

04-09-2002



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

RE: 1

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

Tab settings

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

1. Name of conveying party(ies): Farley's & Sathers Candy Company, Inc. 3-26-02
Individual(s) Association General Partnership Limited Partnership Corporation-State DE Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: Congress Financial Corporation (New England) Internal Address: Street Address: One Post Office Square City: Boston State: MA Zip: 02109
Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State MA 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

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other
Execution Date: February 19, 2002

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 75/518009 78/036234 B. Trademark Registration No.(s) See attached continuation sheets
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Michael Hill Internal Address: Brown Rudnick Berlack Israels LLP Street Address: One Financial Center City: Boston State: MA Zip: 02111

6. Total number of applications and registrations involved: 70
7. Total fee (37 CFR 3.41): \$ 1,765.00 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. Michael Hill Signature Date 3/13/02

04/08/2002 DBYRNE 00000234 75518009 01 FC:481 02 FC:482

Total number of pages including cover sheet, attachments, and document: 29
40.00 Documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231 1725.00 OP

TRADEMARK REEL: 002475 FRAME: 0886

RECORDATION FORM COVER SHEET (CONT.)  
TRADEMARKS ONLY

BOX 4.B. Trademark Registration No.(s)

Trademark	Registration Number	Date of Registration
Basket Bunch	2163563	6/9/98
Bat Eyes	2082280	7/22/97
Bunte (and Design)	0811444	7/19/96
Bunte (Stylized)	1041428	6/15/76
Bunte Chop Stix (Stylized)	0829872	6/6/67
Candy Carnival	1978189	6/4/96
Candy Kid	0761029	12/3/63
Catch of the Day	2145204	3/17/98
Champagne Mix	1918231	9/12/95
Chewy Mix	2154355	4/28/98
Choc-O-Buttons	1323575	3/5/85
Choc-O-Peanuts	1353124	8/6/85
Christmas Lights	2109740	10/28/97
Country Creams	2122256	12/16/97
Cupid's Treats	2148092	3/31/98
Dae Julie	1488734	5/17/88
Darlin Marlin	2072775	6/17/97
Egg-Cellent Bubbles	2248139	5/25/99
Farley's	1044334	7/20/76
Farley's (Stylized)	2220492	1/26/99
Farley's (Stylized)	2255145	6/22/99
Farley's Fruit Snacks	1903690	7/4/95
Farley's Scary Fruit Snacks (and Design)	1710259	8/25/92
Glistens	1770848	5/11/93
Gold Edition	1942778	12/19/95
Gummallos	2127831	1/6/98

<b>Trademark</b>	<b>Registration Number</b>	<b>Date of Registration</b>
Harvest Mix	2292903	11/16/99
Hearts & Darts	2339355	4/4/00
Hide & Seek Eggs	2292855	11/16/99
Holiday Cremes	2232362	3/16/99
Itsy Bitsy	1967803	4/16/96
Jelly Wreaths	2292281	11/16/99
Jennie Lee (Stylized)	0609223	7/19/55
Jumping Kangaroo Design	2098139	9/16/97
Kooky Spooks	2134574	2/3/98
Lots' A Pops	2429414	2/20/01
Loud Trout	2072776	6/17/97
Marlin Character	2431597	2/27/01
Nature's Treasure	1315951	1/22/85
Nothing Nibbles Nicer	0818060	11/1/66
Outdoorsman's Favorite	2089639	8/19/97
Parrot Pops	2109741	10/28/97
Peachy Penguins	2219813	1/19/99
Pippin (Stylized)	0504892	12/21/48
Really Naturals (and Design)	1342931	6/18/85
Really Naturals (Stylized)	1146263	1/20/81
Santa Buttons	2232433	3/16/99
Santa's Stockings	2109742	10/28/97
Sathers	0846765	3/26/68
Sathers	1514739	11/29/88
Sathers	1522815	1/31/89
Shimerees	1438665	5/5/87
Snippits	1436590	4/14/87
Sonic Boom	1874795	1/17/95
Sonic Boom Pops	2134852	2/3/98
Stove Design	1199761	6/29/82

<b>Trademark</b>	<b>Registration Number</b>	<b>Date of Registration</b>
Sweet Choice	1608414	7/31/90
Tartines	0847103	4/2/68
Taste T Sweet (and Design)	1299752	10/9/84
The National Value Line	1840754	6/21/94
Tongue Torchers	2077983	7/8/97
Trading Hearts	1879296	2/14/95
Vampire Teeth	2098223	9/16/97
Wholesome Pleasures	2155826	5/5/98
World's Greatest Gummies	2039759	2/25/97
Yuletide Mix	2228919	3/2/99
Yummy Gummies	1861097	11/1/94
Zestix	2175387	7/21/98

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## TRADEMARK SECURITY AGREEMENT

AGREEMENT dated as of February 19, 2002 made by Farley's & Sathers Candy Company, Inc. a Delaware corporation with chief executive office at One Sather Plaza, P.O. Box 28, Round Lake, MN 56167 ("Borrower"), in favor of Congress Financial Corporation (New England), a Massachusetts corporation with a place of business at One Post Office Square, Suite 3600, Boston, MA 02109 and its successors, assigns, and other legal representatives ("Secured Party").

### WITNESSETH:

WHEREAS, Borrower and Secured Party are parties to a Loan and Security Agreement, dated as of the date hereof (the "Loan Agreement"), and certain supplements, agreements and instruments entered into pursuant thereto as such may be amended, modified or supplemented from time to time (collectively, with the Loan Agreement, the "Loan Documents"), pursuant to which Secured Party may make certain loans and credit accommodations to Borrower; and

WHEREAS, Secured Party's willingness to enter into the Loan Documents and make the loans and credit accommodations available thereunder is subject to the condition, among others, that Borrower execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and for one dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in addition to, and not in limitation of, any rights of the Secured Party under the Loan Documents, Borrower hereby agrees for the benefit of Secured Party as follows:

#### 1. DEFINITIONS.

1.1 All capitalized terms used herein shall have the respective meanings provided therefor in the Loan Documents. In addition, the following terms shall have the meanings set forth in this Section 1 or elsewhere in this Security Agreement referred to below:

"Associated Goodwill" shall mean all goodwill of the Borrower or its business, products and services appurtenant to, associated with or symbolized by the Trademarks and/or the use thereof.

