

08-16-2000

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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
 - Merger Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name SHARI'S MANAGEMENT CORPORATION

2-24-99

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 FLEET NATIONAL BANK (F/K/A/ BANKBOSTON, N.A.)

DBA/AKA/TA

Composed of

Address (line 1) 100 FEDERAL STREET

Address (line 2)

Address (line 3) BOSTON

City

MA

State/Country

02110

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 Assignment.)

FOR OFFICE USE ONLY

09/15/2000 JJALLAH2 00000163 75594514

01 FC:481
02 FC:482
03 FC:998

40.00 OP
125.00 OP
15.00 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: 002136 FRAME: 0311

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)

<input type="text" value="75/594,514"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,302,119"/>	<input type="text" value="1,204,126"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,971,437"/>	<input type="text" value="2,121,573"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,591,479"/>	<input type="text"/>	<input type="text"/>

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.

TONYA CHAPPLE

Name of Person Signing



Signature

8-7-00

Date Signed

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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- Other
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Receiving Party

- Mark if additional names of receiving parties attached

Name

DBA/AKATA

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.)
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TRADEMARK

REEL: 002136 FRAME: 0313

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)

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TONYA CHAPPLE

Name of Person Signing

Tonya Chapple

Signature

8-7-00

Date Signed

AMENDED AND RESTATED COLLATERAL ASSIGNMENT OF
PATENTS AND TRADEMARKS

THIS AMENDED AND RESTATED COLLATERAL ASSIGNMENT OF PATENTS AND TRADEMARKS (hereinafter referred to as the "Assignment") made this 24th day of February, 1999, by and between SHARI'S MANAGEMENT CORPORATION, a Delaware corporation ("New Shari's") and SHARI'S MANAGEMENT CORPORATION, an Oregon corporation ("Old Shari's" and, together with New Shari's, the "Borrowers"), and BANKBOSTON, N.A., a national banking association with its head office at 100 Federal Street, Boston, Massachusetts 02110, as agent (in such capacity, the "Agent") for the Lenders under (and as defined in) that certain Amended and Restated Credit Agreement of even date herewith (as the same may be amended, amended and restated, modified or supplemented from time to time, the "Credit Agreement"). The address for Shari's Management Corporation (New Shari's) and for Shari's Management Corporation (Old Shari's) is 8205 S.W. Creekside Place, Beaverton, OR 97008-7112.

WHEREAS, Old Shari's entered into a certain Security Agreement dated as of September 29, 1997 (the "Existing Security Agreement") with the Agent and a certain Collateral Assignment of Patents and Trademarks dated as of September 29, 1997 (the "Existing Assignment"), each pursuant to a certain Credit Agreement dated as of September 29, 1997 among Old Shari's, the Agent and the Lenders named therein (the "Existing Credit Agreement");

WHEREAS, on the date hereof, New Shari's is acquiring all of the outstanding capital stock of Old Shari's, and is merging with Old Shari's, with New Shari's as the survivor of such merger (the "Acquisition");

WHEREAS, in connection with the Acquisition, the Borrowers have requested that certain changes be made to the Existing Credit Agreement and that the Existing Credit Agreement be restated as the Credit Agreement;

WHEREAS, pursuant to the Credit Agreement, the Borrowers have entered into an Amended and Restated Security Agreement of even date herewith, with the Agent (as the same may be amended, amended and restated, modified or supplemented from time to time, the "Security Agreement"); and

WHEREAS, Old Shari's has also agreed to amend and restate the Existing Assignment;

NOW, THEREFORE, for good and valuable consideration, and to secure the payment and performance of all the Obligations (as defined in the Credit Agreement), the parties hereto agree that the Existing Assignment is hereby amended and restated as follows:

Section 1. Definitions. All capitalized terms used herein and not otherwise defined shall have the meanings prescribed therefor in the Credit Agreement. The following terms, as used herein, shall have the following respective meanings:

“IP Collateral” has the meaning set forth in Section 2 hereof.

“Patent and Trademark Office” means the United States Patent and Trademark Office.

