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Party Conveying Interest:

United Grocers, Inc.

Name and Address of Party Receiving Interest:

Congress Financial Corporation (Northwest)
101 SW Main Street, Suite 7255
Portland, OR 97204

Description of the interest conveyed or the transaction to be recorded:

Collateral assignment of registered trademarks as described more fully in the Patent, Trademark and Copyright Security Agreement that is attached to this Trademark Cover Sheet.

Registration numbers of trademarks affected:

1,616,987
1,931,839
1,810,962
1,889,488
1,894,302
1,998,621
2,025,140
2,073,622

Name and address of the party to whom correspondence concerning the request to record the document should be mailed:

Ms. Vicki A. Ballou
Tonkon Torp LLP
1600 Pioneer Tower
888 SW Fifth Avenue
Portland, OR 97204-2099

Number of trademarks and total fee:

8 trademarks (1 @ $40 + 7 @ $25 = $215)

Date the document was executed:

August 25, 1998

To the best of my knowledge and belief, the information contained on this cover sheet is true and correct.

Vicki A. Ballou

09/16/1998 TTDN11 00000288 1616987

01 FC:481 40.00 OP
02 FC:482 007267/00076/224280 v01 175.00 OP

PATENT, TRADEMARK, AND COPYRIGHT SECURITY AGREEMENT

In order to induce **CONGRESS FINANCIAL CORPORATION (NORTHWEST)**, whose address is 101 S.W. Main Street, Suite 725, Portland, Oregon 97204 ("Secured Party"), to enter into one or more agreements with **UNITED GROCERS, INC.**, an Oregon corporation whose address is 6433 S.E. Lake Road, Portland, Oregon 97222 ("Debtor") and in consideration of any credit, advances or financial accommodations now or hereafter granted to or on behalf of Debtor, Debtor hereby assigns to Secured Party as collateral and grants to Secured Party a security interest in the following personal property (the "Collateral"):

(1) all present and future patents, patents pending, patent applications, unpatented inventions and trade secrets, drawings, know-how and related data and technology belonging to Debtor, including but not limited to the items, if any, listed in Schedule 1 attached hereto and incorporated herein;

(2) all present and future trademarks and service marks and federal, state and foreign trademark and service mark registrations and applications belonging to Debtor, including but not limited to the items, if any, described in Schedule 2 attached hereto and incorporated herein;

(3) all present and future trade names belonging to Debtor, including but not limited to the names, if any, described in Schedule 3 attached hereto and incorporated herein;

(4) all present and future copyrights and all copyright registrations and applications belonging to Debtor, including but not limited to the items, if any, described in Schedule 4 attached hereto and incorporated herein by this reference;

(5) all present and future elements of package or trade dress of goods belonging to Debtor;

(6) all present and future goodwill belonging to Debtor and connected with or symbolized by the foregoing trademarks, service marks, trademark registrations, service mark registrations, trademark applications, service mark applications, trade names, package and trade dress;

(7) all present and future licenses belonging to Debtor and pertaining to patents, patents pending, patent applications, trademarks, service marks, trademark registrations, service mark registrations, trademark applications, trade names, copyrights, package and trade dress; and

(8) all proceeds of every nature of any or all of the foregoing personal property.

1. Obligations Secured by Collateral. The Collateral secures the payment and performance of all Obligations of Debtor to Secured Party as defined in that certain Loan and Security Agreement dated August 25, 1998, all supplements thereto, and any and all renewals and extensions thereof and amendments and modifications thereto (the "Loan Agreement").

2. Representations and Warranties. Debtor hereby represents, warrants and covenants that: (a) Debtor is the owner of the Collateral, free and clear of all liens, security interests, charges, encumbrances, setoffs, defenses and counterclaims of whatsoever kind or nature (except for the security interest granted to Secured Party and except for the rights of Smart & Final Inc., as a licensee of the trade names "United Grocers Cash & Carry," "Commissary Cash & Carry" and "Cash & Carry" and certain related logos); (b) Debtor has not made and will not make any assignment, pledge, mortgage, hypothecation, license, or transfer of the Collateral or the proceeds thereof without the prior written consent of Secured Party (except for the rights of Smart & Final Inc., as a licensee of the trade names "United Grocers Cash & Carry," "Commissary Cash & Carry" and "Cash & Carry" and certain related logos); (c) this Agreement does not contravene any contractual restriction binding on Debtor, including but not limited to any license agreement pertaining to the Collateral; (d) there are no legal actions or administrative proceedings pending or threatened before any court or administrative agency involving the Collateral; and (e) Debtor will defend its title to the Collateral and Secured Party's interest therein against all present and future claims. Debtor makes no representation that Collateral comprised of trademarks, servicemarks or trade names, does not infringe upon the rights of, or is free of infringement by, any third party.

