

07-24-2000



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UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

KMD  
7.14.00

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

Local Favorite, Inc.  
450 Newport Center Drive  
Newport Beach, CA 92260

A California corporation

2. Name and address of receiving party:

U.S. Trust Company National Association, as Collateral Agent  
515 South Flower Street, Suite 2900  
Los Angeles, California 90071

A national banking association

3. Nature of conveyance: Termination and Release of Trademark Collateral Security Agreement, attached hereto as Exhibit 1.

Execution date: June 28, 2000

4. Application numbers and registration numbers:

A. Trademark registration numbers:

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
National Sports Grill	1,802,447	November 2, 1993
National Sports Grill (& Design)	1,828,680	March 29, 1994

07/21/2000 NTHAI1 00000223 1802447

01 FC:481  
02 FC:482

B. Trademark application numbers: None.

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

Melanie J. Brockway, Esq.  
Bingham Dana LLP  
150 Federal Street  
Boston, Massachusetts 02110


6. Total number of applications and registrations involved: 2

7. Total fee enclosed: \$65

8. Deposit account number: Not applicable

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 copy of the original document.

  
\_\_\_\_\_  
Melanie J. Brockway, Esq.  
July 13, 2000

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules):

Mail documents to be recorded with required cover sheet information to:

United States Patent and Trademark Office  
Office of Public Records  
Crystal Gateway 4  
Room 335  
Washington, D.C. 20231

**TERMINATION AND RELEASE**  
**OF TRADEMARK COLLATERAL SECURITY AGREEMENT**

**GRANDY'S, INC.**  
**SPECTRUM FOODS, INC.**  
**SPOONS RESTAURANTS, INC.**  
**LOCAL FAVORITE, INC.**

**TERMINATION AND RELEASE OF TRADEMARK COLLATERAL SECURITY AGREEMENT**, dated as of June 28, 2000, among **GRANDY'S, INC.**, a California corporation having its principal place of business at 997 Grandy's Lane, Lewisville, Texas 75077, **SPECTRUM FOODS, INC.**, a California corporation having its principal place of business at 450 Newport Center Drive, Suite 600, Newport Beach, California 92660, **SPOONS RESTAURANTS, INC.**, a Texas corporation having its principal place of business at 450 Newport Center Drive, Suite 600, Newport Beach, California 92660, and **LOCAL FAVORITE, INC.**, a California corporation having its principal place of business at 450 Newport Center Drive, Suite 600, Newport Beach, California 92660 (collectively, the "Assignors") and **U.S. TRUST COMPANY, NATIONAL ASSOCIATION** (f/k/a U.S. Trust Company of California, N.A.), a national banking association with an office at 515 South Flower Street, Suite 2900, Los Angeles, California 90071, as collateral agent (hereinafter in such capacity, the "Collateral Agent") under the Trademark Agreement (as defined herein).

**WHEREAS**, the Assignors, American Restaurant Group, Inc., ARG Enterprises, Inc. and ARG Property Management Corporation (collectively, with the Assignor, the "Borrowers") and the Collateral Agent entered into a Trademark Collateral Security Agreement, dated as of February 25, 1998 (as amended and in effect from time to time, the "Trademark Agreement"), which Trademark Agreement was recorded on May 5, 1998 with the United States Patent and Trademark Office at Reel 1769, Frame 0342 for the purpose of securing payment and performance of the Assignors' obligations under each of (i) the Revolving Credit and Term Loan Agreement, dated as of February 25, 1998, among the Borrowers, the Banks (as defined in the Credit Agreement) and Fleet National Bank (formerly known as BankBoston, N.A.), as Agent for itself and the Banks (as amended and in effect from time to time, the "Credit Agreement"), and (ii) the Indenture, dated as of February 25, 1998, by and among the Borrowers and U.S. Trust Company of California, N.A., in its capacity as Trustee thereunder (the "Indenture");