"Proceeds" shall mean any consideration received from the sale, exchange, license, lease or other transfer or disposition of any right, interest, asset or property which constitutes Trademark Collateral, any value received as a consequence of the ownership, possession, or use of any Trademark Collateral, and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes Trademark Collateral.

“PTO” shall mean the United States Patent and Trademark Office.

“Related Assets” shall mean all assets, rights and interests of the Borrower which uniquely reflect or embody the Associated Goodwill, including but not limited to the following: all patents, inventions, copyrights, trade secrets, confidential information, formulae, algorithms, methods, processes, compounds, know-how, operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision, licensing and sale of goods or services under or in association with any of the Trademarks, and all books and records describing or used in connection with any or all of the foregoing.

“Trademarks” shall mean all of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and/or other source and/or product or service identifiers, and general intangibles of like nature, used or associated with or appurtenant to the products, services and business of the Borrower, which (i) are set forth on Schedule A attached hereto, or (ii) have been adopted, acquired, owned, held or used by the Borrower and are now owned, held or used by the Borrower, in the Borrower's business, or with the Borrower's products and services, or in which the Borrower has any right, title or interest, or (iii) are in the future adopted, acquired, owned, held and/or used by the Borrower in the Borrower's business or with the Borrower's products and services, or in which the Borrower in the future acquires any right, title or interest.

“Trademark Collateral” shall mean all of the Borrower's right, title and interest (to the extent Borrower has any such right, title or interest) in and to all of the Trademarks, the Trademark Registrations, the Trademark Rights, the Associated Goodwill, the Related Assets, and all additions, improvements and accessions to, substitutions for, replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing.

“Trademark Registrations” shall mean all past, present or future federal, state, local and foreign registrations of the Trademarks (and all renewals and extensions of such registrations), all past, present and future applications for any such registrations of the Trademarks (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Borrower or the Secured Party, and to take any and all actions necessary or appropriate to maintain such registrations in effect and/or renew and extend such registrations.

“Trademark Rights” shall mean any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including but not limited to the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the

right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Borrower or the Secured Party for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury.

“Use” of any Trademark shall include all uses of such Trademark by, for or in connection with the Borrower or its business or for the direct or indirect benefit of the Borrower or its business, including but not limited to all such uses by the Borrower itself, by any of the affiliates of the Borrower, or by any licensee or contractor of the Borrower.

## 2. GRANT OF SECURITY; COLLATERAL ASSIGNMENT.

2.1 Grant of Security Interest. As collateral security for the complete and timely payment, performance and satisfaction of all Obligations, the Borrower hereby unconditionally grants to the Secured Party, a continuing security interest in and first priority lien on the Trademark Collateral, and pledges, mortgages and hypothecates (but does not transfer title to) the Trademark Collateral as collateral security to the Secured Party.

### 2.2 Collateral Assignment.

(a) In addition to, and not by way of limitation of, the grant, pledge, mortgage and hypothecation of the Trademark Collateral provided in Section 2.1, the Borrower hereby grants, assigns, transfers, conveys and sets over to the Secured Party, its entire right, title and interest in and to the Trademark Collateral; provided, however, that such grant, assignment, transfer and conveyance shall be and become of force and effect only upon the occurrence and continuation of an Event of Default under the Loan Documents and notice from Secured Party to Borrower. The foregoing grant, assignment, transfer and conveyance shall be referred to from time to time herein as the “Section 2.2 Assignment.”

(b) The Borrower acknowledges and agrees that, upon the effectiveness of the Section 2.2 Assignment, the Secured Party shall have the cumulative rights in and to the Trademark Collateral as are provided in this Security Agreement and in the other Loan Documents.

2.3 Supplemental to Loan Documents. The parties expressly acknowledge to the Secured Party and agree that on the date of this Security Agreement the Borrower delivered the Loan Documents pursuant to which the Borrower unconditionally granted to the Secured Party, a continuing security interest in and first priority lien on the Collateral (including the Trademark Collateral). In no event shall this Security Agreement, the Section 2.2 Assignment of the Trademark Collateral hereunder, or the recordation of this Security Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Loan Documents, the security interest of the Secured Party in the Collateral (including the Trademark Collateral) pursuant to the Loan Documents, the attachment and perfection of such security interest under the Code, or the present or future rights and interests of the Secured Party

in and to the Collateral under or in connection with the Loan Documents, this Security Agreement and/or the Code. Any and all rights and interests of the Secured Party in and to the Trademark Collateral (and any and all obligations of the Borrower with respect to the Trademark Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Secured Party (and the obligations of the Borrower) in, to or with respect to the Collateral (including the Trademark Collateral) provided in or arising under or in connection with the other Loan Documents.

2.4 Effect of Section 2.2 Assignment. Upon the effectiveness of the Section 2.2 Assignment, the Secured Party shall own the entire right, title and interest in and to the Trademark Collateral, free and clear of any lien, charge, encumbrance or claim of the Borrower or any other party (other than ownership and other rights reserved by owners of Licensed Trademarks or other Trademark Collateral licensed to the Borrower). Upon such effectiveness, in addition to all other rights and remedies of the Secured Party, whether under law, the Loan Documents or otherwise (all such rights and remedies being cumulative, not exclusive, and enforceable alternatively, successively or concurrently, without notice to or consent by the Borrower except as expressly provided otherwise herein), the Secured Party's rights and remedies with respect to the Trademark Collateral, shall include but not be limited to the following, without payment of royalty or compensation of any kind to the Borrower except as expressly provided otherwise herein:

(a) The Secured Party may exercise, in respect of the Trademark Collateral, all the rights and remedies of a secured party upon default under the Uniform Commercial Code (whether or not such Code applies to the affected Trademark Collateral) or other law applicable to any part of the Trademark Collateral.

