

09-10-2001



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To the Honorable Commissioner of Patents

Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Cuisine Perel

9.4.01

- Individual(s)
- General Partnership
- Corporation-State
- 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: _____

2. Name and address of receiving party(ies)

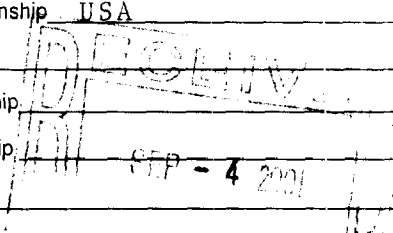
Name: Leonard & Sylvia Perel, Trustees
Internal Address: _____
Address: _____

Street Address: 38 Convent Court

City: San Rafael State: CA Zip: 94901

- Individual(s) citizenship USA
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other

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



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

A. Trademark Application No.(s)

Application # 76/028, 427
Filed April 18, 2000
B. Trademark Registration No.(s) 2,414,837;
2,232,837; 2,108,114; 2,102,505;
1,982,039; 1,538, 653.

Additional number(s) attached Yes No

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

Name: Myron Greenberg, Esq.

Internal Address: _____

Street Address: 700 Larkspur Landing

Circle, Suite 205

City: San Rafael State: CA Zip: 94939

6. Total number of applications and registrations involved:

7. Total fee (37 CFR 3.41): \$190.00

- 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.

Larry W. Telford
Name of Person Signing

Larry W. Telford
Signature

August 28, 2001
Date

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

09/10/2001 DRYRHE 00000042 76023487
01 FC:481
02 FC:482

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

Recording requested by and
when recorded return to:

Leonardo Perel, Trustee
38 Convent Court
San Rafael, CA 94901

Space above this line for recording information

TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (this "Agreement") made and entered into this 24th day of August, 2001, by and between CUISINE PEREL, a California corporation, whose address is 3100 Kerner Blvd., San Rafael, California 94901 (the "Assignor") and LEONARDO PEREL and SYLVIA PEREL, as Trustees of the Leonardo and Sylvia Perel 1997 Trust dated July 17, 1997, whose address is 38 Convent Court, San Rafael, CA 94901 (the "Lender").

WITNESSETH:

WHEREAS, the Assignor and the Lender have entered into an Agreement for Purchase and Redemption of Stock (the "Purchase Agreement") pursuant to which the Assignor is indebted to Lender in the principal sum of One Million Dollars (\$1,000,000.00) to be used for the redemption of stock from Lender. The indebtedness arising under the Purchase Agreement is evidenced by a Promissory Note in like amount bearing even date herewith (the "Note").

WHEREAS, in order to induce the Lender to execute and deliver the Purchase Agreement and accept the Note in part payment of the redemption of stock from Lender, Assignor has agreed to assign to Lender certain trademark rights. This Agreement is being executed contemporaneous with a Security Agreement under which the Lender is granted a lien on and security interest in all of Assignor's general intangible assets, including, without limitation the corporate name "Cuisine Perel", and the business good will associated therewith (the "Other Assets") relating to products sold under the Trademarks (as hereinafter defined), whereby Lender shall have the right to foreclose on the Trademarks and the Other Assets in the event of the occurrence and continuance of a default under the Note, in order that the owner of the Trademarks may continue the manufacture of products to be sold under the

Trademarks and maintain substantially the same product specifications and quality as maintained by Assignor. This Agreement is to be recorded in the United States Patent and Trademark Office for the purpose of perfecting Lender's interest in the Trademarks.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and promises herein contained, the parties hereto agree as follows:

1. Collateral Assignment of Trademarks. As collateral security for the payment of all indebtedness of the Assignor evidenced by the Note and other documents delivered to Lender at closing, Assignor hereby grants, assigns and conveys to the Lender the entire right, title and interest in and to (a) the trademark applications and trademarks listed in Schedule A attached hereto (as the same may be amended pursuant hereto from time to time), including without limitation all renewals, amendments, and modifications thereof; (b) all proceeds of infringement suits, the right to sue for past present and future infringements and all rights corresponding thereto throughout the world, together with any legal equivalent in a foreign country for the full term or terms for which the same may be granted; (c) all rights to income, royalties, profits, damages or other rights relating to said trademarks; (d) any other rights and benefits relating to said trademarks including any rights as a licensor of said trademark ("Trademarks"); and (e) the good will of the business to which each of the Trademarks relates.

