

07-25-2001

Form PTO 1594
Rev. 03/01
OMB No. 0651-0027 (exp. 5/31/2001)
Tab settings



101787975

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

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

1. Name of conveying party(ies): 7-2-01
Sherwood Brands, LLC
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other Limited liability company
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: First Union National Bank
Internal
Address: 4th Floor
Street Address: 1339 Chestnut Street
City: Philadelphia State: PA Zip: 19107
 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:

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) 75434177
Additional number(s) attached Yes No

B. Trademark Registration No.(s) 1511159
2119938
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Richard D. Zimmerman
Internal Address: Chace Ruttenberg
& Freedman, LLP
Street Address: One Park Row
Suite 300
City: Providence State: RI Zip: 02903

6. Total number of applications and registrations involved: 40
7. Total fee (37 CFR 3.41).....\$ 1,090
 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.
Richard D. Zimmerman Richard Zi June 27, 2001
Name of Person Signing Signature Date
20+ check

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

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

07/25/2001 TDIAZ1 00000019 75434177
01 FC:481 40.00 OP
02 FC:482 1050.00 OP

TRADEMARK
REEL: 2333 FRAME: 0875

**COVER SHEET CONTINUATION
TRADEMARKS**

1. Continuation of No. 1

Name of Additional Conveying party:

Sherwood Brands of RI, Inc.

A Corporation – State

4A. Continuation of No. 4A . Trademark Application Nos:

75-451609	76-060677
75-451613	76-081531
75-529065	76-132188
75-711076	76-132189
75-711077	76-178588
75-711078	76-178589
76-024213	76-178590
76-024216	76-228311

4B Continuation of No. 4B Trademark Registration Nos:

1511976	2104648	2321982	2398709
1620239	2135985	2338732	2401735
1658707	2145556	2351828	2441208
1825327	2146908	2373487	2444418
1950813	2216344	2386158	2447293
2089873	2307594	2391946	2453068

TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

THIS TRADEMARK AND COPYRIGHTS SECURITY AGREEMENT ("**Agreement**") is dated as of June 2, 2001, by and between **SHERWOOD BRANDS, LLC**, a Maryland limited liability company ("**MD**"), and **SHERWOOD BRANDS OF RI, INC.**, a Rhode Island corporation ("**RI**"), each with a mailing address at 1803 Research Boulevard, Suite 201, Rockville, Maryland 20850, and **FIRST UNION NATIONAL BANK**, a national banking association ("**Lender**"), with its mailing address at 1339 Chestnut St., 4th Floor, Widener Building, Philadelphia, Pennsylvania 19107. MD and RI are referred to herein collectively as "**Pledgors**" and individually as a "**Pledgor**".

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, each Pledgor agrees with the Lender as follows:

SECTION 1. Defined Terms. As used in this Agreement, the terms set forth in this **Section 1** have the meanings set forth below, unless the specific context of this Agreement clearly requires a difference meaning. Any capitalized terms not defined herein shall have such meaning as provided in the Loan Agreement. The singular use of any defined term includes the plural and the plural use includes the singular.

"Event of Default" means any event, condition, or omission, which, after the expiration of any applicable rights of notice or cure, constitutes a violation or default under the Loan Documents or pursuant to any other agreement executed from time to time by the Pledgor to or for the benefit of the Lender which evidences or relates or pertains to any of the Obligations.

"Loan Documents" means all agreements, instruments and documents, including without limitation, loan agreements, notes, guaranties, pledges, security agreements, assignments, and all other written matter, whether heretofore, now, or hereafter executed by or on behalf of any Pledgor to or for the benefit of the Lender or by any obligor for obligations guaranteed by any Pledgor to the Lender. Without limiting the foregoing, the term "**Loan Documents**" includes: (a) that certain Loan and Security Agreement of even date herewith among the Pledgors, Sherwood Brands of Virginia, LLC, Sherwood Brands, Inc. and the Lender (as such Loan and Security Agreement is amended from time to time, the "**Loan Agreement**"); (b) that certain Promissory Note in the originally stated principal amount of Twenty Million Dollars (\$20,000,000.00) from the Pledgors and Sherwood Brands of Virginia, LLC, as the co-makers thereof (collectively "**Borrowers**"), payable to the order of the Lender; (c) the Surety Agreement of even date herewith from Sherwood Brands, Inc. for the benefit of the Lender; and (d) all other documents constituting Loan Documents as defined in the Agreement.