(b) The Secured Party may operate the business of the Borrower using the Trademark Collateral.

(c) The Secured Party may, to the same extent that the Borrower has the right to do so immediately prior to the effectiveness of the Section 2.2 Assignment, license or sublicense, whether general, special or otherwise and whether on an exclusive or nonexclusive basis, any of the Trademark Collateral, throughout the world for such term or terms, on such conditions, and in such manner, as the Secured Party shall in its sole discretion determine.

(d) In general, the Secured Party may exercise, in respect of the Trademark Collateral, all rights and remedies provided under the other Loan Documents, or otherwise including, without limitation, all rights and remedies of a secured party on default under the Code (whether or not the Code applies to the Trademark Collateral).

(e) In addition to the foregoing, in order to implement the assignment, sale, transfer or other disposition of any of the Trademark Collateral, the Secured Party may, pursuant to the authority granted in the power of attorney provided in Section 5 hereof (such authority becoming effective upon the occurrence and during the continuation of an Event of



Default), execute and deliver on behalf of the Borrower one or more instruments of assignment of the Trademark Collateral, in form suitable for filing, recording or registration in any jurisdiction or country.

## 2.5 Effect of Section 2.2 Assignment - Borrower's Obligations.

(a) Upon the effectiveness of the Section 2.2 Assignment provided herein, the Borrower shall have no right, title or interest in or to any of the Trademark Collateral, and, upon notice from the Secured Party, the Borrower shall immediately cease and desist in the use of the Trademarks or any colorable imitation thereof, and shall, upon written demand of the Secured Party, deliver to the Secured Party (or the Secured Party's designee) all unused or unsold goods bearing the Trademarks.

(b) In addition, upon the effectiveness of the Section 2.2 Assignment provided herein, upon the written demand of the Secured Party, the Borrower shall execute and deliver to the Secured Party an assignment or assignments of the Trademark Collateral and such other documents as are necessary or appropriate to carry out the intent and purposes of this Security Agreement; provided that the failure of the Borrower to comply with such demand will not impair or affect the validity of the Section 2.2 Assignment. The Borrower agrees that any such assignment (including a Section 2.2 Assignment) and/or any recording thereof shall be applied to reduce the Obligations outstanding only to the extent that the Secured Party actually receives cash proceeds in respect of the assignment, sale, license, transfer or disposition of, or other realization upon, the Trademark Collateral.

(c) In the event of any such license, assignment, sale, transfer or other disposition of the Trademark Collateral, or any of it, after the occurrence and during the continuation of an Event of Default, whether to or by the Secured Party, the Borrower shall supply to the Secured Party (or the Secured Party's designee) the Borrower's know-how and expertise relating to the products and services sold and provided under the Trademarks, and other records relating to the Trademark Collateral and to the production, marketing, delivery and sale of said products and services.

2.6 No Obligations of Secured Party. Nothing herein contained shall be construed as obligating the Secured Party to take any of the foregoing actions at any time.

2.7 Costs and Application of Proceeds. The Borrower agrees to pay when due all costs incurred in any license, assignment, sale, transfer or other disposition of all or any portion of the Trademark Collateral to or by the Secured Party, including any taxes, fees and reasonable attorneys' fees, and all such costs shall be added to the Obligations. The Secured Party may apply the Proceeds actually received from any such license, assignment, sale, transfer, other disposition or other collection or realization, to the out-of-pocket costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel and other expenses which may be incurred or paid by the Secured Party in protecting or enforcing its rights upon or under this Security Agreement, the Trademark Collateral, the Collateral or the Obligations, and any proceeds remaining shall be held by the Secured Party as collateral for,

and/or then or at any time thereafter applied to the Obligations, in accordance with the Loan Documents; and the Borrower shall remain liable and will pay the Secured Party on demand any deficiency remaining, together with interest thereon at a rate equal to the highest rate then payable on the Obligations and the balance of any expenses unpaid.

2.8 License. In addition to, and not by way of limitation of, all other rights of the Secured Party and obligations of the Borrower pursuant to this Security Agreement and the other Loan Documents, upon the effectuation of a Section 2.2 Assignment, the Secured Party shall hold a non-exclusive fully paid-up, irrevocable and perpetual, worldwide right and license to make use, practice and sell (or license or otherwise transfer to third persons) the Trademark Collateral, for the exclusive purpose of (and to the extent necessary and sufficient for) the full and complete enjoyment and exercise of and realization upon the rights, remedies and interests of the Secured Party pursuant to this Security Agreement and the other Loan Documents.

3. REPRESENTATIONS AND WARRANTIES. The Borrower represents and warrants to, and covenants and agrees with, Secured Party, as follows:

3.1 Schedules of Trademarks. Set forth on Schedule A hereto is a true and complete list of all present Trademarks and Trademark Registrations of the Borrower. All licenses and other agreements applicable to the Trademarks are the valid and binding obligations of all of the parties thereto, enforceable against each of such parties in accordance with their respective terms (provided that, with respect to any such parties other than the Borrower and its affiliates, such representation and warranty is made to the best of the Borrower's knowledge and belief).

3.2 Title. The Borrower is and will continue to be the sole and exclusive owner of the entire legal and beneficial right, title and interest in and to the Trademarks (except for licenses and rights granted in the ordinary course of business and registrations in jurisdictions other than the United States of America, Canada, and the states and provinces thereof) and sufficient Trademark Collateral to preserve the Borrower's rights in its Trademarks, free and clear of any lien, charge, security interest or other encumbrance, except for the security interest and conditional assignment created by this Security Agreement and the other Loan Documents, and except for liens and encumbrances explicitly permitted pursuant to the Loan Documents. The Borrower will defend its right, title and interests in and to the Trademarks and the Trademark Collateral in the United States of America and Canada and the states and provinces thereof against any and all claims of any third parties.

