FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

(Mark One)

X Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 29, 1996

or

-- Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File No. 1-9973

THE MIDDLEBY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	36-3352497
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
1400 TOASTMASTER DRIVE, ELGIN, ILLINOIS	60120
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, including Area Code (847) 741-3300

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve (12) months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES X NO

As of June 29, 1996, there were 8,402,488 shares of the registrant's common stock outstanding.

THE MIDDLEBY CORPORATION AND SUBSIDIARIES

QUARTER ENDED JUNE 29, 1996

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PART I. FINANCIAL INFORMATION

THE MIDDLEBY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

ASSETS	(UNAUDITED) JUNE 29, 1996	DEC. 30, 1995
Cash and Cash Equivalents	$1,092	$981
Accounts Receivable, net	21,953	16,236
Inventories, net	28,853	26,584
Prepaid Expenses and Other	1,986	980
Current Deferred Taxes	2,086	2,086
Total Current Assets	55,970	46,867
Property, Plant and Equipment, net of accumulated depreciation of $15,213,000 and $14,475,000	25,424	24,273
Excess Purchase Price Over Net Assets Acquired, net of accumulated amortization of $3,481,000 and $3,341,000	7,637	7,777
Deferred Taxes	2,930	2,930
Other Assets	1,904	2,193
Total Assets	$93,865	$84,040
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Maturities of Long-Term Debt	$ 2,482	$ 1,710
Accounts Payable	16,080	14,026
Accrued Expenses	9,197	9,756
Total Current Liabilities	27,759	25,492
Long-Term Debt	47,541	41,318
Minority Interest and Other Non-current Liabilities	1,918	1,782
Shareholders' Equity:		
Preferred Stock, $.01 par value; nonvoting; 2,000,000 shares authorized; none issued	-	-
Common Stock, $.01 par value; 20,000,000 shares authorized; 8,402,000 and		

8,388,000 issued and outstanding in 1996 and 1995, respectively	84	84
Paid-in Capital	28,299	27,934
Cumulative Translation Adjustment	(188)	(228)
Accumulated Deficit	(11,548)	(12,342)
Total Shareholders' Equity	16,647	15,448
Total Liabilities and Shareholders' Equity	$93,865	$84,040

See accompanying notes

THE MIDDLEBY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 29, 1996	JULY 1, 1995	JUNE 29, 1996	JULY 1, 1995
Net Sales	$37,233	$34,559	$75,556	$69,553
Cost of Sales	27,344	25,092	55,485	50,368
Gross Margin	9,889	9,467	20,071	19,185
Selling and Distribution Expenses	5,752	4,936	10,829	9,787
General and Administrative Expenses	2,739	2,355	5,281	4,708
Income from Operations	1,398	2,176	3,961	4,690
Interest Expense and Deferred Financing Costs	1,322	1,346	2,618	2,612
Other Expense (Income), Net	39	(202)	142	(86)
Earnings before Income Taxes	37	1,032	1,201	2,164
Provision for Income Taxes	-	338	407	727
Net Earnings	$37	$694	$794	$1,437
Earnings per Common and Common Equivalent Share	$.00	$.08	$.09	$.17

See accompanying notes

THE MIDDLEBY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(IN THOUSANDS)

	SIX MONTHS ENDED	
	JUNE 29, 1996	JULY 1, 1995
Cash Flows From Operating Activities-		
Net Earnings	$794	$1,437
Adjustments to reconcile net earnings to cash provided by operating activities-		
Depreciation and amortization	1,236	1,464
Utilization of Subsidiary NOL's credited to paid-in capital (See Note 2)	325	580
Changes in assets and liabilities-		
Accounts receivable	(5,717)	(322)
Inventories	(2,269)	(4,308)
Prepaid expenses and other assets	(503)	393
Accounts payable and other liabilities	1,495	1,756
Net Cash (Used In)/ Provided by Operating Activities	(4,639)	1,000
Cash Flows From Investing Activities-		
Additions to property and equipment	(2,218)	(1,133)
Proceeds from sale of investment	0	1,337
Net Cash (Used In)/Provided by Investing Activities	(2,218)	204
Cash Flows From Financing Activities-		
Proceeds from senior secured note	-	15,000
Proceeds from credit facility	-	31,000
Extinguishment of bank debt	-	(44,055)
Increase in revolving credit line, net	4,735	1,161
Other financing activities, net	1,758	(1,573)
Cost of financing activities		(1,717)
Proceeds from capital expenditure loan, net	475	-
Net Cash Provided by (Used in) Financing Activities	6,968	(184)
Changes in Cash and Cash Equivalents-		
Net increase in cash and cash equivalents	111	1,020
Cash and cash equivalents at beginning of year	981	667
Cash and Cash Equivalents at End of Period	$1,092	$1,687
Interest paid	$2,264	$1,767
Income taxes paid	$61	$236

See accompanying notes

THE MIDDLEBY CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

JUNE 29, 1996

(UNAUDITED)

1) Basis of Presentation

The financial statements have been prepared by The Middleby Corporation (the "Company"), without audit, pursuant to the rules and regulations of

the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information not misleading. These financial statements should be read in conjunction with the financial statements and related notes contained in the Company's 1995 Annual Report. Other than as indicated herein, there have been no significant changes from the data presented in said Report.

In the opinion of management, the financial statements contain all adjustments necessary to present fairly the financial position of the Company as of June 29, 1996 and December 30, 1995, and the results of operations for the three and six months ended June 29, 1996 and July 1, 1995, respectively, and cash flows for the six months ended June 29, 1996 and July 1, 1995, respectively.

2) Income Taxes

The Company files a consolidated Federal income tax return. In January, 1993 the Company adopted Statement of Financial Accounting Standards No. 109 ("SFAS 109"), Accounting for Income Taxes. SFAS 109 requires the recognition of deferred tax assets and liabilities for expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Adoption of SFAS 109 was effected through the cumulative catch-up method.

The Company has recorded an income tax provision of $407,000 for the fiscal six months ended June 29, 1996. Although the Company is not a Federal taxpayer due to its NOL carry-forwards, a tax provision is still required to be recorded. The majority of the NOL carry-forwards relate to an old quasi-reorganization and are not recorded as a credit to the tax provision, but are directly credited to paid-in-capital.

The utilization of the net operating loss and credit carry-forwards depend on future taxable income during the applicable carry-forward periods. Management evaluates and adjusts the valuation allowance, based on the Company's expected taxable income, as part of the annual budgeting process. These adjustments reflect management's judgment as to the Company's ability to generate taxable income which will, more likely than not, be sufficient to recognize these tax assets.

3) Earnings Per Share

Earnings per share of common stock are based upon the weighted average number of outstanding shares of common stock and common stock equivalents. The treasury stock method is used in computing common stock equivalents, which include stock options and a warrant issued in conjunction with the senior secured note. The terms of the warrant provide for the purchase of 250,000 shares at $3 per share, however, under certain conditions, which have been met, the warrant terms provide for the purchase of 200,000 shares at $.01 per share. Earnings per share were computed based upon the weighted average number of common shares outstanding of 8,715,000 and 8,693,000 for the fiscal quarters ended June 29, 1996 and July 1, 1995, respectively, and 8,707,000 and 8,678,000 for the fiscal year-to-date periods ended June 29, 1996 and July 1, 1995, respectively.

4) Inventories

Inventories are valued using the first-in, first-out method.

Inventories consist of the following:

	(In Thousands)	
	June 29, 1996	December 30, 1995
Raw Materials and Parts	$10,408	$10,356

Work-in-Process	6,169	6,688
Finished Goods	12,276	9,540
	$28,853	$26,584

5) Accrued Expenses

Accrued expenses consist of the following:

	(In Thousands)	
	June 29, 1996	December 30, 1995
Accrued payroll and related expenses	$3,074	$3,838
Accrued commissions	1,662	1,567
Accrued warranty	1,532	1,382
Other accrued expenses	2,929	2,969
	$9,197	$9,756

6) Certain amounts have been reclassified in 1995 to be consistent with the 1996 presentation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (UNAUDITED).

INFORMATIONAL NOTE

This report contains forward looking statements subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. The Company cautions readers that these projections are estimates of future performance and are highly dependent upon a variety of important factors which could cause actual results to differ materially from any forward-looking statements which may be deemed to have been made in this report, or which are otherwise made by or on behalf of the Company. Such factors include, but are not limited to, changing market conditions; the availability and cost of raw materials; the impact of competitive products and pricing; the timely development and market acceptance of the Company's products; foreign exchange risks affecting international sales; and other risks detailed herein and from time-to-time in the Company's Securities and Exchange Commission filings.

RESULTS OF OPERATIONS

Net sales for the quarter ended June 29, 1996 increased $2,674,000 (7.7%) to $37,233,000, compared to $34,559,000 in the prior year's quarter ended July 1, 1995. Net sales for the six-month period ended June 29, 1996 increased $6,003,000 (8.6%) to $75,556,000, compared to $69,553,000 in the prior year's six-month period ended July 1, 1995. The overall sales increase was largely due to unit volume increases (rather than price). Cooking and warming equipment manufacturing divisions reported a sales increase of 5%, while sales of the refrigeration equipment division decreased 2%. Within the cooking and warming equipment manufacturing divisions, sales of the Company's core cooking and steaming equipment line increased substantially, while sales of conveyor oven equipment decreased slightly as certain major customers deferred store openings in overseas markets. Within the refrigeration equipment division, sales to the foodservice market increased 23%, while sales of merchandisers to the soft drink bottler industry declined significantly. International sales increased 17% overall and accounted for 29% of total sales for the quarter compared to 27% in the 1995 fiscal second quarter. Sales of the Company's international-based fabricated equipment division increased 24% during the quarter.

Gross margin increased $422,000 (4.5%) to $9,889,000 for the quarter compared to the prior year's quarter. Gross margin for the six-month period increased $886,000 (4.6%) to $20,071,000 compared to the prior year's six-month period. The increase in gross margin is primarily due to higher sales. As a percentage of net sales, gross margin decreased 0.8% to 26.6% for the quarter compared to 27.4% in the prior year's quarter, while year-to-date gross margins have decreased 1.0% to 26.6%. The decline in gross margin percentage was primarily related to product mix, operational inefficiencies at the

Company's refrigeration unit, a decline in sales of merchandisers to the soft drink bottler industry, and start-up/move costs associated with the Company's new Philippine manufacturing facility.

Selling, general and administrative expenses increased $1,200,000 (16.5%) and $1,615,000 (11.1%) for the three and six-month periods, respectively. Increased expenses reflect promotional expenses for new products and dealer programs and the expansion of international sales and service capabilities. During the second quarter, the Company opened a sales and distribution office in Taiwan and completed the move of its Philippine based fabrication equipment division into a newly constructed manufacturing facility. As a percentage of sales, selling, general and administrative expenses increased to 22.8% for the quarter ended June 29, 1996, compared to 21.1% for the prior year's quarter, and to 21.3% for the six-month period ended June 29, 1996 compared to 20.8% for the prior year's six-month period.

Other income for the prior year quarter ended July 1, 1995 included a gain from the sale of a discontinued product line and proceeds from a value-added tax settlement in Canada.

Interest expense and amortization of deferred financing costs for the fiscal quarter ended June 29, 1996 increased $24,000 (1.8%) compared to the prior year quarter, and was only slightly higher at $2,618,000 in the year-to-date period compared to $2,612,000 in the prior year-to-date period. Increases in the amortization of deferred financing costs have been offset by lower interest costs in both the quarter and year-to-date periods compared to the prior year.

The Company recorded net earnings of $37,000 for the fiscal quarter ended June 29, 1996 compared to net earnings of $694,000 for the prior year quarter. Year-to-date earnings were $794,000 for the six-month period ended June 29, 1996 compared to net earnings of $1,437,000 for the six months ended July 1, 1995. The second quarter results reflect lower operating results at the Company's refrigeration unit due to a decline in sales, operational inefficiencies, and organizational restructuring and at the Philippine fabricated equipment division due to start-up/move costs.

FINANCIAL CONDITION AND LIQUIDITY

For the six months ended June 29, 1996, net cash provided by operating activities before changes in assets and liabilities was $2,355,000, as compared to $3,481,000 for the six months ended July 1, 1995. Net cash used by operating activities after changes in assets and liabilities was $4,639,000 as compared to net cash provided of $1,000,000 in the prior year-to-date period. Receivables and inventories have increased $5,717,000 and $2,269,000 respectively, due to the increase in sales

volume, expansion of international manufacturing and distribution operations, timing of orders with certain larger customers and the introduction of new products. These increases were partly offset by increased accounts payable.

During the fiscal quarter, the Company increased its borrowings under its credit agreements by $1,569,000 primarily to finance an increase in inventories and capital expenditures. For the fiscal year-to-date period, the Company increased its borrowings by $6,968,000, principally to finance increases in accounts receivables, inventories and capital expenditures related to the international expansion. On June 29, 1996, there was $23,180,000 available to borrow under

the revolving credit facility, of which $19,735,000 was outstanding.

Management believes the Company has sufficient financial resources available to meet its anticipated requirements for funds for operations in the current fiscal year and can satisfy the obligations under its credit and note agreements.

