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02-28-2000

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



U.S. Department of Commerce
Patent and Trade mark Office
TRADEMARK

101277047

01-27-2000

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #31



**RECORDATION FORM COVER SHEET
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 #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

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 Execution Date
Month Day Year

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual General Partnership Limited Partnership 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.)
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

02/25/2000 DNGUYEN 00000199 75391767

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 375.00 OP

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: 002026 FRAME: 0940

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)

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.

Steven Buford

January 24, 2000

Name of Person Signing

Signature

Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

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

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

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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 the Assignment.)

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)

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Security Agreement") made as of this 1st day of ~~NOVEMBER~~ 1999, by Chemical Dynamics, Inc., a Missouri corporation ("**Borrower**") in favor of LaSalle Business Credit, Inc., with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603 ("**Lender**"):

W I T N E S S E T H

WHEREAS, Borrower and Lender are parties to a certain Loan and Security Agreement of even date herewith (as amended, amended and restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the "**Financing Agreements**"), which Financing Agreements provide (i) for Lender to, from time to time, extend credit to or for the account of Borrower and (ii) for the grant by Borrower to Lender of a security interest in certain of Borrower's assets, including, without limitation, its trademarks and trademark applications;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Borrower hereby grants to Lender, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Borrower's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); all rights corresponding to any of the foregoing throughout the world and

the goodwill of the Debtor's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Borrower warrants and represents to Lender that:

(i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Borrower not to sue third persons;

(iii) Borrower has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iv) Borrower has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Borrower agrees that until Borrower's Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, Borrower shall not, without the prior written consent of Lender, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Lender under this Security Agreement; provided, that prior to the occurrence of an Event of Default, Borrower may make such sales or assignments as Borrower deems appropriate in its commercially reasonable judgment, so long as such sale or assignment does not impair Borrower's or Lender's ability to sell any then existing Inventory or Equipment.

5. New Trademarks. Borrower represents and warrants that, based on a diligent investigation by Borrower, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Borrower. If, before Borrower's Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Borrower shall (i) become aware of any existing Trademarks of which Borrower has not previously informed Lender, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Borrower shall give to Lender prompt written notice of any federally registered Trademark or federal application for registration of a Trademark. Borrower hereby authorizes Lender to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. The term of this Security Agreement shall extend until the payment in full of Borrower's Liabilities and the termination of the Financing Agreements. Borrower agrees that upon the occurrence of an Event of Default, the use by Lender of all Trademarks shall be without any liability for royalties or other related charges from Lender to Borrower.

7. Product Quality. Borrower agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Borrower agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such additional product quality controls as Lender, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Borrower's Liabilities and termination of the Financing Agreements, Lender shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Borrower. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Borrower and until paid shall constitute Liabilities.

10. Duties of Borrower. Borrower shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable; provided, however, that prior to the occurrence of an Event of Default, Borrower shall have the right, within its commercially reasonable judgment, to not perform such duties so long as any such failure to perform such duties does not impair the ability of Borrower or Lender to sell any then existing Inventory or Equipment. Any expenses incurred in connection with Borrower's Liabilities under this Section 10 shall be borne by Borrower.

11. Lender's Right to Sue. After an Event of Default, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Lender shall commence any such suit, Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required

by Lender in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

14. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Borrower hereby authorizes Lender upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Lender as Lender may select, in its sole discretion, as Borrower's true and lawful attorney-in-fact, with power to (i) endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Lender deems to be in the best interest of Lender, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated. Borrower acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Borrower and its respective successors and assigns, and shall inure to the benefit of Lender, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

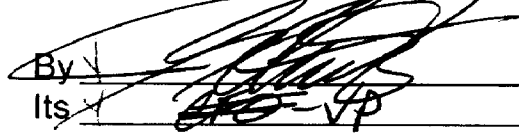
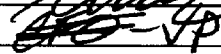
18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Borrower agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Lender shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

20. Survival of Representations. All representations and warranties of Borrower contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

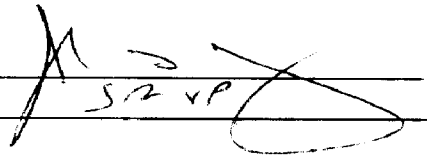
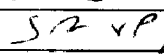
IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement as of the date first written above.

