



101724823
TRADEMARKS ONE

FORM PTO 1594
(Rev. 6-93)

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94)

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof

1. Name of conveying party(ies): Arabica Funding, Inc

 Individual(s) Association
 General Partnership Limited Partnership
 Corporation - Delaware
 Other _____
Additional name(s) of conveying party(ies) attached? Yes No

5-18-01

2. Name and address of receiving party(ies):
Name: Fleet National Bank
Internal Address: Mail Stop MA DE 10008 MAY 15 2001
Street Address: 100 Federal Street
City: Boston, State: MA ZIP: 02110

Individual(s)
 Association National Banking Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other: Release of Security Interest
Execution Date: April 25, 2001

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)
76/241,270
Continued on Attachment 1

B. Trademark Registration No.(s)
2,008,379
Continued on Attachment 1

Additional numbers attached? Yes No

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

Name: Travis L. Bachman
Internal Address: Dorsey & Whitney LLP
Street Address: 220 South Sixth Street
City: Minneapolis State: MN ZIP 55402

6. Total Number of applications and registrations involved: 18

7. Total fee (37 CFR 3.41): \$ 465.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: 04-1420

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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.

Travis L. Bachman
Name of person Signing

Signature

5/19/2001
Date

Total number of pages comprising cover sheet: 2

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

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

Commissioner of Patents and Trademarks
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Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

Attachment 1 to Recordal Cover Sheet**U.S. Federal Trademark Applications**

Trademark	Application Number	Filing Date
CARIBOU COFFEE	76/241,267	4/16/2001
CARIBOU COFFEE	76/241,266	4/16/2001
CARIBOU COFFEE	76/241,264	4/16/01
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,004	4/17/2001
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,003	4/17/2001
CARIBOU COFFEE (and Leaping Caribou Design)	76/242,587	4/18/2001
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,006	4/17/2001
Hoof Design	76/241,265	4/16/2001
Leaping Caribou Design	76/241,269	4/16/2001
Leaping Caribou Design	76/241,268	4/16/2001
Leaping Caribou Design	76/241,271	4/16/2001
Leaping Caribou Design	76/241,272	4/16/2001
REINDEER NIBBLERS	76/243,005	4/17/2001

U.S. Federal Trademark Registrations

Trademark	Registration Number	Registration Date
LIFE IS SHORT. STAY AWAKE FOR IT.	2,000,062	9/10/96
CARIBOU COFFEE	1,839,091	6/7/94
CARIBOU COFFEE & Design	1,841,047	6/21/94

Schedule A

U.S. Federal Trademark Registrations

Trademark	Application Number	Filing Date	Registration Number	Registration Date
LIFE IS SHORT. STAY AWAKE FOR IT.	75/013633	23-Oct-95	2008379	15-Oct-96
LIFE IS SHORT. STAY AWAKE FOR IT.	75/013632	23-Oct-95	2000062	10-Sep-96
CARIBOU COFFEE	74/336835	4-Dec-92	1839091	7-Jun-94
CARIBOU COFFEE & Design	74/417248	26-Jul-93	1841047	21-Jun-94

U.S. Federal Trademark Applications

Trademark	Application Number	Filing Date	Int'l Class/Description
CARIBOU COFFEE	76/241,270	4/16/2001	21 - Mugs and Tumblers
CARIBOU COFFEE	76/241,267	4/16/2001	25- T-Shirts, Sweatshirts and Hats
CARIBOU COFFEE	76/241,266	4/16/2001	30 - Ground and Whole Bean Coffee; Hot and Frozen Coffee, Espresso, Herbal Tea, and Tea Beverages; Baked Goods, Namely, Biscotti, Bread, Brownies, Cakes, Cookies, Muffins, Pastries, and Scones; Chocolate; Candy; Smoothies
CARIBOU COFFEE	76/241,264	4/16/01	35 - Providing Information in the Field of Coffee, by Means of a Global Computer Network; Retail Store Services, Mail Order Catalog Services, and Online Sales Featuring Coffee, Coffee Brewing Accessories, Clothing, Food, and Beverageware
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,004	4/17/2001	21- Mugs and Tumblers
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,003	4/17/2001	25 - T-Shirts, Sweatshirts and Hats

