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To the Honorable Commissioner of Patents

101782432

and the attached original documents or copy thereof.

1. Name of conveying party(ies):  
**NORPAC FOODS, INC.**  
**930 W. Washington**  
**Stayton, OR 97383**

6.28.01

- Individuals(s)
- General Partnership
- Corporation-State **Oregon**
- Other \_\_\_\_\_
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

Execution Date: **June 22, 2001**



06-28-2001

U.S. Patent & TMOfo/TM Mail Rpt. Dt. #40

4. Application number(s) or patent number

A. Trademark Application No.(s)

B. Trademark Registration No.(s)  
**Flav-R-Pac (#608,803)**

Additional numbers attached?  Yes  No

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

**Mr. Sigi Hinojosa**  
Name: **Buchalter, Nemer, Fields & Younger**

Internal Address: \_\_\_\_\_

07/18/2001 GTON11 00000115 200052 608803

01 FC:481 40.00 CH  
02 FC:482 1475.00 CH

Street Address: **601 South Figueroa Street, 24th Floor**

City: **Los Angeles** State: **California** ZIP: **90017**

6. Total number of applications and registrations involved: 60

7. Total fee (37 CFR 3.41) ..... \$ 1515<sup>00</sup>

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

20-0052

(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.

**MR. SIGI HINOJOSA**

Name of Person Signing

Signature

June 25, 2001

Date

Christine E Wilson

Total number of pages including cover sheet, attachments, and document:

US PATENT & TRADEMARK OFFICE  
2001 JUN 28 A 7:51  
ADJ MARK FEE PROGRESS RECEIVED

563,370 - SUPER MK'T  
608,803 - FLAV-R-PAC  
724,550 - ROYAL PURPLE  
438,239 - SANTIAM  
503,459 - STACO  
505,415 - MILL-RACE  
763,639 - SLIM JIMS  
799,203 - SPRINGWATER  
790,079 - FLAV-R-TATER  
789,420 - ROYAL GARDEN  
984,078 - WESTPAC  
851,998 - NORPAC  
800,468 - ROYAL GARNET  
836,368 - COBBETTS  
851,145 - DRIVE IN  
874,491 - TATER-BARS  
876,132 - COBETTES  
875,272 - OREGON BEAUTY  
875,273 - VALLEY MAID  
885,973 - COB CORN SHORTIES  
932,658 - BIG DADDY  
937,852 - RINGLETTS  
977,427 - FLAV-R-PAC  
980,441 - GRADE A FANCY  
1,028,056 - BIG DADDY  
1,049,746 - SACK O'CORN  
1,093,908 - RINGLETTS  
1,115,735 - OVEN GOOD  
1,156,531 - MISCELLANEOUS DESIGN  
1,260,584 - BEAUTIFUL VEGETABLES  
1,227,708 - RAWHIDE  
1,321,024 - FLAV-R-FUL SOUP SUPREME  
1,225,219 - PASTA PERFECT  
1,521,146 - GOLD CLUB  
1,527,173 - SOUP SUPREME  
1,529,913 - PASTA PERFECT  
1,779,780 - INTERNATIONAL CLASSICS  
1,784,943 - SOUP SUPREME  
1,846,290 - DAIRY RECIPE  
2,010,378 - FLAV-R-PAC VEGETABLE

1,926,602 – SOUP SELECT  
2,044,118 – SOUP EXPRESS  
2,041,057 – SCRATCH RECIPE  
2,046,367 – QUICK SCRATCH RECIPES  
2,151,151 – DESIGN  
2,136,853 – FLAV-R-PAC Q.C. FRIES  
1,875,397 – GRANDE CLASSICS  
1,861,062 – GRANDE CLASSICS  
2,293,116 – TRUE BALANCE  
2,284,439 – FLAV-R-PAC JUST ADD BEEF  
2,363,214 – MAIN COURSE  
2,399,169 – FLAV-R-PAC JUST ADD CHICKEN  
2,382,452 – FLAV-R-PAC JUST ADD HAMBURGER  
2,380,665 – FLAV-R-PAC JUST ADD HAM  
2,378,789 – FLAV-R-PAC JUST ADD SHRIMP  
2,444,967 – SOUP EXPRESS  
75/639,809 – VEGGIEKINS  
76/104,296 – SOUP SOLUTIONS  
1,117,370 – BEANS SUPREME  
764,369 – DESIGN

