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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):

The Homestead, Corp.

5-20-02

- Individual(s) Association General Partnership Limited Partnership Corporation-State Rhode Island Other

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

2. Name and address of receiving party(ies)

Name: Lebanon Chemical Corporation

Internal Address:

Street Address: 1600 East Cumberland Street

City: Lebanon State: PA Zip: 17042

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Pennsylvania 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:

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

A. Trademark Application No.(s) 76001221

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

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

Name: Andy P. Berger, Esquire

Internal Address: Stevens & Lee, P. C.

Street Address: 111 North Sixth Street, P. O. Box 679

City: Reading State: PA Zip: 19603-0679

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

N/A

DO NOT USE THIS SPACE

9. Signature.

Andy P. Berger, Esquire

Name of Person Signing

Signature

1 May 02

Date

Total number of pages including cover sheet, attachments, and document: 7

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

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TRADEMARK REEL: 002513 FRAME: 0700

TRADEMARK SECURITY AGREEMENT—SHORT FORM

THIS TRADEMARK SECURITY AGREEMENT-SHORT FORM (this "Trademark Security Agreement") dated March 15, 2002 made by THE HOMESTEAD, CORP., a Rhode Island corporation having an address at P.O. Box 1165, Industrial Drive, Slatersville, Rhode Island 02876 ("Homestead"), in favor of LEBANON CHEMICAL CORPORATION, a Pennsylvania corporation having an address at 1600 East Cumberland Street, Lebanon, Pennsylvania 17042 ("Lebanon").

Background

A Homestead and Lebanon entered into a Manufacturing and Distributorship Agreement dated as of January 1, 2000 (the "Manufacturing and Distributorship Agreement") pursuant to which, among other things, (1) Homestead granted to Lebanon the right to act as an exclusive distributor within a specified geographic territory with respect to all controlled released fertilizer products manufactured by Homestead which incorporate the Single Nutrient Coating Technology (as such term is defined in the Manufacturing and Distributorship Agreement), (2) Homestead granted to Lebanon a valid, first-priority lien on, and security interest in, all of Homestead's existing and future accounts and inventory as security for the full and timely payment by Homestead to Lebanon of the purchase price for certain raw materials sold to Homestead by Lebanon which are necessary to produce such products and (3) Homestead granted to Lebanon an option to purchase the Single Nutrient Coating Technology and all intellectual property and other rights related thereto, all of which are more fully described on **Schedule "A"** attached hereto and incorporated herein by reference, all in accordance with terms and conditions set forth in the Agreement.

B Homestead and Lebanon have entered into a First Amendment to Manufacturing and Distributorship Agreement dated as of March 15, 2002 (the "First Amendment") (the Manufacturing and Distributorship Agreement and the First Amendment shall be collectively referred to herein as the "Agreement") pursuant to which, among other things, Homestead granted to Lebanon a valid, first-priority lien on, and security interest in, all of Homestead's right, title and interest in and to the Single Nutrient Coating Technology and all intellectual property and other rights related thereto (including, without limitation, the trademarks identified on **Schedule "B"** attached hereto and incorporated herein by reference (collectively, the "Trademark Collateral")) as additional security for the full and timely payment by Homestead to Lebanon of the purchase price for certain raw materials sold to Homestead by Lebanon which are necessary to produce the controlled released fertilizer products manufactured by Homestead which incorporate the Single Nutrient Coating Technology.

C In accordance with the provisions of Section 8.3 of the Agreement, Homestead and Lebanon desire to further evidence and memorialize Homestead's grant to Lebanon of (1) the lien on, and security interest in, the Trademark Collateral and (2) the option to purchase the Single Nutrient Coating Technology and all intellectual property and other rights related thereto (including, without limitation, the Trademark Collateral) by recording this trademark Security Agreement with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Homestead, intending to be legally bound, hereby agrees with Lebanon as follows:

1. Incorporation of Background and Agreement; Defined Terms.

(a) The Background provisions set forth above (including, without limitation, all defined terms set forth therein) are hereby incorporated by reference into this Trademark Security Agreement and made a part hereof as if set forth in their entirety in this Section 1(a).

(b) The Agreement, and all of the terms and provisions thereof, is hereby incorporated by reference into this Trademark Security Agreement and made a part hereof as if set forth in its entirety in this Section 1(b).

(c) Capitalized terms used in this Trademark Security Agreement which are not defined herein shall have the respective meanings given to such terms in the Agreement.

2. Security Interest in Trademark Collateral. Homestead hereby ratifies and confirms that Homestead has granted to Lebanon, as security for the full and timely payment of the Raw Materials Purchase Price plus any interest or late payment charges with respect thereto and any costs and expenses relating to the collection thereof (including, but not limited to, attorneys' fees), a valid, first-priority security interest in, and lien on, all of Homestead's right, title and interest in and to the Single Nutrient Coating Technology and all of the Rights (including, without limitation, the Trademark Collateral and the goodwill of the business symbolized by the Trademark Collateral), and all products and proceeds of any of the foregoing, pursuant to Section 8.1(c) of the Agreement.