**WHEREAS**, pursuant to the Security Agreement (as defined in the Credit Agreement) and the Trademark Agreement, each Assignor granted to the Collateral Agent a continuing security interest in and first priority lien on all of the Trademarks, Registrations and Trademark Rights (as defined in the Trademark Agreement and collectively known hereinafter as the "Trademarks"); and

WHEREAS, the Collateral Agent has agreed to terminate and release its security interest and its right, title and interest in and to the trademarks set forth on the attached Schedule A, which is made a part hereof (the "Subject Trademarks");

NOW, THEREFORE, for valuable consideration, and subject to the last sentence hereof:

The Collateral Agent hereby terminates and releases its security interest in and first priority lien on the Subject Trademarks identified on Exhibit A attached hereto, and the Collateral Agent hereby assigns and transfers to each Assignor, without recourse, all of the Collateral Agent's right, title and interest in and to the Subject Trademarks identified on Exhibit A attached hereto, effective as of the date set forth above.

U.S. TRUST COMPANY, NATIONAL ASSOCIATION, as Collateral Agent

By: M Deborah Gibbons  
Name: M Deborah Gibbons  
Title: Vice President

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF NY )  
 )  
COUNTY OF NY )

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 26<sup>th</sup> day of June, 2000, personally appeared M. Deborah Gibbons to me known personally, and who, being by me duly sworn, deposes and says that he is a Vice President of U.S. TRUST COMPANY, NATIONAL ASSOCIATION, and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors, and said officer acknowledged said bank by authority of its Board of Directors, and said instrument to be the free act and deed of said bank.

[Signature]  
Notary Public  
My Commission Expires: NOV 22, 2001

## Exhibit A

### Trademarks

#### GRANDY'S, INC.

<u>Federal/US#</u>	<u>Description</u>
1,248,703	Grandy's Country Cookin
1,362,672	Granny figure design
1,376,411	GRANDY'S
1,799,839	Fast Food That Doesn't Taste Fast
2,005,427	Big Dish O' Catfish

#### LOCAL FAVORITE, INC.

<u>Federal/US#</u>	<u>Description</u>
1,802,447	NATIONAL SPORTS GRILL
1,828,680	National Sports Grill

#### SPECTRUM FOODS, INC.

<u>Federal/US#</u>	<u>Description</u>
1,102,381	HARRY'S BAR AND AMERICAN GRILL
1,329,080	The Heart and Ribs of the City
1,377,661	CHIANTI
1,380,835	Chianti Cucina
1,421,507	MACARTHUR PARK
1,436,050	SPIEDINI
1,450,085	International Imitation Hemingway Competition
1,453,651	GUAYMAS
1,508,504	Big Rib Red
1,551,392	Spuntino and design (stylized)
1,568,949	TUTTO MARE
1,580,334	MACARTHUR PARK (class 30)
1,808,144	Table One
1,809,721	Table One and design
75/321,523	SUNNY JIM'S

**SPOONS RESTAURANTS, INC.**

<u>Federal/US#</u>	<u>Description</u>
1,199,137	SPOONS
1,284,693	OH, THOSE SWEET BABY BONES
1,325,147	HERSHEL'S
1,329,028	SPOONBURGER
1,363,818	Spoons Ribs Burgers Tacos Grill Bar and design
1,368,344	HERSHEL'S and design
1,844,914	KIDA-DILLO
1,862,940	Spoons Fresh Fast Fun Grill Bar and design
1,887,595	Spoons Fresh Fast Fun California Grill and design