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This **INTELLECTUAL PROPERTY SECURITY AGREEMENT** ("Agreement"), dated as of June 22, 2001, is entered into between **NORPAC FOODS, INC.**, an Oregon cooperative corporation ("Debtor") and **FOOTHILL CAPITAL CORPORATION**, a California corporation, as the arranger and administrative agent ("Agent") for itself and the lenders ("Lenders") party to the Loan Agreement (as defined below) in light of the following:

A. Debtor, Norpac Services, Inc., an Oregon cooperative corporation, and Hermiston Foods, LLC, an Oregon limited liability company (collectively, jointly, and severally, the "Borrowers"), on the one hand, and Agent and Lenders (collectively, and together with any successors or assigns of any of the foregoing, the Lender Group"), on the other hand, are, contemporaneously herewith, entering into that certain Loan and Security Agreement ("Loan Agreement") and other instruments, documents and agreements contemplated thereby or related thereto (collectively, together with the Loan Agreement, the "Loan Documents"); and

B. Debtor is the owner of certain intellectual property, identified below, in which Debtor is granting a security interest to Agent on behalf of the Lender Group.

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

## 1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions.** Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement. In addition, the following terms, as used in this Agreement, have the following meanings:

"Code" means the California Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute.

"Collateral" means:

(i) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(ii) Each of the patents and patent applications which are presently, or in the future may be, owned, issued, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all patent rights with respect thereto

throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(iii) Each of the copyrights and rights and interests capable of being protected as copyrights, which are presently, or in the future may be, owned authored, acquired, or used (whether pursuant to a license or otherwise) by Debtor, in whole or in part, and all copyright rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and all tangible property embodying the copyrights (including books, records, films, computer tapes or disks, photographs, specification sheets, source codes, object codes, and other physical manifestations of the foregoing)

(iv) All of Debtor's right, title, and interest in and to the trademarks and trademark registrations listed on Schedule A, attached hereto, as the same may be updated hereafter from time to time;

(v) All of Debtor's right, title, and interest, in and to the patents and patent applications listed on Schedule B, attached hereto, as the same may be updated hereafter from time to time;

(vi) All of Debtor's right, title, and interest, in and to the copyrights and copyright registrations listed on Schedule C, attached hereto, as the same may be updated hereafter from time to time;

(vii) All of Debtor's rights to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Debtor or in the name of Agent or the Lender Group for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(viii) All of Debtor's right, title, and interest in all patentable inventions, and rights to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Debtor or in the name of Agent or the Lender Group for past, present, and future infringements of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(ix) All of Debtor's rights to register copyright claims under any federal copyright law or regulation of any foreign country and to apply for registrations on original works, compilations, derivative works, collective works, and works for hire, the right (without obligation) to sue in the name of Debtor or in the name of Agent or the

Lender Group for past, present, and future infringements of the copyrights, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(x) All general intangibles relating to the foregoing; and

(xi) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

“Obligations” means all obligations, liabilities, and indebtedness of each of the Borrowers to the Lender Group (as well as any member of the Lender Group), whether direct, indirect, liquidated, or contingent, and whether arising under this Agreement, the Loan Agreement, any other of the Loan Documents, or otherwise, including all costs and expenses described in Section 11.8 hereof.

**1.2 Construction.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, and the term “including” is not limiting. The words “hereof,” “herein,” “hereby,” “hereunder,” and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Any initially capitalized terms used but not defined herein shall have the meaning set forth in the Loan Agreement. Any reference herein to any of the Loan Documents includes any and all alterations, amendments, extensions, modifications, renewals, or supplements thereto or thereof, as applicable. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Agent or the Lender Group, on the one hand, or Debtor, on the other hand, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Debtor, Agent, and their respective counsel, and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of Agent, the Lender Group and Debtor.

## **2. GRANT OF SECURITY INTEREST.**

Debtor hereby grants to Agent, for the ratable benefit of the Lender Group, a first-priority security interest in all of Debtor’s right, title, and interest in and to the Collateral to secure the Obligations.