PART II. OTHER INFORMATION

The Company was not required to report the information pursuant to Items 1 through 6 of Part II of Form 10-Q for any of the three months ended June 29, 1996, except as follows:

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 16, 1996, the Company held its 1996 Annual Meeting of Stockholders. The following persons were elected as directors to hold office until the 1997 Annual Meeting of Stockholders: Newell Garfield, Jr., A. Don Lummus, John R. Miller, III, Philip G. Putnam, David P. Riley, Sabin C. Streeter, William F. Whitman, Jr., Joseph G. Tompkins, Laura B. Whitman, Robert L. Yohe and Robert R. Henry. The number of shares cast for, withheld and abstained with respect to each of the nominees were as follows:

Nominee	For	Withheld	Abstained
Garfield	7,482,885	30,218	0
Lummus	7,483,485	29,618	0
Miller	7,478,285	34,818	0
Putnam	7,478,285	34,818	0
Riley	7,483,485	29,618	0
Streeter	7,483,385	29,718	0
Whitman, W.	7,481,260	31,843	0
Tompkins	7,476,968	36,118	0
Whitman, L.	7,477,997	35,106	0
Yohe	7,477,360	35,743	0
Henry	7,482,185	30,918	0

The stockholders also voted to approve the ratification of the selection of Arthur Andersen LLP as independent auditors for the Company for the fiscal year ending December 28, 1996. 7,502,062 shares were cast for such selection, 9,390 shares were cast against such selection, and 1,651 shares abstained.

No broker nonvotes were received in connection with the 1996 Annual Meeting.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a) Exhibits - The following Exhibits are filed herewith:

Exhibit (4)(b)(i) - First Amendment to Loan and Security Agreement dated January 9, 1995, by and among Middleby Marshall Inc. and Asbury Associates, Inc., as Borrowers, certain lenders named therein, as Lenders, and Sanwa Business Credit Corporation, as Agent and Lender.

Exhibit (4)(c)(i) - Amendment Number One to Note Agreement dated as of January 1, 1995, among Middleby Marshall Inc. and Asbury Associates, Inc. as Obligers.

Exhibit (4)(c)(ii) - Amendment Number Two to Note Agreement dated as of January 1, 1995, among Middleby Marshall Inc. and Asbury Associates, Inc. as Obliger.

Exhibit (4)(e)(i) - Amendment One to the Intercreditor Agreement dated as of January 10, 1995, by and among Sanwa Business Credit Corporation, as Agent, The Northwestern Mutual Life Insurance

Company, as the Senior Noteholder, and First Security Bank of Utah, National Association, as Security Trustee and Collateral Agent.

Exhibit (4)(e)(ii) - Amendment Two to the Intercreditor Agreement dated as of January 10, 1995, by and among Sanwa Business Credit Corporation, as Agent, The Northwestern Mutual Life Insurance Company, as the Senior Noteholder, and First Security Bank of Utah, National Association, as Security Trustee and Collateral Agent.

Exhibit (10)(iii)(d) - The Middleby Corporation Amended and Restated 1989 Stock Incentive Plan, as amended.

Exhibit (10)(iii)(f) - 1996 Management Incentive Plan (Corporate Vice Presidents).

Exhibit (22) - List of Subsidiaries.

Exhibit (27) - Financial Data Schedule (EDGAR only)

b) Reports on Form 8-K - No such reports were filed during the quarter for which this report is filed.

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 thereunto duly authorized.

THE MIDDLEBY CORPORATION
(Registrant)

Date: August 13, 1996

By: /s/ John J. Hastings

John J. Hastings, Executive Vice President, Chief Financial Officer and Secretary

FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT

This FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT (this "Amendment") is made as of March 28, 1996, by and among MIDDLEBY MARSHALL INC., a Delaware corporation having its principal place of business and chief executive office at 1400 Toastmaster Drive, Elgin, Illinois 60127 ("MMI"), ASBURY ASSOCIATES, INC., a Florida corporation having its chief executive office at 10340 USA Today Way, Miramar, Florida 33025 ("AAI"), VICTORY REFRIGERATION COMPANY, a Delaware corporation having an office at 1400 Toastmaster Drive, Elgin, Illinois 60127 ("Victory"), VICTORY INTERNATIONAL, INC., a Delaware corporation having an office at 1400 Toastmaster Drive, Elgin, Illinois 60127 ("Victory International"), the lenders who are or who may from time to time become signatories hereto ("Lenders"), and SANWA BUSINESS CREDIT CORPORATION, a Delaware corporation having an office at One South Wacker Drive, Chicago, Illinois 60606 ("SBCC"), as agent for the Lenders hereunder (SBCC, in such capacity, being "Agent"). MMI, AAI, Victory and Victory International are sometimes hereinafter collectively referred to as "Borrowers" and individually as a "Borrower".

R E C I T A L S:

A. MMI, AAI, Lenders and Agent are party to that certain Loan and Security Agreement dated as of January 9, 1995 (the "Loan Agreement") which, as amended, provides for a total credit facility of up to $42,500,000 in the form of a revolving line of credit, a term loan, a capital expenditure loan and a commitment to issue letters of credit. Capitalized terms not otherwise defined herein shall have the respective meanings assigned thereto in the Loan Agreement.

B. MMI and AAI desire to take the following actions: (i) transfer the assets of the Victory Refrigeration Plant owned and operated by MMI (the "Victory Reorganization") to Victory which is a newly created wholly-owned subsidiary of Victory International which is a newly created wholly-owned subsidiary of MMI, (ii) the reorganization of the ownership of MMI's Philippine operations (the "Philippine Reorganization"), (iii) the qualification of MMI in the State of Florida under the assumed name of "Middleby Factory Service Company" (the "Factory Service Tradename Change"), (iv) the possible organization of a Japanese subsidiary corporation of MMI under Japanese law (the "Japan Subsidiary") which will act as a distributor of MMI products in Japan, not less than 51% of the stock of such Japan Subsidiary to be owned by MMI (the "Japanese Distribution Change"), and (v) the possible organization of a Taiwanese subsidiary corporation of MMI under Taiwanese law (the "Taiwanese Subsidiary") which will act as a distributor of MMI products in Taiwan, not less than 80% of the stock of such Taiwanese Subsidiary to be owned by MMI (the "Taiwanese Distribution Change"). The Victory Reorganization, the Philippine Reorganization, the Factory Service Tradename Change, the Japanese Distribution Change and the Taiwanese Distribution Change are hereinafter collectively referred to as the "1996 Changes".

C. MMI, AAI, Lenders and Agent desire to amend and modify certain provisions of the Loan Agreement. Upon the date on which each of the conditions set forth in Section 2 of this Amendment have been satisfied, all such amendments shall be deemed effective as of December 31, 1995 (the "Effective Date").

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. AMENDMENT TO THE LOAN AGREEMENT. MMI, AAI, Lenders and Agent agree that the Loan Agreement is, as of the Effective Date, amended as follows:

1.1 The preamble to the Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

THIS LOAN AND SECURITY AGREEMENT is made this 9th day of January, 1995 by and among MIDDLEBY MARSHALL INC., a Delaware corporation ("MMI"), having its chief executive office at 1400 Toastmaster Drive, Elgin, Illinois 60127, ASBURY ASSOCIATES, INC., a Florida corporation ("AAI") having its chief executive office at 10340 USA Today Way, Miramar, Florida 33025, VICTORY REFRIGERATION COMPANY, a Delaware corporation ("Victory") having an office at 1400 Toastmaster Drive, Elgin, Illinois 60127, VICTORY INTERNATIONAL, INC., a Delaware corporation ("Victory International") having an office at 1400 Toastmaster Drive, Elgin, Illinois 61027, the Lenders who are or who may from time to time become signatories hereto ("Lenders"), and SANWA BUSINESS CREDIT CORPORATION, a Delaware corporation having an office at One South Wacker Drive, Chicago, Illinois 60606 ("SBCC"), as agent for the Lenders hereunder (SBCC, in such capacity, being "Agent"). MMI, AAI, Victory and Victory International are sometimes hereafter collectively referred to as "Borrowers" and individually as a "Borrower".

1.2 Section 1.1 is hereby amended by deleting the definition "Guarantor" in its entirety and replacing it with the following:

GUARANTOR - Middleby Philippines Corporation, a Republic of the Philippines corporation.

1.3 Section 9.2(L) is hereby amended by deleting such section in its entirety and replacing it with the following:

(L) SUBSIDIARIES - Hereafter create any Subsidiary or divest themselves of any material assets by transferring them to any Subsidiary of either Borrower, except as otherwise permitted herein; provided, however, that MMI may create (i) a Delaware subsidiary named Victory International, Inc., which may in turn create a Delaware subsidiary named Victory Refrigeration Company and certain assets owned by MMI and located in New Jersey as of December 31, 1995 may be transferred from MMI to Victory Refrigeration Company, (ii) a Taiwanese Subsidiary so

long as the shares of such Taiwanese Subsidiary owned by MMI are pledged to the Agent, (iii) a Philippines Subsidiary named the Middleby Philippines Corporation so long as the shares of Middleby Philippines Corporation owned by MMI are pledged to the Agent, and (iv) a Japan Subsidiary so long as the shares of such Japan Subsidiary owned by MMI are pledged to the Agent.

1.4 EXHIBIT D to the Loan Agreement is hereby amended by adding to Exhibit D(1) the following:

NAME OF OPERATION	LOCATION ADDRESS	TYPE
Middleby Factory Service Company	6306 Benjamin Road Suite 612 Tampa, Florida 33634	Leased Sales Office/Warehousing Administrative
	757 S. Kirkman Road Orlando, Florida 32811	
	2918 NW 28th Street Lauderdale Lakes, Florida 33311	

1.5 EXHIBIT G to the Loan Agreement is hereby amended by adding to Exhibit G(2) the following:

1.6 Victory and Victory International will become Borrowers under the Loan Agreement and the Loan Documents and each reference to Borrowers therein will be a reference to MMI, AAI, Victory and Victory International.

SECTION 2. CONDITIONS PRECEDENT TO EFFECTIVENESS OF THIS AMENDMENT. The amendments to the Loan Agreement embodied in this Amendment shall not be effective (in which case such agreement shall remain in full force and effect unamended by this Amendment) unless and until the following conditions precedent have been satisfied:

(a) this Amendment shall have been executed by the parties hereto;

(b) an opinion of D'Ancona & Pflaum, counsel to the Borrowers, to the effect that: (A) this Amendment has been duly authorized by all necessary corporate action on the part of the Borrowers, has been duly executed and delivered by the Borrowers and constitutes the legal, valid and binding contract of the Borrowers enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law); (B) no approval, consent or withholding of objection on the part of, or filing or regulation or qualification with, any governmental body, Federal, state or local, is necessary in connection with the execution, delivery and performance of this Amendment or any other agreements being delivered by the Borrowers in connection with the 1996 Changes; (C) the execution, delivery and performance by the Borrowers of this Amendment or any other agreement being delivered in connection with the 1996 Changes do not conflict with or result in the breach of any of the provisions of, or constitute a default under or result in the breach of any of the provisions of, or constitute a default under or result in the creation or imposition of any Lien upon any property of the Borrowers pursuant to the Articles of Incorporation or By-laws of the Borrowers or any agreement, license or other instrument known to such counsel to which any of the Borrowers is a party or by which any of such Borrowers may be bound; and such opinion shall cover such other matters relating to this Amendment and the 1996 Changes as the Lenders may reasonably request;

(c) The Borrowers shall have entered into amendments to the Intangible Term Loan Documents in connection with the 1996 Changes;

(d) The First Amendment to the Intercreditor Agreement in the form of EXHIBIT A hereto shall have been executed and delivered by the parties thereto;

(e) With respect to the Victory Reorganization, those contracts, agreements, certificates and other documents described in Section 3 hereof, each of which will be in form and substance satisfactory to the Agent, shall have been delivered;

(f) With respect to the Philippine Reorganization, those contracts, agreements, certificates and other documents described in Section 4 hereof, each of which will be in form and substance satisfactory to the Agent, shall have been delivered; and

(g) The Parent shall have delivered its consent to the 1996 Changes and reaffirmed its obligations under the Support Agreement, by its execution and delivery of the Parent Support Letter in the form of EXHIBIT B hereto.

SECTION 3. VICTORY COMPANY REORGANIZATION. Prior to or simultaneously with the execution and delivery of this Amendment, the Borrowers shall have delivered the following:

(a) a Stock Pledge Agreement between Victory International, as pledgor and debtor, and the First Security Bank of Utah, National Association (the "Security Trustee"), as pledgee and secured party, in the form of EXHIBIT C

hereto, providing for the pledge and grant of a first and perfected security interest in all the capital stock of Victory owned by Victory International (the "Victory Stock Pledge Agreement"), as additional security for the payment of the Obligations and the performance of the obligations of the Borrowers under the Loan Agreement;

(b) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured party, in the form of EXHIBIT D hereto, providing for a pledge and grant of a first and perfected security interest in all the capital stock of Victory

International owned by MMI (the "Victory International Stock Pledge Agreement"), as additional security for the payment of the Obligations and the performance of the obligations of the Borrowers under the Loan Agreement;

(c) UCC-1 financing statements (and/or other financing statements or similar notices thereof if and to the extent permitted by applicable law) shall have been recorded or filed for record in such public offices as deemed necessary by the Agent and their counsel in order to perfect the Lien and security interest granted or conveyed thereby;

(d) a Mortgage Assumption Agreement delivered by Victory (the "Victory Assumption of Mortgage") with respect to the First Mortgage executed and delivered by MMI on the initial Closing Date with respect to those properties of MMI then located in the State of New Jersey; and

(e) such documents and evidence with respect to Victory as the Lenders may reasonably request in order to establish the existence and good standing of Victory and the authorization of the transactions contemplated by the Victory Reorganization and this Amendment.

