

03-29-2002



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

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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.

Handwritten notes on the left margin, including "3-29-02" and other illegible scribbles.

1. Name of conveying party(ies): Wachovia Bank, N.A., a national banking association. Includes checkboxes for Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, and Other.

2. Name and address of receiving party(ies): Name: Ableco Finance, LLC; Internal Address: 28th Floor; Street Address: 450 Park Avenue; City: New York; State: NY; Zip: 10022. Includes checkboxes for citizenship and association types.

3. Nature of conveyance: Includes checkboxes for Assignment, Security Agreement, Merger, Change of Name, and Other. Execution Date: March 20, 2002.

4. Application number(s) or registration number(s): A. Trademark Application No.(s) Please see attached Schedule A.

B. Trademark Registration No.(s) Please see attached Schedule A.

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Kate Gregor; Internal Address: Brobeck Phleger & Harrison LLP, Suite 2100; Street Address: 550 South Hope Street; City: Los Angeles; State: CA; Zip: 90071.

6. Total number of applications and registrations involved: 35. 7. Total fee (37 CFR 3.41): \$ 890. Includes checkboxes for Enclosed and Authorized to be charged to deposit account. 8. Deposit account number: n/a.

DO NOT USE THIS SPACE

9. Signature. Kate A. Gregor, Name of Person Signing; [Signature], Signature; March 28, 2002, Date. Total number of pages including cover sheet, attachments, and document: 20.

04/01/2002 GT0N11 00000005 2316427 01 FC:481 40.00 OP 02 FC:482 850.00 OP

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

TRADEMARK REEL: 002471 FRAME: 0928

**Schedule A to  
Trademark Security Agreement**

**FEDERAL TRADEMARK REGISTRATIONS AND  
PENDING APPLICATIONS OF DEBTOR**

Country	Trademark Name	Registration Number	Application Number
USA	ALLIGATOR ALE	2,316,427	
USA	ALLIGATOR ALE (and design)(Cl. 32)	2,316,405	
USA	ALLIGATOR ALE (and design)(Cl. 25)		76/368015
USA	BEAT THE HEAT SUMMER WHEAT		76/367916
USA	BIERODROME		75/759372
USA	BREWMASTER STEAK		76/368010
USA	CANYON CAFE	2,003,434	
USA	CHILI MACHO	2,256,185	
USA	CLEARWATER LIGHT (Cl. 32)	2,097,427	
USA	CLEARWATER LIGHT (Cl. 25)		76/368058
USA	CRABCAKE LOUNGE	2,397,465	
USA	DESERT FIRE	2,240,623	
USA	DON PABLO'S		74/705944
USA	DON PABLO'S	1,530,232	
USA	FIERY RED WINGS		76/368057
USA	FLYING SQUIRREL NUT BROWN ALE		76/368006
USA	GOLD HAMMER	2,216,488	
USA	HAMMERHEAD RED (Cl. 32)	2,139,980	
USA	HAMMERHEAD RED (Cl. 25)	Filed 2/7/02	76/368302
USA	HOPE E. HARE (stylized)	2,031,203	
USA	HOPE GRILL & BAR MICROBREWERY (and design)	1,942,248	
USA	HOPS!	1,712,533	
USA	HOPS ROOTBEER		76/368009
USA	HOPTAILS		76/305344
USA	HOPTOBERFEST		76/307786
USA	LIGHTNING BOLD GOLD (Cl. 32)	2,091,183	
USA	LIGHTNING BOLD GOLD (Cl. 25)		76/368007
USA	LUMBERJACK OATMEAL STOUT		76/368060
USA	MAMA'S SKINNY	2,167,188	
USA	PRAIRIE FIRE	2,147,501	
USA	THE REAL ENCHILADA	1,864,093	
USA	THE REAL ENCHILADA	1,863,776	
USA	THE REAL MARGARITA	2,363,634	
USA	THE SHORTEST DISTANCE BETWEEN VISION AND REALITY	2,286,666	
USA	WAIT'LL YOU SEE WHAT'S BREWING ON THE GRILL	2,112,467	

