

01-03-2003

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To the Honorable Commissioner of Patents

102327720

original documents or copy thereof.

1. Name of conveying party(ies):

Yarnell Ice Cream Company, Inc.

- ☐ Individual(s) ☐ Association  
☐ General Partnership ☐ Limited Partnership  
☒ Corporation-State ☐ Arkansas  
☐ Other

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

3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Other

Execution Date: October 17, 2002

2. Name and address of receiving party(ies)

Name: The CIT Group/Business Credit, Inc.  
Internal  
Address:  
Street  
Address: 900 Ashwood Parkway, Suite 610  
City: Atlanta State GA Zip 30338  
☐ Individual(s) citizenship  
☐ Association  
☐ General Partnership  
☐ Limited Partnership  
☒ Corporation-State New York  
☐ Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: ☐ Yes ☒ No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? ☐ Yes ☒ No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,509,218, 2,343,265, 2,316,804, 2,226,444, 2,215,013, 2,205,913,  
2,200,109, 2,200,081, 2,192,459, 2,189,588, 2,189,581, 2,181,580,  
2,179,680, 2,172,033, 2,120,649, 2,099,328, 2,096,125, 2,065,990,  
1,703,561, 1,273,774, 1,233,807

Additional number(s) attached ☐ Yes ☒ No

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

Name: Daniele E. Bourgeois  
Internal Address: TROUTMAN SANDERS LLP  
Bank of America Plaza, Suite 5200

Street Address: 600 Peachtree Street  
City: Atlanta State Ga Zip: 30308

6. Total number of applications and registrations involved: 21

7. Total fee (37 CFR 3.41) \$ 540.00

- ☒ Enclosed  
☐ Authorized to be charged to deposit account

8. Deposit account number:

20-1507

(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.

Daniele E. Bourgeois

Name of Person Signing

Signature

December 16, 2002

Date

Total number of pages including cover sheet, attachments, and document: 13

01 FC:8521 00000143 2509218

01 FC:8521  
02 FC:8522

40.00 OP  
500.00 OP

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

1088650\_1.DOC

TRADEMARK  
REEL: 002642 FRAME: 0443

# GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein the "Agreement") made as of this 17 day of October, 2002, by **Yarnell Ice Cream Company, Inc.**, an Arkansas corporation, with its principal place of business at 205 South Spring, Searcy, Arkansas, 72143 (herein the "Company"), and **The CIT Group/Business Credit, Inc.**, a New York corporation, with offices at Suite 610, 900 Ashwood Parkway, Atlanta, Georgia, 30338 (herein "CITBC").

## W I T N E S S E T H:

WHEREAS, the Company and CITBC are parties to a certain Financing Agreement of even date herewith, as the same may be amended from time to time (herein the "Financing Agreement"), which Financing Agreement provides (i) for CITBC to make certain loans, advances and extensions of credit, all to or for the account of the Company and (ii) for the grant by the Company to CITBC of a security interest in certain of the Company's assets, including, without limitation, its patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, all as more fully set forth therein;

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. Definitions. Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. Grant of Security Interest. To secure the payment of the "Obligations" (as defined in the Financing Agreement), the Company hereby grants to CITBC a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively herein the "Intellectual Property Collateral"):
  - (i) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");
  - (ii) Trademarks, trademark registrations and/or applications and tradenames including, without limitation, the trademarks and applications, if any, listed on Schedule B attached hereto and made a part hereof, and any and all reissues

and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");

- (iii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule C attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");
- (iv) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral; and
- (v) All cash and non-cash proceeds of the foregoing.

3. CITBC's Rights. Upon the occurrence and continuance of any Event of Default under the Financing Agreement, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the Company or such other address of which they have been notified at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC upon the occurrence of any Event of Default under the Financing Agreement, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CITBC concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs and continues an Event of Default under the Financing Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom provided, however, that from and after the occurrence and continuation of an Event of Default such right will, upon the exercise by CITBC of the rights provided by this Agreement, be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon

CITBC or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CITBC any duty or responsibility to maintain the Intellectual Property Collateral.

