

REEL: 1820 FRAME: 0780

**ASSIGNMENT FOR SECURITY
(Trademarks)**

THIS ASSIGNMENT FOR SECURITY (Trademarks) is executed as of August 4, 1998, by **EMBERS CHARCOAL COMPANY, INC.**, a South Carolina corporation (the "Assignor") in favor of **FIRST UNION NATIONAL BANK**, a national banking association (the "Bank").

RECITALS:

A. Assignor has adopted, used and is using marks which are registered in the United States Patent and Trademark Office as set forth on **Exhibit A** attached hereto (the "Trademarks").

B. Assignor is the sole owner of certain right, title and interest in and to the Trademarks which are registered and the goodwill of the business symbolized by the Trademarks and the registrations thereof.

C. Assignor has entered into that certain Second Amended and Restated Loan and Security Agreement, dated of even date herewith (as amended, supplemented or restated from time to time, the "Loan Agreement"), between Assignor and Bank, and Bank has, on the date hereof, made certain loans to or for the benefit of Assignor and may make additional loans to or for the benefit of Assignor.

D. Pursuant to the Loan Agreement, and as a condition precedent to the extension of the financial accommodations to or for the benefit of the Assignor under the Loan Agreement, the Assignor has agreed to assign to Bank and to grant to Bank a continuing security interest in, and a continuing lien on, all of the Assignor's right, title and interest in and to the following, whether now existing or hereinafter arising (collectively the "Trademark Collateral"):

(a) the Trademarks, together with all rights, benefits and privileges derived therefrom, and the goodwill of the business symbolized by the Trademarks and the registrations thereof, and

(b) all proceeds thereof including, but not limited to, any claims and demands arising out of any infringement of the Trademarks, including the right to settle disputes concerning such claims and demands.

NOW, THEREFORE, in order to induce Bank to consummate the financial accommodations to the Assignor provided for in the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor does hereby assign to Bank and grant to Bank a continuing security interest in and a continuing lien on, the entire right, title and interest of Assignor in and to the Trademark Collateral. The Trademark Collateral shall serve as collateral security to Bank for the payment and performance of the Indebtedness (as such term is defined in the Loan Agreement) and shall constitute a part of the Collateral (as such term is defined in the Loan Agreement), and shall be subject to all of the terms and conditions of the Loan Agreement, which are incorporated herein by reference.

Unless and until said lien and security interest is foreclosed upon, Assignor (i) shall be deemed to remain in exclusive and undisturbed possession of the Trademarks, (ii) shall exclusively retain all rights to license others under the Trademarks, but only in a manner consistent with the preservation of their current substance, validity, registration and the security interest granted herein, and (iii) may bring suit for the infringement of the Trademarks and to retain the proceeds of the foregoing. Bank need not be joined as a plaintiff in any such infringement suit; provided, that should it be necessary, in Bank's sole judgment, that Bank be joined as an indispensable party or true party in interest in any such infringement suit, Bank shall, at its option, either

(1) appoint Assignor its attorney in fact for the purpose of prosecuting such infringement suit on the express condition that Assignor indemnify and hold Bank harmless for any liability incurred by Bank as a result of such appointment, or

(2) participate actively in the prosecution of such suit.

Assignor further agrees (i) that while a secured party hereunder, Bank shall have no obligation or responsibility to protect or defend the Trademark Collateral and Assignor shall at its own expense protect, defend and maintain the same to the extent reasonably advisable for its business, (ii) to use its reasonable best efforts to detect any infringers of the Trademark Collateral, to forthwith advise Bank in writing of infringements detected, and protect, defend and maintain the Trademark Collateral against any infringements, (iii) that if Assignor fails to comply with the foregoing clauses (i) and (ii), Bank may do so in Assignor's name or in Bank's name but at Assignor's expense, and Assignor hereby agrees to reimburse Bank for all expenses, including reasonable attorneys' fees, incurred by Bank in protecting, defending and maintaining the Trademark Collateral owned by Assignor, and (iv) to use the Trademarks only in its businesses as they are presently conducted or permitted under the Loan Agreement.

The security interest in the Trademark Collateral granted hereunder shall remain in full force and effect until the later of the termination of the Loan Agreement and the payment and satisfaction in full of the Obligations. At any time thereafter Bank shall, if requested by Assignor, execute and deliver to Assignor, or to a third party upon Assignor's instructions, for filing with the United States Patent and Trademark Office and in each office in which any financing statement relative to the security interest granted hereby may have been filed, (i) documentation in accordance with the rules and regulations of said office, (ii) termination statements under the Uniform Commercial Code and (iii) any other documentation reasonably requested by Assignor, all as may be necessary to release Bank's interest in the Trademark Collateral, and all at the cost and expense of Assignor.

In the event of conflict between the terms hereof and the terms of the Loan Agreement, the terms of the Loan Agreement shall control.

EXHIBIT A

<u>Trademark Name</u>	<u>Federal Registration Number</u>
Embers Brand and Design	708,586
Premium Embers Quality	2,109,705
Cook Out	1,516,170
Instant Lite	1,610,354
Instant Chef	1,572,793
RED-GLO	75/487,901

9222:10034-179406
CLTLIB01:480875.03

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be duly executed by its authorized officer or agent as of the date first above written.

EMBERS CHARCOAL COMPANY, INC.

T. Smith Ragsdale, III

Name: T. Smith Ragsdale, III

Title: President

Attest:

Mark Trever

Secretary

[CORPORATE SEAL]

STATE OF SOUTH CAROLINA

COUNTY OF Horry

I, Mark W. Bmyck, Jr, Notary Public for said County and State, certify that Mark Trever personally came before me this day and acknowledged that he/she is _____ Secretary of Embers Charcoal Company, Inc., a corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal, and attested by him/her as its _____ Secretary.

1998 WITNESS my hand and official seal, this 4th day of August.

Mark W Bmyck (Official Seal)
Notary Public

My commission expires: 3-21-2000