“Patent License” means all agreements, whether written or oral, providing for the grant by the Borrowers of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, the agreements described in Schedule I hereto.

“Patents” means all patents and patent applications owned by the Borrowers (including each patent and patent application described on Schedule I hereto), including without limitation, the inventions and improvements described therein, together with the reissues, divisions, continuations, renewals, extensions, and continuations in part thereof.

“Trademark License” means any agreement, whether written or oral, providing for the grant by the Borrowers of any right to use any Trademark, including, without limitation, the agreements described in Schedule I hereto.

“Trademarks” means all of the following to the extent owned by the Borrowers: all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, now existing or hereafter acquired or adopted, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, including, without limitation, those described in Schedule I hereto, and all reissues, extensions or renewals thereof.

“Uniform Commercial Code” means the Uniform Commercial Code as in effect in The Commonwealth of Massachusetts.

Section 2. Collateral Assignment. In order to secure the prompt and complete payment and performance of all the Obligations, together with any and all expenses which may be incurred by the Agent or any Lender in collecting any or all of such Obligations or enforcing any rights, obligations or liabilities under this Assignment, and in furtherance and as confirmation of the security interests granted by the Borrowers under the Security Agreement, the Borrowers hereby assign and hypothecate as collateral security to the Agent, for the benefit of the Lenders, all of the Borrowers' right, title and interest in, to and under the following, whether presently existing or hereafter arising or acquired (collectively, the “IP Collateral”):

- (a) all Patents;
- (b) all Patent Licenses;

(c) all proceeds and products of each Patent and Patent License, including without limitation, all income, royalties, damages and payments now or hereafter due and/or payable with respect to any Patent or Patent License, including damages and payments for past or future infringements thereof, the right to sue for past, present and future infringements thereof, and all rights corresponding thereto throughout the world (the property and rights described in clauses (a) through (c), being collectively referred to as the "Patent Collateral");

(d) all Trademarks;

(e) all Trademark Licenses;

(f) all of the goodwill of the business connected with the use of, and symbolized by, each Trademark and Trademark License;

(g) all products and proceeds of each Trademark and Trademark License, including, without limitation, any claim by either Borrower against third parties for past, present or future infringement or dilution of any Trademark, including, without limitation, the Trademarks referred to in Schedule I hereto, and any Trademark licensed under any Trademark License, or for injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License (the property and rights described in clauses (d) through (g) being collectively referred to as the "Trademark Collateral");

(h) inventions, processes, production methods, proprietary information, know-how and trade secrets used or useful in the business of either Borrower ("Trade Secrets");

(i) to the extent assignable pursuant to their terms (with any required consent), licenses or user or other agreements granted to either Borrower with respect to any of the Patent Collateral, Trademark Collateral and the Trade Secrets (collectively, the "Licensed Rights");

(j) information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, catalogs, computer and automatic machinery software and programs and the like pertaining to the business of either Borrower;

(k) field repair data, sales data, and other information relating to sales or service of products now or hereafter manufactured;

(l) accounting information and all media in which or on which any of the information or knowledge or data or records may be recorded or stored and all computer

programs used for the compilation or printout of such information, knowledge, records or data;

(m) causes of action, claims and warranties now or hereafter owned or acquired by either Borrower in respect of any of the items listed above; and

(n) all proceeds of any of the items described in clauses (a) through (m).

Each of the Lenders shall be deemed to hold an equitable interest, proportionate to such Lender's Commitment, in the IP Collateral.

Section 3. Representations and Warranties. As an inducement to the Agent to enter into this Assignment, each of the Borrowers make the following representations and warranties:

(a) Schedule I sets forth a complete and correct list of all Patents, Trademarks, Patent Licenses, Trademark Licenses and Licensed Rights in which each Borrower has any right, title or interest; said Patents and Trademarks are valid, subsisting, unexpired and in full force and effect, have not been adjudged invalid or unenforceable, in whole or in part, and have not been abandoned; to the best of each Borrower's knowledge, no holding, decision or judgment has been rendered by any governmental authorities which would be reasonably likely to limit, cancel or question the validity of any such Patent or Trademark.