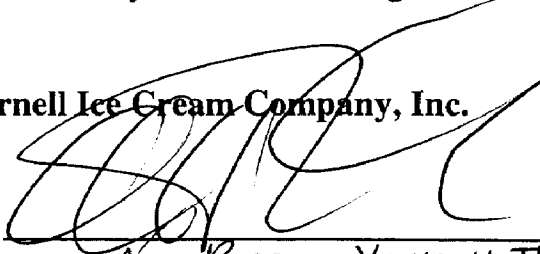
4. Fees. The Company will pay all filing fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and maintain the perfection of its security interest in the Intellectual Property Collateral.
5. Representations and Warranties. The Company represents and warrants: that the Company lawfully possesses and owns the Intellectual Property Collateral and that except for the security interest granted hereby and Permitted Encumbrances (as defined in the Financing Agreement), the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof; that the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and that there are no known infringements of the Intellectual Property Collateral.
6. Application of Proceeds. The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied in accordance with the Financing Agreement.
7. Defense of Claims. The Company will defend at its own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all reasonable costs and expenses incurred by CITBC in defending any such action, claim or proceeding.
8. Rights Cumulative. This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights that CITBC has under the Financing Agreement. The Company agrees to execute and deliver to CITBC (at the Company's expense) any further documentation or papers reasonably necessary to carry out the intent or purpose of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.
9. Construction and Invalidity. Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
10. **CHOICE OF LAW. THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF GEORGIA. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CITBC WITH RESPECT TO THE INTELLECTUAL**

**PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CITBC AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CITBC EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.**

11. Events of Default. The occurrence and continuation of an Event of Default under the Financing Agreement shall constitute an Event of Default hereunder.
12. Notices. The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CITBC written notice in the manner provided in the Financing Agreement of:
  - (i) any material claim by a third party that the Company has infringed on the rights of a third party;
  - (ii) any suspected infringement by a third party on the rights of the Company; or
  - (iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.
13. Further Assurances. The Company will take any such action as CITBC may reasonably require to further confirm or protect CITBC's rights under this Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CITBC a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any action in the Company's behalf reasonably required to effectuate the terms, provisions and conditions of this Agreement.
14. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Company thereunder. Upon the Company's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the 17<sup>th</sup> day of October, 2002.

**Yarnell Ice Cream Company, Inc.**

By:   
Name: A. Rogers Yarnell II  
Title: President

Agreed and Accepted this  
\_\_\_ day of October, 2002

**The CIT Group/Business Credit, Inc.**

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

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the \_\_\_\_ day of October, 2002.

**Yarnell Ice Cream Company, Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agreed and Accepted this  
28<sup>th</sup> day of October, 2002

**The CIT Group/Business Credit, Inc.**

By:  \_\_\_\_\_

Name: John F. Bohan

Title: Vice President

## IRREVOCABLE POWER OF ATTORNEY

**Yarnell Ice Cream Company, Inc.**, with offices at 205 South Spring, Searcy, Arkansas, 72143, (hereinafter referred to as the "Company"), hereby grants to **The CIT Group/Business Credit, Inc.**, a New York corporation, with offices at Suite 610, 900 Ashwood Parkway, Atlanta, Georgia, 30338 (hereinafter referred to as "CITBC"), the exclusive Irrevocable Power of Attorney to transfer to CITBC, or to any designee of CITBC, all Intellectual Property Collateral listed on the Schedules attached to the Grant of Security Interest in Patents, Trademarks and Licenses (the "Agreement"), dated as of the date hereof, between the Company and CITBC including, without limitation, all patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, and licenses together with the goodwill of the business connected with or symbolized by such Intellectual Property Collateral and the Company's entire inventory of labels and decals bearing any trademarks not affixed to its products, and the right to operate and control, sell, assign, and transfer the business under those trademarks under the following terms and conditions:

1. The Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising indebtedness, liabilities or obligations of the Company to CITBC are outstanding under the Financing Agreement, dated on or about the date hereof, between the Company and CITBC.

2. The Power of Attorney granted herein shall be irrevocable throughout the duration of its life as specified in Paragraph 1 hereinabove;

3. The Power of Attorney granted herein shall only be exercisable by CITBC after the occurrence and during the continuance of an Event of Default under the Financing Agreement between CITBC and the Company; and

4. CITBC shall give the Company ten (10) days prior written notice of the exercise of this power, and the waiver by CITBC of any particular Event of Default as set forth in Paragraph 3 hereinabove shall have no force or effect unless in writing and signed by an authorized officer of CITBC. Even then such waiver shall not constitute or be considered a waiver of any other Event of Default then existing or thereafter arising whether similar or not.