Trademark	Application Number	Filing Date	Int'l Class/Description
CARIBOU COFFEE (and Leaping Caribou Design)	76/242,587	4/18/2001	30 – Ground and Whole Bean Coffee; Hot and Frozen Coffee, Espresso, Herbal Tea, and Beverages; Baked Goods, Namely, Biscotti, Bread, Brownies, Cakes, Cookies, Muffins, Pastries, and Scones; Chocolate; Candy; Smoothies
CARIBOU COFFEE (and Leaping Caribou Design)	76/243,006	4/17/2001	35 - Providing Information in the Field of Coffee, by means of a Global Computer Network; Retail Store Services, Mail Order Catalog Services, and Online Sales Featuring Coffee, Coffee Brewing Accessories, Clothing, Food, and Beverageware
Hoof Design	76/241,265	4/16/2001	30 - Candy
Leaping Caribou Design	76/241,269	4/16/2001	21- Mugs and Tumblers
Leaping Caribou Design	76/241,268	4/16/2001	25- T-Shirts, Sweatshirts and Hats
Leaping Caribou Design	76/241,271	4/16/2001	30 - Ground and Whole Bean Coffee; Hot and Frozen Coffee, Espresso, Herbal Tea, and Tea Beverages; Baked Goods, Namely, Biscotti, Bread, Brownies, Cakes, Cookies, Muffins, Pastries, and Scones; Chocolate; Candy; Smoothies
Leaping Caribou Design	76/241,272	4/16/2001	35 - Providing Information in the Field of Coffee, by Means of a Global Computer Network; Retail Store Services, Mail Order Catalog Services, and Online Sales Featuring Coffee, Coffee Brewing Accessories, Clothing, Food, and Beverageware
REINDEER NIBBLERS	76/243,005	4/17/2001	30 - Candy

U.S. State Trademark Registrations

Trademark	Registration Number	Registration Date	State
CARIBOU COFFEE & Design	T-15312	7-Dec-95	Georgia*

Trademark	Registration Number	Registration Date	State
CARIBOU COFFEE & Design	S-15321	11-Dec-95	Georgia*
CARIBOU COFFEE & Design	M00-784	7-May-96	Michigan*
CARIBOU COFFEE & Design	M00-785	7-May-96	Michigan*
CARIBOU COFFEE & Design	23936	30-Jun-95	Minnesota
CARIBOU COFFEE & Design	25174	11-Jul-96	Minnesota
CARIBOU COFFEE & Design	T-11868	15-Jan-96	North Carolina
CARIBOU COFFEE & Design	T-12015	8-Apr-96	North Carolina

*These marks are owned by Caribou notwithstanding the fact that the registrations were issued to Caribou at its local store addresses in Georgia and Michigan respectively

Common Law Trademarks

Trademark
CARIBOU BLEND and Design
DAYBREAK MORNING BLEND and Design
Design for Kenya AA, La Minta Peaberry, Sumatra, Columbia and Costa Rica Blends
Espresso Blend Design
FIRESIDE EVENING BLEND and Design
French Roast Design
HOOF MINTS
Hoof Print Design
JAMAICAN BLUE MOUNTAIN BLEND and Design
Kona Design
Mocha Java Blend Design
Rainforest Blend Design
REINDEER NIBBLERS
WILDERNESS BLEND and Design

SECURITY AGREEMENT (TRADEMARKS)

This Security Agreement (Trademarks) is made as of April 25, 2001 by ARABICA FUNDING, INC. (the "Debtor"), in favor of FLEET NATIONAL BANK, as Agent (in such capacity, together with its successors and assigns in such capacity, the "Agent") for the benefit of the various financial institutions who are or hereafter become Lenders under, and as defined in, the Credit Agreement referred to below (the "Lenders")(collectively, the Agent and the Lenders are referred to as the "Secured Parties").

1. Recitals.

A. The Debtor and the Secured Parties are entering into a Credit Agreement of even date herewith (as the same may be amended, restated, renewed, replaced, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders have agreed to lend and to make certain other financial accommodations available to the Borrower, upon and subject to the terms and conditions thereof. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

