

# TRADEMARK RECORDATION COVER SHEET

U.S. Patent and Trademark Office  
Office of Public Records  
Attn: Customer Services Counter  
Crystal Gateway 4, 3<sup>rd</sup> Floor  
1213 Jefferson Davis Highway, 3<sup>rd</sup> Floor  
Arlington, Virginia 22202-3513



01-14-2003



102336702

Please record the attached original documents ~~and~~ copy thereof.

|  |   |   |  |
|--|---|---|--|
| <p>1. Name of conveying party(ies):<br/><b>Ampo Industries, Inc.</b></p> <p><input type="checkbox"/> Individual(s) <span style="margin-left: 100px;">1-8-03</span><br/> <input type="checkbox"/> Association<br/> <input type="checkbox"/> General Partnership<br/> <input type="checkbox"/> Limited Partnership<br/> <input checked="" type="checkbox"/> Corporation-State <u>Michigan</u><br/> <input type="checkbox"/> Other _____</p> <p>Additional name(s) conveying party(ies) attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>   | <p>2. Name and address of receiving party(ies):</p> <p>Name: <u>Foothill Capital Corporation</u><br/> Street Address: <u>2450 Colorado Blvd.</u><br/> <u>Suite 3000</u><br/> City <u>Santa Monica</u> State <u>CA</u> Zip <u>90404</u></p> <p><input type="checkbox"/> Individual(s) _____<br/> <input type="checkbox"/> Association _____<br/> <input type="checkbox"/> General Partnership _____<br/> <input type="checkbox"/> Limited Partnership _____<br/> <input checked="" type="checkbox"/> Corporation-State <u>California</u><br/> <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States,<br/>A domestic representative designation<br/>is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(Designation must be a separate document from<br/>Assignment)</p> <p>Additional name(s) and address(es)<br/>attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |   |  |
| <p>3. Nature of conveyance:</p> <p><input type="checkbox"/> Assignment<br/> <input type="checkbox"/> Merger<br/> <input checked="" type="checkbox"/> Security Agreement<br/> <input type="checkbox"/> Change of Name<br/> <input type="checkbox"/> Other _____</p> <p>Execution Date: <u>October 30, 2002</u></p>  |   |   |  |
| <p>4. Application number(s) or registration number(s) 1</p> <table style="width: 100%;"> <tr> <td style="width: 50%;"> <p>A. Trademark Application No(s):<br/>Please see attached Exhibit A.</p> </td> <td style="width: 50%;"> <p>B. Trademark Registration No(s):<br/>Please see attached Exhibit A.</p> </td> </tr> </table> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 40%;"> <p>01/14/2003 LHMELLER 00000049 2292863</p> <p>01 FC:8521 40.00 DP</p> <p>02 FC:8522 425.00 DP</p> </div> <div style="width: 50%; text-align: right;"> <p>40.00 DP</p> <p>425.00 DP</p> </div> </div> |   | <p>A. Trademark Application No(s):<br/>Please see attached Exhibit A.</p> | <p>B. Trademark Registration No(s):<br/>Please see attached Exhibit A.</p> |
| <p>A. Trademark Application No(s):<br/>Please see attached Exhibit A.</p>  | <p>B. Trademark Registration No(s):<br/>Please see attached Exhibit A.</p>  |   |  |
| <p>5. Name and address of party to whom correspondence concerning documents should be mailed:</p> <p>Name: <u>Marshall C. Stoddard, Esq.</u><br/> Street Address: <u>Mayer, Brown, Rowe &amp; Maw</u><br/> <u>350 South Grand Avenue, 25<sup>th</sup> Floor</u><br/> City: <u>Los Angeles</u><br/> State: <u>CA</u> Zip: <u>90071</u></p>  | <p>6. Total number of applications and registrations involved: <u>18</u></p> <p>7. Total fee (37 CFR 3.41) <u>\$465.00</u></p> <p><input checked="" type="checkbox"/> Enclosed<br/> <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____<br/> (Attach duplicate copy of this page if paying by deposit account)</p>   |   |  |

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.