SECTION 4. PHILIPPINE REORGANIZATION. Prior to or simultaneously with the execution and delivery of this Amendment, the Borrowers shall have delivered, or shall have caused FAB-Asia, Inc., a Philippine corporation ("FAB-Asia"), or Middleby Philippine Corporation, a Philippine corporation ("MPC"), to deliver, the following:

(a) representations by the Borrowers to the following effect:

(i) MMI owns or controls either directly or indirectly not less than 80% of the capital stock (and any securities convertible at any time and from time to time into capital stock) of FAB-Asia;

(ii) MMI owns or controls either directly or indirectly not less than 80% of all of the issued and outstanding capital stock (and any securities convertible at any time and from time to time into capital stock) of MPC;

(iii) FAB-Asia is a holding company whose principal function is to hold title to the land on which a new manufacturing facility is being built for the MMI operation in the Philippines;

(iv) FAB-Asia will lease the land upon which the manufacturing operations are located to MPC;

(v) MPC has substantially completed construction of the new manufacturing facility located on the land it has leased from FAB-Asia;

(vi) FAB-Asia has transferred all of its assets (other than (A) the land on which the manufacturing facility is located, (B) certain equipment having a value of $160,000 which equipment FAB-Asia has agreed to transfer to MPC not later than July 1, 1996 and (C) non-transferable tax credits, withholding taxes and organizational costs of $90,000) to MPC;

(vii) PCI Bank has consented to the assumption by MPC of FAB-Asia's existing mortgage loan from PCI Bank and the documentation between PCI Bank, MPC and FAB-Asia provides that MPC shall be the borrower thereunder; no additional approval, consent, or withholding of objection from PCI Bank or any other Person is necessary to confirm that the credit line between PCI Bank and FAB-Asia is available at all times to MPC;

(viii) MPC is authorized to guaranty all outstanding indebtedness of the Borrowers; and

(ix) The Philippine Board of Investments has approved the eligibility of MPC for certain tax incentives effective September 12, 1995.

(b) a Subsidiary Guaranty from MPC (the "MPC Guaranty") in form and substance satisfactory to the Agent in the form of EXHIBIT E hereto;

(c) such documents and evidence with respect to MPC and FAB-Asia as the Agent shall have requested in order to establish the existence and good standing of MPC and FAB-Asia, respectively;

(d) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured party, in the form of EXHIBIT D hereto providing for the pledge and grant of a first and perfected security interest in all the capital stock of MPC owned by MMI (the "MPC Stock Pledge Agreement"), as additional security for the payment of the Obligations and the performance of the obligations of the Borrowers under the Loan Agreement;

(e) certain security documents requested by Agent (and/or financing statements or similar notices thereof, if and to the extent permitted or required by applicable law) shall have been recorded to filed for record in such public offices as may be deemed necessary or appropriate by the Agent in order to perfect the lien and security interest granted or conveyed thereby (the "MPC Security Documents"); and

(f) a copy of the consent of the Philippine Board of Investments as described in Section 4(a)(ix) hereof.

SECTION 5. TAIWANESE DISTRIBUTION CHANGES.

In the event that Borrowers decide to organize the Taiwanese Subsidiary, the Borrowers shall deliver or shall cause the Taiwanese Subsidiary to deliver, the following:

(a) representations by the Borrowers to the following effect:

(i) MMI owns and controls either directly or indirectly not less than 80% of the capital stock (and any securities convertible at any time and from time to time into capital stock) of the Taiwanese Subsidiary;

(ii) MMI has capitalized the Taiwanese Subsidiary in an amount not to exceed U.S. $200,000; and

(iii) Taiwanese Subsidiary is authorized to guarantee all outstanding indebtedness of the Borrowers, including the Obligations;

(b) such documents and evidence with respect to the Taiwanese Subsidiary as Agent shall have requested in order to establish the existence and good standing of the Taiwanese Subsidiary;

(c) a Subsidiary Guaranty from Taiwanese Subsidiary (the "Taiwanese Subsidiary Guaranty") in form and substance satisfactory to the Agent; and

(d) a Stock Pledge Agreement between MMI, as pledgor and debtor, and Security Trustee, as pledgee and secured party, in a form satisfactory to Agent, providing for the pledge and grant of a first and perfected security interest in all the capital stock of Taiwanese Subsidiary (the "Taiwanese Subsidiary Stock Pledge Agreement") held by MMI, as additional security for the payment of the Obligations and the performance of the obligations of the Borrowers under the Loan Agreement.

SECTION 6. JAPANESE DISTRIBUTION CHANGES.

In the event that Borrowers decide to organize the Japanese Subsidiary, the Borrowers shall deliver or shall cause Japanese Subsidiary to deliver, the following:

(a) a representation by the Borrowers to the following effect:

(i) MMI owns and controls either directly or indirectly not less than 51% of the capital stock (and any securities convertible at any time and from time to time into capital stock) of Japanese Subsidiary;

(ii) MMI has capitalized Japanese Subsidiary in an amount not to exceed U.S. $800,000; and

(iii) Japanese Subsidiary is authorized to guaranty all outstanding indebtedness of the Borrowers, including the Obligations;

(b) such documents and evidence with respect to Japanese Subsidiary as the Agent shall have requested in order to establish the existence and good standing of Japanese Subsidiary;

(c) a Subsidiary Guaranty from Japanese Subsidiary (the "Japanese Subsidiary Guaranty") in form and substance satisfactory to the Agent; and

(d) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured party, in a form acceptable to Agent providing for the pledge and grant of a first and perfected security interest in all the capital stock of Japanese Subsidiary (the "Japanese Subsidiary Stock Pledge Agreement") held by MMI, as additional security for the payment of the Obligations and performance of the obligations of the Borrowers under the Loan Agreement.

SECTION 7. REPRESENTATIONS AND WARRANTIES OF BORROWERS. Each Borrower represents and warrants that:

(a) the execution, delivery and performance by it of this Amendment has been duly authorized by all necessary corporate action or any other necessary action on their respective parts;

(b) this Amendment has been duly executed and delivered by each Borrower;

(c) this Amendment and the Loan Agreement are and will be, legal, valid and binding obligations of each Borrower, enforceable against each Borrower in accordance with its terms, except as the enforcement thereof may be subject to (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, and (ii) general principles of equity (regardless of whether such enforcement is sought in a proceeding in equity or at law);

(d) the representations, warranties and covenants contained in Sections 5, 6, 7, 8 and 9 of the Loan Agreement are true and correct in all material respects on and as of the Effective Date as if made on such date;

(e) no Default or Event of Default under the Loan Agreement has occurred and is continuing; and

(f) since November 30, 1995 there has been no material adverse change in the business, financial or other conditions of any Borrower, or in the collateral securing the Obligations or in the prospects of any Borrower.

SECTION 8. REFERENCE TO AND EFFECT ON LOAN AGREEMENT.

(a) On and after the Effective Date, each reference in the Loan Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to any of such agreements in any of the other documents delivered in connection therewith, shall mean and be a reference to the Loan Agreement as amended hereby.

(b) Except as specifically amended above, the Loan Agreement and the Loan Documents shall remain in full force and effect and are hereby in all respects ratified and confirmed.

(c) Notwithstanding this Amendment, Lender is not in any way obligated to further modify, extend or amend any Loan Documents or to forebear or forestall any collection efforts or other remedies it may have under the Loan Documents or at law.

(d) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lender under the Loan Agreement or any of the Loan Documents.

SECTION 9. COLLATERAL DOCUMENTS. Each Borrower has heretofore executed and delivered to the Lender certain Loan Documents and each Borrower hereby acknowledges and agrees that, notwithstanding the execution and delivery of this Amendment, the Loan Documents remain in full force and effect and the rights and remedies of the Lender thereunder, the obligations of each Borrower thereunder and the liens and security interests created and provided for thereunder remain in full force and effect and shall not be affected, impaired or discharged hereby. Nothing herein contained shall in any manner affect or impair the priority of the liens and security interests created and provided for in the Loan Documents as to the indebtedness which would be secured thereby prior to giving effect to this Amendment.

SECTION 10. EXPENSES. The Borrowers agree to pay on demand all costs and expenses of or incurred by the Lender in connection with the negotiation, preparation, execution and delivery of this Amendment and the other instruments and documents executed and delivered in connection with the transactions described herein (including the filing or recording thereof), including the fees and expenses of counsel for the Lender.

SECTION 11. EXECUTION IN COUNTERPARTS. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

SECTION 12. GOVERNING LAW. This Amendment shall be governed and construed with reference to the laws of the State of Illinois, without regard to principles of conflicts of law.

SECTION 13. HEADINGS. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purposes.

IN WITNESS WHEREOF, this Amendment has been duly executed in Chicago, Illinois, on the day and year specified at the beginning hereof.

BORROWERS:

MIDDLEBY MARSHALL INC.	VICTORY REFRIGERATION COMPANY
By: _____	By: _____
Its: _____	By: _____
ASBURY ASSOCIATES, INC.	VICTORY INTERNATIONAL, INC.
By: _____	By: _____
Its: _____	Its: _____
SANWA BUSINESS CREDIT CORPORATION, as Agent and Lender	THE CIT GROUP/BUSINESS CREDIT INC., as Lender
By: _____	By: _____
Its: _____	Its: _____

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MIDDLEBY MARSHALL INC.

AND

ASBURY ASSOCIATES, INC.

FIRST AMENDMENT TO NOTE AGREEMENT

Dated as of March 1, 1996

Re: Note Agreement Dated as of January 1, 1995

and

$15,000,000 10.99% Senior Secured Notes

Due January 10, 2003

and

Warrant to Purchase Common Stock

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MIDDLEBY MARSHALL INC.

AND

ASBURY ASSOCIATES, INC.

FIRST AMENDMENT TO NOTE AGREEMENT

Re: Note Agreement Dated as of January 1, 1995

and

$15,000,000 10.99% Senior Secured Notes

Due January 10, 2003

and

Warrant to Purchase Common Stock

Dated as of
March 1, 1996

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Ladies and Gentlemen:

Reference is made to the Note Agreement dated as of January 1, 1995 (the "ORIGINAL NOTE AGREEMENT"), between and among Middleby Marshall Inc., a Delaware corporation ("MMI"), Asbury Associates, Inc., a Florida corporation ("ASBURY"; Asbury and MMI each hereinafter sometimes individually referred to as an "OBLIGOR" and collectively as the "ORIGINAL OBLIGORS"), and you, under and pursuant to which $15,000,000 aggregate principal amount of Senior Notes Due January 10, 2003 (the "NOTES") were originally issued. Capitalized terms not otherwise defined herein shall have the respective meanings assigned thereto in the Original Note Agreement.

The Original Obligors desire to undertake the following, namely, (i) the transfer of assets at the Victory Refrigeration Plant owned and operated by MMI to Victory Refrigeration Company ("VICTORY"), a Delaware corporation and a Wholly-owned Subsidiary of Victory International, Inc. ("VICTORY INTERNATIONAL"), a Wholly-owned Subsidiary of MMI (the "VICTORY REORGANIZATION") (each of Victory and Victory International being hereinafter sometimes individually also referred to as an "OBLIGOR" and collectively with the Original Obligors as the "OBLIGORS"), (ii) the reorganization of the ownership of MMI's Philippine operations in a manner other than that contemplated by Section 5.22(A) of the Original Note Agreement (the "PHILIPPINE REORGANIZATION"), (iii) the undertaking of certain operations in Florida and other states under the tradename "Middleby Factory Service Company" (the "FACTORY SERVICE TRADENAME CHANGES"), (iv) the organization of a Subsidiary under Japanese law to act as a distributor of products in Japan, not less than 51% of the stock of which Subsidiary shall be owned by MMI (the "JAPANESE DISTRIBUTION CHANGES"), and (v) the organization of a Subsidiary under Taiwanese law to act as a distributor of products in Taiwan, not less than 80% of the stock of which Subsidiary shall be owned by MMI (the "TAIWANESE DISTRIBUTION CHANGES"). The Victory Reorganization, the Philippine Reorganization, the Factory Service Tradename Changes, the Japanese Distribution Changes and the Taiwanese Distribution Changes are hereinafter collectively referred to as the "1996 CHANGES."

Pursuant to Section 7 of the Note Agreement, the holders of at least 51% in aggregate principal amount of the outstanding Notes must consent to any amendments of the Note Agreement or the Security Documents in connection with the Obligors' accomplishing the 1996 Changes. Since you are the holder of 100% in aggregate principal amount of the outstanding Notes, the Obligors hereby request that you accept the amendments set forth below. On the Effective Date (as hereinafter defined) this instrument shall

constitute an agreement which amends and restates the Note Agreement in the respects hereinafter set forth.

SECTION 1. AMENDMENTS TO THE ORIGINAL NOTE AGREEMENT.

