

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

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RECEIPT ACCOUNTING DIV

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

481/40

MRD 3-13-98

05-13-1998

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY



100680260

TO: The Commissioner of Patents and Trademarks: Please record the ~~assignment~~ original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # 1677 Frame # 0455

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year

- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Name SUNBELT NURSERY GROUP, INC.

Execution Date
Month Day Year
12/25/97

Formerly _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization DELAWARE

Receiving Party

Mark if additional names of receiving parties attached

Name PARAGON CAPITAL LLC

DBA/AKA/TA _____

Composed of _____

Address (line 1) HILLSITE OFFICE BUILDING

Address (line 2) 75 SECOND STREET, SUITE 400

Address (line 3) NEEDHAM

City

MA

State/Country

02194

Zip Code

- Individual General Partnership Limited Partnership
- Corporation Association
- Other LIMITED LIABILITY COMPANY
- Citizenship/State of Incorporation/Organization DELAWARE

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

13/19/1998 VBRDMM 00000205 1972128 40.00 DP
11 FC:481

40E
NOS REC
Fee

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK

REEL: 1728 FRAME: 0093

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1972128"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Mary Ellen Welch Rogers Mary Ellen Welch Rogers March 10, 1998
Name of Person Signing Signature Date Signed

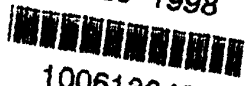
FORM PTO-1615A
Expires 06/30/99
June 9, 1997

MD
1-9-98

RECEIVED
JAN - 9 1998
RECEIVED ACTING DIV

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

01-26-1998



100613349

RECORDATION FORM COVER S.
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks. Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
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Month Day Year
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FOR OFFICE USE ONLY

01/23/1998 JRM/DAZ 0000065 1879485
01 FC 441 40.00 DP
02 FC 442 130.00 DP

Please burden reporting for the collection of information is estimated to average approximately 28 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0401-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0401-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1233166"/>	<input type="text" value="1234719"/>	<input type="text" value="1927128"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1879426"/>	<input type="text" value="1864455"/>	<input type="text" value="1248035"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1410990"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

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Deposit Account Number:

#

Authorization to charge additional fees:

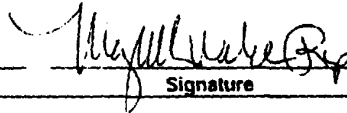
Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Mary Ellen Welch Rogers
Name of Person Signing


Signature

January 6, 1998
Date Signed

TRADEMARK SECURITY AGREEMENT

THIS SECURITY AGREEMENT is entered into as of December 17, 1997, by and between Sunbelt Nursery Group, Inc., a Delaware corporation having its principal place of business at 32383 Del Obispo, San Juan Capistrano, CA 92675 ("**Sunbelt Group**"), and Paragon Capital LLC, a Delaware limited liability company with a usual place of business at Hillside Office Building, 75 Second Avenue Suite 400 Needham, MA 02194 ("**Paragon**").

NOW THEREFORE, in consideration of the premises, Sunbelt Group hereby agrees with Paragon as follows:

1. Grant of Security Interest. Sunbelt Group hereby grants to Paragon a first priority security interest in, and conditionally assigns, but does not transfer title to Paragon, all of Sunbelt Group's right, title and interest in and to the following (collectively, the "**Collateral**") to secure payment and performance of all obligations of Sunbelt Group to Paragon whether such obligations are direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation, those liabilities of Sunbelt Group to Paragon pursuant to a Multi-Entity Guaranty dated December 17, 1997 (the "**Guaranty**") of the obligations of Sunbelt Groups's subsidiaries and/or affiliates, Wolfe Nursery, Inc. ("**Wolfe**"), Nurseryland Garden Centers, Inc. ("**Nuseryland**") and Tip Top Nurseries, Inc. ("**Tip Top**") under various Loan and Security Agreements dated December 17, 1997, between Paragon and (the "**Loan Agreements**") (collectively, the "**Obligations**").