FOREIGN REGISTRATIONS OF DEBTOR

Country	Trademark Name	Registration Number
Canada	DON PABLO'S	524242
Canada	THE REAL ENCHILADA	853481
European Community	CANYON CAFE	728063
European Community	HOPS!	728097

STATE REGISTRATIONS OF DEBTOR

Country	Trademark Name	Registration Number
California	HOPS	98366
North Carolina	HOPS	T-14893
Texas	DON PABLO'S (and design)	48792
Texas	LA PLAZA DE JULIO (and design)	48793

## AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT

This **AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT** (this "Agreement"), dated as of March 20, 2002, is made by and between **AVADO BRANDS, INC.**, a Georgia Corporation ("Debtor"), in favor of **ABLECO FINANCE LLC**, a Delaware limited liability company, as collateral agent for the Lender Group (in such capacity, together with its successors, if any, in such capacity, "Collateral Agent").

### RECITALS

A. Debtor, certain lenders (the "Former Lenders"), Fleet National Bank, as syndication agent for the Former Lenders (in such capacity, "Former Syndication Agent"), and Wachovia Bank, N.A., as administrative agent for the Former Lenders (in such capacity, "Former Administrative Agent"; Former Administrative Agent and Former Syndication Agent, together with the Former Lenders are collectively referred to as the "Former Lender Group"), are parties to that certain Amended and Restated Credit Agreement, dated as of April 2, 2001, as supplemented by that certain Supplemental Addendum No. 1 to Amended and Restated Credit Agreement, dated as of April 2, 2001, as further supplemented by that certain Supplemental Addendum No. 2 to Amended and Restated Credit Agreement, dated as of May 31, 2001, as amended by that certain First Amendment to Amended and Restated Credit Agreement, dated as of August 22, 2001, as further amended by that certain Second Amendment to Amended and Restated Credit Agreement, dated as of October 31, 2001, and as further amended by that certain Third Amendment to Amended and Restated Credit Agreement, dated as of November 7, 2001 (as so supplemented and amended prior to the date hereof, the "Former Credit Agreement").

B. Pursuant to that certain letter agreement, dated as of March 25, 2002, among Former Administrative Agent and each of the Lenders (as defined below) (the "Letter Agreement"), the Former Administrative Agent is assigning to the Lender Group, and the Lender Group is accepting and assuming, the rights and duties of the Former Administrative Agent under the Former Credit Agreement and the other Former Loan Documents (as defined below).

C. Concurrently herewith the Former Credit Agreement is being amended and restated in its entirety by that certain Second Amended and Restated Credit Agreement, of even date herewith, by and among, on the one hand, Debtor, and, on the other hand, the Lenders, Foothill Capital Corporation, a California corporation, as administrative agent thereunder (in such capacity, together with its successors, if any in such capacity, "Administrative Agent") and Collateral Agent (the "Credit Agreement"), pursuant to which the Lender Group has agreed to make certain financial accommodations to Debtor, it being understood that no repayment of the obligations under the Former Credit Agreement is being effected thereby, but merely an amendment and restatement in accordance with the terms thereof.

C. Debtor and Former Administrative Agent are parties to that certain Trademark Security Agreement, dated as of January 31, 2000 (the "Former Trademark Security Agreement"), submitted for recordation with the PTO (as defined below) on or about April 20, 2000 at Reel 002067, Frame 0199, and on or about July 19, 2000 at Reel 002104, Frame 0733.

E. Debtor (among others) has executed and delivered to Collateral Agent that certain Second Amended and Restated Security Agreement, of even date herewith (the "Security Agreement"), pursuant to which Debtor has granted to Collateral Agent, for the benefit of the Lender Group, security interests in (among other things) all or substantially all of Debtor's general intangibles.

F. Pursuant to the Credit Agreement as one of the conditions precedent to the obligations of the Lender Group under the Credit Agreement, Debtor has agreed to amend and restate the Former Trademark Security Agreement and to execute and deliver this Agreement to Collateral Agent for filing with the PTO and with any other relevant recording systems in any domestic jurisdiction, and as further evidence of and to effectuate Collateral Agent's existing security interests in the trademarks and other general intangibles described herein, it being understood that no satisfaction of the obligations under the Former Trademark Security Agreement is being effected hereby, but merely an amendment and restatement in accordance with the terms hereof.