"Obligations" shall mean any and all Revolving Loans, reimbursement and other payment obligations under or in connection with the Letters of Credit and all other indebtedness, liabilities and obligations of every kind, nature and description owing by any Borrower to Lender and/or its affiliates, including principal, interest, charges, fees and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether

arising under the Loan Documents or otherwise, whether now existing or hereafter arising, whether arising before, during or after the Term or after the commencement of any case with respect to any Borrower under the United States Bankruptcy Code or any similar statute, whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, original, renewed or extended and whether arising directly or howsoever acquired by Lender including from any other entity outright, conditionally or as collateral security, by assignment, merger with any other entity, participations or interests of Lender in the obligations of any Borrower to others, assumption, operation of law, subrogation or otherwise and shall also include any existing and future obligations under or in connection with any swap agreements (as defined in 11 U.S.C. § 101) with Lender or any affiliate of Lender, and all amounts chargeable to a Borrower under this Agreement or in connection with any of the foregoing.

"Trademarks" means all right, title and interest of Pledgors, or either of them, whether now owned or existing or hereafter acquired or arising, in, to, under and by virtue of all trademarks, trade names, corporate names, partnership names, company names, business names, fictitious business names, trade styles, service marks, package or product designs, trade dress, logos, other source of business identifiers, and prints and labels on which any of the foregoing have appeared or appear, now existing or hereafter adopted or acquired, and all registrations and recordings thereof, and all applications for any of the foregoing, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office, together with: (a) all renewals thereof, (b) all intellectual property of the Pledgor and goodwill of the business to which any of the foregoing relates, (c) all present and future rights of Pledgors, or either of them, under all present and future license agreements relating to any of the foregoing, whether the Pledgor is licensee or licensor thereunder, (d) all income, royalties, damages and payments now or hereafter due or payable under any of the foregoing or with respect thereto, including, without limitation, damages and payments for past, present or future infringements thereof, (e) all present and future claims, causes of action and rights to sue for past, present or future infringements thereof, (f) all general intangibles, proceeds and products related thereto, and (g) all rights corresponding thereto throughout the world. "Trademarks," as defined above shall include, without limitation, all of the United States trademarks and trademark applications listed on Exhibit A attached hereto and incorporated herein by reference, or as added thereto in accordance with Section 2 of this Agreement.

"Copyrights" means all right, title and interest of Pledgors, or either of them, whether now owned or existing or hereafter acquired or arising, in, to, under or by virtue of all copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by a Pledgor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on Exhibit "B" attached hereto and incorporated herein by

reference, or as added thereto in accordance with Section 2 of this Agreement, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (c) the right to sue for past, present and future infringements thereof.

SECTION 2. Grant of Security Interest. As security for the complete and timely payment, performance and satisfaction of all of the Obligations, each Pledgor hereby mortgages, pledges, and hypothecates unto the Lender and the Lender's successors and assigns upon the following terms and conditions, and hereby grants to the Lender and the Lender's successors and assigns a security interest in and to, all of such Pledgor's right, title and interest in, under or by virtue of the Trademarks and the Copyrights, whether now owned or existing or hereafter acquired, and in the products and proceeds thereof. The security interests granted by the Pledgors to the Lender hereunder shall automatically attach to and include all rights to any Trademarks and Copyrights which are subsequently obtained by a Pledgor after the date of this Agreement or to any licenses thereof. Each Pledgor hereby irrevocably and unconditionally authorizes the Lender to modify and amend from time to time this Agreement and Exhibits A and B hereto to include any such additional Trademarks and Copyrights or licenses without any further assent or signature of the Pledgors. Future advances are intended to be secured.

SECTION 3. Representations and Warranties. Each Pledgor represents and warrants that:

(a) Exhibit A attached hereto sets forth all registered Trademarks and pending applications owned by Pledgors, or either of them, as of the date hereof. Each of the Trademarks described on Exhibit A is subsisting and unexpired. None of such Trademarks on Exhibit B has been adjudged invalid, expired or unenforceable in whole or in part, or, except as described in the Loan Agreement, is the subject of any proceeding which seeks any of the foregoing, or has been abandoned, except as indicated.