## **3. REPRESENTATIONS, WARRANTIES AND COVENANTS.**

Debtor hereby represents, warrants, and covenants that:

### **3.1 Copyrights; Trademarks; Service Marks; Patents.**

(i) A true and complete schedule setting forth all federal and state trademark and service mark registrations owned or controlled by Debtor or licensed to Debtor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(ii) A true and complete schedule setting forth all patent and patent applications owned or controlled by Debtor or licensed to Debtor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule B; and

(iii) A true and complete schedule setting forth all federal copyright registrations owned or controlled by Debtor or licensed to Debtor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule C.

**3.2 Validity; Enforceability.** Each of Debtor's copyrights, patents, service marks and trademarks is valid and enforceable, and Debtor is not presently aware of any past, present, or prospective claim by any third party that any of its copyrights, patents, service marks, or trademarks are invalid or unenforceable, or that its use of any copyrights, patents, service marks, or trademarks violates the rights of any third person, or of any basis for any such claims;

**3.3 Title.** Debtor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the copyrights, copyright registrations, patents, patent applications, service marks, service mark registrations, trademarks, and trademark registrations set forth on Schedules A, B, and C, free and clear of any liens, charges, and encumbrances, including pledges, assignments, licenses, shop rights, and covenants by Debtor not to sue third persons;

**3.4 Notice.** Debtor has used and will continue to use proper statutory notice in connection with its use of each of its copyrights, patents, service marks, and trademarks;

**3.5 Quality.** Debtor has used and will continue to use consistent standards of high quality (which may be consistent with Debtor's past practices) in the manufacture, sale, and delivery of products and services sold or delivered under or in connection with its service marks and trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of its service marks and trademarks;

**3.6 Perfection of Security Interest.** Except for the filing of a financing statement with the Secretary of State of Oregon, and the filings with the United States Patent and Trademark Office and the United States Copyright Office necessary to perfect the security interests created hereunder, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Debtor of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Debtor or for the perfection of or the exercise by the Lender Group of their rights hereunder to the Collateral in the United States.

#### **4. AFTER-ACQUIRED COPYRIGHT, PATENT, SERVICE MARK, OR TRADEMARK RIGHTS.**

If Debtor shall obtain rights to any new copyright, service marks, trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Agreement shall

automatically apply thereto. No later than the first day of each January and July during the term hereof, Debtor shall give notice in writing to Agent with respect to any such new service marks, trademarks or patents, or renewal or extension of any service mark or trademark registration. Debtor shall bear any expenses incurred in connection with future patent applications or service mark or trademark registrations.

## **5. LITIGATION AND PROCEEDINGS.**

Debtor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings, or other action for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Debtor shall provide to Agent any information with respect thereto requested by Agent. Agent shall provide at Debtor's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Debtor's becoming aware thereof, Debtor shall notify Agent of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, or any United States, state, or foreign court regarding Debtor's claim of ownership in any of the copyrights, patents, service marks or trademarks, its right to apply for the same, or its right to keep and maintain such copyright, patent, service mark or trademark rights.

## **6. POWER OF ATTORNEY.**

Debtor grants Agent power of attorney, having the full authority, and in the place of Debtor and in the name of Debtor, from time to time following an Event of Default in Agent's discretion, to take any action and to execute any instrument which Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of this Agreement: to endorse Debtor's name on all applications, documents, papers, and instruments necessary for the Lender Group to use or maintain the Collateral; to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral; to file any claims or take any action or institute any proceedings that the Lender Group may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the Lender Group's rights with respect to any of the Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

## **7. RIGHT TO INSPECT.**

Debtor grants to Agent or any other member of the Lender Group and its employees and agents the right to visit Debtor's plants and facilities which manufacture, inspect, or store products sold under any of the patents or trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

## **8. EVENTS OF DEFAULT.**

Any of the following events shall be an Event of Default:



**8.1 Loan Agreement.** An Event of Default shall occur as defined in the Loan Agreement;

**8.2 Misrepresentation.** Any representation or warranty made herein by Debtor or in any document furnished to the Lender Group by Debtor under this Agreement is incorrect in any material respect when made or when reaffirmed; and

**8.3 Breach.** Debtor fails to observe or perform any covenant, condition, or agreement to be observed or performed pursuant to the terms hereof which materially and adversely affects the Lender Group.