3.3 Validity and Enforceability. The Trademarks and the Trademark Registrations and Trademark Rights related thereto are subsisting, and have not been adjudged invalid or unenforceable; all of the Trademarks and the Trademark Registrations and Trademark Rights related thereto are valid and enforceable; the Borrower has not received any written claim by any third party that any of the Trademarks and the Trademark Registrations and Trademark Rights related thereto are invalid or unenforceable.

3.4 Exclusive Right to Use. To the best of the Borrower's knowledge and belief except as otherwise disclosed on Schedule A, the Borrower has, and shall continue to have, the exclusive right to use all the Trademarks in the manner in which they are now used, with the goods and services with which they are now used (and, in the case of registered Trademarks, for which they are registered), and throughout the geographic areas in which they are now used (and, in the case of registered Trademarks, throughout the jurisdictions in which they are registered), free and clear of any liens, charges, encumbrances, claims or rights of any third party, or restrictions on the rights of the Borrower to protect or enforce any of its Trademark Rights against any third party.

3.5 After-Acquired Trademark Collateral. The Borrower agrees that, upon its commencement of use of or acquisition of any right, title or interest in or to any Trademark, Trademark Registration or Trademark Right other than the Trademarks, Trademark Registrations and Trademark Rights set forth on Schedule A hereto (including any variations or new versions of such scheduled Trademarks, Trademark Registrations and Trademark Rights), or upon commencement of use of any Trademark with (or the addition to any Trademark Registration of) any new class of goods or services, the provisions of this Security Agreement shall automatically apply thereto. The Secured Party shall be authorized to amend Schedule A, as appropriate, to include such additional Trademarks, Trademark Registrations and Trademark Rights, without the necessity for the Borrower's approval of or signature to such amendment, and the Borrower shall do all such other acts (at its own expense) deemed necessary or appropriate by the Secured Party to implement and preserve the Secured Party's interest therein (including but not limited to executing and delivering, and recording in all places where this Security Agreement or notice hereof is recorded, an appropriate counterpart of this Security Agreement). Such additional Trademarks, Trademark Registrations and Trademark Rights shall be automatically included in the "Trademarks," "Trademark Registrations" and "Trademark Rights" as defined herein. Upon the use of a new mark, the Borrower shall provide to the Secured Party a new Schedule A which shall amend, supplement or otherwise modify and update the prior Schedule to the then current date, and such updated Schedule A shall automatically be deemed to be a part of this Security Agreement.

3.6 Maintenance of Trademark Collateral. The Borrower shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be in its reasonable business judgment necessary or reasonably appropriate to properly maintain, protect, preserve, care properly for and enforce the Trademarks and the Trademark Registrations, Trademark Rights and Associated Goodwill relating thereto and sufficient Related Assets to preserve the Borrower's rights in the Trademarks. Without limiting the generality of the foregoing, the Borrower shall pay when due all fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of such Trademark Collateral.

3.7 Manner of Use of Trademarks. The Borrower shall continue to use the Trademarks in its business in the same or similar manner as it has in the past, for registered Trademarks shall continue to use each Trademark in each jurisdiction of registration (and in interstate commerce for federally registered Trademarks in each and every class of goods or

services for which it is registered), and in general shall continue to use the Trademarks in each and every class of goods and services applicable to the Borrower's current use of the Trademarks in its business as reflected in its current catalogs, brochures, advertising and price lists, all in order to maintain the Trademarks in full force, free from any claim or risk of abandonment for non-use.

3.8 Trademark Symbols and Notices; No Abandonment. The Borrower has in the past used, and shall in the future use, the Trademarks with the statutory and other appropriate symbols, notices or legends of the registrations and ownership thereof. The Borrower shall not abandon any of the Trademarks, Trademark Registrations or Trademark Rights, nor do any act nor omit to do any act if such act or omission is of a character that tends to cause or contribute to the abandonment of any Trademark, Trademark Registration or Trademark Right or loss of or adverse effect on any rights in any Trademark, Trademark Registration or Trademark Right. Prohibited acts of the Borrower shall include but not be limited to "assignments in gross" of any Trademark or the license of any Trademark without both appropriate contractual use and quality control provisions and proper monitoring, supervision and enforcement by the Borrower of the quality of the licensed goods or services. The Borrower shall take all necessary and appropriate actions to insure that none of the Trademarks shall become generic or merely descriptive.

3.9 Enforcement of Licenses. The Borrower shall do all things which, in its reasonable business judgment, are necessary or reasonably appropriate to insure that each licensee of any Trademark, in its use of the Trademarks in its business, shall (i) comply fully with all applicable license agreements and (ii) satisfy and perform all the same standards and obligations set forth herein (with respect to the Borrower's use of the Trademarks) as fully as though such standards and obligations were set forth with respect to such licensee's use of the Trademarks.

3.10 No Infringements. To the best of the Borrower's knowledge and belief, except as set forth on Schedule A hereto, there is at present no material infringement or unauthorized or improper use of the Trademarks or the Trademark Registrations or the Trademark Rights related thereto. In the event any such infringement or unauthorized or improper use by any third party has been reasonably established by the Borrower, the Borrower shall promptly notify the Secured Party and shall have the right to sue and recover therefor and to retain any and all damage so recovered or obtained.

3.11 Further Assurances. Without limiting the obligations of Borrower under the Loan Documents, Borrower shall take such actions as are reasonably necessary to preserve and maintain its rights in and to the Trademark Collateral. Upon the request of Secured Party, Borrower shall execute, acknowledge and deliver all documents and instruments and take such other actions, including without limitation testifying in any legal or administrative proceedings, as may be reasonably necessary or appropriate to preserve or enforce Borrower's rights in and to the Trademark Collateral or to accomplish the purposes of this Security Agreement or the Loan Documents.

