If an Event of Default shall have occurred and be continuing, Mortgagor, upon demand of Mortgagee, shall forthwith surrender to Mortgagee the actual possession of the Premises and if, and to the extent, permitted by law, Mortgagee itself, or by such officers or agents as it may appoint, may enter and take possession of all the Premises without the appointment of a receiver, or an application therefor, and may exclude Mortgagor and its agents and employees wholly therefrom, and may have joint access with Mortgagor to the books, papers and accounts of Mortgagor relating to the Premises.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Premises or any part thereof after any such lawful demand by Mortgagee, Mortgagee may obtain a judgment or decree conferring upon Mortgagee the right to immediate possession or requiring Mortgagor to deliver immediate possession of the Premises to Mortgagee, and Mortgagor hereby specifically covenants and agrees that Mortgagor will not oppose, contest or otherwise hinder or delay Mortgagee in any action or proceeding by Mortgagee to obtain such judgment or decree. Mortgagor will pay to Mortgagee, upon demand, all expenses of obtaining such judgment or decree, including reasonable compensation to Mortgagee's attorneys and agents as shall have been incurred; and all such expenses and compensation shall, until paid, become part of the Secured Obligations and shall be secured by this Mortgage.

(c) Upon every such entering upon or taking of possession, Mortgagee may hold, store, use, operate, manage and control and maintain the Premises and conduct the business thereof, and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property; (ii) insure or keep the Premises insured; (iii) manage and operate the Premises and exercise all the rights and power of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Mortgagee, all as Mortgagee from time to time may determine to be in its best interest. Mortgagee may collect and receive all the income, rents, issues, profits and revenues from the Premises, including those past due as well as those accruing thereafter, and Mortgagee may apply any money and proceeds received by Mortgagee, in whatever order or priority Mortgagee in its sole discretion may determine, to the payment of (i) all expenses of taking, holding, managing and operating the Premises (including reasonable compensation for the services of all persons employed for such purposes); (ii) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (iii) the cost of such insurance; (iv) such taxes, assessments and other similar charges as Mortgagee may at its option pay; (v) other proper charges upon the Premises or any part thereof; (vi) the reasonable compensation, expenses and disbursements of the attorneys and agents of Mortgagee; (vii) accrued interest; (viii) deposits required in Section 1.13 and other sums required to be paid under this Mortgage; and (ix) overdue installments of principal. Anything in this Section 2.3 to the contrary notwithstanding, Mortgagee shall not be obligated to discharge or perform the duties of a landlord to any tenant or incur any liability as the result of any exercise by Mortgagee of its rights under this Mortgage, nor shall Mortgagee be responsible or liable for any waste committed on the Premises by any tenant or other person or for any dangerous or defective condition of the Premises, or for any negligence in the management, upkeep, repair or control of the Premises resulting in any loss, injury or death to any tenant, licensee, employee, or stranger, and Mortgagee shall be liable to account only for the rents, incomes, issues, profits and revenues actually received by Mortgagee.

(d) For the purpose of carrying out the provisions of this Section 2.3, the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney-in-fact of the Mortgagor to do and perform, from time to time, any and all actions necessary and incidental to such purpose and does, by these presents, ratify and confirm any and all actions of said attorney-in-fact.

(e) In the event that all such interest, deposits and principal payments and other sums due under any of the terms, covenants, conditions and agreements of this Mortgage shall be paid and all Events of Defaults shall be cured, and as a result thereof Mortgagee surrenders possession of the Premises to Mortgagor, the same right of taking possession shall continue to exist if any subsequent Event of Default shall occur.

**Section 2.4 Performance by Mortgagee.** If Mortgagor shall default in the payment, performance or observance of any term, covenant or condition of this Mortgage and after the expiration of any applicable notice and cure period, if any, Mortgagee may, at its option, pay, perform or observe the same, and all payments made or costs or expenses incurred by Mortgagee in connection therewith shall be secured hereby and shall be, upon demand, immediately repaid by Mortgagor to Mortgagee with interest thereon at the rate set forth in the Promissory Note. Mortgagee shall be the sole judge of the necessity for any such actions and of the amounts to be paid. Mortgagee is hereby empowered to enter and to authorize others to enter upon the Premises or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor.

**Section 2.5 Receiver.** If an Event of Default shall have occurred and be continuing, Mortgagee, upon application to a court of competent jurisdiction, and to the extent permitted by law, shall be entitled as a matter of strict right without regard to the adequacy or value of any security for the indebtedness secured hereby or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Premises and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall have all the rights and powers permitted under the laws of the State of Indiana. Mortgagor will pay to Mortgagee upon demand all expenses, including receiver's fees, attorney's fees, costs and agent's compensation, incurred pursuant to the provisions of this Section 2.5; and any such amounts paid by Mortgagee shall be added to the Secured Obligations and shall be secured by this Mortgage.



**Section 2.6** **Enforcement.** If an Event of Default shall have occurred and be continuing, Mortgagee, at its option, may:

- (a) Bring a court action at law or in equity (1) to foreclose this Mortgage, (2) to sue the Mortgagor for damages on account of said default, (3) for specific performance of any provision herein, or (4) to enforce the provisions or any of the Secured Obligations or obligations secured by this Mortgage, any or all, concurrently or otherwise, and one action or suit shall not abate or be a bar to or waiver of Mortgagee's right to institute or maintain the other, provided that Mortgagee shall have only one payment and satisfaction of the Secured Obligations;
- (b) Exercise any other right or remedy available under law or in equity;
- (c) If an Event of Default exists, the Mortgagee, at its option, shall have the right, power and authority, without taking possession, in the Mortgagee's own name, to demand, collect, receive, sue for, attach and levy all of the Rents, profits, issues and revenues from the Premises, to give proper receipts, releases and acquittances therefor, and to apply the proceeds thereof as set forth in Section 2.9 hereof.

**Section 2.7** **UCC Remedies.** In addition to the foregoing powers, Mortgagee shall have and may exercise with respect to any or all of the Personal Property, all rights, remedies and powers of a secured party under the Indiana Revised Uniform Commercial Code (and other applicable similar statutes) including without limitation, the right and power to sell at public or private sale or sales or otherwise dispose of, lease or utilize the Personal Property and any part or parts thereof in any manner, to the fullest extent authorized or permitted under the Indiana Revised Uniform Commercial Code, without regard to preservation of the Premises or its value and without the necessity of a court order. Mortgagee shall have, among other rights, the right to take possession of the Premises and to enter upon any premises where the same may be situated for the purpose of repossessing the same without being guilty of trespass and without liability for damages occasioned thereby and the right to take any action deemed appropriate or desirable by Mortgagee, at its option and in its sole discretion, to repair, restore or otherwise prepare the Personal Property for sale or lease or other use or disposition. To the extent permitted by law, Mortgagor expressly waives any rights and remedies of Mortgagee with respect to, and the formalities described by law relative to, the sale or disposition of the Personal Property, or to the exercise of any other right or remedy of Mortgagee existing after the occurrence of an Event of Default. Mortgagor agrees that in the event notice is given to Mortgagor in accordance with the provisions hereof at least seven (7) days before the time of the sale or other disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for the giving of notice. Mortgagor hereby grants Mortgagee the right, at its option after the occurrence of an Event of Default, to transfer at any time to itself or its nominee the Personal Property or any part thereof and to receive the moneys, income, proceeds and benefits attributable to the same and to hold the same as part of the Personal Property or to apply it on, or as a reserve against, the Secured Obligations in such order and manner as Mortgagee may elect.