SECTION 1.1. AMENDMENT TO SECTION 5.11 OF THE ORIGINAL NOTE AGREEMENT. Section 5.11(a) of the Original Note Agreement shall be, and is hereby, amended by deleting the period at the end of clause (9) thereof and replacing it with "; and" and by adding a clause (10) thereto to read as follows:

> (10) Indebtedness of MPC, FAB-Asia, the Japanese Subsidiary or the Taiwanese Subsidiary PROVIDED that (i) FAB-Asia shall have no Indebtedness except mortgage Indebtedness in an amount not to exceed $500,000 outstanding on the Effective Date, (ii) no such Indebtedness

shall be secured by any Lien upon property or assets of any Obligor or any other Subsidiary, and (iii) no Obligor or other Subsidiary shall be liable with respect to such Indebtedness except to the extent that any Guaranty by the Obligors of obligations incurred by, together with the Investment of the Obligors or any other Subsidiary in and to, (x) FAB-Asia or MPC shall not exceed $2,200,000 in the aggregate in U.S. dollars at any time, (y) the Japanese Subsidiary shall not exceed $600,000 in U.S. dollars at any time or (z) the Taiwanese Subsidiary shall not exceed $200,000 in U.S. dollars at any time.

SECTION 1.2. AMENDMENT TO SECTION 5.12 OF THE ORIGINAL NOTE AGREEMENT. Section 5.12 of the Original Note Agreement shall be, and is hereby, amended by deleting the period at the end of clause

(m) thereof and replacing it with "; and" and by adding a clause (n) thereto to read as follows:

(n) Liens securing Indebtedness of MPC, FAB-Asia, the Japanese Subsidiary or the Taiwanese Subsidiary, in each case incurred in compliance with the applicable limitations set forth in Section 5.11(a)(10).

SECTION 1.3. AMENDMENT TO SECTION 5.14 OF THE ORIGINAL NOTE AGREEMENT. Section 5.14 of the Original Note Agreement shall be, and is hereby, amended by revising clause (a) thereof to read as follows:

(a) Investment by the Obligors and their respective Subsidiaries in and to Subsidiaries, including any Investment in a corporation which, after giving effect to such Investment, will become a Subsidiary of an Obligor or one of its Wholly-owned Subsidiaries; PROVIDED that in no event shall the Investment of the Obligors in and to, together with any Guaranty by the Obligors of obligations incurred by, (i) FAB-Asia or MPC exceed $2,200,000 in the aggregate in U.S. dollars at any time, or (ii) the Japanese Subsidiary exceed $600,000 in U.S. dollars at any time, or (iii) the Taiwanese Subsidiary exceed $200,000 in U.S. dollars at any time; PROVIDED FURTHER, that in each case the Investments described in clause (i), (ii) and (iii) above shall be limited to the amounts set forth above without regard to whether the Obligors would otherwise be permitted to make a greater Investment in FAB-Asia, MPC, the Japanese Subsidiary or the Taiwanese

Subsidiary within the limitations of clause (k) of this Section 5.14;

SECTION 1.4. AMENDMENT TO SECTION 5.15 OF THE ORIGINAL NOTE AGREEMENT. Section 5.15(b) of the Original Note Agreement shall be, and is hereby, amended by revising clause (1) thereof to read as follows:

(1) (x) the sale, lease, transfer or other disposition of assets of a Subsidiary of MMI to MMI or a Wholly-owned Subsidiary of MMI and (y) the transfer on December 29, 1995 of all tangible assets of MMI located in the State of New Jersey to Victory; or

SECTION 1.5. REVISIONS TO SECTION 5.22 OF THE ORIGINAL NOTE AGREEMENT. The documents and procedures set forth in Section 4 hereof with respect to the Philippine Reorganization shall supersede the comparable provisions of Section 5.22(a) of the Original Note Agreement and fulfillment of the conditions set forth in Section 4 hereof shall be deemed to constitute compliance with the provisions of Section 5.22(a) of the Original Note Agreement.

SECTION 1.6. AMENDMENT TO SECTION 5.22 OF THE ORIGINAL NOTE AGREEMENT. Section 5.22 of the Original Note Agreement shall be, and is hereby, amended by revising clause (d) thereof to read as follows:

(d) MMI shall at all times, directly or indirectly, own not less than (i) 51% of the issued and outstanding capital stock (and any

Securities convertible at any time and from time to time into the capital stock) of the Japanese Subsidiary and of its Subsidiaries, (ii) 40% of the outstanding capital stock (and any Securities convertible at any time and from time to time into the capital stock) of

FAB-Asia and its Subsidiaries, (iii) 80% of the issued and outstanding capital stock (and any Securities convertible at any time and from time to time into the capital stock) of Asbury, MPC and the Taiwanese Subsidiary and their respective Subsidiaries and (iv) 100% of the issued and outstanding capital stock of each other Subsidiary, in each case free and clear of all Liens, other than the Liens permitted by Section 5.12(f) and (g) and in each case, other than directors' qualifying shares.

Section 5.22 of the Original Note Agreement shall be, and is hereby, further amended by adding thereto clause (e) to read as follows:

(e) MMI will not, and will not permit any of its Subsidiaries to, enter into any agreement which would restrict any Subsidiary's ability or right to pay dividends to, or make advances to or Investments in, MMI or, if such Subsidiary is not directly owned by MMI, the "parent" Subsidiary of such Subsidiary.

Section 5.22 of the Original Note Agreement shall be, and is hereby, further amended by revising clause (c) thereof to read as follows:

(c) The Obligors will cause each of their respective Subsidiaries which becomes a Subsidiary (other than the Japanese Subsidiary and the Taiwanese Subsidiary) after the Closing Date to become a party to a Subsidiary Guaranty within ten Business Days thereafter and to deliver an opinion of counsel in form and substance satisfactory to the holders of

at least 51% in aggregate principal amount of outstanding Notes to the effect set forth in clause (iv) of Section 5.22(a)(2) with respect to such Subsidiary.

SECTION 1.7. AMENDMENTS TO SECTION 8 OF THE ORIGINAL NOTE AGREEMENT. Section 8.1 of the Original Note Agreement shall be, and is hereby, amended by adding thereto the following definitions:

"FINANCE COMPANY LOAN AGREEMENT" shall mean that certain Loan and Security Agreement dated as of January 9, 1995 as amended March 28, 1996 among the Obligors, Sanwa Business Credit Corporation, as agent and lender, and the Finance Company Lenders named therein.

"JAPANESE SUBSIDIARY" shall mean a Subsidiary yet to be created which will be a corporation duly organized under the laws of Japan, and any Person who succeeds to all, or substantially all, of the assets of such Subsidiary.

"MPC" shall mean Middleby Philippines Corporation, a Republic of the Philippines corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Middleby Philippines Corporation.

"OBLIGORS" shall mean Asbury, MMI, Victory and Victory International.

"SECURITY DOCUMENTS" shall have the meaning assigned thereto in Section 1.4 and shall also include each and every Subsidiary Guaranty and Additional Pledge Agreement delivered pursuant to this Note Agreement and shall include the Victory International Security Documents and the Victory Security Documents.

"SUBSIDIARY GUARANTOR" shall mean MPC and each other Subsidiary of any of the Obligors which becomes a party to any Subsidiary Guaranty delivered pursuant to this Note Agreement.

"TAIWANESE SUBSIDIARY" shall mean a Subsidiary yet to be created which will be a corporation duly organized under the laws of Taiwan, and any Person who succeeds to all, or substantially all, of the assets and business of such Subsidiary.

"VICTORY" shall mean Victory Refrigeration Company, a Delaware corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Victory Refrigeration Company.

"VICTORY INTERNATIONAL" shall mean Victory International, Inc., a Delaware corporation and parent corporation of Victory, and any Person who succeeds to all, or substantially all, of the assets and business of Victory International, Inc.

"VICTORY INTERNATIONAL SECURITY DOCUMENTS" shall mean, collectively, the Victory Stock Pledge Agreement and Amendment No. 2 to the Security Agreement.

"VICTORY SECURITY DOCUMENTS" shall mean, collectively, the Amendment No. 2 to the Security Agreement and the Victory Assumption of Mortgage.

SECTION 2. CONDITIONS PRECEDENT.

The effectiveness and validity of this Amendment to the Note Agreement is subject to the satisfaction of the following conditions precedent:

(a) The Holders of the Notes shall have received the following, all of which must be satisfactory in form and substance to such Holders:

(i) this First Amendment to Note Agreement and the Amended Note, each duly executed by the Obligors;

(ii) an opinion of D'Ancona & Pflaum, special counsel to the Obligors, to the effect that: (A) this First Amendment to Note Agreement and the Amended Note

have been duly authorized by all necessary corporate action on the part of the Obligors, has been duly executed and delivered by the Obligors and constitutes the legal, valid and binding contract of the Obligors enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law); (B) no approval, consent or withholding of objection on the part of, or filing or registration or qualification with, any governmental body, Federal, state or local, is necessary in connection with the execution, delivery and performance of this First Amendment to Note Agreement, the Amended Note or any other agreements being delivered by the Obligors in connection with the 1996 Changes; (C) the execution, delivery and performance by the Obligors of this First Amendment to Note Agreement, the Amended Note or any other agreement being delivered in connection with the 1996 Changes do not conflict with or result in the breach of any of the provisions of, or constitute a default under or result in the creation or imposition of any Lien upon any property of the Obligors pursuant to the Articles of Incorporation or By-laws of the Obligors or any agreement, license or other instrument known to such counsel to which either of the Obligors is a party or by which either of such Obligors may be bound; and such opinion shall cover such other matters relating to this First Amendment to Note Agreement, the Amended Note and the 1996 Changes as

the Holders of the Notes may reasonably request.

(b) This First Amendment to Note Agreement shall have

been executed and delivered by the Holders of all outstanding Notes.

(c) The Obligors shall have entered into amendments to the Finance Company Loan Agreement in connection with the 1996 Changes.

(d) Amendment Agreement No. 2 to the Intercreditor Agreement in the form of Exhibit A hereto shall have been executed and delivered by the parties thereto.

(e) With respect to the Victory Reorganization, those contracts, agreements, certificates and showings described in Section 3 hereof, each of which will be in form and substance satisfactory to you and your special counsel, shall have been delivered.

(f) With respect to the Philippine Reorganization, those contracts, agreements, certificates and showings described in Section 4 hereof, each of which will be in form and substance satisfactory to you and your special counsel, shall have been delivered.

(g) With respect to the Factory Service Tradename Changes, those agreements and showings described in Section 5 hereof, each of which will be in form and substance satisfactory to you and your special counsel, shall have been delivered.

(h) The Parent Corporation shall have delivered its consent to the 1996 Changes and reaffirmed its obligations under the Support Agreement, by its execution and delivery of the Parent Support Letter in the form of Exhibit C hereto.

SECTION 3. VICTORY COMPANY REORGANIZATION.

Prior to or simultaneously with the execution and delivery of this First Amendment to Note Agreement, the Original Obligors shall have delivered, or shall have caused Victory and Victory

International, as the case may be, to deliver, the following:

(i) a Note delivered by the Obligors, in the form of Exhibit D hereto (the "AMENDED NOTE") in exchange for the Note delivered on the initial Closing Date;

(ii) a Stock Pledge Agreement between Victory International, as pledgor and debtor, and First Security Bank of Utah, National Association (the "SECURITY TRUSTEE"), as pledgee and secured party, in the form of Exhibit E hereto, providing for the pledge and grant of a first and perfected security interest in all the capital stock of Victory owned by Victory International (the "VICTORY STOCK PLEDGE AGREEMENT"), as additional security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement and as additional security for the payment of the Finance Company Indebtedness and performance of the obligations of the Obligors under the Finance Company Loan Agreement, all on an equal and PRO RATA basis, together with an opinion of counsel to Victory International in form and substance satisfactory to the Holders of the Notes covering the matters set forth in Section 5.22(a)(3)(vi) of the Original Note Agreement, except that such opinion shall be with respect to the Victory Pledge Agreement;

(iii) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured party, in the form of Exhibit F hereto, providing for a pledge and grant of a first and perfected security interest in all the capital stock of Victory International owned

by MMI (the "VICTORY INTERNATIONAL STOCK PLEDGE AGREEMENT"), as additional security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement and as additional security for the payment of the Finance Company Indebtedness and performance of the obligations of the Obligors under the Finance Company Loan Agreement, all on an

equal and PRO RATA basis, together with an opinion of counsel to MMI in form and substance satisfactory to the Holders of the Notes covering the matters set forth in Section 5.22(a)(3)(vi) of the Original Note Agreement, except that such opinion shall be with respect to the Victory International Stock Pledge Agreement;

(iv) Amendment No. 2 to the Security Agreement dated as of the date hereof pursuant to which Victory and Victory International, as debtors, shall become parties to the Security Agreement, in the form of Exhibit G hereto, and providing for the grant of a second and perfected security interest in all property and assets of Victory and Victory International (the "AMENDMENT NO. 2 TO THE SECURITY AGREEMENT"), subject thereto as additional security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement;

(v) the Victory Security Documents (and/or financing statements or similar notices thereof if and to the extent permitted by applicable law) shall have been recorded or filed for record in such public offices as deemed necessary by the Holders of the Notes and their special counsel in order to perfect the Lien and security interest granted or conveyed thereby;

(vi) the Victory International Security Documents (and/or financing statements or similar notices thereof if and to the extent permitted by applicable law) shall have been recorded or filed for record in such public offices as deemed necessary by the Holders of the Notes and their special counsel in order to perfect the lien and security interest granted or conveyed thereby;