#### 4. RIGHTS OF AND LIMITATIONS ON SECURED PARTY.

4.1 Borrower to Remain Liable. It is expressly agreed by Borrower that Borrower shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it relating to the Trademark Collateral. Secured Party shall not have any obligation or liability under or in relation to the Trademark Collateral by reason of, or arising out of, this Security Agreement and Secured Party's rights hereunder, or the assignment by Borrower to Secured Party of, or the receipt by Secured Party of, any payment relating to any Trademarks, nor shall Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of Borrower relating to the Trademark Collateral or be liable to any party on account of Borrower's use of the Trademark Collateral, and Borrower will save, indemnify and keep Secured Party harmless from and against all expense, loss or damage (including reasonable attorneys fees and expenses) suffered in connection with such obligations or use or suffered in connection with any suit, proceeding or action brought by Secured Party in connection with any Trademark Collateral.

4.2 Secured Party's Actions. If Borrower fails to perform or comply with any of its agreements contained herein and Secured Party, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of Secured Party incurred in connection with such performance or compliance shall be paid by Borrower on demand and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the same rate as the Obligations under the Loan Documents.

4.3 Indemnification. The Borrower shall indemnify and hold harmless the Secured Party from and against, and shall pay to the Secured Party on demand, any and all claims, actions, suits, judgments, penalties, losses, damages, costs, disbursements, expenses, obligations or liabilities of any kind or nature (except those resulting from the Secured Party's gross negligence or willful misconduct) arising in any way out of or in connection with this Security Agreement, the Trademark Collateral, custody, preservation, use, operation, sale, license (or other transfer or disposition) of the Trademark Collateral, any alleged infringement of the intellectual property rights of any third party, the production, marketing, delivery and sale of the goods and services provided under or in connection with any of the Trademarks or the Trademark Collateral, the sale of, collection from or other realization upon any of the Trademark Collateral, the failure of the Borrower to perform or observe any of the provisions hereof, or matters relating to any of the foregoing. The Borrower shall also indemnify and hold harmless the Secured Party from and against any and all claims, actions, suits, judgments, penalties, losses, damages, costs, disbursements, expenses, obligations or liabilities arising out of or in connection with any fault, negligence, act or omission of the Borrower (regardless of whether such fault, negligence, act or omission occurred or occurs prior to or after such effectiveness). The Borrower shall make no claim against the Secured Party for or in connection with the exercise or enforcement by the Secured Party of any right or remedy granted to it hereunder, or any action taken or omitted to be taken by the Secured Party hereunder (except for the gross negligence or willful misconduct of the Secured Party).

4.4 Specific Enforcement. Due to the unique nature of the Trademark Collateral, and in order to preserve its value, the Borrower agrees that the Borrower's agreements, duties and obligations under this Security Agreement shall be subject to specific enforcement and other appropriate equitable orders and remedies.

5. SECURED PARTY'S APPOINTMENT AS ATTORNEY-IN-FACT.

5.1 Appointment of Secured Party. Borrower hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Secured Party's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Security Agreement and, without limiting the generality of the foregoing, hereby gives Secured Party the power and right upon and during the existence of an Event of Default, on behalf of Borrower without notice to or assent by Borrower to do the following:

(a) to apply for and prosecute any applications for recording or registrations of any Trademark Collateral, and to file any affidavits or other documents necessary or desirable to preserve, maintain or renew any such registrations;

(b) to assign, sell or otherwise dispose of all or any part of Borrower's right, title and interest in and to the Trademark Collateral, including without limitation the Trademarks listed on Schedule A, and all registrations and recordings thereof and pending applications therefor;

(c) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to enforce any right in respect of any Trademark; to defend any suit, action or proceeding brought against Borrower with respect to any Trademark Collateral; to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate;

(d) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Trademarks as fully and completely as though Secured Party were the absolute owner thereof for all purposes;

(e) to do, at Secured Party's option and Borrower's expense, at any time or from time to time, all acts and things that Secured Party deems necessary to protect, preserve or realize upon the Trademark Collateral and Secured Party's security interests therein, in order to effect the intent of this Security Agreement; and

(f) to execute any and all documents, statements, certificates or other writings necessary or advisable in order to effect the purposes described above as Secured Party may in its sole discretion determine.

Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable prior to termination of this Security Agreement as provided in Section 6.

5.2 No Duty or Obligation. The powers conferred on Secured Party hereunder are solely to protect the interests of Secured Party in the Trademark Collateral and shall not impose any duty upon Secured Party to exercise any such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act, except for its own willful misconduct taken or omitted in bad faith.

6. GENERAL PROVISIONS. This Security Agreement is supplemental to the Loan Agreement, the terms of which, including, without limitation, the notice and governing law provisions, the waiver of jury trial, consent to service of process and jurisdiction and prohibitions on non-written waivers, the Borrower expressly accepts, confirms and acknowledges are incorporated herein by reference. In the event of any irreconcilable conflict between the provisions of this Security Agreement and the Loan Agreement, the provisions of the Loan Agreement shall govern. Termination of security interest and Section 2.2 Assignment is as provided for in Section 12 of the Loan and Security Agreement. This Security Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

FIRST SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT

IN WITNESS WHEREOF, Borrower has caused this Security Agreement to be executed by its duly authorized officer as of the date first written above.

WITNESS:

FARLEY'S & SATHERS CANDY COMPANY, INC.

*Jean Wach*

By: *Donald C. Stanners*  
Name: Donald C. Stanners  
Title: Secretary

STATE: New York  
COUNTY: New York

February 14, 2002

Then personally appeared the above-named Donald C. Stanners and stated that he is a duly authorized Secretary/CFO of Farley's & Sathers Candy Company, Inc. (the "Corporation") and acknowledged the foregoing instrument to be his free act and deed, and the free act and deed of said Corporation, before me,

*Myrna Lamolli*  
Notary Public  
My Commission Expires:

MYRNA LAMOLLI  
Notary Public, State Of New York  
No. 31-4825109  
Qualified In New York County  
Cert. Filed In New York County  
Commission Expires Jan. 31, 2003



SECOND SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT

CONGRESS FINANCIAL CORPORATION  
(NEW ENGLAND)

By:     

Name: Robert A. Kinne

Title: First Vice President

STATE: Massachusetts

COUNTY: Suffolk

February 19, 2002

Then personally appeared the above-named Robert A. Kinne and stated that he is a duly authorized First Vice President of Congress Financial Corporation (New England) (the "Secured Party") and acknowledged the foregoing instrument to be his free act and deed, and the free act and deed of said Secured Party, before me,

Michael Hill

Notary Public

My Commission Expires:

MICHAEL HILL, Notary Public  
My Commission Expires June 20, 2008

SCHEDULE A TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT

TRADEMARKS, TRADEMARK REGISTRATION,  
SERVICE MARKS

a. Trademarks, Trademark Registrations Trademark Applications, etc.