## **9. SPECIFIC REMEDIES.**

Upon the occurrence of any Event of Default, the Lender Group shall have, in addition to, other rights given by law or in this Agreement, the Loan Agreement, or in any other Loan Document, all of the rights and remedies with respect to the Collateral of a secured party under the Code, including the following:

**9.1 Notification.** Agent may notify licensees to make royalty payments on license agreements directly to Agent for the ratable benefit of the Lender Group;

**9.2 Sale.** Agent may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Agent deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Debtor ten days prior to such disposition. Debtor shall be credited with the net proceeds of such sale only when they are actually received by Agent, and Debtor shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. If the sale is to be a public sale, Agent shall also give notice of the time and place by publishing a notice one time at least ten days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, Agent may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any collateral payable by Agent, on behalf of the Lender Group, at such sale.

## **10. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.**

**THE VALIDITY OF THIS AGREEMENT, ITS CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT, AND THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES. THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA OR, AT THE SOLE OPTION**

OF AGENT, IN ANY OTHER COURT IN WHICH THE AGENT SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. EACH OF DEBTOR AND AGENT WAIVES, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 10. DEBTOR AND AGENT HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. DEBTOR AND AGENT REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

## **11. GENERAL PROVISIONS.**

**11.1 Effectiveness.** This Agreement shall be binding and deemed effective when executed by Debtor and Agent.

**11.2 Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that Debtor may not assign this Agreement or any rights or duties hereunder without Agent's prior written consent and any prohibited assignment shall be absolutely void. Agent may assign this Agreement and its rights and duties hereunder and no consent or approval by Debtor is required in connection with any such assignment.

**11.3 Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Agreement.

**11.4 Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the Lender Group or Debtor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

**11.5 Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

**11.6 Amendments in Writing.** This Agreement can only be amended by a writing signed by both Agent and Debtor.

**11.7 Counterparts; Telefacsimile Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

**11.8 Fees and Expenses.** Debtor shall pay to Agent on demand all reasonable costs and expenses that Agent or the Lender Group pays or incurs in connection with the negotiation, preparation, consummation, administration, enforcement, and termination of this Agreement, including: (a) reasonable attorneys' and paralegals' fees and disbursements of counsel to Agent; (b) reasonable costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) for any amendment, supplement, waiver, consent, or subsequent closing in connection with this Agreement and the transactions contemplated hereby; (c) reasonable costs and expenses of lien and title searches; (d) taxes, fees, and other charges for filing this Agreement at the United States Patent and Trademark Office, or for filing financing statements, and continuations, and other actions to perfect, protect, and continue the security interest created hereunder; (e) sums paid or incurred to pay any amount or take any action required of Debtor under this Agreement that Debtor fails to pay or take; (f) reasonable costs and expenses of preserving and protecting the Collateral; and (g) reasonable costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) paid or incurred to enforce the security interest created hereunder, sell or otherwise realize upon the Collateral, and otherwise enforce the provisions of this Agreement, or to defend any claims made or threatened against the Lender Group arising out of the transactions contemplated hereby (including preparations for the consultations concerning any such matters). The foregoing shall not be construed to limit any other provisions of this Agreement or the Loan Documents regarding reasonable costs and expenses to be paid by Debtor. The parties agree that reasonable attorneys' and paralegals' fees and costs incurred in enforcing any judgment are recoverable as a separate item in addition to fees and costs incurred in obtaining the judgment and that the recovery of such attorneys' and paralegals' fees and costs is intended to survive any judgment, and is not to be deemed merged into any judgment.

**11.9 Notices.** Except as otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as Debtor or Agent, as applicable, may designate to each other in accordance herewith), or telefacsimile to Debtor in care of Administrative Borrower or to Agent, as the case may be, at its address set forth below:

If to Administrative

Borrower: NORPAC FOODS, INC.  
930 W. Washington  
Stayton, Oregon 97383  
Attn: Mr. Jack Sebastian, Chief Financial Officer  
Fax No. 503.769.1942

with copies to: TOOZE DUDEN CREAMER FRANK & HUTCHISON  
333 S. W. Taylor Street  
Portland, Oregon 97204-2496  
Attn: David R. Simon, Esq.  
Fax No. 503.223.5550