**Terry Luu**

Name of Person Signing

Signature

**December 20, 2002**

Date

# EXHIBIT A

## List of Trademarks

| #   | Mark                                   | Registration No. | Registration Date | Serial No. | Filing Date |
|-----|--|------------------|-------------------|------------|-------------|
| 1.  | Zinnia Patch                           | 2292883          | 11/16/99          |            |             |
| 2.  | Born to be Wild                        | 2261719          | 7/13/99           |            |             |
| 3.  | Mother Earth Premium Flower Collection | 2250586          | 6/01/99           |            |             |
| 4.  | Amturf Lawn Patch                      | 2308303          | 01/18/00          |            |             |
| 5.  | Dog Patch                              | 2269486          | 08/10/99          |            |             |
| 6.  | Amturf                                 | 2145480          | 3/17/98           |            |             |
| 7.  | Kitty Soft                             | 2153029          | 4/21/98           |            |             |
| 8.  | Daisy Patch                            | 2120539          | 12/09/97          |            |             |
| 9.  | Poppy Patch                            | 2120568          | 12/09/97          |            |             |
| 10. | Morning Glory Patch                    | 2155512          | 5/05/98           |            |             |
| 11. | Kids Flower Patch                      | 2093620          | 9/02/97           |            |             |
| 12. | Kids Patch                             | 2063862          | 5/20/97           |            |             |
| 13. | Landscape Solutions                    | 2044327          | 3/11/97           |            |             |
| 14. | Erosion Patch                          | 1833987          | 5/03/94           |            |             |
| 15. | Ampet                                  | 1841457          | 6/21/94           |            |             |
| 16. | Ampet Bioflush                         | 1870742          | 12/27/94          |            |             |
| 17. | Herb Patch                             | 1705938          | 8/04/92           |            |             |
| 18. | Amturf                                 | 1452412          | 8/11/87           |            |             |

**COLLATERAL ASSIGNMENT OF TRADEMARKS  
(SECURITY AGREEMENT)**

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS (SECURITY AGREEMENT) dated October ~~30~~ 2002 (this "Security Agreement"), s made between AMPRO INDUSTRIES, INC., a Michigan corporation with an office at 655 Montgomery Street, San Francisco, California 94111 ("Pledgor"), and FOOTHILL CAPITAL CORPORATION, a California corporation with an office at 2450 Colorado Boulevard, Suite 3000 West, Santa Monica, California 90404 ("Pledgee"), as agent for the Lenders (as defined below).

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

WHEREAS, Pledgee, the lenders from time to time party thereto (the "Lenders") and Easy Gardener, Inc., a Delaware corporation, Ampro Industries, Inc., a Michigan corporation, Weatherly Consumer Products Group, Inc., a Delaware corporation and Weatherly Consumer Products, Inc., a Delaware corporation (collectively referred to herein as the "Borrower"), have entered into that certain Loan and Security Agreement, dated as of the date hereof (the "Loan Agreement" and together with all documents in connection therewith, "Loan Documents") (capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Loan Documents), pursuant to which the Lenders will provide certain financial accommodations to Borrower;

WHEREAS, Pledgor owns all right, title, and interest in and to, among other things, all the trademarks, United States trademarks and trademark registrations, and the trademark applications and tradenames, set forth on Exhibit A hereto (the "Trademarks"); and

WHEREAS, in order to secure Pledgor's obligations to the Lenders under the Loan Agreement, Pledgor has agreed to grant to Pledgee a security interest in the Trademarks and the goodwill and certain other assets with respect to the Trademarks, as further set forth herein, and Pledgee has requested Pledgor to enter into this Security Agreement to further evidence such security interest.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration received and to be received, as security for the full payment and performance of Pledgor's obligations under the Loan Agreement, and to induce the Lenders to make loans and advances to Borrower, Pledgor hereby grants to Pledgee, for the benefit of Pledgee, the Lenders, and any provider of a Bank Product, a continuing security interest in:

- (a) the Trademarks;
- (b) all registrations of the Trademarks in any State of the United States and any foreign countries and localities;
- (c) all tradenames, trademarks and trademark registrations hereafter adopted or acquired and used, including, but not limited to, those which are based upon or derived from the Trademarks or any variations thereof (the "Future Trademarks");

- (d) all extensions, renewals, and continuations of the Trademarks and Future Trademarks and the registrations referred to in clause (b) above;
- (e) all rights to sue for past, present and future infringements of the Trademarks and Future Trademarks;
- (f) all packaging, labeling, trade names, service marks, logos, and trade dress including or containing the Trademarks and Future Trademarks, or a representation thereof, or any variation thereof;
- (g) all licenses and other agreements under which Pledgor is licensor, and all fees, rents, royalties, proceeds or monies thereunder, relating to the Trademarks and Future Trademarks and the use thereof; and
- (h) all goodwill of Pledgor's business connected with, symbolized by or in any way related to the items set forth in clauses (a) through (g) above.

All of the foregoing items set forth in clauses (a) through (h) are hereinafter referred to collectively as the "Collateral."

AND Pledgor hereby covenants with Pledgee as follows:

1. Pledgor's Obligations. Pledgor agrees that, notwithstanding this Security Agreement, it will perform and discharge and remain liable for all its covenants, duties, and obligations arising in connection with the Collateral and any licenses and agreements related thereto. Neither Pledgee nor any Lender shall have any obligation or liability in connection with the Collateral or any licenses or agreements relating thereto by reason of this Security Agreement or any payment received by Pledgee or any Lender relating to the Collateral, nor shall Pledgee or any Lender be required to perform any covenant, duty, or obligation of Pledgor arising in connection with the Collateral or any license or agreement related thereto or to take any other action regarding the Collateral or any such licenses or agreement.

2. Representations and Warranties. Pledgor represents and warrants to Pledgee that:

- (a) Pledgor is the owner of the Collateral, and no adverse claims are currently outstanding with respect to its title to or the validity of the Collateral;
- (b) the Trademarks are the only trademarks, trademark registrations, trademark applications and trade names in which Pledgor has any or all ownership right, title and interest;
- (c) none of the Collateral is subject to any mortgage, pledge, lien, security interest, lease, charge, encumbrance or license (by Pledgor as licensor), except for Pledgee's interests granted hereunder and Permitted Liens; and
- (d) when this Security Agreement is filed in the United States Patent and Trademark Office (the "Trademark Office") and the Pledgee has taken the other actions contemplated in this Security Agreement and by the Loan Documents, this Security Agreement will create a legal and valid perfected and continuing lien on and security interest in the Collateral in

favor of Pledgee, enforceable against Pledgor and all third parties, subject to no other mortgage, lien, charge, encumbrance, or security or other interest other than Permitted Liens.

3. Covenants. Pledgor will maintain the Collateral, defend the Collateral against the claims of all persons, and will maintain and renew all registrations of the Collateral; provided, however, that Pledgor will not be required to maintain any Collateral which no longer has any material economic value and is not related to any Inventory. Pledgor will maintain the same standard of quality (which Pledgee has reviewed) for the goods and services in connection with which the Trademarks are used as Pledgor maintained for such goods and services prior to entered into this Security Agreement. Pledgee shall have the right to enter upon Pledgor's premises at all reasonable times to monitor such quality standards. Without limiting the generality of the foregoing, and so long as any Trademark or Future Trademark has material economic value or is related to any Inventory, Pledgor shall not permit the expiration, termination or abandonment of such Trademark or Future Trademark without the prior written consent of Pledgee. If, before the Pledgor's obligations under the Loan Agreement have been satisfied in full and the Loan Documents have been terminated, Pledgor shall obtain rights to or be licensed to use any new trademark, or become entitled to the benefit of any trademark application or trademark registration, the provisions of Section 1 hereof shall automatically apply thereto and Pledgor shall give Pledgee prompt notice thereof in writing.

4. Use Prior to Default. Effective until Pledgee's exercise of its rights and remedies upon an Event of Default under and as defined in the Loan Documents (an "Event of Default"), Pledgor shall be entitled to use the Collateral in the ordinary course of its business, subject to the terms and covenants of the Loan Documents and this Security Agreement.