3. Use and Ownership Prior to Default. Debtor will retain legal and equitable title and the right to use the Collateral in the ordinary course of its business until an Event of Default has occurred under this Agreement. Debtor shall take all actions necessary to preserve and maintain the Collateral and its rights therein. Secured Party is hereby appointed as Debtor's attorney-in-fact to take any action necessary to maintain such Collateral, including but not limited to filing affidavits of continued use and renewing the trademarks and service marks included in such Collateral if Debtor fails to do so in a timely manner. Such appointment is coupled with an interest and shall be irrevocable until all Obligations secured hereby have been fully discharged. Debtor will reimburse Secured Party for all sums expended to maintain the Collateral, together with interest thereon at the rate described in the Loan Agreement. Notwithstanding the foregoing, Secured Party will not be required to maintain the Collateral and does not assume any other obligation or liability pertaining to the Collateral.

4. Events of Default. Debtor will have committed an Event of Default under this Agreement if: (a) there occurs any Event of Default under the Loan Agreement; (b) Debtor commits a default with respect to one or more obligations to Secured Party under any other present or future agreement; or (c) Debtor fails to perform one or more obligations described in this Agreement.

5. Remedies on Default. In the event of any Event of Default under this Agreement, Secured Party shall be entitled to exercise all of the rights and remedies afforded to a secured party under the Uniform Commercial Code and all other remedies provided by law, by

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agreement or otherwise, including but not limited to the right to foreclose its security interests by public or private sale. All rights and remedies will be cumulative.

6. Indemnity. Debtor agrees to hold Secured Party harmless from and indemnify Secured Party for all claims, actions, liabilities and expenses (including attorney fees at trial and on appeal) pertaining to this Agreement and the Collateral.

7. Further Assurances. Debtor will execute and file such financing statements, continuation statements and other documents in any location that Secured Party may deem necessary or appropriate to perfect and preserve Secured Party's security interest in the Collateral, and Debtor hereby appoints Secured Party as Debtor's attorney-in-fact to execute the aforementioned documents, which appointment is coupled with an interest and shall be irrevocable until all Obligations secured hereby have been fully discharged.

8. Termination. This Agreement and Secured Party's security interest in the Collateral shall continue until all of the Obligations secured hereby have been fully discharged.

9. Waiver. No provision of this Agreement may be waived or modified except by a writing signed by the parties hereto. No waiver of any provision of this Agreement on one occasion will constitute a waiver of the same or any other provision on a future occasion.

10. Governing Law. This agreement will be governed by the substantive laws of the state of Oregon.

11. Attorney Fees. Debtor agrees that in the event of any litigation pertaining to the rights and remedies provided for in this Agreement, the prevailing party will be entitled to recover its attorney fees, expenses and costs, at trial and on appeal.

Dated this 25th day of August, 1998.

DEBTOR:

UNITED GROCERS, INC.

By Charles Kallom

Title Pres & CEO

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STATE OF OREGON)
) ss.
County of Multnomah)

On this 20th day of August, 1998, before me personally appeared Charles E. Carlson, to me known to be the Pres & CEO of United Grocers, Inc. and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

Susan Zimmerman Panter
Notary Public for Oregon
My Commission Expires 8/3/2001

OFFICIAL SEAL
SUSAN ZIMMERMAN-PANTER
NOTARY PUBLIC-OREGON
COMMISSION NO. 302836
MY COMMISSION EXPIRES AUG. 3, 2001

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Patent, Trademark, Copyright Security Agreement (United Grocers, Inc.)
Schedule 1

Patents

- None.