The Collateral shall consist of the following:

(a) Each of the trademarks, and rights and interests protectible as trademarks, which are presently, or in the future may be, owned, created, acquired or used (whether pursuant to a license or otherwise) by Sunbelt Group, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(b) All of Sunbelt Group's right, title and interest, in and to the trademarks and trademark registrations listed on Schedule A attached hereto, as the same may be updated hereafter from time to time;

(c) All of Sunbelt Group's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country, and to apply for, renew and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Sunbelt Group or in the name of Paragon for past, present and future infringements of the trademarks, registrations or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(d) All general intangibles relating to the Collateral; and

(e) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

2. Warranties and Representations. Sunbelt Group hereby warrants and represents to Paragon the following:

(a) A true and complete schedule setting forth all federal and state trademark registrations owned or controlled by Sunbelt Group or licensed to Sunbelt Group, together with a summary description

and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(b) Each of the trademarks and trademark registrations is valid and enforceable, and Sunbelt Group is not presently aware of any past, present or prospective claim by any third party that any of the trademarks are invalid or unenforceable, or that the use of any trademarks violates the rights of any third person, or of any basis for any such claims;

(c) Sunbelt Group is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the trademarks and trademark registrations free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, shop rights and covenants by Sunbelt Group not to sue third persons;

(d) Sunbelt Group has used and will continue to use proper statutory notice in connection with its use of each of the trademarks;

(e) Sunbelt Group has used and will continue to use consistent standards of high quality (which may be consistent with Sunbelt Group's past practices) in the manufacture, sale and delivery of products and services sold or delivered under or in connection with the trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of the trademarks;

(f) Except for the filing of financing statements with the Secretary of State of California under the Uniform Commercial Code and filings with the United States Patent and Trademark Office necessary to perfect the security interests created hereunder, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Sunbelt Group of the security interest hereunder or for the execution, delivery or performance of this Agreement by Sunbelt Group or for the perfection of or the exercise by Paragon of its rights hereunder to the Collateral in the United States.

3. After-Acquired Trademark Rights. If Sunbelt Group shall obtain rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto. Sunbelt Group shall give prompt notice in writing to Paragon with respect to any such new trademarks or renewal or extension of any trademark registration. Sunbelt Group shall bear any expenses incurred in connection with future applications for trademark registration.

4. Litigation and Proceedings. Sunbelt Group shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings or other actions for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Sunbelt Group shall provide to Paragon any information with respect thereto requested by Paragon. Paragon shall provide at Sunbelt Group's expense all necessary cooperation in connection with any such suit, proceeding or action, including, without limitation, joining as a necessary party. Following Sunbelt Group's becoming aware thereof, Sunbelt Group shall notify Paragon of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, or any United States, state or foreign court regarding Sunbelt Group's claim of ownership in any of such trademarks, its right to apply for the same, or its right to keep and maintain such trademark rights.

5. Power of Attorney. Sunbelt Group grants Paragon power of attorney, having the full authority, and in the place of Sunbelt Group and in the name of Sunbelt Group, from time to time in Paragon's discretion to take any action and to execute any instrument which Paragon may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of the Loan Agreement:

(a) To endorse Sunbelt Group's name on all applications, documents, papers and instruments necessary for Paragon to use or maintain the Collateral;

(b) To ask, demand, collect, sue for, recover, impound, receive and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral;

(c) To file any claims or take any action or institute any proceedings that Paragon may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Paragon's rights with respect to any of the Collateral and to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any person.

7. Right to Inspect. Sunbelt Group grants to Paragon and its employees and agents the right to visit Sunbelt Group's plants and facilities which manufacture, inspect or store products sold under any of the trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

8. Events of Default. Any of the following events shall be an Event of Default:

(a) Sunbelt Group, Wolfe, Nurseryland or Tip Top fails to make any payment of principal or interest or any other payment on any Obligation when due and payable, by acceleration or otherwise; or

(b) the occurrence of an Event of Default as that term is defined in the Guaranty or in any of the Loan Agreements.

9. Specific Remedies. Upon the occurrence of any Event of Default:

(a) Paragon may cease advancing money or extending credit to or for the benefit of any of Wolfe, Nurseryland or Tip Top under the Loan Agreements or under any other agreement between Wolfe, Nurseryland or Tip Top and Paragon.

(b) Paragon may declare all Obligations to be due and payable immediately, whereupon they shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Sunbelt Group;

(c) Paragon may set off against the Obligations all Collateral, balances, credits, deposits, accounts or moneys of Sunbelt Group then or thereafter held with Paragon, including amounts represented by certificates of deposit;

(d) Paragon may notify licensees to make royalty payments on license agreements directly to Paragon;

(e) Paragon may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Paragon deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Sunbelt Group ten (10) days prior to such disposition. Sunbelt Group shall be credited with the net proceeds of such sale only when they are actually received by Paragon, and Sunbelt Group shall continue to be liable for any deficiency remaining after the Collateral is sold or collected;

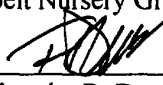
(f) If the sale is to be a public sale, Paragon shall also give notice of the time and place by publishing a notice one time at least ten (10) calendar days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held; and

(g) To the maximum extent permitted by applicable law, Paragon may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any Collateral payable by Paragon at such sale.