(vii) an Assumption of Mortgage delivered by Victory (the "VICTORY ASSUMPTION OF MORTGAGE") with respect to the Mortgage

executed and delivered by MMI on the initial Closing Date with respect to those properties of MMI then located in the State of New Jersey;

(viii) such documents and evidence with respect to Victory as the Holders of the Notes may reasonably request in order to establish the existence and good standing of Victory and the authorization of the transactions contemplated by the Victory Reorganization and this First Amendment to Note Agreement;

(ix) such documents and evidence with respect to Victory International as the Holders of the Notes may reasonably request in order to establish the existence in good standing of Victory International and the authorization of the transactions contemplated by the Victory Reorganization and this First Amendment to Note Agreement;

(x) an opinion of counsel to Victory in form and substance satisfactory to the Holders of the Notes to the effect that: (A) Victory is a corporation validly existing and in good standing under the laws of the State of Delaware and has the corporate power and the corporate authority to become an Obligor under the Note Agreement and the Notes and to execute and deliver this First Amendment to Note Agreement, the Notes and the Victory Security Documents (collectively, the "VICTORY AGREEMENTS"), (B) the Victory Agreements have been duly authorized by all necessary corporate action on the part of Victory, have been duly executed and delivered by Victory and constitute the legal, valid and binding

contracts of Victory enforceable in accordance with their respective terms, (C) no approval, consent or withholding of objection on the part of, or filing, registration or qualification with any governmental, quasi-governmental or judicial body is necessary in connection with the execution, delivery and performance of the Victory Agreements by Victory, (D) the execution, delivery and performance by Victory of the Victory Agreements do not

conflict with or result in any breach in any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any property of Victory pursuant to the provisions of the charter or by-laws of Victory or any law, agreement, license or instrument to which Victory is a party or by which Victory may be bound, and (E) there is no litigation pending or threatened which could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of Victory or the ability of Victory to perform its obligations under the Victory Agreements; and

(xi) an opinion of counsel to Victory International in form and substance satisfactory to the Holders of the Notes to the effect that (A) Victory International is a corporation validly existing and in good standing under the laws of the State of Delaware and has the corporate power and authority to become an Obligor under the Note Agreement and the Notes and to execute and deliver this First Amendment to Note Agreement, the Notes and the Victory International Security Documents (collectively, the "VICTORY INTERNATIONAL AGREEMENTS"), (B) the Victory International Agreements have been duly authorized by all necessary corporate action on the part of Victory International, have been duly executed and delivered by Victory International and constitute the legal, valid and binding contracts of Victory International enforceable in accordance with their respective terms, (C) no approval, consent to withholding of objections on the part of, or filing, registration or qualification with any governmental, quasi-governmental or judicial body is necessary in connection with the execution, delivery and performance of the Victory International Agreements by Victory International, (D) the execution, delivery and performance by Victory International of the Victory International Agreements do not conflict with

or result in any breach of any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any property of Victory International pursuant to the provisions of the charter or by-laws of Victory International or any law, agreement, license or instrument to which Victory International is a party or by which Victory International may be bound, and (E) there is no litigation pending or threatened which could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or conditions (financial or otherwise) of Victory International or the ability of Victory International to perform its obligations under the Victory International Agreements.

SECTION 4. PHILIPPINE REORGANIZATION.

Prior to or simultaneously with the execution and delivery of this First Amendment to Note Agreement, the Obligors shall have delivered, or shall have caused FAB-Asia or MPC, as the case may be to deliver, the following:

(i) representations by the Obligors to the following effect:

(a) MMI owns and controls either directly or indirectly not less than 40% of the capital stock (and any securities convertible at any time and from time to time into capital stock) of FAB-Asia; Elizabeth Asbury owns the remaining 60% of such capital stock, as required by Philippine law; MMI holds options to purchase two-thirds of the stock held by Elizabeth Asbury;

(b) MMI owns and controls directly or indirectly not less than 80% of the issued and outstanding capital stock (and any securities convertible at any time and from time to time into capital stock) of MPC (other than directors' qualifying shares); the remaining 20% of such

capital stock is owned and controlled by O. Neal Asbury;

(c) FAB-Asia is a holding company whose principal function is to hold title to the land on which a new manufacturing facility is being built for the MPC operations in the Philippines;

(d) FAB-Asia will lease the land upon which the manufacturing operations are located to MPC; such ground lease remains in effect until after January 10, 2003, the maturity date of the Notes;

(e) MMI has capitalized MPC and FAB-Asia in the aggregate amount of approximately U.S. $2,200,000;

(f) MPC has substantially completed construction of the new manufacturing facility located on the land it has leased from FAB-Asia; such facility is usable for the purposes for which it was constructed; and the office portion of the facility is scheduled to be completed in April 1996;

(g) FAB-Asia has transferred all of its assets (other than (i) the land on which the manufacturing facility is located, (ii) certain equipment having a value of $160,000 which equipment FAB-Asia has agreed to transfer to MPC not later than July 1, 1996 and (iii) non-transferable tax credits, withholding taxes and organizational costs of $90,000) and liabilities (other than the mortgage debt of $500,000 relating to the purchase of the land) to MPC;

(h) PCI Bank has consented to the assumption by MPC of FAB-Asia's existing mortgage loan from PCI Bank and the documentation between PCI Bank, MPC and FAB-Asia provides that MPC shall be the borrower thereunder; no additional approval, consent, or withholding of objection from PCI Bank or any other Person is necessary to confirm

that the credit line between PCI Bank and FAB-Asia is available at all times to MPC;

(i) MPC is authorized to guaranty all outstanding indebtedness of the Obligors, including the Notes; and

(j) The Philippine Board of Investments (the "BOI") has approved MPC's application for tax incentives; the BOI has not been asked to approve, nor is approval by BOI required for, the transfer of assets from FAB-Asia to MPC;

(ii) a Subsidiary Guaranty from MPC (the "MPC GUARANTY") in form and substance satisfactory to the Holders of the Notes and their special counsel in the form of Exhibit H hereto;

(iii) such documents and evidence with respect to MPC and FAB-Asia as the Holders of the Notes and their special counsel shall have requested in order to establish the existence and good standing of MPC and FAB-Asia, respectively;

(iv) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured party, in the form of Exhibit I hereto providing for the pledge and grant of a first and perfected security interest in all the capital stock of MPC held by MMI (the "MPC STOCK PLEDGE AGREEMENT"), as additional security for the payment of the Notes and the performance of the obligations of the Obligors under

the Note Agreement and as additional security for the payment of the Finance Company Indebtedness and performance of the obligations of the Obligors under the Finance Company Loan Agreement, all on an equal and PRO RATA basis, together with an opinion of counsel to MMI in form and substance satisfactory to the Holders of the Notes covering the matters set forth in Section 5.22(a)(vi) of the Note Agreement, except such opinion shall be with respect to the MPC Stock Pledge Agreement;

(v) an opinion of counsel to MPC in form and substance satisfactory to the Holders of the Notes and their special counsel to the effect that (A) MPC is a corporation validly existing and in good standing under the laws of the Republic of the Philippines and has the corporate power and the corporate authority to execute and deliver the MPC Guaranty, (B) the MPC Guaranty has been duly authorized by all necessary corporate action on the part of MPC, has been duly executed and delivered by MPC and constitutes the legal, valid and binding contracts of MPC enforceable in accordance with its terms, (C) no approval, consent or withholding of objection on the part of, or filing, registration or qualification with any foreign or U.S. governmental, quasi-governmental or judicial body is necessary in connection with the execution, delivery and performance of the MPC Guaranty by MPC, (D) the execution, delivery and performance by MPC of the MPC Guaranty do not conflict with or result in any breach in any of the provisions of or constitute a default under or result in the creation or imposition of any Lien upon any property of MPC pursuant to the provisions of the charter or by-laws of MPC or any law, agreement, license or instrument to which MPC is a party or by which MPC may be bound, and (E) there is no litigation pending or threatened which could reasonably be expected to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of MPC or the ability of MPC to perform its obligations under the MPC Guaranty; and

(vi) a copy of the approval of the BOI to MPC's application for tax incentives, together an opinion of counsel to MPC to the effect that no approval, consent or withholding of objection on the part of, or filing, registration or qualification with, any Philippine governmental, quasi-governmental or judicial body is necessary in connection

with the transfer of assets from FAB-Asia to MPC.

SECTION 5. MIDDLEBY FACTORY SERVICE.

Prior to or simultaneously with the execution and delivery of this First Amendment to Note Agreement, MMI shall have entered into amendments to the Security Agreement Re: Patents and Trademarks so as to cause the tradename "Middleby Factory Service Company" to be subject thereto and thereby provide for the grant of a first and perfected security interest in the assumed name "Middleby Factory Service Company", as security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement.

SECTION 6. TAIWANESE DISTRIBUTION CHANGES.

In the event MMI shall determine to conduct any operations in Taiwan, it shall conduct such operations through the Taiwanese Subsidiary and, in connection therewith, before beginning any significant operations in Taiwan, the Obligors shall have delivered, or shall have caused the Taiwanese Subsidiary to deliver, the following:

(i) representations by the Obligors to the following effect:

(a) MMI owns and controls either directly or indirectly not less than 80% of the capital stock (and any securities convertible at any time and from time to time into capital stock) of the Taiwanese Subsidiary; and

(b) MMI has capitalized the Taiwanese Subsidiary in an

amount not to exceed U.S. $200,000;

(ii) such documents and evidence with respect to the Taiwanese Subsidiary as the Holders of the Notes and their special counsel shall have requested in order to establish the existence and good standing of the Taiwanese Subsidiary; and

(iii) a Stock Pledge Agreement between MMI, as pledgor and

debtor, and the Security Trustee, as pledgee and secured party, in a form comparable to the MPC Stock Pledge Agreement providing for the pledge and grant of a first and perfected security interest in all the capital stock of the Taiwanese Subsidiary (the "TAIWANESE SUBSIDIARY STOCK PLEDGE AGREEMENT") held by MMI, as additional security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement and as additional security for the payment of the Finance Company Indebtedness and performance of the obligations of the Obligors under the Finance Company Loan Agreement, all on an equal and PRO RATA basis.

SECTION 7. JAPANESE DISTRIBUTION CHANGES.

In the event MMI shall determine to conduct any operations in Japan, it shall conduct such operations through the Japanese Subsidiary and in connection therewith before beginning any significant operations in Japan, the Obligor shall have delivered, or shall have caused the Japanese Subsidiary to deliver, the following:

(i) a representation by the Obligors to the following effect:

(a) MMI owns and controls either directly or indirectly not less than 51% of the capital stock (and any security convertible at any time and from time to time into capital stock) of the Japanese Subsidiary; and

(b) MMI has capitalized the Japanese Subsidiary in an amount not to exceed U.S. $600,000;

(ii) such documents and evidence with respect to the Japanese Subsidiary as the Holders of the Notes and their special counsel shall have requested in order to establish the existence and good standing of the Japanese Subsidiary;

(iii) a Stock Pledge Agreement between MMI, as pledgor and debtor, and the Security Trustee, as pledgee and secured

party, in a form comparable to the MPC Stock Pledge Agreement providing for the pledge and grant of a first and perfected security interest in all the capital stock of the Japanese Subsidiary (the "JAPANESE SUBSIDIARY STOCK PLEDGE AGREEMENT") held by MMI, as additional security for the payment of the Notes and the performance of the obligations of the Obligors under the Note Agreement and as additional security for the payment of the Finance Company Indebtedness and performance of the obligations of the Obligors under the Finance Company Loan Agreement, all on an equal and PRO RATA basis.

SECTION 8. REPRESENTATIONS AND WARRANTIES; ADDITIONAL OBLIGORS.

The Obligors represent and warrant that all representations and warranties set forth in Exhibit B to this First Amendment to Note Agreement, and those representations and warranties set forth in Section 4 herein, are true and correct as of the date hereof and are incorporated herein by reference with the same force and effect as though herein set forth in full.

By the execution and delivery of this First Amendment to Note Agreement, each of Victory and Victory International agrees and affirms that it shall be

deemed to be an "Obligor" for all purposes of the Note Agreement, the Notes and the Security Documents.

By its execution and delivery of this First Amendment to the Note Agreement, each of the Original Obligors agrees and affirms that each of MPC, FAB-Asia, the Japanese Subsidiary and the Taiwanese Subsidiary shall be deemed to constitute Subsidiaries for all purposes of the Note Agreement and all Indebtedness and other obligations of such Subsidiary shall in all events be subject to the provisions of the Note Agreement.

SECTION 9. MISCELLANEOUS.

SECTION 9.1. EFFECTIVE DATE; RATIFICATION. The amendments contemplated by this First Amendment to Note Agreement shall be effective as of the date (the "EFFECTIVE DATE") upon which (a) all

conditions set forth in Section 2 hereof have been satisfied, (b) the Holder of the Notes shall have received a copy of the agreements entered into by the Obligors with the Finance Company Lenders with respect to the 1996 Changes, and (c) the fees and expenses of Chapman and Cutler shall have been paid by the Obligors. Except as amended herein, the terms and provisions of the Original Note Agreement are hereby ratified, confirmed and approved in all respects.

SECTION 9.2. SUCCESSORS AND ASSIGNS. This First Amendment to Note Agreement shall be binding upon the Obligors and their respective successors and assigns and shall inure to the benefit of the Holders and to the benefit of their successors and assigns, including each successive holder or holders of any Notes.

