

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

101734244

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

1. Name of conveying party(ies): Tom's of Maine, Inc. 5-23-01
Individual(s) Association
General Partnership Limited Partnership
Corporation-State Maine
Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Fleet National Bank
Internal
Address:
Street Address: Two Portland Square
City: Portland State: ME Zip: 04101
Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State
Other National Banking Association
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
Execution Date: May 18, 2001

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
75/476528, 75/476529, 76/114002
76/122898
Additional number(s) attached Yes No

B. Trademark Registration No.(s)
See Attached Sheet

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Mark K. Googins
Internal Address: Verrill & Dana, LLP
Street Address: One Portland Square
P.O. Box 586
City: Portland State: ME Zip: 04112-0586

6. Total number of applications and registrations involved: 13
7. Total fee (37 CFR 3.41): \$ 340.00
Enclosed
Authorized to be charged to deposit account
8. Deposit account number:
(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.
Mark K Googins
Signature
Date: May 18, 2001
Total number of pages including cover sheet, attachments, and document: 12

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

Recordation Form Cover Sheet
Form PTO-1594

Item 4 B. Trademark Registration No.(s) Attachment

1. 1,030,444
2. 1,094,160
3. 1,304,577
4. 1,381,476
5. 1,397,289
6. 1,465,112
7. 2,014,014
8. 2,074,994
9. 2,236,451

SECURITY AGREEMENT

In consideration of financial accommodations arising from loans and other financial accommodations given or to be given or to be continued to TOM'S OF MAINE, INC., a Maine corporation (the "Debtor"), by FLEET NATIONAL BANK, a national banking association organized and existing under the laws of the United States of America, its successors or assigns (together with its affiliates and subsidiaries, herein called the "Bank"), the Debtor hereby agrees with the Bank that whenever the Debtor shall be at any time or times directly or contingently indebted, liable or obligated to the Bank in any manner whatsoever, the Bank shall have the following rights and the Debtor shall have the following obligations:

1. As security for the due and punctual payment of any and all of the present and future Obligations of the Debtor (as defined in Section 2 below), the Debtor hereby assigns, mortgages, pledges, hypothecates, transfers, sets over and grants to the Bank a lien on and security interest in (a) all of the Collateral (as defined in Section 3 below), whether now or hereafter existing or acquired, and (b) all present and future products and proceeds of the Collateral.

2. As used herein, the term "Obligations" means all liabilities, absolute or contingent, joint, several or independent, of the Debtor now or hereafter existing, due or to become due to, or held or to be held by, the Bank for its own account or as agent for another or others, whether created directly or acquired by assignment or otherwise and howsoever evidenced, including, without limitation, all obligations and liabilities of the Debtor to the Bank, whether existing or hereafter arising, under any foreign exchange contracts, interest rate swap, cap, floor or hedging agreements, or other similar agreements, and all obligations of the Debtor to the Bank to repay overdrafts and other amounts due to the Bank under any existing or future agreements relating to cash management services, and further, including, without limitation, all of the Debtor's liabilities and obligations of payment and performance as evidenced by the Master Loan and Security Agreement dated May 18, 2001, between the Debtor and the Bank, as the same may be amended or otherwise modified from time to time (the "Loan Agreement") and the documents related thereto, as the same may be amended or otherwise modified from time to time.

3. As used herein, the term "Collateral" means the property described below together with the property described in Section 4 hereof (all terms shall have the meaning ascribed by the Uniform Commercial Code as adopted and in effect from time to time in the State of Maine, hereinafter the "Governing State"):