5. Remedies Upon Default. Whenever any Event of Default shall occur and be continuing, Pledgee shall have all the rights and remedies granted to it in such event by the Loan Agreement, which rights and remedies are specifically incorporated herein by reference and made a part hereof, and any and all rights and remedies of law available to Pledgee or any Lender. Pledgee in such event may collect directly any payments due to Pledgor in respect of the Collateral and may sell, license, lease, assign, or otherwise dispose of the Collateral in the manner set forth in the Loan Agreement. Pledgor hereby agrees that Pledgee shall at all times have such royalty-free licenses, to the extent permitted by law and the Loan Documents, for any Collateral that is reasonably necessary to permit the exercise of any of Pledgee's rights or remedies upon or after the occurrence of (and during the continuance of) an Event of Default with respect to (among other things) any tangible asset of Pledgor or any of its Affiliates in which Pledgee has a security interest, including Pledgee's rights to sell inventory, tooling or packaging which is acquired by Pledgor or any of its Affiliates (or is successor, assignee or trustee in bankruptcy). Pledgor agrees that, in the event of any disposition of the Collateral upon and during the continuance of any such Event of Default, it will duly execute, acknowledge, and deliver all documents necessary or advisable to record title to the Collateral in any transferee or transferees thereof, including, without limitation, valid, recordable assignments of the Trademarks or Future Trademarks. In the event Pledgor fails or refuses to execute and deliver such documents, Pledgor hereby irrevocably appoints Pledgee as its attorney-in-fact, with power of substitution, to execute, deliver, and record any such documents on Pledgor's behalf.

Notwithstanding any provision hereof to the contrary, during the continuance of an Event of Default, Pledgor may sell any merchandise or services bearing the Trademarks and Future Trademarks in the ordinary course of its business and in a manner consistent with its past practices, until it receives written notice from Pledgee to the contrary. The preceding sentence shall not limit any right or remedy granted to Pledgee with respect to Pledgor's inventory under the Loan Documents or any other agreement now or hereinafter in effect.

6. Cumulative Remedies. The rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies provided by law. The rights and remedies provided herein are intended to be in addition to and not in substitution of the rights and remedies provided by the Loan Documents or any other agreement or instrument delivered in connection therewith.

7. Amendments and Waivers. This Security Agreement may not be modified, supplemented, or amended, or any of its provisions waived except in a writing signed by Pledgor and Pledgee. Pledgor hereby authorizes Pledgee to modify this Security Agreement by amending Exhibit A hereto to include any Future Trademarks.

8. Waiver of Rights. No course of dealing between the parties to this Security Agreement or any failure or delay on the part of any such party in exercising any rights or remedies hereunder shall operate as a waiver of any rights and remedies of such party or any other party, and no single or partial exercise of any rights or remedies by one party hereunder shall operate as a waiver or preclude the exercise of any other rights and remedies of such party or any other party. No waiver by Pledgee or any Lender of any breach or default by Pledgor shall be deemed a waiver of any other previous breach or default or of any breach or default occurring thereafter.

9. Assignment. The provisions of this Security Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that no interest herein or in or to the Collateral may be assigned by Pledgor without the prior written consent of Pledgee; and, provided further, that Pledgee may assign the rights and benefits hereof to any party acquiring any interest in the Obligations (as defined by the Loan Documents) or any part thereof in accordance with the Loan Agreement.

10. Future Acts. Until all of the obligations of Borrower to the Lenders shall have been paid in full, Pledgor shall have the duty to make applications on material unregistered but registrable as trademarks in any location where Pledgor does business, to prosecute such applications diligently, and to preserve and maintain all rights in the Trademarks and the other Collateral. Any expenses incurred in connection with such applications and other actions shall be borne by Pledgor. Pledgor shall not abandon any right to file a trademark application or registration for any trademark, or abandon any such pending trademark application or registration, without the consent of Pledgee, except to the extent that the trademark covered by such application or registration has no material economic value and is not related to any Inventory.