SEE ATTACHED EXHIBIT A

b. Infringements and Claims: None

c. Licenses:

Licensed

Trademark	Registration Number	Registration Date	Expiration Date	Licensor
Clear Fruit	2253722	06/15/99	06/15/09	Everfresh Beverages, Inc.
Blockheads	2345673	04/25/00	04/25/10	Gerrit J. Verburg Co.
Tootsie Roll	1988251	07/23/96	07/23/06	Tootsie Roll Industries, Inc.
Tootsie	2536259	02/05/02	02/05/12	Tootsie Roll Industries, Inc.
Tootsie Roll Midgee	0949937	01/02/73	Renewed	Tootsie Roll Industries, Inc.
Tootsie Pops	0292927	03/29/32	Renewed	Tootsie Roll Industries, Inc.
Flavor Rolls	1002967	01/28/75	Renewed	Tootsie Roll Industries, Inc.

Tootsie Roll Industries, Inc.'s other respective trademarks for all goods purchased by the Company	N/A	N/A	N/A	Tootsie Roll Industries, Inc.
Sunmark's respective trademarks for all goods purchased by Sathers from Sunmark	N/A	N/A	N/A	Sunmark, Inc.

License Agreements

<u>Name of Document</u>	<u>Date</u>	<u>Licensor's Name</u>	<u>Term</u>	<u>IP Licensed</u>
Software License Agreement	3/29/90	Control Software Inc.	perpetual	"Maintenance Control and Management System"
Software Product License Agreement	4/3/90	Data 21	perpetual	"CICS.Help for MVS"

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## UNITED STATES TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	FEDERAL STATUS	OWNER	STATE STATUS	SECURITY INTERESTS
USA	BASKET BUNCH	2163563	6/9/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	BAT EYES	2082280	7/22/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	BUNTE (AND DESIGN)	0811444	7/19/96	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	BUNTE (STYLIZED)	1041428	6/15/76	Renewed	Farley's & Sathers Candy Company, Inc.	Renewed	None
USA	BUNTE CHOP STIX (STYLIZED)	0829872	6/6/67	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CANDY CARNIVAL	1978189	6/4/96	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CANDY KID	0761029	12/3/63	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CATCH OF THE DAY	2145204	3/17/98	Registered	Farley's & Sathers Candy Company, Inc.	Registered in FL*	None
USA	CHAMPAGNE MIX	1918231	9/12/95	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CHEWY MIX	2154355-SR	4/28/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CHOC-O-BUTTONS	1323575	3/5/85	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CHOC-O-PEANUTS	1353124	8/6/85	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CHRISTMAS LIGHTS	2109740	10/28/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	COUNTRY CREAMS	2122256	12/16/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	CUPID'S TREATS	2148092	3/31/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	DAE JULIE	1488734	5/17/88	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	DARLIN MARLIN	2072775	6/17/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	EGG-CELLENT BUBBLES	2248139	5/25/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	FARLEY'S	1044334	7/20/76	Renewed	Farley's & Sathers Candy Company, Inc.	Registered in NM*	None
USA	FARLEY'S (STYLIZED)	2220492	1/26/99	Registered	Farley's & Sathers Candy Company, Inc.	Registered in NM*	None

## UNITED STATES TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	FEDERAL STATUS	OWNER	STATE STATUS	SECURITY INTERESTS
USA	FARLEY'S (STYLIZED)	2255145	6/22/99	Registered	Farley's & Sathers Candy Company, Inc.	Registered in NM*	None
USA	FARLEY'S FRUIT SNACKS	1903690	7/4/95	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	FARLEY'S SCARY FRUIT SNACKS (AND DESIGN)	1710259	8/25/92	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	GLISTENS	1770848	5/11/93	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	GOLD EDITION	1942778	12/19/95	Registered	Farley's & Sathers Candy Company, Inc.	Registered in UT*	None
USA	GUMMALLOS	2127831	1/6/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	GUMMI DUO HEARTS			Pending - Publication Review Complete	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	HARVEST MIX	2292903	11/16/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	HEARTS & DARTS	2339355 (SR)	4/4/00	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	HIDE & SEEK EGGS	2292855	11/16/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	HOLIDAY CREMES	2232362	3/16/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	ITSY BITSY	1967803	4/16/96	Registered	Farley's & Sathers Candy Company, Inc.	Registered in FL*	None
USA	JELLY WREATHS	2292281	11/16/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	JENNIE LEE (STYLIZED)	0609223	7/19/55	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	JUMPING KANGAROO DESIGN	2098139	9/16/97	Registered	Farley's & Sathers Candy Company, Inc.	N/A	None
USA	KOOKY SPOOKS	2134574	2/3/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	LOTS' A POPS	2429414	2/20/01	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	LOUD TROUT	2072776	6/17/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	MARLIN CHARACTER	2431597	2/27/01	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None