## ASSIGNMENT

**NOW, THEREFORE**, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, Debtor hereby agrees in favor of Collateral Agent as follows:

1. Definitions; Interpretation.

(a) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Administrative Agent" shall have the meaning set forth in the recitals to this Guaranty.

"Agreement" shall have the meaning ascribed to such term in the introductory paragraph of this Agreement.

"Collateral Agent" shall have the meaning ascribed to such term in the preamble to this Agreement.

"Credit Agreement" shall have the meaning ascribed to such term in the recitals to this Agreement.

“Debtor” shall have the meaning ascribed to such term in the preamble to this Agreement.

“Event of Default” means any Event of Default under the Credit Agreement.

“Former Administrative Agent” shall have the meaning set forth in the recitals to this Agreement.

“Former Credit Agreement” shall have the meaning set forth in the recitals to this Agreement.

“Former Lenders” shall have the meaning set forth in the recitals to this Agreement.

“Former Lender Group” shall have the meaning set forth in the recitals to this Agreement.

“Former Loan Documents” means any notes, guaranties, security agreements (including without limitation, the Former Trademark Security Agreement), mortgages, stock pledge agreements, financing statements, or other agreements, instruments, certificates or documents which were executed, delivered, filed or recorded in connection with the Former Credit Agreement, as the same have been amended or otherwise modified from time to time prior to the date hereof.

“Former Syndication Agent” shall have the meaning set forth in the recitals to this Agreement.

“Former Trademark Security Agreement” shall have the meaning set forth in the recitals to this Agreement.

“Lender Group” means, individually and collectively, each of the Lenders, Administrative Agent and Collateral Agent.

“Lenders” means, individually and collectively, each of the financial institutions identified on the signature pages of the Credit Agreement, and any other Person made a party thereto in accordance with the provisions of Section 9.07 thereof (together with their respective successors and assigns).

“Letter Agreement” shall have the meaning set forth in the recitals to this Agreement.

“Proceeds” means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Trademark Collateral, including “proceeds” as such term is defined in the Code, and all proceeds of proceeds. Proceeds shall include (i) any and all accounts, chattel paper, instruments, general intangibles, cash and other proceeds, payable to or for the account of Debtor, from time to time in respect of any of the Trademark Collateral, (ii) any

and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of Debtor from time to time with respect to any of the Trademark Collateral, (iii) any and all claims and payments (in any form whatsoever) made or due and payable to Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Trademark Collateral by any Person acting under color of governmental authority, and (iv) any and all other amounts from time to time paid or payable under or in connection with any of the Trademark Collateral or for or on account of any damage or injury to or conversion of any Trademark Collateral by any Person.

“PTO” means the United States Patent and Trademark Office and any successor thereto.

“Secured Obligations” shall mean, with respect to Debtor, all liabilities, obligations, or undertakings owing by Debtor to the Lender Group of any kind or description arising out of or outstanding under, advanced or issued pursuant to, or evidenced by the Credit Agreement, any of the other Loan Documents, or this Agreement, irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, voluntary or involuntary, whether now existing or hereafter arising, and including all interest (including interest that accrues after the filing of a case under the Bankruptcy Code) and any and all costs, fees (including attorneys fees), and expenses which Debtor is required to pay pursuant to any of the foregoing, by law, or otherwise..

“Security Agreement” shall have the meaning ascribed to such term in the recitals to this Agreement.

“Trademark Collateral” has the meaning set forth in Section 2.

“Trademarks” has the meaning set forth in Section 2.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“United States” and “U.S.” each mean the United States of America.

(b) Terms Defined in UCC. Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(c) Interpretation. In this Agreement, except to the extent the context otherwise requires:

(i) Any reference to a Section or a Schedule is a reference to a section hereof, or a schedule hereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears.

(ii) The words “hereof,” “herein,” “hereto,” “hereunder” and the like mean and refer to this Agreement as a whole and not merely to the specific Section, subsection, paragraph or clause in which the respective word appears.

(iii) The meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined.

(iv) The words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation.”

(v) References to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto.