**Section 2.8 Waiver of Rights.** Mortgagor waives all rights to direct the order or manner in which any of the Premises will be sold in the event of any sale under this Mortgage, and also any right to have any of the Premises marshalled upon any sale. Mortgagee may in its discretion sell all the personal and real property together or in parts, in one or more sales, and in any sequence Mortgagee selects.

**Section 2.9 Application of Proceeds of Sale.** Subject to the terms of the Promissory Note, in the event of a foreclosure or a sale of all or any portion of the Premises under the power herein granted, the proceeds of said foreclosure or sale shall be applied:

First, to the payment of the costs and expenses of such foreclosure or sale, or other realization, including reasonable compensation to Mortgagee and its agents and counsel, and all expenses, liabilities and advances made or incurred by Mortgagee in connection therewith;

Second, to the payment of the Secured Obligations in such order as Mortgagee shall determine; and

Third, only after indefeasible payment in full of all Secured Obligations, to Mortgagor, or its respective successors or permitted assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, of any surplus then remaining from such proceeds.

**Section 2.10 Mortgagor as Tenant Holding Over.** In the event of any such foreclosure sale or sales under the power herein granted, if Mortgagor or any person in possession of the Premises under Mortgagor fails to surrender possession of the Premises to Mortgagee within ten (10) days after written demand for possession, Mortgagor shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over.

**Section 2.11 Waiver of Appraisal, Valuation, Etc.** Mortgagor agrees to the full extent permitted by law, that in case of an Event of Default on the part of Mortgagor hereunder and after expiration of any applicable cure period, if any, neither Mortgagor nor anyone claiming through or under Mortgagor shall or will set up, claim or seek to take advantage of any moratorium, forbearance, appraisal, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the Premises, or the delivery of possession thereof immediately after such sale to the purchaser at such sale, and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets subject to the security interest of this Mortgage marshalled upon any foreclosure or sale under the power herein granted.

**Section 2.12 Waiver of Homestead.** Mortgagor hereby waives and renounces all homestead and exemption rights provided for by the Constitution and the laws of the United States and of any state, in and to the Premises as against the collection of the Secured Obligations, or any part thereof.

**Section 2.13 Mortgagee's Option to Foreclose.** At the option of the Mortgagee, this Mortgage may be foreclosed as provided by law or in equity, in which event Mortgagee's reasonable attorney's fees shall, among other costs and expenses, be allowed and paid out of the proceeds of the sale. In the event Mortgagee exercises its option to foreclose the Mortgage in equity, Mortgagee may, at its option, foreclose this Mortgage subject to the rights of any tenants of the Premises, and the failure to make any such tenants parties to any such foreclosure proceeding and to foreclose their rights will not be, nor be asserted to be by the Mortgagor, a defense to any proceedings instituted by the Mortgagee to collect the sums secured hereby, or any deficiency remaining unpaid after the foreclosure sale of the Premises.

**Section 2.14 Discontinuance of Proceedings.** In case Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceeding shall have been withdrawn, discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then and in every such case (i) Mortgagor and Mortgagee shall be restored to their former positions and rights, (ii) all rights, powers and remedies of Mortgagee shall continue as if no such proceeding had been taken, (iii) each and every Event of Default declared or occurring prior or subsequent to such withdrawal, discontinuance or abandonment and not cured shall be a continuing Event of Default, and (iv) none of this Mortgage, the Promissory Note, the Secured Obligations, or any other instrument concerned therewith, shall be or shall be deemed to have been reinstated or otherwise affected by such withdrawal, discontinuance or abandonment; and Mortgagor hereby expressly waives the benefit of any statute or rule of law now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the above.

**Section 2.15 Remedies Cumulative.** No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage or by the Promissory Note is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**Section 2.16 Waiver.**

(a) No delay or omission of Mortgagee or its assigns under the Promissory Note or this Mortgage to exercise any right, power or remedy accruing upon any breach or Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such breach or Event of Default, or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time and as often as may be deemed expedient by Mortgagee. No consent or waiver, expressed or implied, by Mortgagee to or of any breach or default by Mortgagor in the performance of the obligations thereof hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of the same or any other obligations of Mortgagor hereunder. Failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Mortgagee of its rights hereunder or impair any rights, powers or remedies of Mortgagee hereunder, except as expressly provided in the Promissory Note or in any instrument or instruments executed by Mortgagee. Acceptance by Mortgagee or by any holder of the Promissory Note of any sum or payment from or on behalf of Mortgagor that is less than the then currently outstanding amount due under the Promissory Note, including, but not limited to, late charges, default interest, additional interest charges, accrued interest, escrow delinquencies, or payments on principal, or any combination thereof, shall not be construed to be a waiver of any of Mortgagee's or such holder's rights, powers or remedies under the Promissory Note to collect or to enforce payment of any such delinquent amount which remains due and owing after application of such lesser amount to the then current balance as provided in the Promissory Note.

(b) No act or omission by Mortgagee shall release, discharge, modify, change or affect the original liability under this Mortgage, the Promissory Note or any other obligation of Mortgagor or any subsequent purchaser of the Premises or any part thereof, or any maker, co-signer, endorser, surety or guarantor, or preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in the event of any Event of Default then made or of any subsequent Event of Default, or alter the security title, security interest or lien of this Mortgage except as expressly provided in an instrument or instruments executed by Mortgagee. Without limiting the generality of the foregoing, Mortgagee may (i) grant forbearance or an extension of time for the payment of all or any portion of the Secured Obligations; (ii) take other or additional security for the payment of the Secured Obligations; (iii) waive or fail to exercise any right granted herein or in the Promissory Note; (iv) release any part of the Premises from the security interest or lien of this Mortgage or otherwise agree with Mortgagor to change any of the terms, covenants, conditions or agreements of this Mortgage or the Promissory Note; (v) consent to the filing of any map, plat or replat affecting the Premises; (vi) consent to the granting by Mortgagor of any easement or other right affecting the Premises; (vii) make or consent to any agreement subordinating the security title, security interest or lien hereof; or (viii) take or omit to take any action whatsoever with respect to this Mortgage, the Promissory Note, the Premises or any document or instrument evidencing, securing or in any way relating to the Secured Obligations; all without releasing, discharging, modifying, changing or affecting any such liability, or precluding Mortgagee from exercising any such right, power or privilege or affecting the security title, security interest or lien of this Mortgage except as expressly provided in the Promissory Note or in any instrument or instruments executed by Mortgagee. In the event of the sale or transfer by operation of law or otherwise of all or any part of the Premises, Mortgagee, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Premises or the Secured Obligations, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing and/or discharging any liabilities, obligations or undertakings.