All of Debtor's personal property, including but not limited to (A) its inventory, including all goods, merchandise, raw materials, goods or work in process, finished goods, all goods used or consumed or intended to be used or consumed in the course of its business, and all other tangible personal property and goods held for sale or lease or furnished or to be furnished under contracts of service or used or consumed in its business, all whether now owned or hereafter acquired or now or hereafter placed on consignment, and wherever located, (all hereinafter called the "Inventory"), (B) all of its accounts (as now and hereafter defined in the Uniform Commercial Code, hereinafter called "Accounts") and, to the extent not included within Accounts, all of its contracts, contract rights, accounts receivable, notes, bills, drafts,

acceptances, deposits, deposit accounts and general intangibles (including without limitation all of its tradenames, logos, franchises and licenses, customer lists, goodwill, computer programs, computer records, computer software, computer data, service contracts, trade secrets, trademarks, servicemarks, copyrights, patents, licenses, certificates of authority, uncertified securities, ledger cards and sheets, files, records, books of account, data processing records relating to any Accounts and all tax refunds of every kind and nature to which it is now or hereafter may become entitled, and all other refunds, regardless of how the same may arise), (C), to the extent not included within Accounts, all of its instruments, negotiable instruments, investment property, documents, negotiable documents, chattel paper, choses in action, and all other debts, obligations and liabilities in whatever form and of whatever nature, owing to it from any person, firm or corporation or from any other legal entity, all whether now existing or hereafter arising, now or hereafter received by or belonging or owing to it, for goods sold or to be sold by it or for services rendered or to be rendered by it, or however otherwise the same may have been established or created, and all guarantees, liens and security therefor, and all right, title and interest of it in the merchandise or services which gave rise thereto, including the rights of reclamation and stoppage in transit, all rights to replevy goods, and all rights of an unpaid seller of merchandise or services, (D) all moneys, securities and other property (and the proceeds thereof) now or hereafter held or received by, or in transit to Bank, from or for it, whether for safekeeping, pledge, custody, transmission, collection or otherwise and all credits and balances of it, with Bank at any time existing, (E) all goods, machinery, equipment and all of Debtor's other tangible personal property (to the extent not included within Inventory), now owned or hereafter acquired and wherever located, as well as all of Debtor's right, title and interest in and to any such goods as may be now or hereafter held or used by Debtor under any lease, lease-purchase, conditional sales, use or other agreements under which Debtor is or may become entitled to the use and possession thereof, with any and all other rights and benefits flowing from or under such agreements, all as may be used, useful or bought for use in connection with the ownership and/or operation of Debtor's business, and any operations incidental to or associated with the same, or otherwise, and all service contracts relating to any of the foregoing, all whether now owned or hereafter acquired and wherever located, together with all replacements and substitutions therefor and all additions and accessions thereto, (F) all right, title and interest of Debtor in the Master Swap Agreement between Debtor and Bank and each transaction entered into thereunder including, without limitation, all amounts payable or deliverable thereunder and the benefit of any guarantee or other credit support in connection therewith, (G), to the extent not described above, the Intellectual Property Collateral (as defined below), and (H) all products and proceeds of any of the foregoing, including, without limitation, all proceeds of credit, fire or other insurance, and also including, without limitation, all rents and profits resulting from the temporary use or possession of any of the foregoing (all of items A through G above, including all Inventory and Accounts, are hereinafter collectively called the "Collateral")

“Copyrights” means any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held.

"Intellectual Property Collateral" means all of Debtor's right, title, and interest in and to the following:

- (a) Copyrights, Trademarks and Patents;
- (b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;
- (c) Any and all design rights which may be available to Debtor now or hereafter existing, created, acquired or held;
- (d) Any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;
- (e) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;
- (f) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents; and
- (g) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

"Patents" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"Trademarks" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Debtor connected with and symbolized by such trademarks.

In the event that in addition to this Agreement, the Debtor is a party to one or more other security, pledge or similar agreements providing for a security interest in personal property in favor of the Bank (collectively, the "Other Collateral Agreements"), the Collateral described in this Agreement and the Other Collateral Agreements shall be read together as one agreement such that the Obligations shall be deemed secured by the collateral described in each of such agreements.