(vi) References to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation referred to.

(vii) Any captions and headings are for convenience of reference only and shall not affect the construction of this Agreement.

(viii) Capitalized words not otherwise defined herein shall have the respective meanings assigned to them in the Credit Agreement.

(ix) In the event of a direct conflict between the terms and provisions of this Agreement and the Credit Agreement, or between the terms and provisions of this Agreement and the Security Agreement, it is the intention of the parties hereto that such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict between this Agreement and the Credit Agreement that cannot be resolved as aforesaid, the terms and provisions of the Credit Agreement shall control and govern; provided, however, that the inclusion herein of additional obligations on the part of Debtor and supplemental rights and remedies in favor of Collateral Agent for the benefit of the Lender Group (whether under federal law or applicable New York law), in each case in respect of the Trademark Collateral, shall not be deemed a conflict in the Credit Agreement. In the event of any actual, irreconcilable conflict between this Agreement and the Security Agreement that cannot be resolved as aforesaid, the terms and provisions of this Agreement shall control and govern.

## 2. Security Interest.

(a) Assignment and Grant of Security in respect of the Secured Obligations. Debtor, to secure the prompt payment and performance of all of Debtor’s Secured Obligations and the prompt performance of all covenants and duties of Debtor under the Loan Documents, hereby grants and assigns to Collateral Agent, for the benefit of the



Lender Group, a continuing security interest in all of Debtor's right, title and interest in and to the following property, whether currently existing or hereafter acquired or arising and whether registered or unregistered (collectively, the "Trademark Collateral"):

(i) all state (including common law) and federal trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Debtor, and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the PTO, any State of the United States (but excluding each application to register any trademark, service mark, or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark) and all extensions or renewals thereof, including without limitation any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in Debtor's name or in the name of Collateral Agent or in the name of Collateral Agent for the benefit of the Lender Group for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(ii) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(iii) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Debtor's business symbolized by the Trademarks or associated therewith; and

(iv) all Proceeds of any and all of the foregoing.

(b) Continuing Security Interest. Debtor hereby agrees that this Agreement shall create a continuing security interest in the Trademark Collateral which shall remain in effect until terminated in accordance with Section 18.

(c) Incorporation into Security Agreement. Without limiting the foregoing, the Trademark Collateral described in this Agreement shall constitute part of the Collateral in the Security Agreement, as applicable.

3. Further Assurances; Appointment of Collateral Agent as Attorney-in-Fact. Debtor at its expense shall execute and deliver, or cause to be executed and delivered, to Collateral Agent any and all documents and instruments, in form and substance reasonably satisfactory to Collateral Agent, and take any and all action, which Collateral Agent, in its discretion, may request from time to time, to perfect and continue the perfection or to

maintain the priority of, or provide notice of the security interest in the Trademark Collateral held by Collateral Agent for the benefit of the Lender Group and to accomplish the purposes of this Agreement. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent in accordance with the foregoing, Collateral Agent shall have the right, in the name of Debtor, or in the name of Collateral Agent or otherwise, without notice to or assent by Debtor, and Debtor hereby irrevocably constitutes and appoints Collateral Agent (and any of Collateral Agent's officers or employees or agents designated by Collateral Agent) as Debtor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of Debtor on all or any of such documents or instruments and perform all other acts that Collateral Agent in its discretion deems necessary in order to perfect or continue the perfection of, maintain the priority or enforceability of or provide notice of the security interest in the Trademark Collateral held by Collateral Agent for the benefit of the Lender Group, and (ii) to execute any and all other documents and instruments, and to perform any and all acts and things for and on behalf of Debtor, which Collateral Agent, in its discretion, may deem necessary or advisable to maintain, preserve and protect the Trademark Collateral and to accomplish the purposes of this Agreement, including (A) after the occurrence and during the continuance of any Event of Default, to defend, settle, adjust or institute any action, suit or proceeding with respect to the Trademark Collateral, (B) after the occurrence and during the continuation of any Event of Default, to assert or retain any rights under any license agreement for any of the Trademark Collateral to the extent permitted under with UCC Section 9-408, and (C) after the occurrence and during the continuance of any Event of Default, to execute any and all applications, documents, papers and instruments for Collateral Agent to use the Trademark Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Trademark Collateral that does not violate the terms of any then-existing license of Debtor with respect to such Trademark Collateral, and to assign, convey or otherwise transfer title in or dispose of the Trademark Collateral. The power of attorney set forth in this Section 3, being coupled with an interest, is irrevocable so long as this Agreement shall not have terminated in accordance with Section 18; provided that the foregoing power of attorney shall terminate when all of the Secured Obligations have been fully and finally repaid and performed and the Lender Group's obligation to extend credit under the Credit Agreement is terminated.