**Section 2.17 Suits to Protect the Premises.** Mortgagee shall have power to institute and maintain such suits and proceedings as it may deem expedient, in its commercially reasonable judgment, (i) to prevent any impairment of the Premises by any acts which may be unlawful or constitute an Event of Default under this Mortgage, (ii) to preserve or protect its interest in the Premises and in the income, rents, issues, profits and revenues arising therefrom, and (iii) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interest of Mortgagee.

**Section 2.18 Proofs of Claim.** In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, its creditors, its property, or any endorser or guarantor of the Promissory Note, Mortgagee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Mortgagee allowed in such proceedings for the entire amount of the Secured Obligations at the date of the institution of such proceedings and for any additional amount which may become due and payable by Mortgagor hereunder after such date.

**SECTION 2.19 WAIVER OF MORTGAGOR'S RIGHTS.** BY EXECUTION OF THIS MORTGAGE MORTGAGOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT OF MORTGAGEE TO ACCELERATE THE SECURED OBLIGATIONS EVIDENCED BY THE PROMISSORY NOTE AND ANY OTHER INDEBTEDNESS; (B) WAIVES ANY AND ALL RIGHTS WHICH MORTGAGOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES (INCLUDING, WITHOUT LIMITATION, THE FIFTH AND FOURTEENTH AMENDMENTS THEREOF), THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE LAW, (1) TO NOTICE AND TO JUDICIAL HEARING PRIOR TO THE EXERCISE BY MORTGAGEE OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO MORTGAGEE, EXCEPT SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE GIVEN UNDER THE PROVISIONS OF THIS MORTGAGE OR BY APPLICABLE LAW, AND (2) CONCERNING THE APPLICATION, RIGHTS OR BENEFITS OF ANY MORATORIUM, REINSTATEMENT, MARSHALLING, FORBEARANCE, APPRAISEMENT, VALUATION, STAY, EXTENSION, HOMESTEAD, EXEMPTION OR REDEMPTION LAWS; (C) ACKNOWLEDGES THAT MORTGAGOR HAS READ THIS MORTGAGE AND ANY AND ALL QUESTIONS REGARDING THE LEGAL EFFECT OF THIS MORTGAGE AND ITS PROVISIONS HAVE BEEN EXPLAINED FULLY TO MORTGAGOR AND MORTGAGOR HAS CONSULTED WITH COUNSEL OF MORTGAGOR'S CHOICE PRIOR TO EXECUTING THIS MORTGAGE; AND (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF MORTGAGOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY MORTGAGOR AS PART OF A BARGAINED FOR LOAN TRANSACTION AND THAT THIS MORTGAGE IS VALID AND ENFORCEABLE BY MORTGAGEE AGAINST MORTGAGOR IN ACCORDANCE WITH ALL THE TERMS AND CONDITIONS HEREOF.

## ARTICLE III

**Section 3.1** Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon Mortgagor and Mortgagee and their respective heirs, executors, legal representatives, successors, successors-in-title and permitted assigns. Whenever a reference is made in this Mortgage to Mortgagor or Mortgagee such reference shall be deemed to include a reference to the heirs, executors, legal representatives, partners, successors, successors-in-title and permitted assigns of Mortgagor and Mortgagee, as the case may be.

**Section 3.2** Terminology. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage, and all references herein to articles, sections, subsections, paragraphs or subparagraphs thereof, shall refer to the corresponding articles, sections, subsections, paragraphs or subparagraphs of this Mortgage unless specific reference is made to articles, sections, subsections, paragraphs or subparagraphs of another document or instrument.

**Section 3.3** Severability. If any term, provision, covenant or restriction of this Mortgage is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, (i) the remainder of the terms, provisions, covenants and restrictions of this Mortgage shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and (ii) to the fullest extent possible, the provisions of this Mortgage (including, without limitation, all portions of any section of this Mortgage containing such provision held to be invalid, illegal or unenforceable that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

**Section 3.4** Maximum Lawful Rate. No provision herein or in any instrument, agreement or document referred to herein shall require or permit the collection of interest in excess of the maximum lawful rate which Mortgagor may stipulate and agree to pay as determined by a court of competent jurisdiction. If it is so determined that any excess interest is provided for, then this Section 3.4 shall govern and such excess shall be applied first to any other amounts not constituting interest due or which may become due under this Mortgage or any instrument, agreement or document referred to herein (including the Promissory Note) and the balance, if any, shall be held by, and Mortgagor hereby pledges such balance to, Mortgagee for the benefit of Mortgagee as security for the full and faithful performance by Mortgagor of its obligations to Mortgagee under this Mortgage, every instrument, agreement or document referred to herein and any other agreements between Mortgagor and Mortgagee; provided, however, that in no event shall Mortgagor be obligated to pay, and Mortgagee hereby waives payment of, the amount of interest to the extent it is in excess of the amount permitted by applicable law.

**Section 3.5 Applicable Law.** Mortgagor acknowledges that this Mortgage shall be governed by, interpreted and enforced in accordance with the laws of the State of Indiana, without regard to the principles of choice of law of that state or of any other jurisdiction.

**Section 3.6 Notices, Demands and Requests.** Any and all notices, elections or demands permitted or required to be made under this Mortgage shall be in writing, signed by or on behalf of the party giving such notice, election or demand, and shall be delivered personally, or sent by overnight commercial courier or by registered or certified United States mail, postage prepaid, return receipt requested, or by telecopier or other facsimile transmission, to the other party addressed as set forth below, or to such other party and at such other address within the continental United States of America as may have theretofore been designated in writing. The date of personal delivery or receipt of telecopied or other facsimile transmission, or one (1) day after deposit with an overnight commercial courier, if sent by overnight commercial courier, or, if mailed, the date which is five (5) days after postmark, shall be the effective date of such notice, election or demand. Rejection or other refusal to accept or inability to deliver because of a changed address of which no notice has been received by Mortgagee shall constitute receipt of the notice, election or demand sent. For the purposes of this Mortgage:

If to Mortgagor: AMP Trucks Inc.  
100 Commerce Boulevard  
Loveland, Ohio 45140  
Attention: Stephen Burns, CEO  
Telephone: 513-297-3640  
Facsimile: 888-666-2903

With a Copy to: Fleming PLLC  
49 Front Street, Suite 206  
Rockville Centre, New York 11570  
Attention: Stephen M. Fleming, Esq.  
Telephone: 516-833-5034  
Facsimile: 516-977-1209

If to the Mortgagee: Workhorse Custom Chassis, LLC  
c/o Navistar, Inc.  
2701 Navistar Drive  
Lisle, IL 60532  
Attention: General Counsel  
Facsimile: 331-332-2261

With a Copy to: Kirkland & Ellis, LLP  
300 N. LaSalle St.  
Chicago, IL 60654  
Attention: Keith S. Crow, P.C.  
Kevin L. Morris  
Facsimile: 312-862-2200

**Section 3.7 Assignment.** This Mortgage is assignable by Mortgagee, and any assignment hereof by Mortgagee shall operate to vest in the assignee all rights and powers herein conferred upon and granted to Mortgagee. This Mortgage may not be assigned by Mortgagor without the prior, written consent of Mortgagee. It is specifically acknowledged that any successor or assign of Mortgagee assuming the role of administrative agent under the Promissory Note shall be entitled to the rights and benefits of this Mortgage as Mortgagee.