(b) Exhibit B attached hereto sets forth all registered Copyrights and pending applications owned by Pledgors, or either of them, as of the date hereof. Each of the Copyrights described on Exhibit B is subsisting and unexpired. None of such Copyrights on Exhibit B has been adjudged invalid, expired or unenforceable in whole or in part, or, except as described in the Loan Agreement, is the subject of any proceeding which seeks any of the foregoing, or has been abandoned, except as indicated.

(c) No claim is pending or to our knowledge, threatened against either Pledgor that the use of any of the Trademarks or Copyrights infringes upon or violates the rights of any third person, except as indicated.

(d) Pledgors are the owners of the entire unencumbered right, title and interest in and to each of the Trademarks and Copyrights, free and clear of any liens, charges and encumbrances including without limitation pledges, security interests, assignments, express licenses, franchise agreements, registered user agreements and covenants by the Pledgors not to sue third persons.

(e) Each Pledgor has the unqualified right to enter into this Agreement and to perform its terms.

(f) Each Pledgor will use for the duration of this Agreement, proper statutory notice and markings in connection with its use of the Trademarks.

SECTION 4. Maintenance of Trademarks and Copyrights: Prosecution of Applications and Proceedings: Maintenance of Quality Standards. Except in the exercise of the Pledgors' reasonable discretion in the ordinary course of the Pledgor's business, the Pledgors covenant that they will: (a) maintain the current registrations of the Trademarks and Copyrights, and take all reasonable actions necessary to maintain, preserve and continue the validity and enforceability of the Trademarks and Copyrights, including but not limited to the filing of applications for renewal, affidavits of use, and affidavits of incontestability, and the payment of any and all application, renewal, extension or other fees; (b) prosecute diligently any trademark and copyright applications of the Trademarks or Copyrights pending as of the date of this Agreement or thereafter until the Obligations shall have been unconditionally paid and satisfied in full; (c) do any and all reasonable acts which are necessary or desirable to preserve and maintain all current rights in the Trademarks and Copyrights; (d) except as set forth in this Agreement, not enter into any agreement (for example, a license or royalty agreement) which is inconsistent with a Pledgor's obligations under any of the Loan Documents; and (e) not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would adversely affect the validity or enforcement of this Agreement or the rights of Lender under this Agreement. Any expenses incurred by a Pledgor in connection with the Trademarks or Copyrights shall be the sole expense of Pledgors. Each Pledgor covenants to use and require the use of consistent standards of quality in the manufacture of products sold and services rendered under the Trademarks. Each Pledgor further agrees to promptly provide upon request, notice to the Lender of all rights obtained subsequent to the date of this Agreement in and to any registered Trademarks and Copyrights not set forth on **Exhibits A or B.** Each Pledgor hereby agrees that the use by Lender of all Trademarks, Copyrights and licenses as described herein shall be worldwide and without any liability for royalties or other related charges from any Pledgor to Lender. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Trademarks, Copyrights and licenses pledged hereunder or (ii) the date on which all Obligations have been paid in full and Lender has no further obligation or commitment to extend any loans or other credit accommodations to any of the Borrowers.

SECTION 5. Rights Upon The Occurrence Of An Event Of Default. Upon the occurrence of an Event of Default, in addition to all other rights and remedies available under the Loan Documents or under applicable law, including but not limited to the rights of a secured party under the Uniform Commercial Code in effect from time to time in the Commonwealth of Pennsylvania, the Lender, without further notice to or consent of the Pledgors, shall have the right at any time (but shall have no obligation) to:

(a) immediately execute, in each Pledgor's name, and record with all applicable offices (including, without limitation, the Patent and Trademark Office and the Copyright Office) an absolute assignment to Lender by each Pledgor of all rights, title and interest of Pledgors in and to the Trademarks and Copyrights;

(b) take exclusive possession and/or place a custodian in exclusive possession of any or all of the Trademarks and Copyrights from time to time;

(c) take, in its name or in the name of Pledgors or otherwise, such actions as the Lender may, at any time or from time to time, deem necessary to maintain, protect, sell, liquidate, transfer, license, assign or otherwise dispose of or realize upon the Trademarks and Copyrights, upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk;

(d) use, operate, manage, and control the Trademarks and Copyrights in any lawful manner and collect and receive all income, revenue, earnings, issues, and profits therefrom; and

(e) Lender shall have the right, but shall in no way be obligated, to bring suit in its own name or in any Pledgor's name to enforce the Copyrights and/or Trademarks, and any licenses thereunder, and, if Lender shall commence any such suit, the Pledgors shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement and the Pledgors shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Pledgors in the exercise of its rights under this **Section 5(e)**.