2. Financing Statements. At the time of execution of this Agreement, the Assignor shall furnish the Lender with properly executed financing statements as prescribed by the Uniform Commercial Code as presently in effect in the State of California, prepared and approved by the Lender in form and number sufficient for filing wherever required, in order that the Lender shall have a duly perfected first security interest of record in the Collateral, and the Assignor shall execute as reasonably required by the Lender any additional financing statements or other documents to effect the same, together with any necessary continuation statements so long as this Agreement remains in effect.

3. Assignor's Covenants. Assignor covenants and warrants that:

a) Assignor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks.

b) Assignor will, from time to time, upon the request of the Lender, deliver specific assignments of Trademarks, together with such other instruments and documents, financing statements, amendments thereto, assignments or other writings as the Lender may reasonably request to carry out the terms of this Agreement or to protect or enforce the Lender's security interest in the Trademarks.

c) Assignor will not, without the prior written consent of the Lender, assign or transfer, pledge, mortgage, license or allow a security interest or lien to be taken by

anyone other than the Lender in said Trademarks or take any other acts which are contrary to or inconsistent with the rights granted to the Lender in this Agreement and will not cease the use of any Trademark or take any action or fail to take any action which will result in the abandonment, cancellation or expiration of any of the Trademark registrations covered by this Agreement without the prior written agreement of the Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

d) Assignor shall prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement, file such affidavits of use of and applications to renew, file and prosecute opposition and cancellation proceedings, and do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks, including but not limited to the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to maintain and renew said registrations for Trademarks (including the filing of a declaration of incontestability under Section 15 of the United States Trademark Act where possible) which may be necessary or appropriate under applicable law.

e) Assignor shall protect such Trademarks from infringement, unfair competition or dilution or damage by all appropriate actions including the commencement of legal action to prevent and recover damages for said infringement and to defend such Trademarks from claims of infringement, unfair competition or damage including the defense or any legal actions making such claims.

4. Lender's Grant of License to Use Trademarks. Unless and until there shall occur and be continuing an event of default (as defined in the Note), Lender hereby grants to Assignor the exclusive, nontransferable right and license to use the Trademarks on and in connection with products sold by Assignor, for Assignor's own benefit and account and for none other. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 5, without the prior written consent of Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

5. Remedies. Should default be made in the payment of moneys due under the Note, if any representation or warranty of Borrower made herein or pursuant hereto should prove untrue or misleading in any respect or if Borrower violates any covenant or agreement contained herein or upon the occurrence of any event of default provided for in the Purchase Agreement, and such default shall not be cured within Thirty (30) days after written notice to the Borrower as provided for herein, the Lender shall have the following rights and remedies:

a) Assignor hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may elect, in its exclusive discretion,

as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Assignor 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.

b) Assignor's license under the Trademarks, as set forth in paragraph 5, shall terminate forthwith, and Lender shall have, in addition to all other rights and remedies given it by this Agreement, all of the rights and remedies of a secured party under the Uniform Commercial Code of the State where such rights and remedies are asserted, or under other applicable law, all of which rights and remedies shall be cumulative, and none of which shall be exclusive, to the extent permitted by law, in addition to any other rights and remedies contained in this Agreement, the Note and in all of the other agreements delivered at closing.

c) The right to take any action as may be deemed to be necessary with respect to said Trademarks, including, but not limited to, the assignment of all said Trademarks from the Assignor to the Lender. This right may be exercised in addition to any other rights and remedies which may be available under applicable law. Assignor hereby authorizes and grants a power of attorney to Lender to take the above actions.

d) The rights and remedies provided to the Lender under the Note and under any other written agreement between the parties.

6. Termination upon Satisfaction. At such time as Assignor shall completely satisfy all its obligations under the Note, this Agreement shall terminate and Lender shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.

7. Waiver. Neither the failure nor any delay on the part of the Lender to exercise any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise of any other right, power or privilege of the Lender.

8. General. The descriptive section headings herein have been inserted for convenience only and shall not be deemed to limit or otherwise offset the construction of any provision hereof. This Agreement shall be construed and its performance governed in accordance with the laws of the State of California, including to the extent applicable, the Uniform Commercial Code of that State. All terms not specifically defined in this Agreement shall have the same meaning given to them and as set forth

in the Purchase Agreement.