**Section 3.8 Time of the Essence.** Time is of the essence with respect to each and every covenant, agreement and obligation of Mortgagor under this Mortgage, the Promissory Note and any and all other instruments now or hereafter evidencing, securing or otherwise relating to the Secured Obligations.

**Section 3.9 Authorized Releases.** In the event Mortgagor proposes to sell any portion of the Premises and such sale is permitted pursuant to the conditions of the Promissory Note, the Mortgage agrees, at the expense of the Mortgagor, to execute and deliver to the Mortgagee, prior to or contemporaneously with Mortgagor's receipt of the proceeds from such sale, such UCC-3 termination statements and other collateral property releases necessary to release the applicable Premises from the lien and security interest of the Mortgagee.

#### ARTICLE IV

**Section 4.1 Scope of Article.** The provisions contained in this Article IV are additional covenants, terms and provisions applicable to Mortgagor and Mortgagee.

**Section 4.2 Notices to Mortgagee.** Mortgagor further covenants and agrees with Mortgagee that the Mortgagor will furnish Mortgagee with notice of (i) any change in ownership of the Premises, and (ii) any change in the Mortgagor's jurisdiction of organization or its name or identity, including tradenames. Any such notice shall be delivered to Mortgagee no less than thirty (30) days prior to the effective date of any such change. Further, Mortgagor will promptly execute any and all additional financing statements, security agreements or other instruments deemed necessary by Mortgagee in order to prevent any filed financing statement filed in connection herewith from becoming seriously misleading or losing its perfected status.

**Section 4.3 Waiver.** Mortgagor hereby represents and warrants to Mortgagee that it has no defense, set-off, or counterclaim of any kind or nature whatsoever against Mortgagee with respect to the Promissory Note, or any action previously taken or not taken by Mortgagee with respect thereto or with respect to any security interest, encumbrance, lien, or collateral in connection therewith to secure the Secured Obligations.

**Section 4.4 Promissory Note.** To the extent of any conflict between the terms and provisions of this Mortgage and the Promissory Note, the Promissory Note terms and provisions shall govern and control.

**Section 4.5 Waiver of Appraisal, Valuation, etc.** Mortgagor agrees, to the full extent permitted by law, that in case of an Event of Default on the part of Mortgagor hereunder, neither Mortgagor nor anyone claiming by, through or under Mortgagor will set up, claim or seek to take advantage of any moratorium, reinstatement, forbearance, appraisal, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the Premises, or the delivery of possession thereof immediately after such sale to the purchaser at such sale, and Mortgagor, for Mortgagor and all who may at any time claim through or under Mortgagor, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets subject to the security interest of this Mortgage marshalled upon any foreclosure or sale under the power herein granted.

**Section 4.6 Severability Clause.** If any provision of this Mortgage shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 4.7 Construction of Mortgage.** This Mortgage is and may be construed as a mortgage, deed of trust, chattel mortgage, conveyance, assignment, assignment of rents, security agreement, pledge, financing statement, fixture filing, hypothecation or contract, or any one or more of them, in order fully to effectuate the liens created hereby and the purposes and agreements herein set forth.

**Section 4.8 Future Advances.** This Mortgage is given to secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee or the Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed the maximum principal amount of Five Million Dollars (\$5,000,000.00), plus interest thereon, together with any disbursements made for the payment of taxes, levies or insurance on the Premises, with interest thereon as provided herein, and all other amounts chargeable to Mortgagor hereunder (including without limitation attorney's fees and other costs of collection or enforcement of this Mortgage).

**Section 4.9 Termination; Modification.** This Mortgage may be terminated or modified only by an instrument in writing signed by the Mortgagee and Mortgagor.

*SIGNATURE PAGE FOLLOWS*



**IN WITNESS WHEREOF**, Mortgagor has caused this Mortgage to be executed in its name and attested by its duly authorized Manager, on the day and year first above written.

**MORTGAGOR:**

**AMP TRUCKS INC., an  
Indiana corporation**

By: /s/ Stephen Burns

Name: Stephen Burns

Title: CEO

*Signature Page of Mortgage*

STATE \_\_\_\_\_ )  
OF \_\_\_\_\_ ) SS.:  
COUNTY \_\_\_\_\_ )  
OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of March, 2013, by \_\_\_\_\_, the \_\_\_\_\_ of **AMP TRUCKS INC.**, an Indiana corporation, on behalf of the company.

\_\_\_\_\_  
Name:  
Notary Public

County of \_\_\_\_\_  
My commission  
expires: \_\_\_\_\_  
Acting in the  
County of \_\_\_\_\_

THIS INSTRUMENT PREPARED BY:

Kirkland & Ellis LLP

300 N. LaSalle Street

Chicago, Illinois 60654

Attn: Roberto S. Miceli, Esq.

312-862-2000

I, THE UNDERSIGNED, AFFIRM, UNDER THE PENALTIES OF PERJURY, THAT I HAVE TAKEN REASONABLE CARE TO REDACT EACH SOCIAL SECURITY NUMBER IN THIS DOCUMENT, UNLESS REQUIRED BY LAW.

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Kirkland & Ellis LLP

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**EXHIBIT A**

Legal Description

The parcel of real property situated in the Northeast Quarter and the Northwest Quarter of Fractional Section 35, Township 18 North, Range 1 West, Wayne Township, Randolph County, Indiana, more particularly described as follows:

Commencing at an iron rod found at the southwest corner of said Northeast Quarter, in Indiana State Highway No. 32;

thence North 89°40'45" West 679.66 feet along the south line of said Northeast Quarter, to an iron rod found at the POINT OF BEGINNING for said parcel;

thence North 89°40'45" West 1970.08 feet continuing along the south line of said Northeast Quarter, to an iron rod found at the southwest corner of said Northeast Quarter;

thence North 00°20'45" West 234.15 feet along the east line of said Northwest Quarter, to a wood post found;

thence North 89°38'45" West 425.03 feet, entering into the Northwest Quarter of said Section 35, to an iron rod set (all iron rods set with plastic cap stamped 7955);

thence North 00°20'45" West 805.60 feet parallel with the east line of said Northwest Quarter, to an iron rod set;

thence South 89°40'45" East 1115.03 feet parallel with the south line of said Northeast Quarter, and re-entering into said Northeast Quarter, to an iron rod set;

thence South 00°00'00" East 263.00 feet parallel with the west line of said Northeast Quarter, to an iron rod set;

thence South 89°40'45" East 114.58 feet parallel with the south line of said Northeast Quarter, to an iron rod set

thence South 00°20'45" East 103.76 feet parallel with the west line of said Northeast Quarter, to an iron rod set;

thence South 89°40'45" East 1850.80 feet parallel with the south line of said Northeast Quarter, to a mag nail set on the east line of said Northeast Quarter, in Indiana State Highway No. 32;

thence South 00°00'00" East 154.05 feet along said east line, in said road, to a mag nail set;

thence North 89°40'45" West 679.66 feet parallel with the south line of said Northeast Quarter, to an iron rod set;