If to Agent: FOOTHILL CAPITAL CORPORATION  
2450 Colorado Avenue  
Suite 3000W  
Santa Monica, California 90404  
Attn: Business Finance Division Manager  
Fax No. 310.453.7413

with copies to: BUCHALTER, NEMER, FIELDS & YOUNGER  
601 So. Figueroa Street, Suite 2400  
Los Angeles, California 90017  
Attn: Robert C. Colton, Esq.  
Fax No.: 213.896.0400

Agent and Debtor may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 11.9, other than notices by Agent in connection with enforcement rights against the Collateral under the provisions of the Code, shall be deemed received on the earlier of the date of actual receipt or 3 Business Days after the deposit thereof in the mail. Debtor acknowledges and agrees that notices sent by the Lender Group in connection with the exercise of enforcement rights against Collateral under the provisions of the Code shall be deemed sent when deposited in the mail or personally delivered, or, where permitted by law, transmitted by telefacsimile or any other method set forth above.

**11.10 Termination By Agent.** After termination of the Loan Agreement and when the Lender Group has received payment and performance, in full, of all Obligations, Agent shall execute and deliver to Debtor a termination of all of the security interests granted by Debtor hereunder within 30 days.

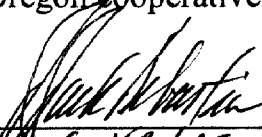
**11.11 Integration.** This Agreement, together with the other Loan Documents, reflect the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

**FOOTHILL CAPITAL CORPORATION,**  
a California corporation, as Agent and as a Lender

By:   
Title: V.P.

**NORPAC FOODS, INC.,**  
an Oregon cooperative corporation

By:   
Title: Sen VP / CFO

# SCHEDULE A

Matter ID	Country	Mark Name	Filing Date	Application No.	Reg. Date	Reg. No.
1575-6223	West Virginia	FLAV-R-PAC	5/22/01	1004683		
1575-2048	USA	SUPER MK'T	3/12/51	611,192	8/26/52	563,370
1575-2999	USA	FLAV-R-PAC	11/24/53	71/656,899	7/12/55	608803
1575-4358	COLORADO	FLAV-R-PAC	11/5/56	11/5/56	5375	
1575-4359	HAWAII	FLAV-R-PAC	11/9/56	7272		
1575-4360	IDAHO	FLAV-R-PAC	11/1/56	4813		
1575-4361	ILLINOIS	FLAV-R-PAC	11/7/56	32227		
1575-4364	Kansas	FLAV-R-PAC	11/2/56			
1575-4365	Minnesota	FLAV-R-PAC	8/31/61	9/11/61	2124	
1575-4366	MISSOURI	FLAV-R-PAC	10/30/56	11/2/56	17413	
1575-4367	MONTANA	FLAV-R-PAC	10/30/56	11/2/56	15943	
1575-4368	NEW YORK	FLAV-R-PAC	11/5/56	R17078		
1575-4369	OHIO	FLAV-R-PAC	11/10/56	14961		
1575-4370	Oregon	FLAV-R-PAC	11/6/56	11/7/56	T8744	
1575-4371	WASHINGTON	FLAV-R-PAC	10/31/56	2280		
1575-5108	U.S.	ROYAL PURPL	6/5/59	75,202	11/28/61	724,550
1575-5437	USA	SANTIAM	11/27/46	513345	4/13/48	438239
1575-5438	USA	STACO	9/30/47	536306	10/26/48	503459
1575-5439	USA	MILL-RACE	9/30/47	536305	1/4/49	505415
1575-6186	FLORIDA	FLAV-R-PAC	1/12/54	1/28/54	6203	
1575-6192	ALABAMA	FLAV-R-PAC	10/10/60	10/24/60	100457	
1575-6193	Alaska	FLAV-R-PAC	10/26/60	242	10/26/60	242
1575-6194	ARIZONA	FLAV-R-PAC	10/5/60	10/7/60	14681	
1575-6195	ARKANSAS	FLAV-R-PAC	11/7/60	11/18/60	29115	
1575-6196	CONNECTICUT	FLAV-R-PAC	10/17/60	10/19/60	2343	
1575-6197	Deleware	FLAV-R-PAC	10/7/60	137-6		
1575-6198	GEORGIA	FLAV-R-PAC	10/20/60	1/5/61	T-1014	
1575-6199	Kentucky	FLAV-R-PAC	10/24/60	11649		
1575-6200	LOUISIANA	FLAV-R-PAC	10/27/60	18-233		
1575-6201	MAINE	FLAV-R-PAC	10/20/60	10/20/60	19810018M	
1575-6202	MARYLAND	FLAV-R-PAC	11/10/60	90-7235		
1575-6203	MASSACHUSET	FLAV-R-PAC	10/20/60	10/25/60	25284	
1575-6205	MISSISSIPPI	FLAV-R-PAC	10/28/60	F-146		
1575-6206	NEBRASKA	FLAV-R-PAC	10/20/60	10/24/60		
1575-6207	NEVADA	FLAV-R-PAC	10/17/60	10/20/60	NONE	
1575-6208	NEW HAMPSHIR	FLAV-R-PAC	10/18/60	10/20/60	61-141	
1575-6209	NEW JERSEY	FLAV-R-PAC	10/24/60	2993		
1575-6210	NEW MEXICO	FLAV-R-PAC	11/1/60	TK90060802		
1575-6211	NORTH CAROLI	FLAV-R-PAC	10/20/60	T-1306		
1575-6212	NORTH DAKOT	FLAV-R-PAC	10/25/60	10/31/60	5234100	
1575-6213	OKLAHOMA	FLAV-R-PAC	10/20/60	10/24/60	23408	
1575-6214	PENNSYLVANIA	FLAV-R-PAC	10/20/60	11/16/60	760	
1575-6215	RHODE ISLAND	FLAV-R-PAC	11/1/60	76440		
1575-6216	SOUTH CAROLI	FLAV-R-PAC	10/26/60	3850		
1575-6217	SOUTH DAKOTA	FLAV-R-PAC	10/24/60	10/26/60	431A	