11. Enforcement. Upon Pledgor's failure to do so after Pledgee's demand, or during the existence of an Event of Default, Pledgee shall have the right but shall in no way be obligated

to bring suit in its own name (as agent for the Lenders) to enforce the Trademarks and Future Trademarks and any license thereunder, in which event Pledgor shall at the request of Pledgee do any and all lawful acts and execute any and all proper documents required by Pledgee in aid of such enforcement and Pledgor shall promptly, upon demand, reimburse and indemnify Pledgee, each Lender and their respective agents for all costs and expenses incurred by Pledgee and any Lender in the exercise of their rights under this Section 11.

12. Release. At such time as Pledgor shall finally pay in full in cash and satisfy all of the Obligations (as defined by the Loan Documents), and the Loan Documents (and the Commitments) have been terminated, other than upon enforcement of Pledgee's remedies under the Loan Documents during the existence an Event of Default, Pledgee, as agent for the Lenders, will execute and deliver to Pledgor a release or other instrument as may be necessary or proper to release Pledgor's lien in the Collateral, subject to any dispositions thereof which may have been made by Pledgee pursuant hereto.

13. Severability. If any clause or provision of this Security Agreement shall be held invalid or unenforceable, in whole or in part, in any jurisdiction, such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such or any other clause or provision in any other jurisdiction.

14. Notices. All notices, requests and demands to or upon Pledgor or Pledgee under this Security Agreement shall be given in the manner prescribed by the Loan Documents.

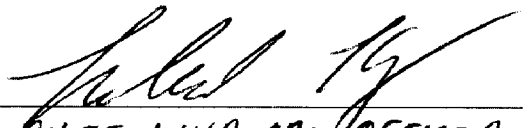
15. Governing Law. This Security Agreement shall be governed by and construed, applied, and enforced in accordance with the federal laws of the United States of America applicable to trademarks and the laws of the State of New York, except that no doctrine of choice of law shall be used to apply the laws of any other State or jurisdiction. The parties agree that all actions or proceedings arising in connection with this Security Agreement shall be tried and litigated only in the State and federal courts located in the Borough of Manhattan, County of New York, State of New York. PLEDGOR AND PLEDGEE EACH WAIVES THE RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING UNDER THIS SECURITY AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND ANY RIGHT EITHER MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS, LACK OF PERSONAL JURISDICTION, OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 15.

16. Supplement. This Security Agreement is a supplement to, and is hereby incorporated into, the Loan Documents and made a part thereof.

IN WITNESS WHEREOF, the parties have entered into this Security Agreement as of the date first above written.

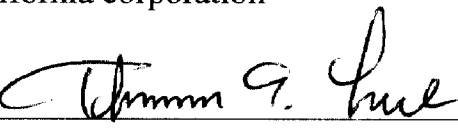
PLEDGOR

AMPRO INDUSTRIES, INC., a Michigan

By:   
Title: CHIEF FINANCIAL OFFICER

PLEDGEE

FOOTHILL CAPITAL CORPORATION,  
a California corporation

By:   
Title: SENIOR VICE PRESIDENT



# CERTIFICATE OF ACKNOWLEDGMENT

STATE OF NEW YORK     )  
                                      ) SS.:  
COUNTY OF NY     )

On the 30 day of October in the year 2002 before me, the undersigned, a Notary Public in and for said State, personally appeared Richard Kurz, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

DIMITRIOS J. ANGELIS  
Notary Public  
Qualified in New York County  
State of New York, No. 01AN6057672  
Commission Expires April 23, 2003

# CERTIFICATE OF ACKNOWLEDGMENT

STATE OF NEW YORK     )  
                                  ) SS.:  
COUNTY OF NY     )

On the 30 day of October in the year 2002 before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas Lane, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

DIMITRIOS J. ANGELIS  
Notary Public  
Qualified in New York County  
State of New York, No. 01AN6057672  
Commission Expires April 23, 2003

17078933

RECORDED: 01/08/2003

TRADEMARK  
REEL: 002647 FRAME: 0828