STATE AND FOREIGN TRADEMARKS

STATES

<u>State</u>	<u>Reg. No.</u>	<u>Mark</u>	<u>Reg. Date</u>
Alabama	103,475*	GRANDY'S	November 4, 1987
Arizona	25,844*	GRANDY'S	October 28, 1987
California	020,952**	JUCINA	September 17, 1994
California	021,021**	PREGO (Stylized)	October 1, 1994
California	031,684**	TUTTO RENE	January 11, 1988
California	032,152*	GRANDY'S	February 16, 1988
California	040,895**	CIAO	September 29, 1992
California	044,030**	CHIANTI	October 19, 1994
California	044,C33**	HARRY'S BAR AND AMERICAN GRILL	October 19, 1994
California	341,034**	MAC ARTHUR PARK	October 19, 1994
California	044,043**	PREGO	October 19, 1994
Colorado	757,327*	GRANDY'S	October 28, 1987
Georgia	5-8166*	GRANDY'S	February 18, 1988
Indiana	5009-6370*	GRANDY'S	November 19, 1987
Kentucky	07939*	GRANDY'S	December 30, 1987
New Mexico	1N88011506*	GRANDY'S	January 19, 1988
North Carolina	*	GRANDY'S	November 1, 1967
South Carolina	*	GRANDY'S	November 3, 1987
Texas	48087*	GRANDY'S	December 28, 1987
Virginia	*	GRANDY'S	November 1, 1987

\* Grandy's, Inc.

\*\* Spectrum Foods, Inc.

CANADA

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>Reg. Date</u>
202,793**	GRANDY'S COUNTRY COOKIN (Stylized)	Restaurant Services	April 13, 1984
302,563***	OH, THOSE SWEET BABY BONES		May 10, 1985
303,203***	SPOONS & Design		May 14, 1985
315,064***	SPOONBURGER		June 6, 1986
429,575**	GRANDY'S	Restaurant Services	Jun 24, 1994
433,399**	Granny Figure Design	Restaurant Services	September 16, 1994
476,423**	GRANDY'S	Restaurant Services	May 16, 1997

<u>App. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date</u>
810,673**	Granny Figure Design	Restaurant Services	April 33, 1996

\*\* Grandy's, Inc.

\*\*\* Spoons Restaurant, Inc.



MEXICO

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>Reg. Date</u>
413,855*	GRANDY	42	December 16, 1991 (May 19, 1992)
440,869***	TUTTO MARE	42	May 17, 1993 (August 31, 1993)
440,870****	SPOONS	42	May 17, 1993 (August 31, 1993)
441,775****	SPOONS & Design	42	May 17, 1993 (September 10, 1993)
473,957*	Granny Figure Design	42	May 17, 1993 (September 20, 1994)
500,503*	GRANDY'S (Stylized)	42	June 29, 1995 (August 9, 1995)
533,302***	TUTTO MARE	42	September 5, 1996 (September 30, 1996)
535,553****	SPOONS	42	September 5, 1996 (October 31, 1996)
538,208****	SPOONS & Design	42	October 9, 1996 (November 29, 1996)

<u>App. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date</u>
311,435*	Granny Figure Design	42	October 20, 1997

- \* Grandy's, Inc.
- \*\*\* Spectrum Foods, Inc.
- \*\*\*\* Spoons Restaurants, Inc.

THAILAND

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
124,533#	GRANDY'S	42* (Food)	April 12, 1988 (March 10, 1989)
124,534#	Granny Figure Design	42* (Food)	April 12, 1988 (March 10, 1989)
142,008#	GRANDY'S in Thai	42* (Food)	February 22, 1990 (August 16, 1990)
Bor1158#	GRANDY'S in Thai	42**	February 5, 1993 (July 15, 1994)
Bor2588#	GRANDY'S	42**	February 5, 1993 (February 24, 1995)

\* Thai classification

\*\* International Classification System - effective 1992

# Grandy's, Inc.

TAIWAN

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date</u> <u>(Issue Date)</u>
35,752**	Granny Figure Design	7* (Restaurant Service)	May 16, 1989
35,753**	GRANDY'S	7* (Restaurant Service)	May 16, 1989
510,890**	Granny Figure Design	25* (meats, fruits and vegetables)	January 16, 1991
510,891**	GRANDY'S	25* (meats, fruits and vegetables)	January 16, 1991
512,788**	Granny Figure Design	19* (beverages)	February 1, 1991
513,422**	Granny Figure Design	50* (packaging)	February 1, 1991
514,026**	Granny Figure Design	24* (cakes, breads)	February 16, 1991
670,278**	GRANDY'S (Stylized)	19* (beverages)	February 16, 1995

\* Taiwan classification

\*\* Grandy's, Inc.