(b) The Borrowers are the sole beneficial owners of the IP Collateral, and each Borrower is duly licensed to use the Licensed Rights, and, except for Permitted Encumbrances, no Encumbrance exists or will exist upon any IP Collateral at any time except for the collateral assignment thereof in favor of the Agent provided for herein, which collateral assignment and security interest constitutes a first priority perfected security interest in all of the IP Collateral.

(c) Except pursuant to Trademark Licenses and Patent Licenses entered into by the Borrowers in the ordinary course of business, which are listed in Schedule I, each Borrower owns and possesses the exclusive right to use, and has done nothing to authorize or enable any other Person to use, the Patents and Trademarks listed on Schedule I.

(d) Except as otherwise disclosed in the Credit Agreement, to the best of each Borrower's knowledge, there is no infringement by others of any right of either Borrower with respect to any Patent or Trademark listed on Schedule I, to the best of the knowledge of each Borrower, neither Borrower is infringing in any respect upon any patent or trademark of any other Person, and no proceedings have been instituted or are pending against either Borrower, or to the knowledge of each Borrower, threatened, alleging any such violation or seeking to limit, cancel or question the validity of any such Patent or Trademark.

(e) To the best of the knowledge of each Borrower, all applications pertaining to the Patents and Trademarks have been duly and properly filed, and all registrations or letters pertaining to such Patents and Trademarks have been properly filed and issued.

Section 4. Defense of Collateral, Etc. Each Borrower agrees that it will at its expense forever warrant and, at the Agent's request, defend the IP Collateral from any and all claims and demands of any other Person; provided, however, nothing herein shall prevent either Borrower in the exercise of its reasonable business judgment from determining that it is in the best interest of such Borrower to abandon any item of IP Collateral or to refrain from defending any item of IP Collateral against such claims or demands (the foregoing prerogative of the respective Board of Directors of each Borrower is sometimes referred to herein as the "Business Judgment Exception"). Each Borrower hereby agrees to pay, indemnify, and hold the Agent and the Lenders harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses of disbursements of any kind or nature whatsoever with respect to the IP Collateral, including, without limitation, claims of patent or trademark infringement, provided that each Borrower shall have no obligation hereunder to indemnify the Agent or any Lender to the extent the matter to be indemnified against was caused by the indemnified party's gross negligence or willful misconduct.

Section 5. Continued Use of Patents and Trademarks, Etc. (a) During the term of this Assignment, each Borrower shall (i) employ consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Trademarks (and shall do any and all acts reasonably required by the Agent to ensure the Borrower's compliance with such standards), (ii) employ the appropriate notice of such Trademarks in connection with its use of such Trademarks, (iii) subject to the Business Judgment Exception, use each Trademark in such a manner as to maintain such Trademark in full force free from any claim or abandonment for non-use and (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Agent shall obtain a perfected security interest in such mark pursuant to this Assignment. Each Borrower hereby grants to the Agent and its employees and agents the right to visit each Borrower's plants and facilities which manufacture, inspect or store products or which provide services sold under any of the Trademarks, and to inspect the products or monitor the services and quality control records relating thereto at reasonable times during regular business hours. Each Borrower confirms its commitment to take any and all actions reasonably required by the Agent to ensure the maintenance of quality standards for such products and services.

(b) Subject to the Business Judgment Exception, each Borrower agrees to maintain the registration of the Patents and Trademarks listed on Schedule I hereto in full force and effect by taking any action which it believes necessary, through attorneys of its choice, all at its expense. In the event that any Patent or Trademark is infringed by a third Person, so as to have a material adverse effect on either Borrower, or if such infringement gives rise to litigation or to the filing of a claim or notice of opposition with the Patent and Trademark Office, such Borrower shall promptly notify the Agent and shall take such actions as may be reasonably required to terminate such infringement. Any damages recovered from the infringing party in excess of the expenses related to the recovery of such damages shall be deemed to be part of the IP Collateral.