B. The Debtor is the owner of all right, title and interest, in and to all U.S. trademarks, trade names, corporate names, company names, business names, fictitious names, trade styles, service marks, logos, other source or business identifiers used by Caribou in its business as presently operated, all registrations and recordings thereof, or in any applications in connection therewith, including those that now exist or may exist in the U.S. Patent and Trademark Office ("USPTO"), or in any similar office of the United States, all reissues, extensions, or renewals thereof, and all goodwill of the business symbolized by any trademark, including but not limited to those identified in Schedule A hereto (collectively, the "Trademarks"). The Secured Parties, for the benefit of themselves, their successors and assigns, subject to the terms and agreements contained herein, wish to acquire a security interest in all of the Debtor's existing and future right, title and interest in the Trademarks, together with all of the goodwill of the business in connection with such right, title and interest, as security for the Obligations (as defined in the Credit Agreement). The Secured Parties acknowledge and agree that while the Debtor is the owner of all state trademark registrations, the Debtor has not recorded such ownership with the state trademark offices and is not obligated to do so. The Secured Parties acknowledge and agree the Debtor retains ownership of all right, title and interest, in and to all foreign trademarks, trade names, corporate names, company names, business names, fictitious names, trade styles, service marks, logos, other source or business identifiers, all registrations and recordings thereof, or in any applications in connection therewith, including those that now exist or may exist in the foreign trademark offices, all reissues, extensions, or renewals thereof, and all goodwill of the business symbolized by any trademark (collectively, "Foreign Trademarks").

2. Security Interest. The Debtor does hereby grant to Secured Parties a security interest in all of its existing and hereafter acquired U.S. trademarks, service marks, trade names and assumed names, including without limitation, all of its right, title and interest in the Trademarks listed on Schedule A hereto, together with all of the goodwill of the business in

connection therewith, all claims for damage by reason of infringement relating thereto, and any and all proceeds thereof and general intangibles relating thereto (all of the foregoing, collectively the "Collateral"). The security interest hereby granted in the Collateral shall secure the Obligations. For any Trademark that is the subject of an intent-to-use application before the USPTO, a security interest will attach as soon as a verified amendment to allege use or statement of use is filed for such application or the Secured Parties arrange for an assignment of such Trademarks that would satisfy the requirements of Section 10 of the Lanham Act, 15 U.S.C. Section 1060.

3. Further Assurances. The Debtor hereby agrees to execute and sign, without further consideration, any other legal document and to do all other acts that may be reasonably necessary to secure to the Secured Parties their interests as aforesaid in and to said applications or any part thereof and in and to the Collateral. The Debtor further covenants and agrees that at the same time it provides the Agent with fiscal quarterly financial reports pursuant to the Credit Agreement, it will inform the Agent of any material facts known to it relating to the Collateral, including without limitation any new applications for registration in any jurisdiction, the filing of any verified amendments or statements of use for any U.S. applications, and the acquisition from a third party of any application or registration, including without limitation any right, title and interest in any foreign intellectual property acquired from Caribou Coffee Company, Inc. from time to time. Any other new Trademarks or other intellectual property hereafter acquired shall be identified to the Agent and automatically included in this Agreement. Notwithstanding the foregoing provisions of this Section 3, the Debtor shall advise the Agent of the USPTO serial numbers for the U.S. trademark applications listed in Schedule A within thirty days of Debtor's receipt of the same. If the Debtor uses or licenses for use any Foreign Trademarks in any country, the Debtor will promptly assign to the Secured Parties its right, title and interest in and to the Foreign Trademarks for such country. Should there occur and be continuing an Event of Default under the Credit Agreement, Debtor, upon the Agent's request, will promptly assign to the Secured Parties its right, title and interest, in and to all Foreign Trademarks.

4. Encumbrances. The Debtor does hereby covenant for itself and its legal representatives that there is no existing Encumbrance on any of the Collateral, except for Permitted Encumbrances. The Debtor has not granted any license to use any of the Collateral except to Caribou pursuant to the Caribou Lease/Purchase Documents. The Debtor will not further license or encumber any of the Collateral. The Debtor acknowledges that the records of the USPTO show that two security interests are recorded against the federal trademark registrations listed in Schedule A, but represents and warrants that releases of such security interests were filed with the USPTO as of April 18, 2001.

5. Use of Collateral. Until the Debtor shall be in default under Section 6 hereof, the Debtor may exercise any and all rights with respect to the Collateral, including any right to pursue and enforce any and all claims for damage by reason of infringement of the Collateral.