SECTION 9.3. COUNTERPARTS. This First Amendment to Note Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument.

SECTION 9.4. FEES AND EXPENSES. Whether or not the Effective Date occurs, the Company agrees to pay all reasonable fees and expenses of the Holders and special counsel to the holders in connection with the preparation of this First Amendment to Note Agreement.

SECTION 9.5. NO LEGEND REQUIRED. Any and all notices, requests, certificates and other instruments may refer to the Original Note Agreement or the Note Agreement dated as of January 1, 1995 without making specific reference to this First Amendment to Note Agreement, but nevertheless all such references shall be deemed to include this First Amendment to Note Agreement unless the context shall otherwise require.

SECTION 9.6. GOVERNING LAW. This First Amendment to Note Agreement shall be deemed contracts and instruments made under the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Note Agreement as of the day and year first above written.

MIDDLEBY MARSHALL INC.

By

Its Executive Vice President

ASBURY ASSOCIATES, INC.

By

Its Vice President

VICTORY REFRIGERATION COMPANY

By

Its Vice President

VICTORY INTERNATIONAL, INC.

By

Its Vice President

Accepted as of _____, 1996.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

By

Its

SCHEDULE I

NAME OF NOTEHOLDER	PRINCIPAL AMOUNT OF NOTES OUTSTANDING
The Northwestern Mutual Life Insurance Company	$15,000,000

REPRESENTATIONS AND WARRANTIES

Each Obligor represents and warrants to the Holder of the Notes as follows:

1. CORPORATE ORGANIZATION AND AUTHORITY. Each Obligor, and each Subsidiary, is a corporation or partnership, as the case may be, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

2. TRANSACTION IS LEGAL AND AUTHORIZED. The execution, delivery and performance of the First Amendment to Note Agreement and the Amended Notes and the transactions contemplated by the 1996 Changes and compliance by each Obligor with all of the provisions of the First Amendment to Note Agreement and any agreement contemplated by the 1996 Changes:

(a) are within the corporate powers of each Obligor;

(b) will not violate any provisions of any law or any order of any court or governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Certificate of Incorporation or By-laws of any Obligor or any indenture or other agreement or instrument to which any such Obligor is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of any Obligor; and

(c) have been duly authorized by proper corporate action on the part of each Obligor (no action by the stockholders of any Obligor being required by law, by the Certificate of Incorporation or By-laws of any Obligor or otherwise), executed and delivered by each Obligor and the First Amendment to Note Agreement constitutes the legal, valid and binding obligation, contract and agreement of each Obligor enforceable in accordance with its terms, subject to bankruptcy,

insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

3. NO DEFAULTS. No Default or Event of Default (as defined in the Original Note Agreement) has occurred and is continuing. No Obligor is in default in the payment of principal or interest on any Debt or is in default under any instrument or instruments or agreements under and subject to which any Debt has been issued, and no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

4. GOVERNMENTAL CONSENT. No approval, consent or withholding of objection on the part of any regulatory body, state, Federal or local, is necessary in connection with the execution and delivery by any Obligor of the First Amendment to Note Agreement or the Notes or compliance by any Obligor with any of the provisions of the First Amendment to Note Agreement or the Notes or any of the agreements entered into in connection with the 1996 Changes.

5. Neither Victory nor Victory International owns or possesses any patents, trademarks, tradenames, service marks, copyrights, trademarks or trademark licenses. No patent, trademark, tradename, service mark, copyright, trademark or trademark license is necessary for the present and planned future conduct of the business of Victory or Victory International, except such intellectual property as is currently owned or possessed by MMI. Neither Victory nor Victory International will own or possess any intellectual property unless it shall have subjected such property to the lien of a Patent and Trademark Security Agreement and a Related Patent and Trademark Security Agreement comparable to those executed and delivered by the Original Obligors on the original Closing Date and shall have delivered such other

documents, filings and showings in connection therewith as shall be deemed reasonably necessary by the Noteholders and their special counsel.

MIDDLEBY MARSHALL INC.

AND

ASBURY ASSOCIATES, INC.

10.99% Senior Secured Note

DUE JANUARY 10, 2003

PPN 59628# AA 2

NO. _____, ____

$

MIDDLEBY MARSHALL INC., a Delaware corporation, ASBURY ASSOCIATES, INC., a Florida corporation, VICTORY REFRIGERATION COMPANY, a Delaware corporation, and VICTORY INTERNATIONAL, INC., a Delaware corporation (each an "OBLIGOR" and collectively the "OBLIGORS") jointly and severally, for value received, hereby promise to pay to

or registered assigns

on the tenth day of January, 2003

the principal amount of

DOLLARS ($)

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 10.99% per annum from the date hereof until maturity, payable quarterly on the tenth of January, April, July and October in each year (commencing on April 10, 1995) and at maturity. The Obligors agree to pay interest on overdue principal (including any overdue required or

optional prepayment of principal) and premium, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the Overdue Rate after the due date, whether by acceleration or otherwise, until paid. "OVERDUE RATE" shall mean the lesser of (a) the maximum interest rate permitted by law and (b) 12.99% per annum.

Both the principal hereof and interest hereon are payable at the principal office of the Obligors c/o Middleby Marshall Inc. in Elgin, Illinois in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts. If any amount of principal, premium, if any, or interest on or in respect of this Note becomes due and payable on any date which is not a Business Day, such amount shall be payable on the immediately preceding Business Day. "BUSINESS DAY" means any day other than a Saturday, Sunday or other day on which banks in Chicago, Illinois are required by law to close or are customarily closed.

This Note is one of the 10.99% Senior Secured Notes due January 10, 2003 (the "NOTES") of the Obligors in the aggregate principal amount of $15,000,000 issued or to be issued under and pursuant to the terms and provisions of the Note Agreement dated as of January 1, 1995, as amended by that certain First Amendment to Note Agreement dated as of March 1, 1996 (as so amended, the "NOTE AGREEMENT"), entered into by the Obligors with the original Purchaser therein referred to and this Note and the holder hereof are entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreement to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreement for a statement of such rights and benefits.

This Note and the holder hereof are entitled equally and ratably with the holders of all other Notes to the rights and benefits provided pursuant to the terms and provisions of the

Subsidiary Guaranty, the Security Documents, the Support Agreement and the Intercreditor Agreement (as each such term is defined in the Note Agreement). Reference is hereby made to each of the foregoing for a statement of the nature and extent of the benefits and security for the Notes afforded thereby and the rights of the holders of the Notes and the Obligors in respect thereof.

This Note and the other Notes outstanding under the Note Agreement may be declared due prior to their expressed maturity date and certain prepayments are required to be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreement.

The Notes are not subject to prepayment or redemption at the option of the Obligors prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the premium, if any, set forth in the Note Agreement.

This Note is registered on the books of the Obligors and is transferable only by surrender thereof at the principal office of Middleby Marshall Inc. in Elgin, Illinois duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly

authorized in writing. Payment of or on account of principal, premium, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

This Note and said Note Agreement are governed by and construed in accordance with the laws of Illinois, including all matters of construction, validity and performance.

MIDDLEBY MARSHALL INC.

By

Its

ASBURY ASSOCIATES, INC.

By

Its

VICTORY REFRIGERATION COMPANY

By

Its

VICTORY INTERNATIONAL, INC.

By

Its

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY JURISDICTION THEREOF AND MAY BE OFFERED, SOLD OR TRANSFERRED ONLY IF REGISTERED PURSUANT TO PROVISIONS OF SUCH SECURITIES ACT OR IF AN EXEMPTION THEREFROM IS AVAILABLE.

SECOND AMENDMENT TO NOTE AGREEMENT AND CONSENT

THIS SECOND AMENDMENT TO NOTE AGREEMENT AND CONSENT dated as of May 31, 1996 (the or this "Amendment") to the Note Agreement dated as of January 1, 1995 (the "Original Note Agreement"), as amended, between and among Middleby Marshall Inc., a Delaware corporation ("MMI"), Asbury Associates, Inc., a Florida corporation ("Asbury"), Victory International Inc., a Delaware corporation, ("Victory International"); and Victory Refrigeration Company, a Delaware Corporation ("Victory"); (Victory, Victory International, Asbury and MMI each hereinafter sometime individually referred to as an "Obligor" and collectively as the "Obligors"), and The Northwestern Mutual Life Insurance Company ("the Noteholder"), under and pursuant to which $15,000,000 aggregate principal amount of Senior Notes Due January 10, 2003 (the "Notes") were originally issued.

RECITALS:

A. The Obligors and the Noteholder now desire to amend and/or waive certain provisions of the Note Agreement as of the date hereof (the "Effective Date") in the respects, but only in the respects, hereinafter set forth.

B. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Note Agreement unless herein defined or the context shall otherwise require.

NOW, THEREFORE, upon the full and complete satisfaction of the conditions precedent to the effectiveness of this Amendment set forth in Section 3.1 hereof, and in consideration of good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Obligors and the Noteholder do hereby agree as follows:

Section 1 REPRESENTATIONS AND WARRANTIES.

1.1. To induce the Noteholder to execute and deliver this Amendment, each Obligor represents and warrants to the Noteholder (which representations shall survive the execution and delivery of this Amendment) that:

(a) this Amendment has been duly authorized, executed and delivered by it and this Amendment constitutes the legal, valid and binding obligation, contract and agreement of such Obligor enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(b) the Note Agreement, as amended by this Amendment, constitutes the legal, valid and binding obligations, contracts and agreements of such Obligor enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization,

moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(c) the execution, delivery and performance by such Obligor of this Amendment (i) have been duly authorized by all requisite corporate action and, if required, shareholder action, (ii) do not require the consent or approval of any governmental or regulatory body or agency, and (iii) will not (A) violate (1) any provision of law, statute, rule or regulation or certificate of incorporation or bylaws of any Obligor, (2) any order of any court or any rule, regulation or order of any other agency or government binding upon it, (B) violate or require any consent under or with respect to any provision of the Finance Company Loan Agreement or the Finance Company Security Documents or any other material indenture, agreement or instrument to which it is a party or by which its properties or assets are or may be bound, or (C) result in a breach or constitute (alone or with due notice or lapse of time or both) a default under such Agreements or Documents, or other such material indentures,

agreements or instruments; and

(d) as of the date hereof and after giving effect to this Amendment, no Default or Event of Default has occurred which is continuing.

SECTION 2. AMENDMENTS.

2.1. Section 5.9 the Note Agreement shall be and is hereby amended in its entirety to read as follows:

> The Obligors will at all time keep and maintain the ratio of the Consolidated Net Income Available for Fixed Charges for the immediately preceding four fiscal quarter period to Consolidated Fixed Charges for such four fiscal quarter period at not less than:
>
> | DURING THE PERIOD | MINIMUM LEVEL |
> |---|---|
> | 1995 and 1996 Fiscal Years | 1.75 to 1.00 |
> | 1997 Fiscal Year and each Fiscal Year thereafter | 2.00 to 1.00 |

2.2 The definition of "Consolidated Net Income Available for Fixed Charges" is hereby amended by inserting at the end of such definition, and before the period, the following:

> PROVIDED, HOWEVER, that for the four consecutive fiscal quarters commencing January 1, 1996, Consolidated Net Income Available for Fixed Charges shall include (to the extent deducted in determining Consolidated Net Income) an amount up to $900,000 reflected on the audited consolidated financial statements of the Obligors for the fiscal year ending December 30, 1995, under the line item "Provision for Product Line Discontinuance".

SECTION 3. MISCELLANEOUS.

3.1. This Amendment shall not become effective until, and shall become effective when, each and every one of the following conditions shall have been satisfied:

(a) executed counterparts of this Amendment, duly executed by the Obligors shall have been delivered to the Noteholder;

(b) the Noteholder shall have received a written consent to this Amendment for purposes of the Finance Company Loan Agreement and Finance Company Security Documents, duly executed by the Agent and the Lenders, which consent shall be in form and substance satisfactory to the Noteholder:

(c) the Noteholder shall have received evidence satisfactory to it that the Finance Company Loan Agreement has been amended substantially as provided herein;

(d) the representations and warranties of the Company set forth in Section 1 hereof are true and correct on and with respect to the date hereof.

Upon receipt of all of the foregoing, this Amendment shall become effective.

3.2. As of the date of this Amendment, the Noteholder consents to the May, 1996 amendment to the by-laws of MMI to increase the maximum number of directors of MMI to eleven, and agrees that such amendment does not constitute an Event of Default under Section 5.19(b) of the Note Agreement.

3.3. This Amendment shall be construed in connection with and as part of the Note Agreement, and except as expressly modified and amended by this Amendment, all terms, conditions and covenants contained in the Note Agreement and the Note are hereby ratified and shall be and remain in full force and effect.

3.4. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Amendment may refer to the Note Agreement without making specific reference to this Amendment but nevertheless all such references shall include this Amendment unless the context otherwise requires.

3.5. This Amendment shall be governed by and construed in accordance with Illinois law.

MIDDLEBY MARSHALL INC.

By /s/ John J. Hastings

Its Executive Vice President

ASBURY ASSOCIATES, INC.

By /s/ John J. Hastings

Its Vice President

VICTORY REFRIGERATION COMPANY

By /s/ John J. Hastings

Its Vice President

VICTORY INTERNATIONAL INC.