TAIWAN

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date</u> <u>(Issue Date)</u>
10,731**	Granny Figure Design	112* (Restaurant Services)	December 20, 1989
10,732**	GRANDY'S	112* (Restaurant Services)	December 20, 1989
23,719**	GRANDY'S (Stylized)	112* (Restaurant Services)	May 9, 1994

\* Korean classification

\*\* Grandy's, Inc.

SINGAPORE

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date</u> <u>(Issue Date)</u>
93/93**	GRANDY'S	42	January 7, 1983 (September 30, 1995)

\*\* Grandy's, Inc.

PEOPLES REPUBLIC OF CHINA

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>Reg. Date</u>
502,124**	GRANDY'S	30* (bread)	October 30, 1989
502,135**	Granny Figure Design	30* (bread)	October 30, 1989
503,747**	Granny Figure Design	16* (paper)	November 10, 1989
505,391**	GRANDY'S	29* (meat, vegetables)	November 30, 1989
506,117**	Granny Figure Design	29* (meat, vegetables)	December 10, 1989
509,586**	GRANDY'S	16* (paper)	January 10, 1990

\* PRC Classification

\*\* Grandy's, Inc.

PAPUA NEW GUINEA

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>Reg. Date</u>
A56,158*	GRANDY'S	42	October 24, 1989
A56,159*	Granny Figure Design	42	October 24, 1989

\* Grandy's, Inc.

NEW ZEALAND

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
185,676*	GRANDY'S	42	July 18, 1988 (September 18, 1991)
185,677*	Granny Figure Design	42	July 18, 1988 (September 18, 1991)
224,448*	GRANDY'S (Stylized)	42	January 26, 1993 (March 14, 1996)
224,449*	Granny Figure Design (in Green)	42	January 26, 1993 (March 14, 1996)

\* Grandy's, Inc.



INDONESIA

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>Reg. Date</u>
259,138*	Granny Figure Design	29, 30, 32	February 12, 1990
259,139*	GRANDY'S (Stylized)	29, 30, 32	February 12, 1990

\* Grandy's, Inc.

HONG KONG

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
3315/89**	GRANDY'S	29	June 25, 1988 (October 31, 1989)
3316/89**	GRANDY'S	30	June 25, 1988 (October 31, 1989)
3633/95**	GRANDY'S	42	January 6, 1993 (March 31, 1995)

\*\* Grandy's, Inc.

DOMINICAN REPUBLIC

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
51,154**	Grandy's & Granny Figure Design	53* (meats)	August 14, 1993
51,158**	GRANDY'S & Granny Figure Design	55* (vegetables)	August 14, 1991
51,178**	GRANDY'S & Granny Figure Design	97* (pastry)	August 14, 1991

\* Dominican Republic classification

\*\* Grandy's, Inc.

BAHAMAS

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
14,497**	GRANDY'S	39* (paper)	March 19, 1991 (August 8, 1991)
14,499**	GRANDY'S	42* (foods)	March 19, 1991 (January 8, 1992)
14, 499**	Granny Figure Design	39* (paper)	March 19, 1991 (August 8, 1991)
14,500**	Granny Figure Design	42* (foods)	March 19, 1991 (January 8, 1992)

\* former British classification

\*\* Grandy's, Inc.

AUSTRALIA

<u>Reg. No.</u>	<u>Mark</u>	<u>Class</u>	<u>App. Date (Issue Date)</u>
A451,766*	GRANDY'S	42	July 22, 1988 (September 11, 1990)
A491,767*	Granny Figure Design	42	July 22, 1988 (September 11, 1990)
3595,023*	GRANDY'S (Stylized)	42	January 29, 1993 (November 24, 1994)
A596,024*	Granny Figure Design (in Green)	42	January 29, 1993 (November 24, 1994)

\* Grandy's, Inc.