Notice of any sale or other disposition shall be given to the Pledgors at least ten (10) days before the time of any intended public sale or of the time after which any intended private sale or other disposition of the Trademarks and Copyrights is to be made which the Pledgors hereby agree shall be commercially reasonable notice of such sale or other disposition. At any such sale or other disposition, the Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks and Copyrights, free from any right of redemption on the part of the Pledgors, which right is hereby waived and released to the extent lawfully permitted. The Pledgors shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Trademarks and Copyrights are insufficient to pay in full the Obligations and all costs and expenses, including reasonable attorneys' fees and disbursements, paid or incurred by the Lender in collecting any such deficiency. Each Pledgor hereby irrevocably and unconditionally authorizes and empowers the Lender to make, constitute and appoint any officer or agent of the Lender as the Lender may select, in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse or sign such Pledgor's name on all applications, documents, papers and instruments necessary for the Lender or the designee of the Lender to: (i) own and use the Trademarks and Copyrights; (ii) grant or issue any exclusive or nonexclusive licenses under the Trademarks and Copyrights to any other person; (iii) assign, license, pledge, convey or otherwise transfer title in or dispose of the Trademarks and Copyrights to any other person on such terms and conditions as the Lender shall in its sole discretion determine; (iv) demand, sue for compromise, settle and collect and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any of the Trademarks and Copyrights; (v) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or enforce any right in respect of the Trademarks and Copyrights; (vi) defend any suit, action or proceeding brought against any Pledgor with respect to any of the Trademarks and Copyrights; (vii) settle, compromise or adjust any of the aforesaid suits, actions or proceedings and, in connection therewith, to give such discharges as the Lender may deem appropriate; and (viii) do all acts and things which the Lender deems necessary from time to time to protect, preserve or realize upon the Trademarks and Copyrights and the Lender's liens thereon and to effect the intent of this Agreement. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for

the life of this Agreement, and is intended by each Pledgor to be a power of attorney coupled with an interest. All of the Lender's rights and remedies with respect to the Trademarks and Copyrights, whether established by this Agreement, by any Loan Document, or by law shall be cumulative and may be exercised singularly or concurrently.

SECTION 6. No Duty Imposed Upon Lender. The powers conferred upon the Lender hereunder are solely to protect the interests of the Lender in the Trademarks and Copyrights and shall not impose any duty upon the Lender to exercise any such powers.

SECTION 7. Third Parties May Reply Upon Pledgor's Authorizations to Lender. If the Lender shall elect to exercise any of its rights hereunder, the United States Patent and Trademark Office, the United States Copyright Office and all other persons and entities shall have the right to rely upon the Lender's written statement of the Lender's right to sell, assign, license and transfer the Trademarks and the Copyrights and each Pledgor hereby irrevocably and unconditionally authorizes the United States Patent and Trademark Office, the United States Copyright Office and all other persons and entities to recognize such sale by the Lender either in a Pledgor's name or in the Lender's name without the necessity or obligation of the United States Patent and Trademark Office, the United States Copyright Office or any other persons and entities to ascertain the existence of any default by the Pledgors under the Loan Documents, or any other fact or matter relating to the entitlement of the Lender to exercise its rights hereunder.

SECTION 8. Costs and Expenses. All reasonable fees, costs and expenses, including any attorney's fees and legal expenses, incurred by the Lender in connection with the preparation of this Agreement and all other documents relating hereto, the filing or recording of this Agreement or any other documents (including all taxes in connection therewith) in public offices, or in the event of an Event of Default, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or any other fees incurred in otherwise protecting, maintaining or preserving the Trademarks and/or the Copyrights; in enforcing the terms of this Agreement; or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks. Such reasonable costs and expenses shall be borne and paid by the Pledgors on demand by the Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate in effect from time to time under the Loan Documents.