4. Any and all deposits or other sums at anytime credited by or due from the Bank to the Debtor; and any and all monies, securities and other property of the Debtor, and the proceeds thereof now or hereafter held or received by or in transit to the Bank from or for the Debtor, whether for safekeeping, custody, pledge, transmission, collection or otherwise, shall at all times constitute security for any and all Obligations. The Debtor and any guarantor hereby grant to the

Bank, a continuing lien, security interest and right of setoff as security for all liabilities and obligations to the Bank, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of the Bank or any entity under the control of FleetBoston Financial Corporation and its successors and assigns or in transit to any of them. At any time, without demand or notice (any such notice being expressly waived by the Debtor), the Bank may setoff the same or any part thereof and apply the same to any liability or obligation of the Debtor and any guarantor even though unmaturing and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE THE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE DEBTOR OR ANY GUARANTOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

5. The Debtor represents and warrants that: (a) no Financing Statement (other than any which may have been filed on behalf of the Bank) relating to any of the Collateral is on file in any public office; (b) the Chief Executive Office of the Debtor, and the Collateral are respectively located at the address(es) set forth at the end of this Agreement and the Debtor will not change such location without prior written notice to and consent of the Bank; (c) the Debtor is a corporation duly organized and in good standing under the laws of the Governing State, and its corporate identification number issued by the Secretary of State of the Governing State is 01-0287460; and (d) the Debtor has not created and is not aware of any security interest, lien or encumbrance on or affecting the Collateral other than created hereby or the Other Collateral Agreements.

6. The Debtor assumes all liability and responsibility in connection with all Collateral acquired by the Debtor; and the obligation of the Debtor to pay all Obligations shall in no way be affected or diminished by reason of the fact that any such Collateral may be lost, destroyed, stolen, damaged or for any reason whatsoever unavailable to the Debtor.

7. As long as this Agreement shall remain in effect, the Debtor agrees:

(a) that if the Bank so demands in writing at any time (i) all proceeds of the Collateral shall be delivered to the Bank promptly upon their receipt in a form satisfactory to the Bank, and (ii) all chattel paper, instruments and documents pertaining to the Collateral shall be delivered to the Bank at the time and place and in the manner in which specified in the Bank's demand;

(b) in order to enable the Bank to comply with the law of any jurisdiction, including state, federal and foreign, applicable to any security interest granted hereby or to the Collateral, to execute and deliver upon request, in form acceptable to the Bank, any Financing Statement, notice, statement, instrument, document, agreement or other paper and/or to perform any act requested by the Bank which may be necessary to create, perfect, preserve, validate or otherwise protect such security interest or to enable the Bank to exercise and enforce the Bank's rights hereunder or with respect to such security interest;

(c) promptly to pay any filing fees or other costs in connection with (i) the filing or recordation of such Financing Statements or any other papers described above, and (ii) such searches of the public records as the Bank in its sole discretion shall require;

(d) that the Bank is authorized to file or record any such Financing Statements or other papers without the signature of the Debtor if permitted by applicable law;

(e) the Bank may file a photographic or other reproduction of this Agreement in lieu of a Financing Statement in any filing office where it is permissible to do so;

(f) except for the security interest granted hereby, the Debtor shall keep the Collateral and proceeds and products thereof free and clear of any security interest, liens or encumbrances of any kind, the Debtor shall promptly pay, when due, all taxes and transportation, storage and warehousing charges and fees affecting or arising out of the Collateral and shall defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein adverse to the Bank;

(g) at all times to keep all insurable Collateral insured at the expense of the Debtor to the Bank's satisfaction against loss by fire, theft and any other risk to which the Collateral may be subject; all policies shall be endorsed in favor of the Bank and, if the Bank so requests, shall be deposited with the Bank; and in any event, such policies will provide that each insurer will give the Bank not less than thirty (30) days notice in writing prior to the exercise of any right of cancellation; in the event the Debtor fails to maintain any insurance, the Bank may (but shall not be obligated to) place such insurance and pay the premium therefor, in which event the Debtor will pay the Bank such premium with interest; the Bank may apply any proceeds of such insurance which may be received by it toward payment of the Obligations, whether or not due, in such order of application as the Bank may determine;