6. Default. The Debtor shall be in default hereunder upon the occurrence and during the continuation of any Event of Default under the Credit Agreement. Notice of the time and place of any public sale, or of the date after which a private sale of the Collateral granted to Secured Parties hereby, shall be deemed reasonable if given at least 20 days before the date of

any public sale or the date after which a private sale shall take place. The Secured Parties may deduct from the proceeds of any such sale its costs and expenses of taking, holding and selling such Collateral, including its reasonable attorneys fees. If, as provided in the first sentence of this Section 6, the Debtor is in default hereunder, the Debtor expressly agrees to execute an assignment of the Trademarks to the Secured Parties, together with the good will associated with the Trademarks and the right to sue for past infringement and collect all royalties that may be due. Notwithstanding the foregoing provisions of this Section 6, the Secured Parties shall have no right to sell or otherwise realize upon any of the Collateral with respect to a Trademark that is the subject of an intent-to-use application before the USPTO until a verified amendment to allege use or statement of use is filed for such application or the Secured Parties arrange for an assignment of such Trademarks that would satisfy the requirements of Section 10 of the Lanham Act, 15 U.S.C. Section 1060.

7. Agency. The Debtor acknowledges that the rights and responsibilities of the Agent under this Agreement with respect to any action taken by the Agent or the exercise or non-exercise by the Agent of any right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Agent and the Lenders, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Agent and the Debtor, the Agent shall be conclusively presumed to be acting as agent for the Lenders with full and valid authority so to act or refrain from acting, and the Debtor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

8. Miscellaneous. The benefits and obligations of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws (other than the conflict of laws rules) of the State of New York. **THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER SEAL AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (WITHOUT GIVING REFERENCE TO ANY CONFLICTS OF LAW PROVISIONS THEREIN) EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF A SECURITY INTEREST GRANTED HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE REQUIRED TO BE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK. EACH OF THE DEBTOR AND THE SECURED PARTIES AGREE THAT NEITHER IT NOR ANY ASSIGNEE OR SUCCESSOR SHALL (A) SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM OR ANY OTHER ACTION BASED UPON, OR ARISING OUT OF, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, ANY COLLATERAL OR THE DEALINGS OR THE RELATIONSHIP BETWEEN THE DEBTOR AND THE SECURED PARTIES OR (B) SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NEITHER THE SECURED PARTIES NOR THE DEBTOR HAS AGREED WITH OR REPRESENTED TO ANY OTHER**

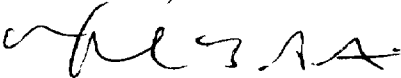
THAT THE PROVISIONS OF THIS PARAGRAPH WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. THE DEBTOR HEREBY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE COMMONWEALTH OF MASSACHUSETTS AND THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS AND THE SOUTHERN DISTRICT OF NEW YORK, AS WELL AS TO THE JURISDICTION OF ALL COURTS FROM WHICH AN APPEAL MAY BE TAKEN OR OTHER REVIEW SOUGHT FROM THE AFORESAID COURTS, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF ANY OF THE DEBTOR'S OBLIGATIONS UNDER OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREBY, AND EXPRESSLY WAIVES ANY AND ALL OBJECTIONS IT MAY HAVE AS TO VENUE IN ANY OF SUCH COURTS.

The Next Page is the Signature Page.

Each of the undersigned has caused this Security Agreement (Trademarks) to be signed by its duly authorized officer under seal as of the day and year first written above.

DEBTOR:

ARABICA FUNDING, INC.

By: 
Name: **FRANK B. BIOTTA**
Title: **VICE PRESIDENT**

Address for Notices:

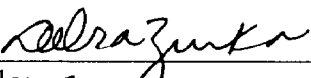
c/o Global Securitization Services, LLC
400 West Main Street, Suite 338
Babylon, NY 11702
Attention: Mr. Andy Stidd
Telecopier Number: (212) 302-8767

with a copy to:

Arabica Funding, Inc.
c/o Crescent Capital Investments, Inc.
75 Fourteenth Street
Atlanta, Georgia 30309

AGENT:

FLEET NATIONAL BANK, as Agent

By: 
Title: *Group manager*

Address for Notices:

Fleet National Bank
100 Federal Street
Mail Stop: MA DE 10008H
Boston, MA 02110
Attention: Mr. Robert W. MacElhiney
Telecopier No.: (617) 434-0637

State of New York
County of New York

April 24, 2001

Then personally appeared the above named Frank Bilotta, and
acknowledged that he/she executed the foregoing Security Agreement (Trademarks) as his/her
free act and deed before me on behalf of the foregoing Debtor, as duly authorized agent thereof.

Karl Herchold

Notary Public
My commission expires:

KARL HERCHOLD
Notary Public, State of New York
No. 01HE6038764
Qualified in New York County
Commission Expires March 20, 2002