4. Representations and Warranties. Debtor represents and warrants to each member of the Lender Group, in each case to the best of its knowledge, information, and belief, as follows:

(a) No Other Trademarks. Schedule A sets forth a true and correct list of all of Debtor's existing Trademarks that are registered, or for which any application for registration has been filed with the PTO or any corresponding or similar trademark office of any other U.S. jurisdiction, and that are owned or held (whether pursuant to a license or otherwise) and used by Debtor.

(b) Trademarks Subsisting. Each of Debtor's Trademarks listed in Schedule A is subsisting and has not been adjudged invalid or unenforceable, in whole or in

part, and, to the best of Debtor's knowledge, each of the Trademarks set forth on Schedule A is valid and enforceable.

(c) Ownership of Trademark Collateral; No Violation. (i) Debtor has rights in the Trademark Collateral and good and defensible title to the registered Trademark Collateral, (ii) Debtor is the sole and exclusive owner of the Trademark Collateral, free and clear of any Liens and rights of others (other than the security interest created hereunder and other than Permitted Liens), including licenses, except as set forth on Schedule B hereto, or sublicenses issued by Debtor, registered user agreements and covenants by Debtor not to sue third persons, (iii) with respect to any Trademarks for which Debtor is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademark, each such license or licensing agreement is in full force and effect, Debtor is not in material default of any of its obligations thereunder, and (iv) with respect to any Trademarks for which Debtor is a licensor pursuant to a license or other similar agreement regarding such Trademark, other than (A) Debtor, (B) licensees and sub-licensees under licenses issued by Debtor, or (C) in the case of any such Trademark (listed on Schedule C) that is not owned by Debtor, the rights of the owner of such Trademark (listed on Schedule C) and its other licensees and sublicensees, no other Person has any rights in or to any of such Trademarks. To the best of Debtor's knowledge, the past and present use of the Trademark Collateral by Debtor has not (except for such infringements as have been resolved) and does not infringe upon or violate any right, privilege or license agreement of or with any other Person or give any such Person the right to terminate any such right, privilege or license agreement.

(d) No Infringement. To the best of Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademark Collateral by any Person.

(e) Powers. Debtor has the unqualified right, power and authority to pledge and to grant to Collateral Agent security interests in the Trademark Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

5. Covenants. So long as any of the Secured Obligations remain unsatisfied, Debtor agrees: (i) that it will comply in all material respects with all of the covenants, terms and provisions of this Agreement, and (ii) that it will promptly give Collateral Agent written notice of the occurrence of any event that would reasonably be expected to have a material adverse effect on any of the Trademarks and the Trademark Collateral, including any petition under the Bankruptcy Code filed by or against any licensor of any of the Trademarks for which Debtor is a licensee.

6. Future Rights. For so long as any of the Secured Obligations shall remain outstanding, or, if earlier, until Collateral Agent shall have released or terminated, in whole but not in part, its interest in the Trademark Collateral, if and when Debtor shall obtain rights to any new Trademarks, or any reissue, renewal or extension of any Trademarks, the

provisions of Section 2 shall automatically apply thereto and Debtor shall give to Collateral Agent prompt notice thereof. Debtor shall do all things deemed necessary by Collateral Agent in its discretion to ensure the validity, perfection, priority and enforceability of the security interests of Collateral Agent in such future acquired Trademark Collateral. If Debtor refuses to execute and deliver, or fails timely to execute and deliver, any of the documents it is requested to execute and deliver by Collateral Agent in connection herewith, Debtor hereby authorizes Collateral Agent to modify, amend or supplement the Schedules hereto and to re-execute this Agreement from time to time on Debtor's behalf and as its attorney-in-fact to include any future Trademarks which are or become Trademark Collateral and to cause such re-executed Agreement or such modified, amended or supplemented Schedules to be filed with the PTO.