1575-6218	TENNESSEE	FLAV-R-PAC	10/20/60	34387		
1575-6219	TEXAS	FLAV-R-PAC	12/5/60	22491		
1575-6220	UTAH	FLAV-R-PAC	10/25/60	10/26/60	TM008135	
1575-6221	VERMONT	FLAV-R-PAC	10/24/60	6/1/57	3919	
1575-6222	VIRGINIA	FLAV-R-PAC	10/20/60	10/1/60		
1575-6225	WYOMING	FLAV-R-PAC	10/20/60	10/24/60	4693	
1575-6334	ALASKA	SANTIAM	3/23/61	4/20/61	286	
1575-6336	CALIFORNIA	SANTIAM	3/22/61	5/22/61	41726	
1575-6337	IDAHO	SANTIAM	3/22/61	3/23/61	5405	
1575-6339	OREGON	SANTIAM	3/22/61	3/23/61	9471	
1575-6341	WASHINGTON	SANTIAM	3/22/61	3/24/61	4342	
1575-6342	ALASKA	MILL-RACE	3/23/61	4/20/61	287	
1575-6344	CALIFORNIA	MILL-RACE	3/22/61	5/22/61	41727	
1575-6345	IDAHO	MILL-RACE	3/22/61	3/23/61	5407	
1575-6347	OREGON	MILL-RACE	3/22/61	3/23/61	9470	
1575-6349	WASHINGTON	MILL-RACE	3/22/61	3/24/61	4344	
1575-6350	ALASKA	STACO	3/23/61	4/20/61	288	
1575-6352	CALIFORNIA	STACO	3/22/61	5/22/61	41728	
1575-6353	IDAHO	STACO	3/22/61	3/23/61	5406	
1575-6354	MONTANA	STACO	3/27/61	12129		
1575-6355	OREGON	STACO	3/22/61	3/23/61	9472	
1575-6357	WASHINGTON	STACO	3/22/61	3/24/61	4343	
1575-6430	AUSTRALIA	FLAV-R-PAC	3/6/61	165439	3/6/61	B165439
1575-7772	USA	SLIM JIMS	1/15/63	160715	1/21/64	763639
1575-8725	USA	SPRINGWATE	1/25/65	210583	11/23/65	799203
1575-9016	USA	FLAV-R-TATER	6/10/64	195317	5/25/65	790079
1575-9142	USA	ROYAL GARDE	8/5/64	199305	5/11/65	789420
1575-9143	USA	WESTPAC	7/2/73	461864	5/14/74	984078
1575-9144	USA	NORPAC	6/9/67	273522	7/2/68	851998
1575-9235	USA	ROYAL GARNE	9/1/64	201045	12/14/65	800468
1575-9902	USA	COBBETTS	8/30/65	226765	10/3/67	836368
1575-10822	USA	DRIVE IN	1/18/67	262805	6/18/68	851145
1575-11062	USA	TATER-BARS	9/15/67	280450	8/5/69	874491
1575-11690	USA	COBETTES	10/19/67	282916	9/2/69	876132
1575-12488	USA	OREGON BEA	8/12/68	304981	8/19/69	875272
1575-12489	USA	VALLEY MAID	8/12/68	304982	8/19/69	875273
1575-13122	USA	COB CORN SH	3/5/69	320846	2/10/70	885973
1575-14738	CANADA	COBETTES	9/14/70	336206	9/17/71	178383
1575-14898	USA	BIG DADDY &	10/2/70	372365	4/18/72	932658
1575-15169	USA	RINGLETTTS	1/21/71	381627	7/11/72	937852
1575-16365	California	FLAV-R-PAC	7/12/72	7/14/72	50142	
1575-16366	USA	FLAV-R-PAC &	6/29/72	72/428,685	1/22/74	977,427
1575-16600	USA	GRADE A FAN	6/29/72	428688	3/12/74	980441
1575-18801	USA	BIG DADDY	5/23/75	53223	12/23/75	1028056
1575-18838	USA	SACK O' CORN	5/19/75	52747	10/5/76	1049746
1575-20688	USA	RINGLETTTS	9/6/77	140033	6/20/78	1093908
1575-21150	USA	OVEN GOOD	3/6/78	160973	3/27/79	1115735
1575-22138	USA	Miscellaneous D	5/7/79	214548	6/2/81	1,156,531
1575-22415	USA	BEAUTIFUL VE	9/4/79	229966	12/6/83	1260584