SECTION 9. Notices. Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent as provided in the Loan Agreement.

SECTION 10. Further Assurances. The Pledgors shall promptly do, make, execute and deliver all such further and additional acts, things, deeds, assurances, instruments and documents considered reasonably necessary, appropriate or proper by the Lender to vest in, effectuate assure to the Lender its rights under this Agreement or in any of the Trademarks and Copyrights. Each Pledgor hereby constitutes the Lender its attorney-in-fact to execute and file all such additional instruments and documents for the foregoing purposes, including such filings with the United States Patent and Trademark Office, the United States Copyright Office or in any other office or place of public filings as the Lender deems to be necessary or appropriate, all lawful acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable until the Obligations have been satisfied in full and there exists no contingent or noncontingent commitment which could give rise to any Obligations.

SECTION 11. Amendment. Except as provided in **Section 2** above, the terms and conditions of this Agreement may be modified, altered, waived, or amended only by a writing executed by the Lender consenting to the modification, alteration, waiver, or amendment.

SECTION 12. Choice of Law. This Agreement shall be construed according to the laws of the Commonwealth of Pennsylvania. All parties hereto consent to the jurisdiction and venue of the courts of the Commonwealth of Pennsylvania in any action to enforce, construe or interpret this Agreement.

SECTION 13. Severability. If any of the provisions of this Agreement are judicially determined to be in conflict with any law of the Commonwealth of Pennsylvania or otherwise judicially determined to be unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable form and shall not invalidate any other provision of this Agreement.

SECTION 14. Successors And Assigns. The terms, covenants and conditions contained in this Agreement shall inure to the benefit of the Lender and its successors and assigns, and shall be binding upon each Pledgor and its successors and assigns.

SECTION 15. Waiver of Jury Trial. The Pledgors and the Lender each agree that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by either party hereto or any successor or assign of either party hereto, with respect to this Agreement, the Loan Documents, or any other document or agreement which in any way relates, directly or indirectly, to this Agreement, the Loan Documents, the Obligations or any event, transaction or occurrence arising out of or in any way connected with this Agreement, the Loan Documents, any of the Obligations, or the dealings of the parties with respect thereto, shall be tried only by a court, and not by a jury. **THE PLEDGORS AND THE LENDER HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.**

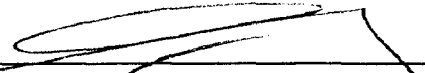
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written with the specific intention of creating an instrument under seal.

WITNESS/ATTEST:

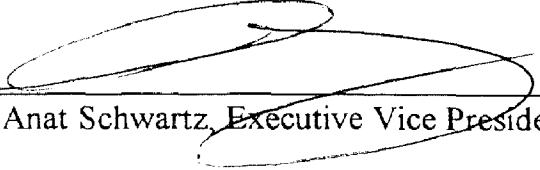
PLEDGOR:

SHERWOOD BRANDS, LLC
A Maryland Limited Liability Company

By: **SHERWOOD BRANDS, INC., A**
North Carolina Corporation, Sole Member

By:  (SEAL)
Anat Schwartz, Executive Vice President

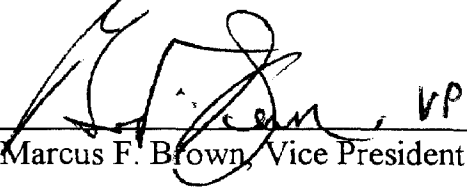
SHERWOOD BRANDS OF RI, INC.

By: 
Anat Schwartz, Executive Vice President

WITNESS/ATTEST:

LENDER:

FIRST UNION NATIONAL BANK,
A National Banking Association

By: 
Marcus F. Brown, Vice President

STATE OF MARYLAND

COUNTY OF MONTGOMERY

I hereby certify that on this 14 day of June, 2001, before me, the undersigned Notary Public, personally appeared Anat Schwartz, who acknowledged herself to be the Executive Vice President of Sherwood Brands of Rhode Island, Inc., a Rhode Island corporation, and that she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of Sherwood Brands of Rhode Island, Inc. by herself as such officer .