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3. Acknowledgment Regarding Purchase Option. Homestead acknowledges that Homestead has granted to Lebanon the exclusive right and option to purchase and acquire all of Homestead's right, title and interest in, to and under all Rights under and with respect to the Single Nutrient Coating Technology as more fully set forth in the Agreement.

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

THE HOMESTEAD, CORP.

By: James M. O'Donnell, Pres.
James M. O'Donnell, President

Accepted By:

LEBANON CHEMICAL CORPORATION

By: Katherine J. Bishop
Katherine J. Bishop, President

SCHEDULE "A"
TO
TRADEMARK SECURITY AGREEMENT-SHORT FORM
DATED MARCH __, 2002
MADE BY
THE HOMESTEAD, CORP.
IN FAVOR OF
LEBANON CHEMICAL CORPORATION

DESCRIPTION OF OPTIONED TECHNOLOGY AND RIGHTS

Homestead acknowledges that Homestead has, pursuant to, and in accordance with the terms and conditions set forth in, the Manufacturing and Distributorship Agreement dated as of January 1, 2000 between Lebanon and Homestead (as amended, the "Agreement"), granted to Lebanon the exclusive right and option to purchase and acquire all of Homestead's right, title and interest in, to and under the following assets of Homestead:

(a) the process for coating fertilizer materials in a manner which enhances the nutrient content of the fertilizer materials and which is biodegradable over a prolonged period of time, which process is known as "Oligomer Coating Technology" (as used in this **Schedule "A"**, the "Single Nutrient Coating Technology"); and

(b) all rights owned, used or usable by Homestead in connection with, or which otherwise relate to, the Single Nutrient Coating Technology, of every kind and character, whether tangible or intangible, including, without limitation, the exclusive right to manufacture, license, purchase, sell and distribute all products incorporating the Single Nutrient Coating Technology, as well as the following rights and assets (whether now existing or hereafter developed or improved): (1) all intellectual property rights with respect to the Single Nutrient Coating Technology consisting of (A) all patents, patent applications and patent disclosures, together with all reissuances, continuations (in whole or in part), revisions and reexaminations thereof (including the existing Patent Rights), (B) any registered or unregistered trademarks, service marks, tradenames and logos related to the Products or the Single Nutrient Coating Technology and all goodwill associated therewith, and any applications, registrations or renewals thereof, and (C) all copyrights in both published and unpublished works that relate to conducting the business of producing, marketing and selling Products, and all applications, renewals and registrations thereof (collectively, the "Homestead Intellectual Property"); (2) all inventions (whether or not patentable), all proprietary rights and business information, and other confidential proprietary or other information used or usable in, or contemplated at any time for use in connection with, Homestead's production, marketing, promotion or sale of Products (including, but not limited to, the ideas, research, development, know-how, show-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings and specifications relating to the Single Nutrient Coating Technology and any other similar items (collectively, the "Trade Secrets"), whether or not any such Trade Secrets have been reduced to writing or any other tangible form or media, together with all documents and things embodying, incorporating or referring in any way to such Trade Secrets and all rights incident thereto, including the right to sue for and to enjoin and to collect damages for the actual or

threatened misappropriation of any such Trade Secret; (3) all records relating to the manufacture, sale, marketing and distribution of Products, including customer lists, and all pricing and other cost information and business and marketing plans and proposals relating to the Products; (4) all software programs related to the Single Nutrient Coating Technology and the Homestead Intellectual Property and Trade Secrets (including both source and object codes and related applications and data files), and all documentation (including flow charts, logic diagrams, manuals, guides and specifications) with respect to such software, together with all rights with respect to software programs and documentation including, but not limited to, licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvements rights, renewal rights or model conversions of any of the foregoing; and (5) all rights under and with respect to any Third Party Distributorship Agreements (including, but not limited to, all rights, if any, under any Third Party Distributorship Agreements which have been terminated as contemplated in Section 1.4(b) of the Agreement (as such term is hereinafter defined in this **Schedule "A"**)).

Capitalized terms used in this **Schedule "A"** which are not otherwise defined herein shall have the respective meanings given to such terms in the Agreement.

**SCHEDULE "B"
TO
TRADEMARK SECURITY AGREEMENT-SHORT FORM
DATED MARCH __, 2002
MADE BY
THE HOMESTEAD, CORP.
IN FAVOR OF
LEBANON CHEMICAL CORPORATION**

TRADEMARK COLLATERAL

Pending United States Trademark Application for "OLIGOMER SULFATE", Serial Number 76001221, filed by Homestead in the United States Patent and Trademark Office on March 15, 2000.