1575-24478	USA	RAWHIDE	7/16/81	319544	2/15/83	1227708
1575-24483	Oregon	RAWHIDE	7/20/81	T14092		
1575-24484	OREGON	OREGON BEA	8/18/81	8/21/81	T14161	
1575-24485	Oregon	BEANS PARISI	8/18/81	8/21/81	T14162	
1575-24486	Oregon	BROCCOLI NO	8/18/81	8/21/81	T14160	
1575-24488	Oregon	CHUCKWAGO	8/18/81	8/21/81	T14158	
1575-24490	WASHINGTON	ITALIAN	11/29/76	2/8/82	13178	
1575-24491	Oregon	ORIENTAL	8/18/81	8/21/81	T14156	
1575-24492	Oregon	SCANDINAVIA	8/18/81	8/21/81	T14155	
1575-24493	Oregon	WINTER MIX	8/18/81	8/21/81	T14154	
1575-24494	Oregon	CAPRI	8/18/81	8/21/81	T14152	
1575-24495	Oregon	MEXICALI MIX	8/18/81	8/21/81	T14153	
1575-24496	Oregon	PETITE CAULI-	8/18/81	8/21/81	T14151	
1575-26881	USA	FLAV-R-FUL S	3/19/84	470788	2/19/85	1321024
1575-30157	USA	PASTA PERFE	8/27/79	229178	1/25/83	1225219
1575-30500	USA	GOLD CLUB A	12/14/87	700684	1/17/89	1521146
1575-30533	USA	SOUP SUPREM	5/9/88	726978	2/28/89	1527173
1575-31045	USA	PASTA PERFE	5/31/88	731634	3/14/89	1529913
1575-34988	CANADA	FLAV-R-PAC	8/16/91	687920	12/29/95	452305
1575-34989	CANADA	SOUP SUPREM	8/16/91	687919	3/4/94	424068
1575-34991	CANADA	PASTA PERFE	8/16/91	687916	12/3/93	420234
1575-35114	UTAH	MILL-RACE	3/28/91	3/28/91	8217	
1575-35961	USA	INTERNATION	1/7/92	235755	6/29/93	1779780
1575-35962	USA	SOUP SUPREM	1/7/92	235753	7/27/93	1784943
1575-36671	CANADA	INTERNATION	6/26/92	708029	9/30/94	433909
1575-37381	USA	DAIRY RECIPE	12/8/92	338095	7/19/94	1846290
1575-38584	USA	FLAV-R-PAC V	5/11/93	74/389,867	10/22/96	2010378
1575-39453	CANADA	FLAV-R-PAC V	10/12/93	738846	1/13/97	468592
1575-40542	USA	SOUP SELECT	4/26/94	74/517,659	10/10/95	1,926,602
1575-40543	USA	SOUP EXPRES	4/26/94	519696	3/11/97	2044118
1575-40641	WASHINGTON	MEDITERRANE	2/8/82	13177		
1575-40920	CANADA	PASTA PERFE	11/14/86	320577		
1575-41166	USA	SCRATCH REC	10/26/94	74/590972	2/25/97	2041057
1575-41639	USA	QUICK SCRAT	11/23/94	74/602645	3/18/97	2046367
1575-43065	USA	DESIGN	8/7/95	74/711801	4/14/98	2151151
1575-43717	USA	FLAV-R-PAC Q.	10/17/96	75/183,494	2/17/98	2,136,853
1575-44170	KOREAN REPU	FLAV-R-PAC	1/30/96	3371/96	12/29/97	388553
1575-44171	KOREAN REPU	SOUP SUPREM	1/30/96	3372/96	7/8/97	368146
1575-45815	USA	GRANDE CLAS	8/4/92	74/301738	1/24/95	1875397
1575-45816	USA	GRANDE CLAS	8/4/92	74/301737	11/1/94	1861062
1575-46770	USA	TRUE BALANC	2/25/97	75/247839	11/16/99	2293116
1575-47804	USA	FLAV-R-PAC J	6/20/97	75/312,494	10/12/99	2,284,439
1575-48313	MEXICO	TRUE BALANC	8/20/97	305146	12/19/97	567738
1575-48314	AUSTRALIA	TRUE BALANC	8/14/97	741518	2/25/97	741518
1575-48458	USA	ENTREE SIDES	9/12/97	75/356255		
1575-49022	IOWA	FLAV-R-PAC	12/23/97	212875		
1575-50956	USA	MAIN COURSE	9/14/98	75/558469	6/27/00	2,363,214
1575-51404	USA	FLAV-R-PAC J	1/15/99	75/622,600	10/31/00	2,399,169
1575-51405	USA	FLAV-R-PAC J	1/15/99	75/622,383	9/5/00	2,382,452