## UNITED STATES TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	FEDERAL STATUS	OWNER	STATE STATUS	SECURITY INTERESTS
USA	NATURE'S TREASURE	1315951	1/22/85	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	NOTHING NIBBLES NICER	0818060	11/1/66	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	OUTDOORSMAN'S FAVORITE	2089639	8/19/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	PARROT POPS	2109741	10/28/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	PARTY TIME MIX			"Playtime Mix" was abandoned by Favorite Brands)	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	PEACHY PENGUINS	2219813	1/19/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	PIPPIN (STYLIZED)	0504892	12/21/48	Renewed	Farley's & Sathers Candy Company, Inc.	Registered in AR and MO*	None
USA	REALLY NATURALS (AND DESIGN)	1342931	6/18/85	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	REALLY NATURALS (STYLIZED)	1146263	1/20/81	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	SANTA BUTTONS	2232433	3/16/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	SANTA'S STOCKINGS	2109742	10/28/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	SATHERS	0846765	3/26/68	Renewed	Farley's & Sathers Candy Company, Inc.	Registered in MN	None
USA	SATHERS	1514739	11/29/88	Registered	Farley's & Sathers Candy Company, Inc.	Registered in MN	None
USA	SATHERS	1522815	1/31/89	Registered	Farley's & Sathers Candy Company, Inc.	Registered in MN	None
USA	SHIMEREES	1438665	5/5/87	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	SNIPPITS	1436590	4/14/87	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	SONIC BOOM	1874795	1/17/95	Registered	Farley's & Sathers Candy Company, Inc.	Registered in IN*	None
USA	SONIC BOOM POPS	2134852	2/3/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	STOVE DESIGN	1199761	6/29/82	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None

TRADEMARK

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## UNITED STATES TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	FEDERAL STATUS	OWNER	STATE STATUS	SECURITY INTERESTS
USA	SWEET CHOICE	1608414	7/31/90	Registered	Farley's & Sathers Candy Company, Inc.	Registered in CA*	None
USA	TARTINES	0847103	4/2/68	Renewed	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	TASTE T SWEET (AND DESIGN)	1299752	10/9/84	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	THE NATIONAL VALUE LINE	1840754	6/21/94	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	THEY GOT THE MOVES			Allowed - Intent to Use	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	TONGUE TORCHERS	2077983	7/8/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	TRADING HEARTS	1879296	2/14/95	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	VAMPIRE TEETH	2098223	9/16/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	WHOLESOME PLEASURES	2155826	5/5/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	WORLD'S GREATEST GUMMIES	2039759	2/25/97	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	YULETIDE MIX	2228919	3/2/99	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	YUMMY GUMMIES	1861097	11/1/94	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None
USA	ZESTIX	2175387	7/21/98	Registered	Farley's & Sathers Candy Company, Inc.	Not Registered	None

TRADEMARK

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UNITED STATES TRADEMARKS - APPLICATIONS

Exhibit A

<b>Country</b>	<b>Trademark</b>	<b>Reg. No.</b>	<b>Reg. Date</b>	<b>Federal Status</b>	<b>Application No.</b>	<b>Application Date</b>	<b>Owner</b>
USA	Gummi Duo Hearts			Pending	75/518009	July 9, 1998	Farley's & Sathers Candy Company, Inc.
USA	They Got the Moves			Pending	78/036234	November 21, 2000	Farley's & Sathers Candy Company, Inc.

**CANADA TRADEMARKS**

<b>COUNTRY</b>	<b>TRADEMARK</b>	<b>REG. NO.</b>	<b>REG. DATE</b>	<b>FEDERAL STATUS</b>	<b>OWNER</b>
CANADA	FARLEY'S SCARY FRUIT SNACKS & DESIGN	425233	March 18, 1994	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	FRUIT SNACK FARLEY	472868	March 18, 1997	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	COUNTRY TRAIL	376869	December 7, 1990	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	DAE JULIE	438175	January 20, 1995	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	KIDDIE MIX	403106	September 25, 1992	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	RED HOT METEORS	437534	December 30, 1994	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	SATHERS	390991	November 29, 1991	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	SHIMEREES	387169	July 26, 1991	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	SNIPPITS	390942	November 29, 1991	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	SONIC BOOM	477663	September 15, 1995	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	TANG-A-ROOS	399355	June 19, 1992	Registered	Farley's & Sathers Candy Company, Inc.
CANADA	YUMMY GUMMIES	457707	May 25, 1996	Registered	Farley's & Sathers Candy Company, Inc.

INTERNATIONAL TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	RESULTS	OWNER
ARGENTINA	FARLEY	1,396,129	May 29, 1992	Registered	Farley's & Sathers Candy Company, Inc.
ARGENTINA	FARLEY'S (DEVICE)	1,396,130	May 29, 1992	Registered	Farley's & Sathers Candy Company, Inc.
AUSTRALIA	FARLEY'S	B591.179	November 25, 1992	Registered	Farley's & Sathers Candy Company, Inc.
BAHRAIN	FARLEY'S	TM15594	November 14, 1993	Not Available	Farley's & Sathers Candy Company, Inc.
BRAZIL	FARLEY'S	816215375	April 27, 1993	Registered	Farley's & Sathers Candy Company, Inc.
CHILE	FARLEY'S	394,429	October 14, 1992	Registered	Farley's & Sathers Candy Company, Inc.
COLOMBIA	FARLEY'S	171,219	January 30, 1995	Registered	Farley's & Sathers Candy Company, Inc.
COSTA RICA	FARLEY'S	96435	August 20, 1996	Registered	Farley's & Sathers Candy Company, Inc.
CTM	FARLEY'S	146,563	April 1, 1996	Registered	Farley's & Sathers Candy Company, Inc.
ECUADOR	FARLEY'S	63099	August 15, 1997	Registered	Farley's & Sathers Candy Company, Inc.
EL SALVADOR	FARLEY'S	00223	May 20, 1999	Registered	Farley's & Sathers Candy Company, Inc.
GUATEMALA	FARLEY'S	9063-95	March 30, 1998; expires March 29, 2008	Registered	Farley's & Sathers Candy Company, Inc.
HONDURAS	FARLEY'S	63016**	September 20, 1995	Registered	Farley's & Sathers Candy Company, Inc.
HONDURAS	FARLEY'S	63008**	September 20, 1995	Registered	Farley's & Sathers Candy Company, Inc.
ISRAEL	FARLEY'S	95158	July 1, 1996	Registered	Farley's & Sathers Candy Company, Inc.
JAMAICA	FARLEY'S	30,340	July 2, 1996	Registered	Farley's & Sathers Candy Company, Inc.
JAPAN	FARLEY'S	2511748	March 31, 1993	Registered	Farley's & Sathers Candy Company, Inc.
JORDAN	FARLEY'S	31266	January 20, 1994	Registered	Farley's & Sathers Candy Company, Inc.
KOREA	FARLEY'S	220,125	August 23, 1991	Renewed	Farley's & Sathers Candy Company, Inc.
KOREA	CHOC-O- BUTTONS	283,433	January 20, 1994	Registered	Farley's & Sathers Candy Company, Inc.
KUWAIT	FARLEY'S	24194***	December 12, 1993	Registered	Farley's & Sathers Candy Company, Inc.
LEBANON	FARLEY'S	58938	September 25, 1992	Registered	Farley's & Sathers Candy Company, Inc.
LITHUANIA	FARLEY'S	26287	December 29, 1997	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	CHOC-O- BUTTONS	431434	March 2, 1993 Expires May 18, 2002	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	CHOC-O- PEANUTS	469734	August 16, 1994 Expires May 18, 2002	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	COLORS	423775	October 16, 1992 Expires October 16, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	FARLEY'S	421710	September 11, 1992 Expires August 9, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.