(c) Each Borrower shall promptly notify the Agent of the institution of, and any adverse determination in, any proceeding in the Patent and Trademark Office or any other foreign or domestic governmental agency, court or body, regarding each Borrower's claim of ownership in any of the Patents or Trademarks.

(d) Each Borrower shall promptly notify the Agent if it knows, or has reason to know, that any application or registration relating to any Patent or Trademark may become abandoned or of any adverse determination or development, other than non-final determinations of any such office or court, regarding each Borrower's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

Section 6. No Assignments, Etc. Each Borrower shall not, except as otherwise permitted by the Credit Agreement, grant, create or permit to exist any Encumbrance upon the IP Collateral in favor of any other Person, or assign this Assignment or any rights in the IP Collateral or the material protected thereby without, in either case, the prior written approval of the Agent and such attempted Encumbrance or assignment shall be void ab initio.

Section 7. Continuing Liability. Each Borrower hereby expressly agrees that, anything herein to the contrary notwithstanding, it shall remain liable under each license, interest and obligation collaterally assigned to the Agent hereunder to observe and perform all the conditions and obligations to be observed and performed by each Borrower thereunder, all in accordance with and pursuant to the terms and provisions thereof. The Agent shall not have any obligation or liability under any such license, interest or obligation by reason of or arising out of this Assignment or the collateral assignment thereof to the Agent or the receipt by the Agent of any payment relating to any such license, interest or obligation pursuant hereto, nor shall the Agent be required or obligated in any manner to perform or fulfill any of the obligations of either Borrower thereunder or pursuant thereto, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any such license, interest or obligation, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

Section 8. New Patents and Trademarks. If, before the Obligations shall have been satisfied in full and the Commitments of all of the Lenders terminated, each Borrower, either by itself or through an agent, employee, licensee or designee, shall develop or obtain rights to (i) any new patentable inventions, or become entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent listed on Schedule I or any improvement on any such Patent, or (ii) any new Trademarks, each Borrower shall give to the Agent prompt notice thereof in writing hereof, and shall execute and deliver, and file with the Patent and Trademark Office, a modification of this Assignment amending Schedule I hereto to include such new Patent or Trademark thereon. Notwithstanding the foregoing, each Borrower hereby irrevocably appoints the Agent its true and lawful attorney (such appointment coupled with an interest), with full power of substitution, to execute an amendment of this Assignment on behalf of each Borrower amending Schedule I hereto to include such new Patent or Trademark.

Section 9. Retention of Rights. Unless and until an Event of Default shall have occurred and be continuing, but subject to the terms and conditions of this Assignment, each Borrower shall retain the legal and equitable title to the IP Collateral and shall have the right to use the IP Collateral in the ordinary course of its business and all goodwill associated with the Trademarks shall accrue to each Borrower as if it had not made the collateral assignment hereunder.

Section 10. Remedies. (a) If an Event of Default under the Credit Agreement has occurred and is continuing, the Agent may exercise, in addition to all rights and remedies granted to it in this Assignment and the other Loan Documents, all rights and remedies of a secured party under the Uniform Commercial Code and other applicable law, provided that the Agent shall give each Borrower not less than five (5) Business Days' prior written notice of the time and place of any public sale or of the time after which any private sale or other intended disposition is to be made of any of the IP Collateral. Each Borrower agrees that such notice constitutes "reasonable notification" within the meaning of Section 9-504(3) of the Uniform Commercial Code.

(b) Without limiting the generality of the foregoing, if any Event of Default has occurred and is continuing,

(i) the Agent may use any of the IP Collateral for any purpose in connection with the use and operation of the Collateral;

(ii) the Agent may license, or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any Patents or Trademarks included in the IP Collateral throughout the world for such term or terms, on such conditions and in such manner as the Agent shall in its sole discretion determine, the proceeds of such license or sublicense to be applied to the payment of the Obligations;

(iii) the Agent may (without assuming any obligations or liability thereunder), at any time and from time to time, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of each Borrower in, to and under any Patent Licenses or Trademark Licenses and take or refrain from taking any action under any thereof, and each Borrower hereby releases the Agent from, and agrees to hold the Agent free and harmless from and against, any claims arising out of any lawful action so taken or omitted to be taken with respect thereto other than any claims arising by reason of its own gross negligence or wilful misconduct; and