1575-51406	USA	FLAV-R-PAC J	1/15/99	75/622,384	8/29/00	2,380,665
1575-51407	USA	FLAV-R-PAC J	1/15/99	75/621,265	8/22/00	2,378,789
1575-51766	CANADA	MAIN COURSE	1/20/99	1002730		
1575-51959	USA	SOUP EXPRES	2/11/99	75/639716	4/17/01	2,444,967
1575-51963	USA	VEGGIEKINS	2/12/99	75/639809		
1575-55652	USA	SOUP SOLUTI	8/7/00	76/104,296		
1575-55664	Virginia	FLAV-R-PAC	9/13/00	644		
1575-55716	South Dakota	FLAV-R-PAC				
1575-56104	Pennsylvania	FLAV-R-PAC	10/19/00	2968670		
1575-56128	New Mexico	FLAV-R-PAC	10/20/00	TK00102001		
1575-56136	Louisiana	FLAV-R-PAC				
1575-20417	USA	BEANS SUPRE	7/11/77	73/133369	5/1/79	1,117,370
	USA	Design only	3/11/63	72/164370	2/4/64	764,369

**SCHEDULE "B"**

**PATENTS**

<u>Patent Description/Title</u>	<u>Issue Date</u>	<u>Patent No.</u>	<u>Name of Inventor</u>
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None

**PATENT APPLICATIONS**

<u>Description</u>	<u>Filing Date</u>	<u>Serial No.</u>	<u>Name of Inventor</u>
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None

**SCHEDULE "C"**

**REGISTERED COPYRIGHTS**

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