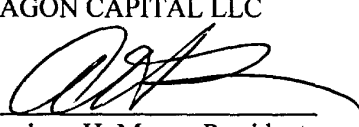
10. Governing Law. All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Sunbelt Group and Paragon have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

Sunbelt Nursery Group, Inc.

By: 
Timothy R. Duoos, President

PARAGON CAPITAL LLC

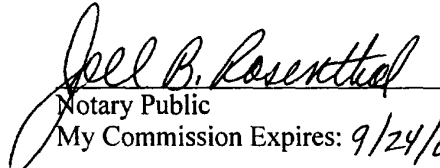
By: 
Andrew H. Moser, President

Commonwealth of Massachusetts
STATE OF

County of *Suffolk*

December 17, 1997

Then personally appeared the above-named, Timothy R. Duoos, President and Chief Executive Officer, and acknowledged the foregoing instrument to be the free act and deed of Sunbelt Nursery Group, Inc., before me,

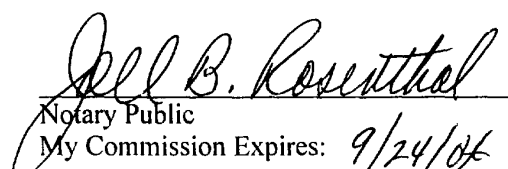

Notary Public
My Commission Expires: 9/24/04

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

December 18, 1997

Then personally appeared the above-named, Andrew H. Moser, President and Chief Executive Officer, and acknowledged the foregoing instrument to be the free act and deed of Paragon Capital LLC, before me,


Notary Public
My Commission Expires: 9/24/04

**SCHEDULE A
TO A TRADEMARK SECURITY AGREEMENT
BETWEEN SUNBELT NURSERY GROUP , INC. (Borrower)
AND
PARAGON CAPITAL LLC (Lender)
DATED: DECEMBER 17 , 1997**

REGISTERED TRADEMARKS (USA)

UNITED STATES PATENT AND TRADEMARK OFFICE

<u>Trademark</u>	<u>Registration No.</u>	<u>Issue Date</u>
PERMA-GRO	1,233,166	April 5, 1983
(design)(wolf in santa suit)	1,234,739	April 12, 1983
PERMA-GRO	1,972, 128	May 7, 1996
(design)	1,879,426	February 21, 1995
PERMAGRO	1,864,455	November 29, 1994
UNCLE WOLFE (and design)	1,248, 035	August 16, 1983
WINTER COAT	1,410,990	September 30, 1985

STATE OF ARIZONA

TIP TOP NURSERIES	19,309	June 7, 1978
TIP TOP NURSERIES	27,175	January 22, 1984

STATE OF CALIFORNIA

PERMA GROW		March 29, 1990
PERMA GROW	60907	January 21, 1980
NURSEYLAND (and design)	13177	January 25, 1982

SHAPIRO, ISRAEL & WEINER, P. C.
ATTORNEYS AT LAW
100 NORTH WASHINGTON STREET
BOSTON, MASSACHUSETTS 02114

AREA CODE 617
TELEPHONE 742-4200
TELECOPIER 742-2355

March 10, 1998
VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Pearlene Foster, Examiner
Assignment Division
United States Patent & Trademark Office
Box Assignments
North Tower Building
Suite 10C35
Washington, D.C. 20231

RE: Request for Correction of Recordation Notice

Dear Ms. Foster:

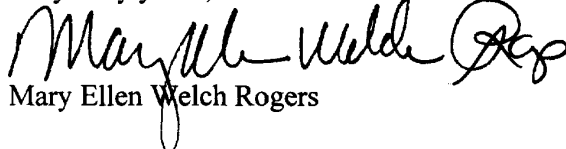
Enclosed please find a copy of the Recordation Notice dated March 2, 1998, Document No. 100613349A, relating to a recordation dated January 9, 1998, recorded at Reel/Frame 1677/0455.

Please note that one of the six items referenced on the Recordation Notice is incorrect. This incorrect reference relates to Registration No. 1927128. You will see upon comparison with the recorded document that the number on the cover sheet should have read 1972128.

A corrected cover sheet, copy of the recorded document and fee relating to this property in the amount of \$40.00 is enclosed.

Would you please record in conformity with 37 C.F.R. §328 and TMEP §503.06.

Very truly yours,


Mary Ellen Welch Rogers

MEWR:pm
Enclosure