By /s/ John J. Hastings

Its Vice President

Accepted as of May 31, 1996

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By

Its Vice President

Draft of March 21, 1995

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- ---

AMENDMENT AGREEMENT

Dated as of March 1, 1995

among

SANWA BUSINESS CREDIT CORPORATION,

as Agent

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY,

the Senior Noteholder

and

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,

as Collateral Agent

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AMENDMENT AGREEMENT

Reference is made to that certain Intercreditor Agreement dated as of January 10, 1995 (the "INTERCREDITOR AGREEMENT"), among Sanwa Business Credit Corporation, a Delaware corporation, acting in its capacity as agent (in such capacity, the "AGENT") for and on behalf of the various financial institutions (collectively, the "LENDERS") which are, or may from time to time hereafter become, parties to the Loan Agreement, the Northwestern Mutual Life Insurance Company (the "SENIOR NOTEHOLDER") and First Security Bank of Utah, National Association, acting in its individual capacity for purposes of clause (a) of Section 3 of the Intercreditor Agreement and otherwise in its capacity as intercreditor collateral agent for the Senior Creditors (together with its successors and assigns, the "COLLATERAL AGENT") and First Security Bank of Utah, National Association, in its capacity as security trustee under the Noteholder Security Documents (the "SECURITY TRUSTEE"). Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Intercreditor Agreement.

The Agent and the Senior Noteholder desire to amend a certain provision of the Intercreditor Agreement and, upon the execution and delivery of this Amendment Agreement by the Agent, the Senior Noteholder and the Collateral Agent, the following provision of the Intercreditor Agreement shall be amended as of the date hereof as follows:

SECTION 1. AMENDMENT.

SECTION 1.1. AMENDMENT OF SECTION 1(a). The definition of "Pledge Agreements" contained in Section 1(a) of the Intercreditor Agreement is hereby amended in its entirety so that the same shall henceforth read as follows:

"PLEDGE AGREEMENTS" shall mean the pledge agreement dated as of January 9, 1995 from MMI to the Collateral Agent relating to the capital stock of Asbury owned by MMI, the Pledge Agreement dated as of March 10, 1995 from MMI to the Collateral Agent relating to the capital stock of Seco Products Corporation, a Delaware Corporation, owned by MMI and the Pledge Agreement to be delivered by MMI pursuant to Section 5.22 of the Note Agreement relating to the capital stock of FAB-Asia, Inc., a Republic of the Philippines corporation, owned by MMI.

SECTION 2. MISCELLANEOUS.

SECTION 2.1. EXECUTION IN COUNTERPARTS. Two or more duplicate originals of this

Amendment Agreement may be signed by the parties hereto, each of which shall be an original but all of which together shall constitute one and the same instrument. This Amendment Agreement may be executed in one or more counterparts and will be effective (as of the effective date set forth below), when at least one counterpart has been executed by the Agent, the Senior Noteholder and the Collateral Agent, and each set of counterparts which, collectively, show execution by each such party shall constitute one duplicate original.

SECTION 2.2. GOVERNING LAW. This Amendment Agreement shall be governed by and construed in accordance with Illinois law.

SECTION 2.3. CAPTIONS. The descriptive headings of the various Sections or parts of this Amendment Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

SECTION 2.4. RATIFICATION OF INTERCREDITOR AGREEMENT. Except as herein expressly amended, all other terms and provisions of the Intercreditor Agreement shall remain unchanged and are in all respects ratified, confirmed and approved. If and to the extent that any of the terms or provisions of the Intercreditor Agreement are in conflict or inconsistent with any of the terms or provisions of this Amendment Agreement, this Amendment Agreement shall govern.

This Amendment Agreement shall be effective as of March __, 1995.

Signature

SANWA BUSINESS CREDIT CORPORATION,
as Agent

By

Its

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY, as Senior Noteholder

By

Its

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Collateral
Agent and Security Trustee

By

Its

Accepted and Acknowledged by:

MIDDLEBY MARSHALL INC.

By

Its

ASBURY ASSOCIATES, INC.

By

Its

- ---
- ---

AMENDMENT AGREEMENT NO. 2

to

INTERCREDITOR AGREEMENT

Dated as of March 1, 1996

Among

SANWA BUSINESS CREDIT CORPORATION,

as Agent

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY,

the Senior Noteholder

and

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION,
as Collateral Agent

- ---
- ---

AMENDMENT AGREEMENT NO. 2
TO INTERCREDITOR AGREEMENT

Reference is made to that certain Intercreditor Agreement dated as of January 10, 1995 as amended by that certain Amendment Agreement dated as of March 1, 1995 (as so amended, the "ORIGINAL INTERCREDITOR AGREEMENT"), among Sanwa Business Credit Corporation, a Delaware corporation, acting in its capacity as agent (in such capacity, the "AGENT") for and on behalf of the various financial institutions (collectively, the "LENDERS") which are, or may from time to time hereafter become, parties to the Loan Agreement, The Northwestern Mutual Life Insurance Company (the "SENIOR NOTEHOLDER") and First Security Bank of Utah, National Association, acting in its individual capacity for purposes of clause (a) of Section 3 of the Intercreditor Agreement and otherwise in its capacity as intercreditor collateral agent for the Senior Creditors (together with its successors and assigns, the "COLLATERAL AGENT") and First Security Bank of Utah, National Association, in its capacity as security trustee under the Noteholder Security Documents (the "SECURITY TRUSTEE"). Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Original Intercreditor Agreement.

The Agent and the Senior Noteholder desire to amend certain provisions of the Original Intercreditor Agreement and, upon the execution and delivery of this Amendment Agreement No. 2 to Intercreditor Agreement by the Agent, the Senior Noteholder and the Collateral Agent, the following provisions of the Original Intercreditor Agreement shall be amended as of the date hereof as follows:

SECTION 1. AMENDMENT.

SECTION 1.1. AMENDMENT OF SECTION 1(a). The following definitions in Section 1(a) of the Original Intercreditor Agreement

are hereby amended in their entirety so that the same shall henceforth read as follows:

"BORROWERS" shall mean MMI, AAI, Victory and Victory International.

"JAPANESE SUBSIDIARY" shall mean a Subsidiary yet to be created which will be a corporation duly organized under the laws of Japan, and any Person who succeeds to all, or substantially all, of the assets of such Subsidiary.

"MPC" shall mean Middleby Philippines Corporation, a Republic of the Philippines corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Middleby Philippines Corporation.

"NOTEHOLDER'S SENIOR COLLATERAL" shall mean the collateral described in Exhibit A attached hereto and made a part hereof, together with all accounts, equipment, general intangibles, monies, litigation proceeds, additions, records, proceeds and products relating to such Intellectual Property Collateral, all as described in the Patent and Trademark Security Agreements.

"PLEDGE AGREEMENTS" shall mean the Pledge Agreement dated as of January 9, 1995 from MMI to the Collateral Agent relating to the capital stock of AAI owned by MMI, the Pledge Agreement dated as of March 1, 1996 from Victory International to the Collateral Agent relating to the capital stock of Victory owned by Victory International, and a Pledge Agreement dated as of March 1, 1996 from MMI to the Collateral Agent relating to the capital stock of Victory International owned by MMI, a Pledge Agreement to be dated as of March 1, 1996 from MMI to the Collateral Agent relating to the capital stock of MPC owned by MMI, a Pledge Agreement to be dated as of the date of execution and delivery thereof from MMI to the

Collateral Agent relating to the capital stock of the Taiwanese Subsidiary owned by MMI, a Pledge Agreement to be dated as of the date of execution and delivery thereof from MMI to the Collateral Agent relating to the capital stock of the Japanese Subsidiary owned by MMI, and any other agreement delivered by MMI or any Subsidiary thereof delivered subsequent to the date hereof pursuant to the terms of the Financing Documents.

"TAIWANESE SUBSIDIARY" shall mean a Subsidiary yet to be created which will be a corporation duly organized under the laws of Taiwan, and any Person who succeeds to all, or substantially all, of the assets and business of such Subsidiary.

"VICTORY" shall mean Victory Refrigeration Company, a Delaware corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Victory Refrigeration Company.

"VICTORY INTERNATIONAL" shall mean Victory International, Inc., a Delaware corporation and parent corporation of Victory, and any Person who succeeds to all, or substantially all, of the assets and business of Victory International Inc.

SECTION 2. MISCELLANEOUS.

SECTION 2.1. EXECUTION IN COUNTERPARTS. Two or more duplicate originals of this Amendment Agreement No. 2 to Intercreditor Agreement may be signed by the parties hereto, each of which shall be an original but all of which together shall constitute one and the same instrument. This Amendment Agreement No. 2 to

Intercreditor Agreement may be executed in one or more counterparts and will be effective (as of the effective date set forth below), when at least one counterpart has been executed by the Agent, the Senior Noteholder and the Collateral Agent, and each set of

counterparts which, collectively, show execution by each such party shall constitute one duplicate original.

SECTION 2.2. GOVERNING LAW. This Amendment Agreement No. 2 to Intercreditor Agreement shall be governed by and construed in accordance with Illinois law.

SECTION 2.3. CAPTIONS. The descriptive headings of the various Sections or parts of this Amendment Agreement No. 2 to Intercreditor Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

SECTION 2.4. RATIFICATION OF INTERCREDITOR AGREEMENT. Except as herein expressly amended, all other terms and provisions of the Original Intercreditor Agreement shall remain unchanged and are in all respects ratified, confirmed and approved. If and to the extent that any of the terms or provisions of the Original Intercreditor Agreement are in conflict or inconsistent with any of the terms or provisions of this Amendment Agreement No. 2 to Intercreditor Agreement, this Amendment Agreement No. 2 to Intercreditor Agreement shall govern.

This Amendment Agreement No. 2 to Intercreditor Agreement shall be effective as of March 28, 1996.

Signature

SANWA BUSINESS CREDIT CORPORATION,
as Agent
By

Its

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY, as Senior Noteholder

By

Its

FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, as Collateral Agent and Security Trustee

By

Its

Accepted and Acknowledged by:

MIDDLEBY MARSHALL INC.

By

Its

ASBURY ASSOCIATES, INC.

By

Its

VICTORY REFRIGERATION COMPANY

By

Its

VICTORY INTERNATIONAL, INC.

By

Its

Exhibit (10)(iii)(d)

THE MIDDLEBY CORPORATION
AMENDED AND RESTATED 1989 STOCK INCENTIVE PLAN
INTRODUCTION

This document contains the provisions of The Middleby Corporation 1989 Stock Incentive Plan, as adopted effective as of February 16, 1989 (the "Effective Date") and amended on May 16, 1992 and May 16, 1996. The purpose of this Plan is to provide a means to attract and retain employees of experience and ability and to furnish additional incentives to them.

ARTICLE I
DEFINITIONS

1.1. "BOARD" means the Company's Board of Directors.

1.2. "CODE" means the Internal Revenue Code of 1986, as amended.

1.3. "COMPANY" means The Middleby Corporation, a Delaware corporation.

1.4. "ELIGIBLE EMPLOYEE" means any executive or key employee of an Employer.

1.5. "EMPLOYER" means the Company or any affiliate or subsidiary of the Company.

1.6. "FAIR MARKET VALUE" means, as of any date, the closing price of stock on the national stock exchange on which the Stock is then listed or, if there was no trading in Stock on that date, the closing price of Stock on that exchange on the next preceding date on which there was trading in Stock.

1.7. "GRANT" means any award of options, Stock Appreciation Rights or Restricted Stock (or any combination thereof) made under this Plan to an Eligible Employee.

1.8. "OPTION" means any stock option granted under this Plan.

1.9. "PLAN" means The Middleby Corporation 1989 Stock Incentive Plan, as set out in this document and as subsequently amended.

1.10. "RECIPIENT" means an Eligible Employee to whom a Grant has been made.

1.11. "RESTRICTED STOCK" means Stock transferred to a Recipient in a Grant which is, at the date on which the Grant is made, both (i) not "transferable" and (ii) "subject to a substantial risk of forfeiture," within the meaning of Section 83 of the Code.

1.12. "STOCK" means the Company's authorized common stock, par value $.01 per share.

1.13. "STOCK APPRECIATION RIGHT" means a right transferred to a Recipient under a Grant which entitles him, upon exercise, to receive a payment (in cash, Stock or a combination of cash and Stock) which is equal to the increase (if any) in the Fair Market Value of a share of Stock between the date as of which the Grant was made and the date as of which the right is exercised.

1.14. The masculine gender includes the feminine, and the singular number includes the plural, unless a different meaning is clearly required by the context.

ARTICLE II
STOCK AVAILABLE FOR GRANTS

2.1. 400,000 shares of Stock are available for Grants under the Plan. The shares available for Grants may include unissued or reacquired shares. If a Grant expires or is cancelled, any shares which were not issued or fully vested under the Grant at the time of expiration or cancellation will again be available for Grants.

2.2. If there is a merger, consolidation, stock dividend, split-up, combination or exchange of shares, recapitalization or change in capitalization with respect to Stock, the total number of shares provided for in Section 2.1. will be adjusted by the Board to accurately reflect that event.

ARTICLE III
MAKING GRANTS

3.1.
(a) The Board may, at any time while the Plan is in effect and there is Stock available for Grants, make Grants to Eligible Employees.

(b) No Grant may be made after February 16, 2001.