IN WITNESS WHEREOF, the Company has caused this Power of Attorney to be executed as of the 17<sup>th</sup> day of October, 2002.

**Yarnell Ice Cream Company, Inc.**

By: 

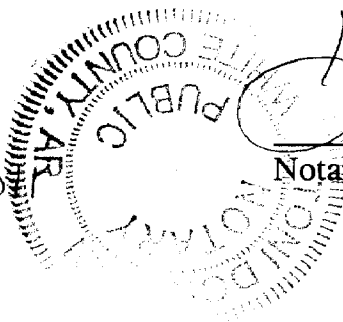
Name: A. Rogers Yarnell II

Title: President

STATE OF ARKANSAS )  
COUNTY OF WHITE )

On October 17, 2002, before me, the undersigned, a notary public in and for said State, personally appeared A. Rogers Yarnell II known to me to be the President of **Yarnell Ice Cream Company, Inc.**, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws and a resolution of its board of directors.

WITNESS my hand and official seal.

 Douglas Donovan  
Notary Public

222-20

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

**between**

**YARNELL ICE CREAM COMPANY, INC.**

**and**

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. PATENTS**

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
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*None*

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**SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

between

**YARNELL ICE CREAM COMPANY, INC.**

and

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. TRADEMARKS**

Title or Mark

Registration No.

Registration Date

Trademark Name	Registraion/ Application Number	Date Registered
<b>U.S. Trademark Applications and Registrations</b>		
Yarnell's (script)	1,233,807	4/5/1983
YARNELL	1,273,774	4/10/1984
Yarnell's Down-Home Goodness	1,703,561	7/28/1992
BIG'UNS	2,509,218	11/20/2001
Cool Cow design	2,343,265	4/18/2000
Guilt Free	2,316,804	2/8/2000
<i>Frozen Dairy Confections</i>	1,735,084	2/8/2000
<i>Frozen Confections</i>	2,120,649	12/9/1997
<i>Dairy Based Dips</i>	2,065,990	5/27/1997
<i>Egg Nog/Not Frozen Yogurt</i>	2,099,328	9/23/1997
<i>Cakes/Candy/Pies, Fruit</i>	2,172,033	7/7/1998
<i>Chocolate Syrup/Chocolate Syrup Topping</i>	2,179,680	8/11/1998
<i>Soft drinks low calorie</i>	2,181,580	8/11/1998
<i>Non-Dairy Dips</i>	2,189,581	9/15/1998
<i>Doughnuts</i>	2,189,588	9/15/1998
<i>Barbeque Sauce/Catsup</i>	2,200,109	10/27/1998
<i>Processed Nuts</i>	2,200,081	10/27/1998
<i>Processed Meat</i>	2,192,459	10/27/1998
<i>Fruit Topping</i>	2,215,013	12/29/1998
<i>Milk/Cottage Cheese/Sour Cream</i>	2,096,125	9/9/1997
<i>Chocolate Pies</i>	2,226,444	2/23/1999
<i>Guilt Free</i>	2,205,913	3/20/1995
cocoa; cakes; rolls; doughnuts; muffins; cheese cakes; candy; gravies; cookies; syrup; namely, chocolate syrup and table syrup; sugar; puddings; cake frostings; pies, namely, fruit pies and chocolate pies; sugar substitutes; pizza; frozen confections; frozen deserts; dairy-based desserts; frozen yogurt; ice cream; salad dressings; mayonnaise; and chocolate toppings		
<b>State Trademark Applications and Registration</b>		
YARNELL'S ICE CREAM CLASSIC FLAVORS	66-86	4/7/1996
YARNELL'S CLASSIC FLAVORS	134-88	4/27/1998
YARNELL'S GUILT FREE FROZEN DIETARY DAIRY DESSERTS	112-90	4/26/1995

**SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

between

**YARNELL ICE CREAM COMPANY, INC.**

**and**

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. LICENSES**

Name

Registration No.

Registration Date

*None*