7. Duties of Collateral Agent and the Lender Group. Notwithstanding any provision contained in this Agreement, neither Collateral Agent nor any member of the Lender Group shall have any duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to Debtor or any other Person for any failure to do so or delay in doing so. Except for the accounting for moneys actually received by Collateral Agent or any other member of the Lender Group hereunder or in connection herewith, neither Collateral Agent nor any member of the Lender Group shall have any duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Trademark Collateral.

8. Events of Default. The occurrence of any "Event of Default" under the Credit Agreement shall constitute an Event of Default hereunder.

9. Remedies. From and after the occurrence and during the continuation of an Event of Default, Collateral Agent shall have all rights and remedies available to it under the Credit Agreement and applicable law (which rights and remedies are cumulative) with respect to the security interests in any of the Trademark Collateral. Debtor hereby agrees that such rights and remedies include the right of Collateral Agent as a secured party to sell or otherwise dispose of the Trademark Collateral after default, pursuant to the UCC. Debtor hereby agrees that Collateral Agent shall at all times have such royalty-free licenses, to the extent permitted by law and the Loan Documents, for any Trademark Collateral that is reasonably necessary to permit the exercise of any of Collateral Agent's rights or remedies upon or after the occurrence of (and during the continuance of) an Event of Default with respect to (among other things) any tangible asset of Debtor in which Collateral Agent has a security interest, including Collateral Agent's rights to sell inventory, tooling or packaging which is acquired by Debtor (or its successor, assignee or trustee in bankruptcy), subject to such rights of quality control and inspection in favor of Debtor as are reasonably necessary to maintain the validity of the Trademark Collateral. In addition to and without limiting any of the foregoing, upon the occurrence and during the continuance of an Event of Default, Collateral Agent shall have the right but shall in no way be obligated to bring suit, or to take such other action as Collateral Agent, in its discretion, deems necessary, in the name of Debtor or Collateral Agent, to enforce or protect any of the Trademark Collateral, in which event Debtor shall, at the request of Collateral Agent, do any and all lawful acts and execute

any and all documents required by Collateral Agent necessary to such enforcement. To the extent that Collateral Agent shall elect not to bring suit to enforce such Trademark Collateral, Debtor, in the exercise of its reasonable business judgment, agrees to use all reasonable measures and its diligent efforts, whether by action, suit, proceeding or otherwise, to prevent the infringement, misappropriation or violation thereof by others and for that purpose agrees diligently to maintain any action, suit or proceeding against any Person necessary to prevent such infringement, misappropriation or violation.

10. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Debtor and Collateral Agent for the benefit of the Lender Group and their respective successors and assigns.

11. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Credit Agreement.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the federal laws of the United States of America and the laws of the State of New York without regard to conflicts of law principles (other than Sections 5-1401 and 5-1402 of the General Obligations Laws).

13. Entire Agreement; Amendment. This Agreement and the other Loan Documents, together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersede all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties to this Agreement. Notwithstanding the foregoing, Collateral Agent may reexecute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof.

14. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

15. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

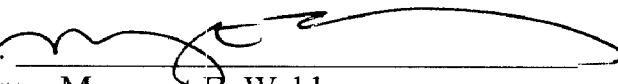
16. Credit Agreement. Debtor acknowledges that the rights and remedies of Collateral Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement and all such rights and remedies are cumulative.