IN WITNESS My Hand and Notarial Seal.

M. Katsenides (SEAL)
Notary Public
My Commission Expires: 10-1-02

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Philadelphia SS

I hereby certify that on this 18 day of June, 2001, before me, the undersigned Notary Public, personally appeared Marcus F. Brown, and acknowledged himself to be Vice President of **FIRST UNION NATIONAL BANK**, and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of **FIRST UNION NATIONAL BANK**, by himself as such officer.

IN WITNESS My Hand and Notarial Seal.

Sharon A. Kelly (SEAL)
Notary Public
My Commission Expires: 11-15-2003

Notarial Seal
Sharon A. Kelly, Notary Public
Philadelphia, Philadelphia County
My Commission Expires Nov. 15, 2003
Member, Pennsylvania Association of Notaries

STATE OF MARYLAND

COUNTY OF MONTGOMERY

I hereby certify that on this 14 day of June, 2001, before me, the undersigned Notary Public, personally appeared Anat Schwartz, who acknowledged herself to be the Executive Vice President of Sherwood Brands, Inc., the sole member of **SHERWOOD BRANDS, LLC**, a limited liability company, and that she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of Sherwood Brands, LLC, by herself as such officer of Sherwood Brands, Inc.

IN WITNESS My Hand and Notarial Seal.

M. Katherine Seef (SEAL)
Notary Public
My Commission Expires: 10-1-08

Exhibit A
Sherwood Brands, LLC
Pending Applications

Trademark	Filing Date	Serial No.
E. ROSEN MUMMY GUMMIES ¹	February 13, 1998	75-434177
KNUCKLEHEADS ²	March 17, 1998	75-451609
SNUGGLE BUGS	March 17, 1998	75-451613
P.B. COWS ³	July 28, 1998	75-529065
SPACE ALIEN SUCKERS ^{4 5}	May 20, 1999	75-711076
SWIRLY POPS and DESIGN ^{4 5}	May 20, 1999	75-711077
CONVERSATION POPS and DESIGN	May 20, 1999	75-711078
COOL CASH	April 12, 2000	76-024213
TONGUE TATTOO SPACE ALIEN SUCKERS and DESIGN	April 12, 2000	76-024216
SHERWOOD MUMMY GUMMIES	May 31, 2000	76-060677
TOKENS OF LOVE	June 30, 2000	76-081531
LITTLE PRINCESS	September 21, 2000	76-132188
MONSTER POPS ⁵	September 21, 2000	76-132189
TONGUE TATTOO SCREAM POPS	December 11, 2000	76-178588
HOLIDAY GIFTS	December 11, 2000	76-178589
PRESENTS	December 11, 2000	76-178590
EGG-STREME	March 21, 2001	76-228311

- 1 Current U.S. Patent & Trademark Office records list this mark as abandoned, but Pledgor has contested this error.
- 2 Trademark Office action issued suspending application due to an earlier filed application the Examiner may cite against the application.
- 3 Mark is the subject of a Settlement Agreement affecting Pledgor's rights in the mark.
- 4 Mark is the subject of a U.S. Patent & Trademark Opposition in which opposer contests Pledgor's rights in the mark.
- 5 Pledgor has received notice that a third party contends that the mark is confusingly similar to or infringes another's mark, name or intellectual property.

Exhibit A
Sherwood Brands, LLC
Registered Trademarks

Trademark	Registration Date	Registration No.
RUGER and DESIGN	November 1, 1988	1511159
ELANA and DESIGN	November 8, 1988	1511976
STRIPOPOPS	October 30, 1990	1620239
DEMITASSE	September 24, 1991	1658707
HOT LITTLE DEVILS and DESIGN	March 8, 1994	1825327
P.S. IT'S FAT FREE (STYLIZED)	January 23, 1996	1950813
RADICOOOL CHILLERS (STYLIZED)	August 19, 1997	2089873
RADICOOOL (STYLIZED)	October 14, 1997	2104648
COWPOKES	February 10, 1998	2135985
COWS and DESIGN	March 24, 1998	2145556
SHERWOOD COWS and DESIGN	March 31, 1998	2146908
DESIGN (Smile Face) ³	January 5, 1999	2216344
COWS (STYLIZED)	January 11, 2000	2307594
TONGUE TATTOO	February 22, 2000	2321982
COWS	April 4, 2000	2338732
SHERWOOD COFFEE PERKS	May 23, 2000	2351828
TONGUE TATTOO	August 1, 2000	2373487
FRUIT HILL	September 12, 2000	2386158
GUMMI SKULLS	October 3, 2000	2391946