(c) All grants and any exercises of Grants are conditioned upon shareholder approval of the Plan as described in Section 8.2.

(d) If there is a merger, consolidation, stock dividend, split-up, combination or exchange of shares, recapitalization or change in capitalization with respect to Stock, or any other corporate action with respect to Stock which, in the opinion of the Board, adversely affects the relative value of a Grant, the number of shares and the exercise price (in the case of an Option) of any Grant which is outstanding at the time of that event will be adjusted by the Board to the extent necessary to remedy the adverse effect on the Grant's value.

3.2.
(a) The terms of each Grant will be set out in a written agreement.

(b) Subject to the applicable provisions of Article IV, V or VI, a Grant may contain any terms and conditions which the Board determines, as long as they are consistent with the provisions of the Plan. Such terms may, without limitation, include provisions that Grants shall terminate upon termination of employment in specified circumstances.

ARTICLE IV
OPTIONS

4.1.
The terms of each Option must include the following:

(i) The name of the Recipient.

(ii) The number of shares which are subject to the Option.

(iii) The exercise price per share for Stock subject to the option, which must be at least 100% of the Stock's Fair Market Value on the date the option is granted.

(iv) The term over which the Option may be exercised.

(v) A requirement that the Option is not transferable by the optionee except by will or the laws of descent and distribution and that, during his lifetime, it is exercisable only by him.

(vi) A statement of whether the Option is intended to be an "incentive stock option" under Section 422 of the Code or a "nonstatutory stock option".

4.2.
An Option which is intended to be an incentive stock option under Section 422 of the Code must contain the following terms:

(i) The exercise price per share must be at least 100% of the Stock's Fair Market Value on the date the Option is granted.

(ii) The aggregate Fair Market Value (as of the date the Option is granted) of Stock with respect to which incentive stock options are exercisable for the first time by the Recipient during any calendar year (under all stock option plans of the Employers) may not exceed $100,000.

(iii) The term over which the Option may be exercised may never exceed ten

years from the date of grant.

(iv) If the Recipient, at the time the option is granted, owns 10% or more of the voting stock of an Employer (including Stock which he is deemed to own under Section 424(d) of the Code), the exercise price must be at least 110% of the Stock's Fair Market Value as of the Option's date of grant, and the term of the Option may not be more than five years from the date of grant.

4.3.(a) An Option may be exercised, in whole or part, at any time during its term, subject to any specific conditions in the Option's terms and any rules adopted by the Board for the exercise of Options.

(b) A Recipient may pay the exercise price of an Option in cash or, in the Board's discretion, in shares of Stock owned by him (valued at Fair Market Value), with a note payable to the Company, or in a combination of cash, notes and shares of Stock.

(c) The following rules apply to the exercise of Options:

(i) If a Recipient dies, any Option may, to the extent it was exercisable at his death, be exercised by his estate, within one year after his date of death or such shorter period as the Option may provide.

(ii) If a Recipient terminates employment because he has become permanently and totally disabled, he may exercise any Option to the extent it was exercisable at his termination of employment, but only within one year after his termination of employment or such shorter period as the Option may provide.

(iii) If a Recipient terminates employment for any reason other than death or permanent and total disability, he may exercise any Option to the extent it was exercisable at his termination of employment, but only within three months after his termination of employment or such shorter or longer period as the Option may provide.

(iv) Subparagraph (i), (ii) or (iii) can never operate to make an Option exercisable beyond the term for which it was granted.

(d) To the extent an Option is not exercised before the expiration of its term or before the expiration of any shorter exercise period under paragraph (c), it will be cancelled.

ARTICLE V
STOCK APPRECIATION RIGHTS

5.1. The terms of each Grant of Stock Appreciation Rights must include the following:

(i) The name of the Recipient.

(ii) The number of Stock Appreciation Rights which are being granted.

(iii) The term over which the Stock Appreciation Rights may be exercised. This term may never exceed ten years from the date of grant.

(iv) A description of any events which will cause cancellation of the Stock Appreciation Rights before the end of the term described in subparagraph (iii).

(v) Whether or not the Stock Appreciation Rights are issued in tandem with any Option, and if so the manner in which the Recipient's exercise of one affects his right to exercise the other.

(vi) A requirement that the Stock Appreciation Rights are not transferable by the Recipient except by will or the laws of descent and distribution and that during his lifetime such Rights are exercisable only by him.

5.2. Stock Appreciation Rights which are issued in tandem with an option which is intended to be an incentive stock option under Section 422 of the Code must contain the following terms:

(i) They will expire no later than at the expiration of the Option.

(ii) Payment under the Stock Appreciation Rights may not exceed 100% of the difference between the exercise price of the Option and the Fair Market Value of Stock on the date the Stock Appreciation Rights are exercised.

(iii) They are transferable only when the Option is transferable, and under the same conditions.

(iv) They are exercisable only when the Option is exercisable.

(v) They may only be exercised when the Fair Market Value of Stock exceeds the exercise price of the Option.

5.3.
(a) Stock Appreciation Rights may be exercised at any time during their term, subject to Section 5.2., to any specific conditions in their terms and to any rules adopted by the Board for the exercise of Stock Appreciation Rights.

(b) Determination of the form of payment upon exercise of a Stock Appreciation Right (cash, Stock or a combination of cash and Stock) is solely in the discretion of the Board.

ARTICLE VI
RESTRICTED STOCK

6.1.
The terms of each Grant of Restricted Stock must include the following:

(i) the name of the Recipient.

(ii) the number of shares of Restricted Stock which are being granted.

(iii) whether the Recipient must pay any amount in connection with the Grant and if so, the amount and terms of that payment. Such amount shall not exceed 10% of the Fair Market Value of the Restricted Stock at the time the Grant is made, and may be such lesser amount as shall be determined by the Board.

(iv) description of the restrictions applicable to the Grant and the conditions on which the restriction may be removed.

ARTICLE VII
ADMINISTRATION

7.1.
Subject to Section 3.1(a) hereof, the complete authority to control and manage the operation and administration of the Plan is placed in the Board.

7.2.
Subject to Section 3.1(a) hereof, the Board has all authority which is necessary or appropriate for the operation and administration of the Plan, including the following:

(a) To make Grants and determine their terms, subject to the provisions of the Plan.

(b) To interpret the provisions of the Plan.

(c) To adopt any rules, procedures and forms necessary for the operation and administration of the Plan which are consistent with its provisions.

(d) To determine all questions relating to the eligibility and other rights of all persons under the Plan.

(e) To keep all records necessary for the operation and administration of the Plan.

(f) To designate or employ agents and counsel (who may also be employed by an Employer) to assist in the administration of the Plan.

(g) To cause any shares of Stock acquired by a Recipient through exercise of a Grant to be recorded on the Company's records in the Recipients' name, and to cause such shares to be issued to the Recipient or to his brokerage account, as he elects.

(h) To cause any withholding of tax required in connection with a Grant to be made.

ARTICLE VIII
AMENDMENT AND TERMINATION

8.1.
The Plan may be amended or terminated at any time by action of the Board. However, no amendment may, without stockholder approval:

(i) increase the aggregate number of shares available for Grants (except to reflect an event described in section 2.2); or

(ii) extend the term of the Plan; or

(iii) change the definition of Eligible Employee for purposes of the Plan; or

(iv) materially increase the benefits accruing to participants under the Plan.

8.2.
If the Plan is not, within twelve months of its Effective Date, approved by a majority of the shares voted at a regular or special meeting of the Company's stockholders, the Plan will terminate and all Grants made under it will be cancelled.

8.3.
No amendment or termination of the Plan (other than termination under Section 8.2.) may adversely modify any person's rights under an Option unless he consents to the modification in writing.

ARTICLE IX
MISCELLANEOUS

9.1.
The fact that a person receives a Grant will not constitute or be evidence of a contract of employment or give him any right to continued employment with the Employer.

9.2.
If any provision of this Plan is held illegal or invalid for any reason, such illegality or invalidity will not affect the remaining provisions. Instead, each provision is fully severable and this Plan will be construed and enforced as if any illegal or invalid provision had never been included.

9.3.
Except as provided in federal law, the provisions of the Plan will be construed in accordance with the laws of Illinois.

CONFIDENTIAL

THE MIDDLEBY CORPORATION
MANAGEMENT INCENTIVE PLAN
CORPORATE STAFF
1996

ELIGIBILITY
To be eligible, an employee must be employed by the Company on the last day of the fiscal year and have been in such incentive position a minimum of six (6) months. If the employee works in such position for the minimum of six (6) months, but less than twelve (12) months, the incentive compensation will be prorated (i.e., seven months = 7/12). Incentive compensation is computed on the employee's base salary as of the beginning of the year (January 1, 1996).

INCENTIVE PAYMENTS
Incentive compensation will be paid upon completion of the audited fiscal year results of the Company, usually on or about March 1. Incentive compensation awards under the 1996 Management Incentive Plan for certain positions are subject to the conditions of The Middleby Corporation Stock Ownership Plan.

INCENTIVE CATEGORY
The incentive compensation will be based on the achievement of the following category versus defined objective levels:

EARNINGS BEFORE INTEREST AND TAXES (EBIT)- Defined as Operating Profit less other income or expense. EBIT includes the expense of the corporate and operating division incentive compensation pools and excludes the expenses of The Middleby Corporation entity. It is the intent of the Company that incentive compensation is to be self-funded at the operating division level.

INCENTIVE COMPUTATION
The incentive compensation award will be computed based on the achieved level of the objective (i.e. EBIT) and the designated percentage of the participant's base salary. If the achieved level is between the plateaus, an extrapolation of the percentage of salary will be computed.

The percentage of base salary (as of January 1, 1996) for incentive compensation if 100% of the 1996 MIP objective is achieved and the maximum percentage for your position are detailed on Attachment I.

INCENTIVE OBJECTIVES
Attachment II provides the MIP objective for the current fiscal year. The objectives are correlated with the Operating Plan. A percentage of incentive achievement for each objective is set for each level of the above categories. These percentages do not necessarily increment or decrement in an arithmetical progression.

ATTACHMENT I

THE MIDDLEBY CORPORATION
1996 MANAGEMENT INCENTIVE PLAN

LEVEL: CORPORATE VICE PRESIDENT

PERCENT OF BASE SALARY (AS OF 1/1/96) IF 100% ACHIEVEMENT- 50%

MAXIMUM PAYOUT AS PERCENT OF BASE SALARY- 100%

INCENTIVE CATEGORY WEIGHTING-

EBIT- 100%

AWARD IS SUBJECT TO THE CONDITIONS OF THE MIDDLEBY CORPORATION STOCK OWNERSHIP PLAN

LEVEL: CORPORATE/GROUP VICE PRESIDENT

PERCENT OF BASE SALARY (AS OF 1/1/96) IF 100% ACHIEVEMENT- 30%

MAXIMUM PAYOUT AS PERCENT OF BASE SALARY- 60%

INCENTIVE CATEGORY WEIGHTING-

EBIT- 100%

AWARD IS SUBJECT TO THE CONDITIONS OF THE MIDDLEBY CORPORATION STOCK OWNERSHIP PLAN

ATTACHMENT II
1996 MIP OBJECTIVES

CORPORATE EBIT OBJECTIVE		EBIT $'S	OBJECTIVE % LEVEL	EVP LEVEL BONUS % OF SALARY	VP LEVEL BONUS % OF SALARY
MIP PLAN 100% TARGET		$11,250			
CATEGORY WEIGHT FACTOR				100.0%	100.0%
% OF SALARY IF AT 100% MIP OBJECTIVE				50.0%	30.0%
MAXIMUM BONUS % OF SALARY				100.0%	60.0%
OBJECTIVE LEVEL/ % OF BASE SALARY BEFORE WEIGHT FACTOR:					
	80%	$9,000	0.0%	0.0%	0.0%
	84%	$9,450	20.0%	10.0%	6.0%
	88%	$9,900	40.0%	20.0%	12.0%
	90%	$10,125	60.0%	30.0%	18.0%
	96%	$10,800	80.0%	40.0%	24.0%
	100%	$11,250	100.0%	50.0%	30.0%
	104%	$11,700	120.0%	60.0%	36.0%
	108%	$12,150	140.0%	70.0%	42.0%
	112%	$12,600	160.0%	80.0%	48.0%
	116%	$13,050	180.0%	90.0%	54.0%
	120%	$13,500	200.0%	100.0%	60.0%

THE MIDDLEBY CORPORATION
LISTING OF SUBSIDIARIES

NAME	PARENT COMPANY	% OWNED
Middleby Marshall Inc.	The Middleby Corporation	100%
Victory International, Inc.	Middleby Marshall Inc.	100%
Asbury Associates, Inc.	Middleby Marshall Inc.	80%
Middleby Philippines Corporation	Middleby Marshall Inc.	80%
Fab-Asia, Inc.	Middleby Marshall Inc.	80%
Asbury Worldwide (Taiwan) Co., Ltd.	Middleby Marshall Inc.	80%
Victory Refrigeration Company	Victory International, Inc.	100%
Asbury S.L.	Asbury Associates Inc.	100%
International Catering and Equipment Supplies, Inc.	Asbury Associates Inc.	100%
Peterson Distributors, Inc. (1)	Middleby Marshall Inc.	100%
Viking West, Inc. (1)	Middleby Marshall Inc.	100%

- ----------

(1)- Inactive wholly owned subsidiaries.

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