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thence South 00°00'00" East 519.14 feet parallel with the east line of said Northeast Quarter, to the point of beginning, containing 46.815 acres, more or less, being 38.954 acres, more or less, in the Northeast Quarter, and 7.861 acres, more or less, in the Northwest Quarter, as shown on Drawing No. D-554, dated 28th July 2005, being subject to all legal easements of record.

SUBJECT TO: A 40.00 wide feet Ingress & Egress Easement, lying 20.00 feet on either side of the following described centerline:

Situated in the Northeast Quarter, Section 35, Township 18 North, Range 1 West, Wayne Township, Randolph County, Indiana, being more particularly described as follows;

Commencing at an iron rod found at the southeast corner of said Quarter;

thence North 00°00'00" West 653.19 feet, to a mag nail set at the POINT OF BEGINNING for the centerline of the easement herein described;

thence North 00°00'00" West 1850.68 feet along the centerline of said easement, to an iron rod set, being the end of the easement herein described.

This is to certify that the above description and the attached plat were prepared this 28th day of July 2005, from a recent survey, and are true and correct to the best of my knowledge and belief.

**SUBSCRIPTION AGREEMENT**

**AMP HOLDING INC.**

AMP Holding Inc. (the "Company") has authorized for sale an aggregate of 16,250,000 shares of common stock, \$0.001 par value common stock, together with common stock purchase warrants to acquire an aggregate of 8,125,000 shares of common stock at \$0.40 per share for a period of three years, a form which is attached hereto as Exhibit A (the "Warrants"). The undersigned hereby subscribes for the Shares (as defined on the signature page attached hereto) and the Warrants.

The undersigned agrees to pay the Subscription Price for the Shares and the Warrants (hereinafter, the "Securities") being purchased hereunder. The entire purchase price is due and payable upon the submission of this Subscription Agreement and shall be payable by wire transfer or check. The Company has the right to reject this subscription in whole or in part.

The undersigned acknowledges that the Securities being purchased hereunder will not be registered under the Securities Act of 1933 (the "Act"), or the securities laws of any state (the "State Acts"), in reliance upon an exemption from the registration requirements of the Act and the State Acts; that absent an exemption from registration contained in the Act and the State Acts, the Securities, would require registration; and that the Company's reliance upon such exemptions is based, in material part, upon the undersigned's representations, warranties, and agreements contained in this Subscription Agreement (the "Subscription Documents").

1. The undersigned represents, warrants, and agrees as follows:

a. The undersigned agrees that this Subscription Agreement is and shall be irrevocable.

b. The undersigned has carefully read the Form 10-K Annual Report for the year ended December 31, 2011 filed with the Securities and Exchange Commission (the "SEC") on March 4, 2012 (the "10K"), the Form 10-Q Quarterly Report for the quarter ended September 30, 2012 filed with the SEC on November 15, 2012 (the "10Q") and the Form 8-K Current Reports filed with the SEC on January 11, 2013 and February 5, 2013 (the "8Ks" and together with the 10K and the 10Q, the "Reports"), which are attached hereto as Exhibit B, as well as all other filings made by the Company with the SEC, and the related risk factors (the "Risk Factors"), which are contained in the Reports as well as additional Risk Factors attached hereto as Exhibit C. The undersigned has been given the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of this Offering, the Reports and the Risk Factors and to obtain such additional information, to the extent the Company possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of same as the undersigned reasonably desires in order to evaluate the investment. The undersigned understands the Reports and the associated Risk Factors, and the undersigned has had the opportunity to discuss any questions regarding any of the disclosure in the Reports and the associated Risk Factors with his counsel or other advisor. Notwithstanding the foregoing, the only information upon which the undersigned has relied is that set forth in the Reports and the associated Risk Factors. The undersigned has received no representations or warranties from the Company, its employees, agents or attorneys, in making this investment decision other than as set forth in the Reports and the associated Risk Factors. The undersigned does not desire to receive any further information.

**AMP Holding Inc.**

c. The undersigned is aware that the purchase of the Securities is a speculative investment involving a high degree of risk, that there is no guarantee that the undersigned will realize any gain from this investment, and that the undersigned could lose the total amount of this investment. The undersigned acknowledges that the proceeds will be utilized for working capital.

d. The undersigned understands that no federal or state agency has made any finding or determination regarding the fairness of the Securities for investment, or any recommendation or endorsement of the Securities.

e. The undersigned is purchasing the Securities for the undersigned's own account, with the intention of holding the Securities with no present intention of dividing or allowing others to participate in this investment or of reselling or otherwise participating, directly or indirectly, in a distribution of the Securities, and shall not make any sale, transfer, or pledge thereof without registration under the Act and any applicable securities laws of any state or unless an exemption from registration is available under those laws. Unless such resale is registered with the SEC, the undersigned understands that it will be required to resell such Securities under Rule 144 as adopted under the Securities Act of 1933, as amended ("Rule 144").

f. The undersigned represents that as an individual, he has adequate means of providing for his or her current needs and personal and family contingencies and has no need for liquidity in this investment in the Securities. The undersigned has no reason to anticipate any material change in his or her personal financial condition for the foreseeable future.

g. The undersigned is financially able to bear the economic risk of this investment, including the ability to hold the Securities indefinitely, or to afford a complete loss of his investment in the Securities.

h. The undersigned represents that the undersigned's overall commitment to investments which are not readily marketable is not disproportionate to the undersigned's net worth, and the undersigned's investment in the Securities will not cause such overall commitment to become excessive. The undersigned understands that the statutory basis on which the Securities are being sold to the undersigned and others would not be available if the undersigned's present intention were to hold the Securities for a fixed period or until the occurrence of a certain event. The undersigned realizes that in the view of the SEC, a purchase now with a present intent to resell by reason of a foreseeable specific contingency or any anticipated change in the market value, or in the condition of the Company, or that of the industry in which the business of the Company is engaged or in connection with a contemplated liquidation, or settlement of any loan obtained by the undersigned for the acquisition of the Securities, and for which such Securities may be pledged as security or as donations to religious or charitable institutions for the purpose of securing a deduction on an income tax return, would, in fact, represent a purchase with an intent inconsistent with the undersigned's representations to the Company, and the Commission would then regard such sale as a sale for which the exemption from registration is not available. The undersigned will not pledge, transfer or assign this Subscription Agreement.

i. The undersigned represents that the funds provided for this investment are either separate property of the undersigned, community property over which the undersigned has the right of control, or are otherwise funds as to which the undersigned has the sole right of management. The undersigned is purchasing the Securities with the funds of the undersigned and not with the funds of any other person, firm, or entity and is acquiring the Securities for the undersigned's account. No person other than the undersigned has any beneficial interest in the Securities being purchased hereunder.