(iv) upon request by the Agent, each Borrower will execute and deliver to the Agent a power of attorney, in addition to and supplemental to that set forth in Sections 12 and 8 hereof, in form and substance reasonably satisfactory to the Agent, for the implementation of any lease, assignment, license, sublicense, a grant of option, sale or other disposition of a Patent or a Trademark, provided, however, that in the event of any disposition pursuant to this Section 10, each Borrower shall supply its know how and expertise relating to the manufacture and sale of the products bearing, or services sold

utilizing, Trademarks, and its customer lists and other records relating to such Trademarks and to the distribution of said products and sale of such services, to the Agent.

Section 11. Grant of License to Use Intangibles. For the purpose of enabling the Agent to exercise rights and remedies under Section 10 hereof at such time as the Agent shall be lawfully entitled to exercise such rights and remedies and for no other purpose, each Borrower hereby grants to the Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to each Borrower) to use, assign, license or sublicense any of the IP Collateral, whether now owned or hereafter acquired by each Borrower, and wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof. The Agent may exercise its rights with respect to any portion of the IP Collateral without resorting or regard to other IP Collateral or sources of reimbursement for liability.

Section 12. Power of Attorney; Protection

(a) Each Borrower hereby irrevocably appoints the Agent its true and lawful attorney (such appointment coupled with an interest), with full power of substitution, in the name of each Borrower, the Agent, or otherwise, for the sole use and benefit of the Agent, but at each Borrower's expense, to exercise (to the extent permitted by law), at any time and from time to time while an Event of Default has occurred and is continuing, all or any of the following powers with respect to all or any of the IP Collateral:

- (i) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due thereon or by virtue thereof;
- (ii) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;
- (iii) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof, as fully and effectually as if the Agent were the absolute owner thereof;
- (iv) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto.

(b) The Agent shall have no duty as to the protection of the IP Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto other than to refrain from willful misconduct and gross negligence with respect thereto.

Section 13. Further Assurances. Each Borrower will, from time to time, at its expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement,

notice or other paper and take any other action that the Agent may from time to time reasonably determine to be necessary or desirable in order to create, preserve, upgrade in rank (to the extent required hereby), perfect, confirm or validate the IP Collateral or to enable the Agent to obtain the full benefits of this Assignment, or to enable the Agent to exercise and enforce any of its rights, powers and remedies hereunder with respect to any of the IP Collateral. At the request of the Agent, each Borrower will use reasonable efforts to obtain the consent of any Person that is necessary or desirable to effect the pledge hereunder of any right, title, claims and benefits now owned or hereafter acquired by either Borrower in and to any IP Collateral. To the extent permitted by law, each Borrower hereby authorizes the Agent to execute, file and record notices, financing statements or continuation statements without each Borrower's signature appearing thereon. Each Borrower agrees that a carbon, photographic or other reproduction of this Assignment or of a financing statement is sufficient as a notice or financing statement. Each Borrower shall pay the costs of, or incidental to, any recording or filing of any notice or financing or continuation statements concerning the IP Collateral.

Section 14. Notices. All notices under this Assignment shall be in writing, and shall be given and shall be effective in accordance with the Credit Agreement.

Section 15. Severability. Any provision of this Assignment which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 16. No Waiver; Cumulative Remedies. The Agent shall not, by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Agent, and then only to the extent therein set forth. A waiver by the Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Agent would otherwise have had on any other occasion. No failure to exercise nor any delay in exercising on the part of the Agent any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

Section 17. Waivers; Amendments. None of the terms and provisions of this Assignment may be waived, altered, modified or amended except by an instrument in writing executed by the parties hereto.

Section 18. Limitation by Law. All rights, remedies and powers provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law, and all the provisions hereof are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Assignment invalid, unenforceable in whole or in part or not entitled to be recorded, registered, or filed under the provisions of any applicable law.

