

Form PTO-1594
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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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):
Otis Spunkmeyer, Inc.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____

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

2. Name and address of receiving party(ies)
Name: **Merrill Lynch Capital**
Internal Address: **17th Floor**
Street Address: **222 N. LaSalle Street**
City: **Chicago** State: **IL** Zip: **60601**

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 a division of Merrill Lynch Business Financial Services, Inc.
 Other a New York Banking corporation _____

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 **Collateral Agreement**

Execution Date: **August 21, 2002**

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
75/432374 76/069904 76/174879 76/224967 76/373817
76/383107 76/400775 76/419100 76/418898

Additional number(s) attached Yes No

B. Trademark Registration No.(s)
1758569 2419375 2350649 2350648 2304751 2324886
1353152 2444707

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: **Andrew Glass, Esq.**
 Internal Address: _____
Skadden, Arps, Slate, Meagher & Flom LLP
 Street Address: **Four Times Square**
 City: **New York** State: **NY** Zip: **10036-6522**

6. Total number of applications and registrations involved: **17**

7. Total fee (37 CFR 3.41).....\$ **440.00**

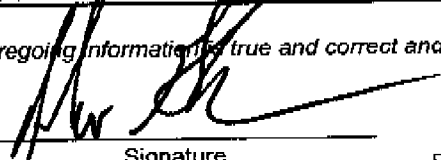
Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
19-2385 [Our Ref: 374220-1989]

(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.

Andrew Glass  **August 21, 2002**

Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: **5**

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

COLLATERAL AGREEMENT¹

(TRADEMARKS)

WHEREAS, Otis Spunkmeyer, Inc., a Delaware corporation (herein referred to as "Grantor"), registered or applied to register the trademarks listed on the annexed Schedule 1 annexed hereto as part hereof in the United States Patent and Trademark Office (the "Trade-marks");

WHEREAS, Grantor is obligated to Merrill Lynch Capital, a division of Merrill Lynch Business Financial Services Inc., as administrative agent (referred to herein as the "Grantee") and the other Secured Parties as defined in the Collateral Agreement dated as of August 21st, 2002 (the "Collateral Agreement") among Grantor, the other Grantors named therein and the Grantee for the payment and performance of the Guarantor Obligations (as defined in the Collateral Agreement); and

WHEREAS, pursuant to the Collateral Agreement, Grantor has granted to Grantee a security interest in all right, title and interest of Grantor in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks including, without limitation, any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Guarantor Obligations;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby further grant to Grantee a security interest in the Collateral to secure the prompt payment, performance and observance of the Guarantor Obligations.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Collateral made and granted hereby are more fully set forth in the Collateral Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Grantee's address is 222 N. LaSalle Street, 17th Floor, Chicago, IL 60601.

¹ Note that when this Collateral Agreement is sent to the Patent and Trademark Office for recordation, it must be accompanied by an official PTO cover sheet; otherwise, it will be rejected by the PTO.

IN WITNESS WHEREOF, Grantor has caused this Collateral Agreement to be duly executed by its officer thereunto duly authorized as of the 21st day of August, 2002.

OTIS SPUNKMEYER, INC.

By: John S. Swan
Name:
Title:

[COLLATERAL AGREEMENT – TRADEMARKS]

SCHEDULE 1 TO COLLATERAL AGREEMENT
UNITED STATES TRADEMARK
APPLICATIONS/REGISTRATIONS

TRADEMARK	APPLN. NO./DATE REG. NO./DATE
OUTTA THE OVEN OTIS FRESH	76/400,775 April 26, 2002
MOLTON LAVA	76/383,107 March 14, 2002
YOUR SWEET STOP	76/373,817 February 22, 2002
SPUNKMEYER	76/224,967 March 15, 2001
OTIS	76/174,879 December 4, 2000
LAYER BAG	76/069,904 June 14, 2000
SPUNKIES	76/418,898 June 7, 2002
VALUE ZONE	76/419,100 June 10, 2002
PINNACLE	2,444,707 April 17, 2001
PASSPORT PEANUT BUTTER CHOCOLATE CHUNK	75/432,374 February 11, 1998
BAKING A DIFFERENCE	2,350,649 May 16, 2000
TRAVEL LITE	2,324,886 February 29, 2000
OTIS EXPRESS	2,304,751 December 28, 1999
SWEET DISCOVERY	2,350, 648 May 16, 2000
GOT COOKIES?	2,419,375 January 9, 2001
OTIS SPUNKMEYER	1,758,569 March 16, 1993

TRADEMARK	APPLN. NO./DATE REG. NO./DATE
	March 16, 1993
OTIS SPUNKMEYER	1,353,152 August 6, 1985