INTERNATIONAL TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	RESULTS	OWNER
MEXICO	FARLEY'S CALIFORNIA MIX	455758	March 30, 1994 Expires September 30, 1992	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	FARLEY DYNAMIC MIX	465531	July 4, 1994 Expires September 30, 2002	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	FARLEY'S ENERGIZER MIX	465532	July 4, 1994 Expires September 30, 2002	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	FARLEY'S SCARY FRUIT SNACKS & DESIGN	437968	July 23, 1993 Expires November 22, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	RED HOT METEORS	455750	March 30, 1994 Expires November 22, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	SATHERS	436612	June 30, 1993 Expires September 2, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	SATHERS	436611	June 30, 1993 Expires September 2, 2001 (Renewal instructed)	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	SNIPPITS	386378	November 13, 1990 Expires August 2, 2005	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	SONIC BOOM	481824	December 7, 1994 Expires March 18, 2004	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	SUPER TWIST	503564	September 14, 1995 Expires April 22, 2003	Registered	Farley's & Sathers Candy Company, Inc.
MEXICO	TANG-A-ROOS	386370	November 13, 1990 Expires July 26, 2005	Registered	Farley's & Sathers Candy Company, Inc.
NEW ZEALAND	FARLEY'S	B201776	July 9, 1996	Registered	Farley's & Sathers Candy Company, Inc.
OMAN	FARLEY'S	7619	Not Available	Registered	Farley's & Sathers Candy Company, Inc.
PANAMA	FARLEY'S	61324	January 25, 1994	Registered	Farley's & Sathers Candy Company, Inc.
PHILIPPINES	FARLEY'S STYLIZED	64159	March 4, 1997	Registered	Farley's & Sathers Candy Company, Inc.
POLAND	FARLEY'S	116758	October 22, 1996; renewed on January 3, 2000	Registered	Farley's & Sathers Candy Company, Inc.
QATAR	FARLEY'S	10159	August 25, 1997	Registered	Farley's & Sathers Candy Company, Inc.
ROMANIA	FARLEY'S	30334	July 23, 1996	Registered	Farley's & Sathers Candy Company, Inc.

INTERNATIONAL TRADEMARKS

COUNTRY	TRADEMARK	REG. NO.	REG. DATE	RESULTS	OWNER
TAIWAN	CHOC-O-BUTTONS	593,795	March 16, 1993	Registered	Farley's & Sathers Candy Company, Inc.
TAIWAN	CHOC-O-PEANUTS	611,934	September 16, 1993	Registered	Farley's & Sathers Candy Company, Inc.
TAIWAN	FARLEY'S	956879	August 16, 2001	Registered	Farley's & Sathers Candy Company, Inc.
TAIWAN	FARLEY'S & DEVICE	958947	September 1, 2001	Registered	Farley's & Sathers Candy Company, Inc.
UNITED ARAB EMIRATES	FARLEY'S	5863	July 15, 1996	Registered	Farley's & Sathers Candy Company, Inc.
URUGUAY	FARLEY'S & DEVICE	237710****	March 15, 1991	Registered	Farley's & Sathers Candy Company, Inc.
VENEZUELA	CHOC-O-BUTTONS	171,088	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VENEZUELA	CHOC-O-BUTTONS	171,087	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VENEZUELA	CHOC-O-BUTTONS	171,089	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VENEZUELA	FARLEY'S	171,104	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VENEZUELA	FARLEY'S	171,103	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VENEZUELA	FARLEY'S	171,102	October 7, 1994		Farley's & Sathers Candy Company, Inc.
VIETNAM	FARLEY'S	20861	May 30, 1996	Registered	Farley's & Sathers Candy Company, Inc.

March 13, 2002

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, D.C. 20231

**Re: Trademark Security Agreement**

Dear Sir/Madam:

Please find enclosed the following documents:

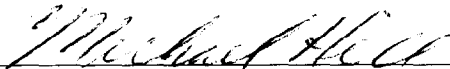
1. An original executed Trademark Recordation Form Cover Sheet with attached Continuation Sheets for Box 4.B.; and
2. An executed Trademark Security Agreement (copy).

To satisfy the PTO's administrative fees for recording the Trademark Security Agreement against each Trademark listed on the Recordation Form Cover Sheet and Continuation Sheets, I have further enclosed a check in the amount of \$1,765.00.

Thank you for your assistance in this matter. Please call me if you have any questions or comments.

Very truly yours,

**BROWN RUDNICK FREED & GESMER, P.C.**

By:   
Michael A. Hill

Enclosures

cc: Jeffery L. Keffer, Esquire

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