Section 19. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of each Borrower, its respective successors and assigns, and shall be binding upon and inure to the benefit of and be enforceable by the Agent, the Lenders and their respective successors and assigns; provided that neither Borrower may assign or transfer its rights or obligations hereunder.

Section 20. Termination. Upon the payment in full of all Obligations and termination of the Commitments of all of the Lenders, the collateral assignment made hereunder shall terminate and all rights to the IP Collateral shall revert to each Borrower and the Agent will execute all such documents as may be reasonably requested by each Borrower to release such security interests and to terminate such collateral assignment and to reassign the Patents and Trademarks to each Borrower (without representation or warranty). If, after the collateral assignment made hereunder is terminated, payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Agent upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of each Borrower or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, each Borrower or any substantial part of its property, or otherwise, the collateral assignment made hereunder and all rights of the Agent to the IP Collateral shall be reinstated, all as though such payments had not been made.

Section 21. Governing Law. THIS ASSIGNMENT IS A CONTRACT UNDER THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF SAID COMMONWEALTH (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW) AND THE UNITED STATES OF AMERICA. THE BORROWERS CONSENT TO THE JURISDICTION OF ANY OF THE FEDERAL OR STATE COURTS LOCATED IN THE COMMONWEALTH OF MASSACHUSETTS IN CONNECTION WITH ANY ACTION TO ENFORCE THE RIGHTS OF THE AGENT UNDER THIS ASSIGNMENT. EACH BORROWER IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION BROUGHT IN THE COURTS REFERRED TO IN THE PRECEDING SENTENCE AND HEREBY IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH ACTION THAT SUCH ACTION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

Section 22. Waiver of Jury Trial. EACH OF THE BORROWERS AND THE AGENT HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS ASSIGNMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. EXCEPT AS PROHIBITED BY LAW, EACH OF THE BORROWERS AND THE AGENT HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION REFERRED TO IN THE PRECEDING SENTENCE ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. EACH

BORROWER (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE AGENT HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE AGENT WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND (b) ACKNOWLEDGES THAT THE AGENT HAS BEEN INDUCED TO ENTER INTO THIS ASSIGNMENT BECAUSE OF, AMONG OTHER THINGS, THE BORROWER'S WAIVERS AND CERTIFICATIONS CONTAINED HEREIN.

Section 23. COUNTERPARTS. This Assignment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Assignment by signing any such counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as an instrument under seal as of the date first written above.

SHARI'S MANAGEMENT CORPORATION,
a Delaware corporation

By: Michael Gibbons

Name: Michael Gibbons

Title: Chairman

February 24, 1999

SHARI'S MANAGEMENT CORPORATION,
an Oregon corporation

By: Ray Jansen, Exec VP 2/22/99

Name:

Title:

BANKBOSTON, N.A.

By: Christopher M. Holtz

Christopher M. Holtz

Vice President

SCHEDULE I

PATENTS

<u>U. S. PATENT NO.</u>	<u>DATE</u>	<u>NAME OF INVENTOR/TITLE OF INVENTION</u>
None		

PATENT APPLICATIONS

<u>APPLICATION NO.</u>	<u>FILING DATE</u>	<u>NAME OF INVENTOR/TITLE OF INVENTION</u>
None		

PATENT LICENSES

<u>U.S. PATENT NO.</u>	<u>DATE</u>
None	

TRADEMARKS

<u>REGISTRATION NO.</u>	<u>DATE</u>	<u>MARK OR NAME</u>
1,302,119	10/23/84	SHARIS (stylized letters)
	11/28/89 (amended)	
1,971,437		ALL DAY. EVERY DAY.
1,591,479		SHARI'S
1,204,126		SHARI'S (stylized letters)
S29800 (Oregon State Registration)		BAGEL EXPRESSO
2,121,573		GOOD PEOPLE SERVING GOOD FOOD

TRADEMARK APPLICATIONS

<u>REGISTRATION NO.</u>	<u>DATE</u>	<u>MARK OR NAME</u>
75,594,514	11/24/98	SHARI'S for bread rolls in Class 30