(h) that the Bank's duty with respect to the Collateral shall be solely to use reasonable care in the custody and preservation of collateral in its possession; the Bank shall not be obligated to take any steps necessary to preserve any rights in any of the Collateral against prior parties, and the Debtor hereby agrees to take such steps; the Debtor shall pay to the Bank all costs and expenses, including filing and reasonable attorneys' fees, incurred by the Bank in connection with the custody, care, preservation or collection of the Collateral; the Bank may, but is not obligated to, exercise any and all rights of conversion or exchange or similar rights, privileges and options relating to the Collateral; the Bank shall have no obligation to sell or otherwise realize upon any of the Collateral as herein authorized and shall not be responsible for any failure to do so or for any delay in so doing. IN THE EVENT OF ANY LITIGATION WITH RESPECT TO ANY MATTER CONNECTED WITH THIS AGREEMENT, THE OBLIGATIONS, THE COLLATERAL OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT APPLICABLE HERETO OR TO ANY ONE OR MORE OF THEM IN ANY RESPECT, THE DEBTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF

ANY PARTY, INCLUDING, WITHOUT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS OR ACTIONS OF THE BANK RELATING TO THE ADMINISTRATION OF THE OBLIGATIONS OR ENFORCEMENT OF THE LOAN DOCUMENTS, AND THE DEBTOR AGREES THAT IT WILL NOT SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE DEBTOR CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE BANK HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER;

(i) that the Debtor will permit the Bank, by its officers and agents, to have access to and examine at all reasonable times the properties, minute books and other corporate records, and books of account and financial records of the Debtor;

(j) that the Debtor will promptly notify the Bank upon the occurrence of any default, as provided in this Agreement, of which the Debtor has knowledge, and will promptly provide to the Bank all other information reasonably requested by the Bank; and

(k) that the Debtor will not sell, transfer, lease or otherwise dispose of any of the Collateral or any interest therein, or offer to do so or permit anything to be done to impair the value of the Collateral or the security interest granted to the Bank, provided, however, the Debtor may sell Inventory in the ordinary course of its business to unaffiliated third parties. The Bank shall have the right, by written notice to the Debtor, to terminate the Debtor's authority to sell, lease, otherwise transfer, manufacture, process or assemble, or furnish under contracts of service, any or all of the Inventory.

8. The Debtor hereby agrees as follows:

A. Debtor is the sole owner of the Intellectual Property Collateral, except for non-exclusive licenses granted by Debtor to its customers in the ordinary course of business. No part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party. Except as set forth in the attached Schedule, Debtor's rights as a licensee of intellectual property do not give rise to more than five percent (5%) of its gross revenue in any given month, including without limitation revenue derived from the sale, licensing, rendering or disposition of any product or service. Except as set forth in the Schedule, Debtor is not a party to, or bound by, any agreement that restricts the grant by Debtor of a security interest in Debtor's rights under such agreement.

B. Debtor shall register or cause to be registered on an expedited basis (to the extent not already registered) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable: (i) all registerable intellectual property rights Debtor has developed as of the date of this Agreement but heretofore failed to register, within thirty (30) days of the date of this Agreement, and (ii) those additional intellectual property rights developed or acquired by Debtor from time to time in connection with any product or service, prior to the sale or licensing of such product or the rendering of such service to any third party, and prior to Debtor's use of such product (including without limitation major revisions or

additions to the intellectual property rights for which registrations exist on the date hereof). Debtor shall give Bank notice of all such applications or registrations. Debtor shall execute and deliver such additional instruments and documents from time to time as Bank shall reasonably request to perfect Bank's security interest in the Intellectual Property Collateral.

C. Debtor shall (i) protect, defend and maintain the validity and enforceability of the Trademarks, Patents and Copyrights, (ii) use its best efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Bank in writing of material infringements detected and (iii) not allow any material Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Bank, which shall not be unreasonably withheld.