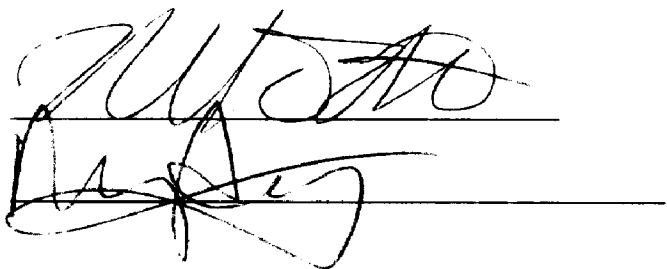
9 Benefits. This Agreement shall be binding on and inure to the benefit of the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by authority duly given as of the day and year first above written.

WITNESSES:



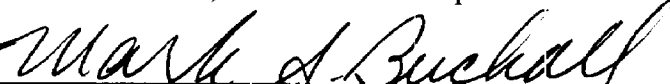
Two witnesses as to Assignor



Two witnesses as to Lender

"ASSIGNOR"


CUISINE PEREL, a California corporation

By: 
Mark S. Birchall, its President

(CORPORATE SEAL)

"LENDER"

The Leonardo and Sylvia Perel 1997 Trust
dated July 17, 1997

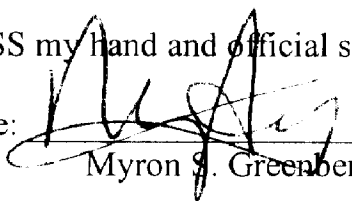
By: 
Leonardo Perel, Trustee

By: 
Sylvia Perel, Trustee

State of California)
)
County of Marin)

On August 24, 2001 before me, the undersigned, a Notary Public, personally appeared Leonardo Perel and Sylvia Perel, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity(ies), and that by their signatures on the instrument, the person(s) or the entity(ies) on behalf of which they acted executed the instrument.

WITNESS my hand and official seal.

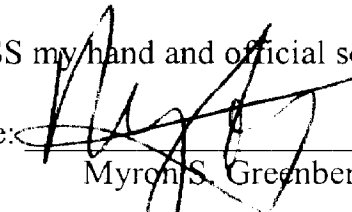
Signature: 
Myron S. Greenberg

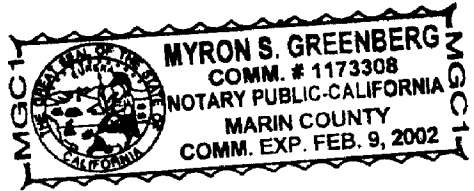


State of California)
)
County of Marin)

On August 24, 2001 , before me, the undersigned, a Notary Public, personally appeared Mark S. Birchall, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument, the person(s) or the entity(ies) on behalf of which he acted executed the instrument.

WITNESS my hand and official seal.

Signature: 
Myron S. Greenberg



Schedule "A"

1. **Late Harvest Riesling Vinegar**, page 4, Federal Registration No. 2,414,109, issued on December 19, 200 for "vinegar."
2. **Quintessential Wine Garden**, page 6, Federal Registration No. 2,232,837, issued on March 16, 1999 for "cooking and salad oils."
3. **Design of a Pasta Noodle in the Shape of a Chili Pepper**, page 8, Federal Registration No. 2,108,114, issued on October 28, 1997 for "pasta."
4. **Design of a Pasta Noodle in the Shape of a Garlic Clove**, page 12, Federal Registration No. 2,102,505, issued on October 7, 1997 for "pasta."
5. **Design of a Pasta Noodle in the Shape of Grapes**, page 14, Federal Registration No. 1,982,039, issued on June 25, 1996 for "pasta."
6. **Cuisine Perel**, page 18, Federal Registration No. 1,538,653, issued on May 9, 1989, for "lemon chardonnay dressing, garlic-dill sauterne dressing, cranberry champagne dressing, hot thai dressing, champagne mustard dressing, french cheese riesling dressing, topping consisting primarily of processed pears for use on crepes, pancakes, ice cream, biscuits, fruit, waffles, meringues and cheeses, pear cabernet-saugivnon butter, pears in burgundy" (International Class 29) and "champagne mustard, zinfandel tomato sauce, grape apricot chutney, grape pear chutney, piquant grape apricot chutney, and grape peach chutney" (International Class 30).
7. Pending: **Design**, page 2, application Serial No. 76/028,427, filed on April 18, 2000, for "crackers."
8. Abandoned applications: **Design**, page 10, application Serial No. 74/600,476 for "pasta."
9. Abandoned applications: **Design**, page 16, application Serial No. 74/600,479 for "pasta."

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