FORM PTO-1594
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/9)

MNC 9-17-98

RECORD TR

09-23-1998

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U.S. DEPARTMENT OF
Patent and Trademark

Tab settings ▷▷▷▼

To the Honorable Commissioner of Patents an ... ginal documents or copy thereof.

1. Name of conveying party(ies):
Minnetonka Brands, Inc.

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Name: First Source Financial LLP

Internal Address:

Street Address : 2850 West Golf Road - 5th Floor

City: Rolling Meadows State: IL Zip: 60008

☐ Individual(s) citzenship
☐ Association
☐ General Partnership
☐ Limited Partnership
☐ Corporation State
☒ Other Limited Liability Partnership

If assignee is not domiciled in the United States, a domestrepresentative designation is attached: ☐ Yes ☐ No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other

Execution Date: December 29, 1997

4. Application number(s) or trademark

A. Trademark Application No.(s)
Please see attached Schedule I

B. Trademark Registration
Please see attached Schedule I

Additional numbers attached? ☒ Yes ☐ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Federal Research Corp.

Internal Address:

Street Address: 400 Seventh St NW
Suite 101

City: Washington State DC ZIP: 20004

6. Total number of applications and registrations involved: 29

7. Total fee (37 CFR 3.41) $ 740.00

☒ Enclosed

☐ Authorized to be charged to deposit

RECEIVED

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

09/18/1998 JSHABAZZ 00000102 1918675
01 FC:481 40.00 OP
02 FC:482 700.00 OP

9. 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 of the original document.

Nancy A. Butler
Name of Person

Nancy Butler
Signature

9/14/98
Date

Total number of pages including cover sheet, attachments, and document: 11

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

TRADEMARK
REEL: 1790 FRAME: 0501

SCHEDULE I to
Security Agreement

Item A. Trademarks

Registered Trademarks

Country	Trademark	Registration No.	Registration Date
USA	Oriental Fantasy	1918675	09/12/95
USA	Kauai Garden	1933286	11/07/95
USA	Gulf Breezes	1937322	11/21/95
USA	Paris Romance	1935657	11/14/95
USA	Private Moments by Village	1979374	06/11/96
USA	Fresh Apple Splash	1969821	04/23/96
USA	Splash Berry Banana	1966759	04/09/96
USA	Village Bath	1144636	12/30/80
USA	Village	1085243	02/14/78
USA	Village	1021279	09/23/75
USA	Village Private Moments	1743829	12/29/92
USA	Private Moments	1743827	12/29/92
USA	Village Natural	1,779,429	06/29/93
USA	Village Bath Products	1059925	02/22/77
USA	The Creamery	1173823	10/20/81
USA	Village Natural and design	1264635	01/24/84
USA	The Incredible Soap Machine	1193482	04/13/82
USA	Dirty Kids	1135414	05/20/80

Pending Trademark Applications

Country	Trademark	Appln. #	Filing Date
USA	Derma Latum	74/482284	01/21/94
USA	Derma Cidin	74/482133	01/21/94
USA	Cap Saver	75/154391	08/22/96
USA	Raspberry Rage	75/212487	12/13/96
USA	Purple Passion	75/212744	12/13/96
USA	Bath & Body Shimmers	75/213172	12/13/96
USA	Moonlight Dream	75/212825	12/13/96
USA	Dirt Mover	75/321602	07/09/97
USA	Sun Shimmers	75/325417	07/16/97
USA	Village Naturals	74/154,723	04/08/91
USA	Alpine Meadow	74/617080	01/03/95
USA	Village	Unfiled	
USA	Alpen Meadow	Unfiled	

Trademark Applications in Preparation

Country	Trademark	Docket No.	Expected Filing Date	Products/ Services

None.

AGREEMENT
(Trademark)

THIS AGREEMENT (TRADEMARK), dated as of December 29, 1997 (this "**Agreement**"), between MINNETONKA BRANDS, INC., a Minnesota corporation ("**Borrower**"), and FIRST SOURCE FINANCIAL LLP, an Illinois registered limited liability partnership ("**Lender**") (as such term is defined in Section 1 below).

W I T N E S S E T H:

WHEREAS, pursuant to a Secured Credit Agreement dated as of December 29, 1997 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "**Secured Credit Agreement**"), between Borrower and Lender, Lender has extended Commitments to make Loans to Borrower; and

WHEREAS, in connection with the Secured Credit Agreement, Borrower has executed and delivered to Lender a Security Agreement, dated as of December 29, 1997 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "**Security Agreement**"); and

WHEREAS, as a condition precedent to the making of the initial Loans under the Secured Credit Agreement, Borrower is required to execute and deliver this Agreement and to grant to Lender a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Borrower has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lender to make Loans (including the initial Loans) to Borrower pursuant to the Secured Credit Agreement, Borrower agrees, for the benefit of Lender, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Liabilities, Borrower does hereby mortgage, pledge and grant to Lender a continuing security interest in, all of the following property (the "**Trademark Collateral**"), whether now or hereafter owned, acquired or existing:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, other sources of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (each of the foregoing items in this clause (a) being called a "**Trademark**"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Attachment 1 hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Attachment 1 hereto;

(c) all reissues, extensions or renewals of any of the items described in clauses (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by Borrower against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration, or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Attachment 1 hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

Notwithstanding anything contained in this Section 2 to the contrary, Borrower does not grant a security interest in any Trademark or Trademark registration, or any Trademark license which is subject to an agreement, the terms of which expressly prohibit the granting of a security interest therein (but Borrower does grant a security interest in any cash proceeds and accounts of Borrower derived upon sale or transfer of any such Trademark, Trademark registration or Trademark license), unless and until the consent of the applicable party thereunder to such grant of a security interest shall have been obtained.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Borrower for the purpose of registering the security interest of Lender in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Lender under the Security Agreement. The Security Agreement (and all rights and remedies of Lender thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Lender shall, at Borrower's expense, execute and deliver to Borrower all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Borrower does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Related Document, etc. This Agreement is a Related Document executed pursuant to the Secured Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Secured Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

MINNETONKA BRANDS, INC., a Minnesota corporation

By: _____
Larry J. Wilhelm
President

7665 Commerce Way
Eden Prairie, Minnesota 55344
Attention: Mr. Larry J. Wilhelm
Telecopy: (612) 949-6418
Telephone: (612) 949-6415

FIRST SOURCE FINANCIAL LLP, an Illinois registered limited liability partnership, as Lender

By: First Source Financial, Inc., a Delaware corporation, its Agent/ Manager

By: _____
Edward A. Szarkowicz
Vice President

Address:

2850 West Golf Road
5th Floor
Rolling Meadows, IL 60008

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, BOBBIE J. JONES, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Larry J. Wilhelm personally known to me to be President of MINNETONKA BRANDS, INC., a Minnesota corporation and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as President of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 29th day of December, 1997.

Bobbie J. Jones
Notary Public

My Commission Expires:
12/7/01

"OFFICIAL SEAL"
BOBBIE J. JONES
Notary Public, State of Illinois
My Commission Expires Dec. 7, 2001

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, BOBBIE J. JONES, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Edward A. Szarkowicz personally known to me to be Vice President of FIRST SOURCE FINANCIAL, INC., a Delaware corporation, the Agent/Manager of First Source Financial LLP, an Illinois registered limited liability partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 29th day of December, 1997.

Bobbie J. Jones
Notary Public

My Commission Expires:

12/7/2001

"OFFICIAL SEAL"
BOBBIE J. JONES
Notary Public, State of Illinois
My Commission Expires Dec. 7, 2001