D. Bank may audit Debtor's Intellectual Property Collateral to confirm compliance with this Section, provided such audit may not occur more often than once per year, unless an Event of Default has occurred and is continuing. Bank shall have the right, but not the obligation, to take, at Debtor's sole expense, any actions that Debtor is required under this Section to take but which Debtor fails to take, after fifteen (15) days' notice to Debtor. Debtor shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section.

E. At any time and from time to time Debtor shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Agreement.

9. An Event of Default under the Loan Agreement shall be an Event of Default hereunder. Upon the occurrence and during the continuation of an Event of Default, the Bank shall have all rights and remedies with respect to the Collateral that are set forth in the Loan Agreement, as if such provisions were set forth herein.

10. All options, powers and rights granted to the Bank hereunder or under any promissory note, instrument, document or other writing delivered to the Bank shall be cumulative and shall be in addition to any other options, powers or rights which the Bank may now or hereafter have as a secured party under the Uniform Commercial Code of the Governing State or under any other applicable law or otherwise.

11. No delay on the part of the Bank in exercising any of its options, powers or rights, or partial or single exercise thereof, shall constitute a waiver thereof. Neither this Agreement nor any provision hereof may be modified, changed, waived, discharged or terminated orally, but only by an instrument in writing, signed by the party against whom enforcement of the modification, change, waiver, discharge or termination is sought. The Bank shall have the right, for and in the name, place and stead of the Debtor, to execute endorsements, assignments or other instruments of conveyance or transfer with respect to any of the Collateral.

12. Notice of acceptance of this Agreement by the Bank is hereby waived. This Agreement shall be immediately binding upon the Debtor and its successors and assigns, whether or not the Bank signs this Agreement.

13. It is the intention of the parties (a) that this Agreement shall constitute a continuing agreement applying to any and all future, as well as existing transactions between the Debtor and the Bank; and (b) that the security interest provided for herein shall attach to after-acquired as well as existing Collateral, and the Obligations covered by this Agreement shall include future advances and other value, as well as existing advances and other value, whether or not similar to prior or existing advances or other value, and whether or not the advances or value are or shall be given pursuant to commitment, all to the maximum extent permitted by the Uniform Commercial Code of the Governing State.

14. Unless the context otherwise requires, all terms used herein which are defined in the Uniform Commercial Code of the Governing State shall have the meanings therein stated.

15. This Agreement and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the laws of the "Governing State".

16. Except as otherwise expressly provided herein, any notice required or desired to be served, given or delivered hereunder shall be in writing, and shall be deemed to have been validly served, given or delivered if done in accordance with the notice provisions of the Loan Agreement.

17. Upon receipt of an affidavit of an officer of the Bank as to the loss, theft, destruction or mutilation of this Agreement or any other security document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of such agreement or other security document, the Debtor will issue, in lieu thereof, a replacement agreement or other security document.

18. The Bank shall have the unrestricted right at any time or from time to time, and without the Debtor's or any guarantor's consent, to assign all or any portion of its rights and obligations hereunder to one or more banks or other financial institutions (each, an "Assignee"), and the Debtor agrees that it shall execute, or cause to be executed, such documents, including, without limitation, amendments to this Agreement and to any other documents, instruments and agreements executed in connection herewith as the Bank shall deem necessary to effect the foregoing. Upon the execution and delivery of appropriate assignment documentation, amendments and any other documentation required by the Bank in connection with such assignment, and the payment by Assignee of the purchase price agreed to by the Bank, and such Assignee, such Assignee shall be a party to this Agreement and shall have all of the rights and obligations of the Bank hereunder (and under any and all other guaranties, documents, instruments and agreements executed in connection herewith) to the extent that such rights and obligations have been assigned by the Bank pursuant to the assignment documentation between the Bank and such Assignee, and the Bank shall be released from its obligations hereunder and thereunder to a corresponding extent. The Bank may furnish any information concerning the Debtor in its possession from time to time to prospective Assignees, provided that the Bank shall

require any such prospective Assignees to agree in writing to maintain the confidentiality of such information.