**AMP Holding Inc.**

j. The address shown under the undersigned's signature at the end of this Subscription Agreement is the undersigned's principal residence if he or she is an individual, or its principal business address if it is a corporation or other entity.

l. The undersigned has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Securities.

m. The undersigned acknowledges that the certificates for the Securities and the shares of common stock issuable upon exercise of the Warrants which the undersigned will receive will contain a legend substantially as follows:

THE SECURITIES WHICH ARE REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, TRANSFERRED, MADE SUBJECT TO A SECURITY INTEREST, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNLESS AND UNTIL REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT"), AS AMENDED, OR EVIDENCE SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER SUCH ACT.

The undersigned further acknowledges that a stop transfer order will be placed upon the certificates for the securities in accordance with the Act. The undersigned further acknowledges that the Company is under no obligation to aid the undersigned in obtaining any exemption from registration requirements.

n. The undersigned represents that he is an "accredited investor" as that term is defined under the Act.

o. The undersigned represents that he is not a broker, a broker dealer or an affiliate of a broker dealer.

2. The undersigned expressly acknowledges and agrees that the Company is relying upon the undersigned's representations contained in the Subscription Documents.

3. The Company has been duly and validly incorporated and is validly existing and in good standing as a corporation under the laws of the State of Nevada. The Company represents that it has all requisite power and authority, and all necessary authorizations, approvals and orders required as of the date hereof to enter into this Subscription Agreement and to be bound by the provisions and conditions hereof.

**AMP Holding Inc.**



4. Except as otherwise specifically provided for hereunder, no party shall be deemed to have waived any of his or its rights hereunder or under any other agreement, instrument or papers signed by any of them with respect to the subject matter hereof unless such waiver is in writing and signed by the party waiving said right. Except as otherwise specifically provided for hereunder, no delay or omission by any party in exercising any right with respect to the subject matter hereof shall operate as a waiver of such right or of any such other right. A waiver on any one occasion with respect to the subject matter hereof shall not be construed as a bar to, or waiver of, any right or remedy on any future occasion. All rights and remedies with respect to the subject matter hereof, whether evidenced hereby or by any other agreement, instrument, or paper, will be cumulative, and may be exercised separately or concurrently.

5. The parties have not made any representations or warranties with respect to the subject matter hereof not set forth herein, and this Subscription Agreement, together with any instruments or documents executed simultaneously herewith in connection with this offering, constitutes the entire agreement between them with respect to the subject matter hereof. All understandings and agreements heretofore had between the parties with respect to the subject matter hereof are merged in this Subscription Agreement and any such instruments and documents, which alone fully and completely expresses their agreement.

6. This Subscription Agreement may not be changed, modified, extended, terminated or discharged orally, but only by an agreement in writing, which is signed by all of the parties to this Subscription Agreement.

7. The parties agree to execute any and all such other further instruments and documents, and to take any and all such further actions reasonably required to effectuate this Subscription Agreement and the intent and purposes hereof.

8. This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Ohio and the undersigned hereby consents to the jurisdiction of the courts of the State of Ohio and the United States District Courts situated therein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**AMP Holding Inc.**

**EXECUTION BY SUBSCRIBER**

**AMP Holding Inc.**

\$ \_\_\_\_\_ (“Subscription Price”)

Shares \_\_\_\_\_ (determined by dividing the above subscription price by \$0.20) (the “Shares”)

Warrants \_\_\_\_\_ (Multiply above Shares by 50%)

\_\_\_\_\_  
Exact Name in Which Title is to be Held

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name (and Title if signing for an Entity, like a Trust)

\_\_\_\_\_  
Address: Number and Street (where stock and documents are to be mailed)

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Social Security Number or Tax Identification Number (if an Entity, like a Trust)

\_\_\_\_\_  
Phone Number(s)

\_\_\_\_\_  
E-Mail

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2013 on behalf of AMP Holding Inc.

Date

By: /s/

\_\_\_\_\_  
Stephen S. Burns,  
Chief Executive Officer, and  
Director

**AMP Holding Inc.**

**EXHIBIT A – Warrant**

**AMP Holding Inc.**

**EXHIBIT B – SEC Reports**

AMP Holding Inc.

## **Exhibit C – Additional Risk Factors**

### **Risks Related to our Stockholders and Shares of Common Stock**

#### **Our stock price and trading volume may be volatile, which could result in substantial losses for our stockholders.**

The equity trading markets may experience periods of volatility, which could result in highly variable and unpredictable pricing of equity securities. The market price of our common stock could change in ways that may or may not be related to our business, our industry or our operating performance and financial condition. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. We have experienced significant volatility in the price of our stock over the past few years. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. In addition, the stock markets in general can experience considerable price and volume fluctuations.

#### **There are restrictions on the transferability of our Securities.**

Existing shareholders and investors that participate in this Offering cannot offer, sell, pledge or otherwise transfer the Shares unless subsequently registered pursuant to, or exempt from registration under, the Securities Act and any other applicable federal or state securities laws or regulations. If you are not an affiliate of our company, you may rely on the exemption from registration provided by Rule 144 of the Securities Act (“Rule 144”), subject to certain restrictions, starting six months after the closing of the financing.

Compliance with the criteria for securing exemptions under federal securities laws and the securities laws of the various states is extremely complex, especially in respect of those exemptions affording flexibility and the elimination of trading restrictions in respect of securities received in exempt transactions and subsequently disposed of without registration under the Securities Act or state securities laws. There can be no assurance that we will fulfill any reporting requirements in the future under the Exchange Act or disseminate to the public any current financial or other information concerning us, as is required by Rule 144 as part of the conditions of our availability.

#### **If we fail to remain current on our reporting requirements, we could be removed from the OTCBB and the OTCQB which would limit the ability of Broker-Dealers to sell our securities and the ability of stockholders to sell their securities in the secondary market.**

Companies trading on the Over-The-Counter Bulletin Board, such as us, must be reporting issuers under Section 12 of the Securities Exchange Act of 1934, as amended, and must be current in their reports under Section 13, in order to maintain price quotation privileges on the OTC Bulletin Board. If we fail to remain current on our reporting requirements, we could be removed from the OTC Bulletin Board. As a result, the market liquidity for our securities could be severely adversely affected by limiting the ability of broker-dealers to sell our securities and the ability of stockholders to sell their securities in the secondary market. In addition, we may be unable to get re-listed on the OTC Bulletin Board, which may have an adverse material effect on our Company.