BLU:112004.1
DSB:771994.3

Trademark	Registration Date	Registration No.
RABBIT CHANGE	October 24, 2000	2398709
FRUIT BURST	November 7, 2000	2401735
SHERWOOD'S TOKENS OF LOVE	April 3, 2001	2441208
SHERWOOD PIRATE'S GOLD	April 17, 2001	2444418
SMILE POPS and DESIGN ³	May 1, 2001	2447293
SHERWOOD and DESIGN	May 22, 2001	2453068

BLU:112004.1
DSB:771994.3

Exhibit A
Sherwood Brands of RI Inc.
Registered Trademark

Trademark	Registration Date	Registration No.
HOT CO-COW	December 9, 1997	2119938

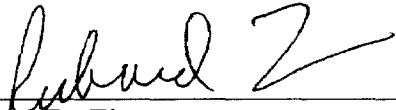
Exhibit B
Sherwood Brands, LLC
Copyrights

	Title	Registration No.
1.	COWS DAIRY BUTTER 'N CREAM CANDY	TX-4-187-722
2.	COWS	TX-4-210-828
3.	SOFT 'N CHEWY DAIRY BUTTER TOFFEES FILLED WITH MILK CHOCOLATE	TX-4-214-357
4.	COWS SOFT 'N CHEWY DAIRY BUTTER TOFFEES FILLED WITH MILK CHOCOLATE	TX-4-219-196
5.	COWS SOFT 'N CHEWY DAIRY BUTTER TOFFEES	TX-4-280-886
6.	COWS CARTON DAIRY BUTTER 'N CREAM (Drawing)	TX-4-338-621
7.	COWS FLOOR STAND (Drawing)	TX-4-338-622
8.	COWS SOFT 'N CHEWY BUTTERY TOFFEES	TX-4-380-264
9.	SHERWOOD SANTA COWS: ASSORTED DAIRY BUTTER CANDIES AND TOFFIES 3.5. OZ.	VA-841-625
10.	DEMITASSE CHOKOLAT BISCUITS 4.5 OZ.	VA-847-460
11.	DEMITASSE PETIT BEURRE 4.5 OZ	VA-847-461
12.	DEMITASSE COCONUT BISCUITS: 4.5 OZ.	VA-847-462
13.	DEMITASSE TEABISCUITS 4.5 OZ.	VA-847-463
14.	DEMITASSE CINNAMON HONEY BISCUITS 4.5 OZ.	VA-847-464
15.	DEMITASSE MARIE BISCUITS 4.5 OZ.	VA-847-465
16.	SHERWOOD COWS	VA-860-139
17.	CANDY ICING TATOO	VA-1-028-011
18.	COW DESIGN	VA-595-979
19.	COWS CARTON	TX-4-280-882
20.	COWS - 7 OZ. DAIRY BUTTER	TX-4-280-883
21.	COWS - 7 OZ. MILK CHOCOLATE	TX-4-280-884
22.	COWS - 1.55 OZ. SOFT 'N CHEWY	TX-4-280-885

	Title	Registration No.
23.	SHERWOOD'S TOKEN OF LOVE (STICKERS)	VA-851-465
24.	SHERWOOD'S TOKENS OF LOVE (DISPLAY BOX)	VA-840-745
25.	P.B. COWS - 7 OZ.	VA-932-328

27/26

I hereby certify that on June 26, 2001, this Recordation Cover Sheet Trademark (2 pages), Check No. 5411, for \$1,090.00 and Trademark Security Agreement Sherwood, LLC and Sherwood RI to First Union(10 pages plus Exhibit A (5 pages) and Exhibit B (2 pages) were mailed under 37 CFR §1.08 by U.S. Postal Service, first-class mail, to Commissioner of Patents and Trademarks, Box Assignments, Washington, DC 20231, with sufficient postage prepaid.


Richard D. Zimmerman

Date: June 27, 2001