19. The parties hereto agree as follows:

(a) The Debtor and the Bank acknowledge and agree to the following provisions in anticipation of the possible application, in one or more jurisdictions to the transactions contemplated hereby, of the Revised Article 9 of the Uniform Commercial Code in the form or substantially in the form approved in 1998 by the American Law Institute and the National Conference of Commissioners on Uniform State Law ("Revised Article 9").

(b) In applying the law of any jurisdiction in which Revised Article 9 is in effect, the Collateral consists of all assets of the Debtor, whether or not within the scope of Revised Article 9. The Collateral shall include, without limitation, the following categories of assets as defined in Revised Article 9: goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts (including health-care insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, general intangibles (including payment intangibles and software), supporting obligations and any and all proceeds of any thereof, wherever located, whether now owned and hereafter acquired. If the Debtor shall at any time, whether or not Revised Article 9 is in effect in any particular jurisdiction, acquire a commercial tort claim, as defined in Revised Article 9, the Debtor shall immediately notify the Bank in a writing signed by the Debtor of the brief details thereof and grant to the Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Bank.

(c) The Bank may at any time and from time to time, file financing statements, continuation statements and amendments thereto that describe the Collateral as all assets of the Debtor or words of similar effect and which contain any other information required by Part 5 of Revised Article 9 for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether the Debtor is an organization, the type of organization and any organization identification number issued to the Debtor. The Debtor agrees to furnish any such information to the Bank promptly upon request. Any such financing statements, continuation statements or amendments may be signed by the Bank on behalf of the Debtor, and may be filed at any time in any jurisdiction whether or not Revised Article 9 is then in effect in that jurisdiction.

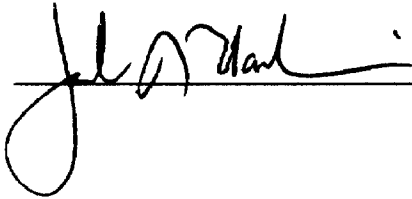
(d) The Debtor shall at any time and from time to time, whether or not Revised Article 9 is in effect in any particular jurisdiction, take such steps as the Bank may reasonably request for the Bank (i) to obtain an acknowledgment, in form and substance satisfactory to the Bank, of any bailee having possession of any of the Collateral that the bailee holds such Collateral for the Bank, (ii) to obtain "control" of any investment property, deposit accounts, letter-of-credit rights or electronic chattel paper (as such terms are defined in Revised Article 9 with corresponding provisions in Rev. §§ 9-104, 9-105, 9-106 and 9-107 relating to what constitutes "control" for such items of Collateral), with any agreements establishing control to be in form and substance satisfactory to the Bank, and (iii) otherwise to insure the continued

perfection and priority of the Bank's security interest in any of the Collateral and of the preservation of its rights therein, whether in anticipation and following the effectiveness of Revised Article 9 in any jurisdiction.

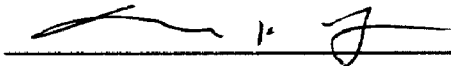
(e) Nothing contained in this Section 19 shall be construed to narrow the scope of the Bank's security interest in any of the Collateral or the perfection or priority thereof or to impair or otherwise limit any of the rights, powers, privileges or remedies of the Bank hereunder except (and then only to the extent) mandated by Revised Article 9 to the extent then applicable.

IN WITNESS WHEREOF, the Debtor has executed this Agreement or has caused these presents to be executed and delivered by its proper corporate officer or officers under seal as of May 18, 2001.


WITNESS:



WITNESS:

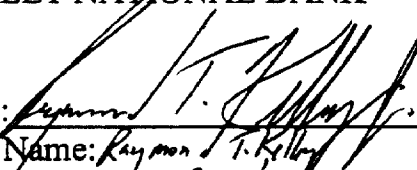


TOM'S OF MAINE, INC.

By: 
Name: Thomas M. Chappell
Title: President

"Debtor"

FLEET NATIONAL BANK

By: 
Name: Raymond T. Kelly
Title: Vice President

"Bank"