CHEMICAL DYNAMICS, INC.

By  _____
Its  _____

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT,
INC.

By  _____
Its  _____

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dynamics,inc.\loandocs\Trademark
Security Agreement)12/1/99 9:21:33
AM

SCHEDULE A

Borrower's Trademarks:

U.S. Trademark Registrations

<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
All Purpose Plant Food Plus	2,148,027	03/31/98
Bloom Plus	1,919,128	09/19/95
<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
Just Add 7 Drops Per Quart Water, Every Time You Water, Every Thing You Grow	1,403,613	08/05/86
Miscellaneous Design	1,373,199	12/03/85
Natural Lustre of the New Born Leaf	1,368,478	11/05/85
Rose Plus	2,034,433	01/28/97
Schultz-Instant	729,057	03/27/62
7 Drops	1,373,194	12/03/85
7 Drops and Design	1,373,198	12/03/85
Shine Magic	664,891	07/29/58
Starts and Feeds	1,428,022	12/10/87
Tomato Plus (titled in name of "Chemical Dynamics")	2,044,782	03/11/97
Vivicolor	688,511	11/24/59
Yours Truly	760,440	11/19/63
Zipper Seal	2,097,731	09/16/97

U.S. Trademark Pending Applications

<u>Title</u>	<u>Ser. No.</u>	<u>Filing Date</u>
American Plant Food Company (application to register was filed based on intent to use ("ITU"))	500,914	06/12/98*
Care for Plants (ITU)	407,696	12/18/97*

<u>Title</u>	<u>Ser. No.</u>	<u>Filing Date</u>
Syotic (titled in name of "Chemical Dynamics") (ITU)	663,812	03/19/99*
Expert Gardener (titled in name of "Chemical Dynamics") (ITU)	744,155	07/06/99
Garden Breeze (ITU)	651,841	03/02/99
Grow Something (ITU)	381,275	10/29/97
Irongreen (titled in name of "Chemical Dynamics") (ITU)	663,810	03/19/99
Lime Plus (ITU)	373,106	10/15/97**
Lush Green (ITU)	750,682	07/14/99
Protterra (titled in name of "Chemical Dynamics") (ITU)	381,277	10/29/97
Super Sprayer	391,767	11/17/97****

~~*Refused registration by PTO action. Responses not yet due.~~

~~**Application suspended pending disposition of application filed by different party.~~

~~***Notice of Opposition filed by Marietta Corporation claiming likelihood of confusion.~~

~~****PTO action requires disclaimer of the word "sprayer" apart from mark as shown.
Response not yet due.~~

Foreign Trademark Registrations

<u>Country</u>	<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
Australia	Mixerator	A350,144	08/03/83
Japan	Mixerator	1,304,387	10/12/77
Japan	Mixerator	2491174	12/25/92
Japan	Schultz	1,607,591	07/28/83
Japan	Schultz	1,638,068	11/25/83
Japan	Schultz Instant	1,630,190	10/27/83

<u>Country</u>	<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
Japan	Schultz-Instant	1,638,069	11/25/83
Japan	Starts & Feeds	1,638,070	11/25/83
Korea	Schultz Instant	300,311	10/20/94
Mexico	Dropper and Can Des	478,588	11/04/94
Mexico	Gallon Shot	471,661	08/29/94
Mexico	Just Add 7 Drops Per Quart Water, Every Time You Water, Every Thing You Grow	511,153	11/28/95
Mexico	Schultz-Instant	526,288	07/17/96
Mexico	Schultz-Instant Plant Shine	471,847	08/30/94
Mexico	7 Drops	472,324	09/05/94
Mexico	7 Drops & Des	478,964	11/09/94
Mexico	Shine Magic	471,659	08/29/94
Mexico	Starts and Feeds	484,712	03/09/95
Mexico	Vivicolor	472,534	09/06/94
Mexico	Yard Gun	472,533	09/06/94
Mexico	Yours Truly	471,658	08/29/94
Taiwan	Mixerator	582,112	02/01/93
Taiwan	Schultz-Instant	126,956	01/16/80
Taiwan	Schultz-Instant	653,245	10/01/94