17. Termination. Upon the payment and performance in full in cash of the Secured Obligations, including the cash collateralization, expiration, or cancellation of all Secured Obligations, if any, consisting of letters of credit, and the full and final termination of any commitment to extend any financial accommodations under the Credit Agreement, this Agreement shall terminate, and Collateral Agent shall execute and deliver such documents and instruments and take such further action reasonably requested by Debtor, at Debtor's expense, as shall be necessary to evidence termination of the security interest and the release and reassignment of all Trademark Collateral granted by Debtor to Collateral Agent for the benefit of the Lender Group hereunder, including cancellation of this Agreement by written notice from Collateral Agent to the PTO.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

**AVADO BRANDS, INC.,**  
a Georgia corporation

By:   
Name: Margaret E. Waldrep  
Title: Chief Administrative Officer

**ABLECO FINANCE LLC,**  
a Delaware limited liability company, as  
Collateral Agent


By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

**AVADO BRANDS, INC.,**  
a Georgia corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ABLECO FINANCE LLC,**  
a Delaware limited liability company, as  
Collateral Agent

By:  \_\_\_\_\_  
Name: Kevin Genda  
Title: Senior Vice President



**Schedule A to  
Trademark Security Agreement**

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Country	Trademark Name	Registration Number	Application Number
USA	ALLIGATOR ALE	2,316,427	
USA	ALLIGATOR ALE (and design)(Cl. 32)	2,316,405	
USA	ALLIGATOR ALE (and design)(Cl. 25)		76/368015
USA	BEAT THE HEAT SUMMER WHEAT		76/367916
USA	BIERODROME		75/759372
USA	BREWMASTER STEAK		76/368010
USA	CANYON CAFÉ	2,003,434	
USA	CHILI MACHO	2,256,185	
USA	CLEARWATER LIGHT (Cl. 32)	2,097,427	
USA	CLEARWATER LIGHT (Cl. 25)		76/368058
USA	CRABCAKE LOUNGE	2,397,465	
USA	DESERT FIRE	2,240,623	
USA	DON PABLO'S		74/705944
USA	DON PABLO'S	1,530,232	
USA	FIERY RED WINGS		76/368057
USA	FLYING SQUIRREL NUT BROWN ALE		76/368006
USA	GOLD HAMMER	2,216,488	
USA	HAMMERHEAD RED (Cl. 32)	2,139,980	
USA	HAMMERHEAD RED (Cl. 25)	Filed 2/7/02	76/368302
USA	HOPE E. HARE (stylized)	2,031,203	
USA	HOPE GRILL & BAR MICROBREWERY (and design)	1,942,248	
USA	HOPS!	1,712,533	
USA	HOPS ROOTBEER		76/368009
USA	HOPTAILS		76/305344
USA	HOPTOBERFEST		76/307786
USA	LIGHTNING BOLD GOLD (Cl. 32)	2,091,183	
USA	LIGHTNING BOLD GOLD (Cl. 25)		76/368007
USA	LUMBERJACK OATMEAL STOUT		76/368060
USA	MAMA'S SKINNY	2,167,188	
USA	PRAIRIE FIRE	2,147,501	
USA	THE REAL ENCHILADA	1,864,093	
USA	THE REAL ENCHILADA	1,863,776	
USA	THE REAL MARGARITA	2,363,634	
USA	THE SHORTEST DISTANCE BETWEEN VISION AND REALITY	2,286,666	
USA	WAIT'LL YOU SEE WHAT'S BREWING ON THE GRILL	2,112,467	

FOREIGN REGISTRATIONS OF DEBTOR

Country	Trademark Name	Registration Number
Canada	DON PABLO'S	524242
Canada	THE REAL ENCHILADA	853481
European Community	CANYON CAFE	728063
European Community	HOPS!	728097

STATE REGISTRATIONS OF DEBTOR

Country	Trademark Name	Registration Number
California	HOPS	98366
North Carolina	HOPS	T-14893
Texas	DON PABLO'S (and design)	48792
Texas	LA PLAZA DE JULIO (and design)	48793

**Schedule B to**  
**Trademark Security Agreement**

Debtor is party to that Amended and Restated Service Mark License Agreement, dated as of June 15, 2001, between Debtor, as assignee and successor in interest to all right, title and interest from Hops Grill & Bar, Inc. and Super Hops! Inc. ("Super Hops"), pursuant to which Super Hops and its affiliates have been granted a non-exclusive, royalty-free right and license by Debtor to use the marks "Hops!" and "Hops! Bistro and Brewery" at certain locations in Scottsdale, Arizona and San Diego, California.

**Schedule C to  
Trademark Security Agreement**

None.