Patent, Trademark, Copyright Security Agreement (United Grocers, Inc.)
Schedule 2

Marks

Mark Name	Description	Jurisdiction	Registry No.
Food Connection	Retail grocery store service	California	35003
Select Markets	Retail grocery store services	California	36669
Select Markets	Rendering technical aid and assistance in establishment and/or operation of retail grocery store services	Oregon	S-23470
Price-Less Foods	Retail grocery services	Oregon	S-26227
Butter Cup	Bread	Oregon	T-26502
Food Outlet	Retail grocery store services	Oregon	S-28710
Food Outlet and Design	Retail grocery store services	Oregon	S-28711
Design (for Sentry figure) -- Golden Boy Brand	Grocery store services	Oregon	S-285
Cottage	Bleach	Oregon	T-7223
Shur-Save	Animal equipment, abrasives, adhesives, inks, hardware, oils, paints, games, cutlery, brooms, crockery, glassware, paper, clothing, thread and cosmetics	Oregon	T8663
Golden Boy Brand	Apples, oranges, grapefruit, potatoes, onions, carrots, celery	Oregon	T9285
Select Markets	Rendering technical aid for grocery stores; retail	U.S.A.	1,616,987

	grocery store services		
Ready Pay and Design	Debit and credit card services; namely processing debit and credit card transactions at retail grocery shopping centers	U.S.A.	1,931,839
Butter Cup	Bread	U.S.A.	1,810,962
Food Outlet and Design	Retail grocery store services	U.S.A.	1,889,488
Ready Pay and Design	Debit and credit card services, namely processing of debit and credit card transactions of third parties by way of card readers to facilitate payment for goods and services purchased, rented or leased by customers at retail stores.	U.S.A.	1,894,302
Team Work	Charitable fundraising for nonprofit organizations and schools generated by revenues from selected grocery store products	U.S.A.	1,998,621
Commissary Cash & Carry	Wholesale stores featuring bulk foods for restaurants, caterers and other purchasers of bulk foods	U.S.A.	2,025,140
Team Work	Meat, seafoods, poultry and sausage	U.S.A.	2,073,622
Select Markets	Rendering technical aid and assistance in the establishment and/or operation of retail grocery stores, and providing advertising and promotional services for independently owned	Washington	19025

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	grocery stores		
Butter Cup	Bread	Washington	4986
Commissary Cash & Carry	Food distributorship services; namely operating stores which supply food for restaurants, caterers, and other purchasers of bulk food items, signs, ads and promos	Washington	024367
Sentry Markets	Grocery market	Washington	7996
Old Homestead	Apricots, prunes, cut green beans, solid pack tomatoes, tomato juice, ripe olives, sieve peas	Washington	1550
Cottage	Various fruit, vegetables, food and retail products	Washington	1549
Cottage	Canned and Frozen Vegetables and Fruits	California	91400

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Patent, Trademark, Copyright Security Agreement (United Grocers, Inc.)
Schedule 3

Trade Names

Name	Jurisdiction	License or Other Registry No.
United Grocers Express	Oregon	256916-84
Premiere Consulting, Inc.	Oregon	648447-81
Price-Less Foods	Oregon	207864-89
Northwest Grocery Co.	Oregon	167084-55
Commissary Cash & Carry	Oregon	ABN Registry No. 445075-80
Commissary Cash & Carry	Washington	UBI No. 600 171 833
United Grocers, Inc. Cash & Carry*	Ada County, Idaho	ABN Filing No. 1952001619

*The name "United Grocers, Inc. Cash & Carry" is an assumed business name registered by Alan C. Jones, former Chief Executive Officer of United Grocers, Inc., and John W. White, former Chief Financial Officer of United Grocers, Inc.

Patent, Trademark, Copyright Security Agreement (United Grocers, Inc.)
Schedule 4

Copyrights

Name/Description	Work for Hire	Registry No.	Year
Bagging skills	Odyssey Productions, Inc.	PA-114-340	1980
Sanitation and housekeeping	Odyssey Productions, Inc.	PA-114-341	1980
Store security	Odyssey Productions, Inc.	PA-114-342	1980
The New employee	Odyssey Productions, Inc.	PA-114-343	1980
Stocking procedures	Odyssey Productions, Inc.	PA-114-344	1980
Sign painting tips	Odyssey Productions, Inc.	PA-114-346	1980
Checkstand operation	Odyssey Productions, Inc.	PA-114-345	1980
Tips to improve customer relations	Odyssey Productions, Inc.	PA-114-347	1980
Merchandising and display	Odyssey Productions, Inc.	PA-114-348	1980
Produce ideas 101	Odyssey Productions, Inc.	PA-114-349	1980