**AMP Holding Inc.**

**Our Common Stock trades in a limited public market; accordingly, investors face possible volatility of share price.**

Our common stock is quoted on the OTCBB and the OTCQB, which provides significantly less liquidity than a securities exchange (such as the American or New York Stock Exchange) or an automated quotation system (such as the NASDAQ National Market or NASDAQ Capital Market). We cannot give assurance that we will be able to meet the listing standards of any stock exchange, such as the American Stock Exchange or the Nasdaq National Market, or that we will be able to maintain any such listing. Such exchanges require companies to meet certain initial listing criteria including certain minimum bid prices per share. We may not be able to achieve or maintain such minimum bid prices or may be required to effect a reverse stock split to achieve such minimum bid prices. Our common stock is currently quoted on the OTCBB and the OTCQB. Until our common stock is listed on an exchange, we expect that it will continue to be quoted on the OTCBB and the OTCQB. In this venue, however, an investor may find it difficult to obtain accurate quotations of our common stock and may experience a lack of buyers to purchase such stock or a lack of market makers to support the stock price. In addition, if we failed to meet the criteria set forth in SEC regulations, various requirements would be imposed by law on broker-dealers who sell our common stock to persons other than established customers and accredited investors. Consequently, such regulations may deter broker-dealers from recommending or selling our common stock, which may further affect its liquidity. This would make it more difficult for us to raise additional capital.

**We have never paid dividends on our Common Stock.**

We have never paid dividends on our Common Stock and do not presently intend to pay any dividends in the foreseeable future. We anticipate that any funds available for payment of dividends will be re-invested into the Company to further its business strategy.

**Authorization of Preferred Stock.**

Our Certificate of Incorporation authorizes the issuance of up to 75,000,000 shares of Preferred Stock with designations, rights and preferences determined from time to time by the Board of Directors. Accordingly, our Board of Directors is empowered, without stockholder approval, to issue Preferred Stock with dividend, liquidation, conversion, voting, or other rights which could adversely affect the voting power or other rights of the holders of the Common Stock. In the event of issuance, the Preferred Stock could be utilized, under certain circumstances, as a method of discouraging, delaying or preventing a change in control of the Company. Although we have no present intention to issue any shares of its authorized Preferred Stock, there can be no assurance that the Company will not do so in the future.

**A small number of existing shareholders own a significant amount of our Common Stock, which could limit your ability to influence the outcome of any shareholder vote.**

Our executive officers, directors and shareholders holding in excess of 5% of our issued and outstanding shares, beneficially own over 35% of our Common Stock, before giving effect to the Offering. Under our Articles of Incorporation and Nevada law, the vote of a majority of the shares outstanding is generally required to approve most shareholder action. As a result, these individuals will be able to significantly influence the outcome of shareholder votes for the foreseeable future, including votes concerning the election of directors, amendments to our Articles of Incorporation or proposed mergers or other significant corporate transactions.

**AMP Holding Inc.**

**If a public market for our common stock develops, trading will be limited under the SEC’s penny stock regulations, which will adversely affect the liquidity of our common stock.**

The Securities and Exchange Commission has adopted Rule 15c-9 which establishes the definition of a "penny stock," for the purposes relevant to us, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

- that a broker or dealer approve a person's account for transactions in penny stocks; and
- the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

- obtain financial information and investment experience objectives of the person; and
- make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks.

The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the Commission relating to the penny stock market, which, in highlight form:

- sets forth the basis on which the broker or dealer made the suitability determination; and
- that the broker or dealer received a signed, written agreement from the investor prior to the transaction.

**Risks Related to this Offering**

**The offering price for the Common Stock has been determined by the Company.**

The price at which the Common Stock is being offered has been arbitrarily determined by us. There is no relationship between the offering price and our assets, book value, net worth, or any other economic or recognized criteria of value.

**An investment in the Securities is speculative and there can be no assurance of any return on any such investment.**

An investment in the Securities is speculative and there is no assurance that investors will obtain any return on their investment. Investors will be subject to substantial risks involved in an investment in the Company, including the risk of losing their entire investment.

**The Offering will be offered by on a “Best Efforts” basis and we may not raise the capital needed to implement our business plan.**

We are offering the Securities on a “best efforts” basis. In a best efforts offering such as the one described herein, there is no assurance that we will sell the full amount of securities under this offering. Accordingly, we may close upon amounts less than full amount offered herein which may not provide us with sufficient funds to fully implement our business plan.

**Exhibit 4.5**

THE WARRANT REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES TO BE ISSUED UPON ITS EXERCISE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR APPLICABLE STATE SECURITIES LAWS (THE "STATE ACTS") AND SHALL NOT BE SOLD OR TRANSFERRED UNLESS SUCH SALE OR TRANSFER HAS BEEN REGISTERED UNDER THE SECURITIES ACT AND STATE ACTS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS IS AVAILABLE, THE AVAILABILITY OF WHICH MUST BE ESTABLISHED TO THE SATISFACTION OF THE COMPANY.

**COMMON STOCK PURCHASE WARRANT**

Warrant No. \_\_\_\_\_

Number of Shares: \_\_\_\_\_

**AMP HOLDING INC.  
COMMON STOCK, PAR VALUE \$.001 PER SHARE  
VOID AFTER 5:00 P.M. EASTERN STANDARD TIME  
[ ], 2016**

This Warrant is issued to \_\_\_\_\_ ("Holder") by AMP Holding Inc., a Nevada corporation (hereinafter with its successors called the "Company").

For value received and subject to the terms and conditions hereinafter set out, Holder is entitled to purchase from the Company at a purchase price per share of \$0.40, [ ] ([ ]) fully paid and non-assessable shares of common stock, par value \$.001 per share ("Common Shares") of the Company. Such purchase price per Common Share, adjusted from time to time as provided herein, is referred to as the "Purchase Price."

1. The Holder may exercise this Warrant, in whole or in part, upon surrender of this Warrant, with the exercise form annexed hereto duly executed, at the office of the Company, or such other office as the Company shall notify the Holder in writing, together with a certified or bank cashier's check payable to the order of the Company in the amount of the Purchase Price times the number of Common Shares being purchased.

2. The person or persons in whose name or names any certificate representing Common Shares is issued hereunder shall be deemed to have become the holder of record of the Common Shares represented thereby as of the close of business on the date on which this Warrant is exercised with respect to such shares, whether or not the transfer books of the Company shall be closed. Until such time as this Warrant is exercised or terminates, the Purchase Price payable and the number and character of securities issuable upon exercise of this Warrant are subject to adjustment as hereinafter provided.

3. Unless previously exercised, this Warrant shall expire at 5:00 p.m. Eastern Standard Time, on [ ], 2016, and shall be void thereafter.

4. The Company covenants that it will at all times reserve and keep available a number of its authorized Common Shares, free from all preemptive rights, which will be sufficient to permit the exercise of this Warrant. The Company further covenants that such shares as may be issued pursuant to the exercise of this Warrant will, upon issuance, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens, and charges.

5. If the Company subdivides its outstanding Common Shares, by split-up or otherwise, or combines its outstanding Common Shares, the Purchase Price then applicable to shares covered by this Warrant shall forthwith be proportionately decreased in the case of a subdivision, or proportionately increased in the case of a combination.

6. In no event shall any fractional Common Share of the Company be issued upon any exercise of this Warrant. If, upon exercise of this Warrant as an entirety, the Holder would, except as provided in this Section 8, be entitled to receive a fractional Common Share, then the Company shall issue the next higher number of full Common Shares, issuing a full share with respect to such fractional share. If this Warrant is exercised at one time for less than the maximum number of Common Shares purchasable upon the exercise hereof, the Company shall issue to the Holder a new warrant of like tenor and date representing the number of Common Shares equal to the difference between the number of shares purchasable upon full exercise of this Warrant and the number of shares that were purchased upon the exercise of this Warrant.



7. Whenever the Purchase Price is adjusted, as herein provided, the Company shall promptly deliver to the Holder a certificate setting forth the Purchase Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

8. The Company will maintain a register containing the names and addresses of the Holder and any assignees of this Warrant. Holder may change its address as shown on the warrant register by written notice to the Company requesting such change. Any notice or written communication required or permitted to be given to the Holder may be delivered by confirmed facsimile or telecopy or by a recognized overnight courier, addressed to Holder at the address shown on the warrant register.

9. This Warrant has not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws ("State Acts") or regulations in reliance upon exemptions under the Securities Act, and exemptions under the State Acts. Subject to compliance with the Securities Act and State Acts, this Warrant and all rights hereunder are transferable in whole or in part, at the office of the Company at which this Warrant is exercisable, upon surrender of this Warrant together with the assignment hereof properly endorsed.

10. In case this Warrant shall be mutilated, lost, stolen, or destroyed, the Company may issue a new warrant of like tenor and denomination and deliver the same (a) in exchange and substitution for and upon surrender and cancellation of any mutilated Warrant, or (b) in lieu of any Warrant lost, stolen, or destroyed, upon receipt of evidence satisfactory to the Company of the loss, theft or destruction of such Warrant (including a reasonably detailed affidavit with respect to the circumstances of any loss, theft, or destruction) and of indemnity with sufficient surety satisfactory to the Company.

11. Unless a current registration statement under the Securities Act, shall be in effect with respect to the securities to be issued upon exercise of this Warrant, the Holder, by accepting this Warrant, covenants and agrees that, at the time of exercise hereof, and at the time of any proposed transfer of securities acquired upon exercise hereof, the Company may require Holder to make such representations, and may place such legends on certificates representing the Common Shares issuable upon exercise of this Warrant, as may be reasonably required in the opinion of counsel to the Company to permit such Common Shares to be issued without such registration.

12. This Warrant does not entitle Holder to any of the rights of a stockholder of the Company.

13. Nothing expressed in this Agreement and nothing that may be implied from any of the provisions hereof is intended, or shall be construed, to confer upon, or give to, any person or corporation other than the parties to this Agreement any covenant, condition, stipulation, promise, or agreement contained herein, and all covenants, conditions, stipulations, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns.

14. The provisions and terms of this Warrant shall be construed in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, this Warrant has been duly executed by the Company as of DATE   , 2013

**AMP Holding Inc.**

By: /s/ \_\_\_\_\_  
Name  
Title

**FORM OF EXERCISE**

Date: \_\_\_\_\_

To: **AMP Holding Inc.**

The undersigned hereby subscribes for \_\_\_\_\_ shares of common stock of AMP Holding Inc. covered by this Warrant and hereby delivers \$\_\_\_\_\_ in full payment of the purchase price thereof. The certificate(s) for such shares should be issued in the name of the undersigned or as otherwise indicated below:

\_\_\_\_\_  
Signature:

\_\_\_\_\_  
Printed Name

Name for Registration, if different \_\_\_\_\_

Street Address \_\_\_\_\_

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Social Security Number

**ASSIGNMENT**

For Value Received, the undersigned hereby sells, assigns and transfers unto the assignee(s) set forth below the within Warrant certificate, together with all right, title and interest therein, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the said Warrant on the books of the within-named Company with respect to the number of Common Shares set forth below, with full power of substitution in the premises.

Name(s) of Assignee(s)	Social Security or other Identifying Number(s) of Assignee(s)	Address	No. of Shares
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Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature

**NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE WARRANT IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.**

\_\_\_\_\_  
Print Name and Title

**AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT**

This Amendment No. 1 (this "Amendment") is made to that certain Asset Purchase Agreement (the "Agreement"), dated as of March 4, 2013, by and between Seller and Buyer. Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

WHEREAS, pursuant to Section 7.1 of the Agreement, the Agreement may be amended, provided that any such amendment shall be binding upon a Party only if such amendment is set forth in writing executed by such Party; and

WHEREAS, the undersigned parties desire to amend the Agreement as set forth herein effective as of March 13, 2013 for the purpose of changing the terms of the Agreement as set forth herein and reaffirming the other terms and provisions of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

**AMENDMENT PROVISIONS**

1. Article 1 is hereby amended to include the following defined term in alphabetical order:

"State Tax Warrants" has the meaning given to such term in Section 2.4(d).

2. A new Section 2.4(d) of the Agreement is hereby added as follows:

- (a) State Tax Warrants. Notwithstanding anything to the contrary herein, Buyer and Seller agree that the Owned Real Property may be conveyed to Buyer at the Closing subject to certain Indiana State Tax Warrants attached hereto as Exhibit A (the "State Tax Warrants"), which State Tax Warrants will be terminated on or prior to the date which is one hundred eighty (180) days following the Closing Date.

**GENERAL PROVISIONS**

3. Except to the extent of the changes described in Sections 1 and 2 above, the Agreement shall remain in full force and effect and any dispute under this Amendment shall be resolved in accordance with the terms of the Agreement.

4. The provisions of the Agreement set forth in Article 7 thereof shall apply *mutatis mutandis* to this Amendment.

5. Unless the context otherwise requires, any other document or agreement that refers to the Agreement shall be deemed to refer to the Agreement, giving effect to this Amendment (and any other amendments to the Agreement made from time to time pursuant to its terms).

\* \* \* \* \*

IN WITNESS WHEREOF, the undersigned have executed or caused to be executed on their behalf this Amendment as of the date first written above.

**SELLER:**

WORKHORSE CUSTOM CHASSIS,  
LLC

By: /s/ William H. Osborne

Name: William H. Osborne

Its: President

**BUYER:**

AMP TRUCKS INC.

By: /s/ Stephen S. Burns

Name: Stephen S. Burns

Its: CEO

*Signature Page to the First Amendment to Asset Purchase Agreement*

**Exhibit A**

State Tax Warrants

See Attached.