

01-30-2003

SUBSTITUTE FORM PTO 1594  
1-31-92

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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

102449503

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

1. Name of conveying party(ies):

NURTURE, Inc.  
c/o Natural Bridge, Inc.  
28 South Waterloo Road, Suite 100  
Devon, Pennsylvania 19333

1-17-03

- Individual(s)
- General Partnership
- Corporation-Delaware
- Other \_\_\_\_\_
- Association
- Limited Partnership

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

3. Nature of Conveyance:

- Assignment
- Security Agreement
- Other: \_\_\_\_\_
- Merger
- Change of Name

Execution Date: January 9, 2003

2. Name and address of receiving party(ies):

Nurture Investment, LP (Pennsylvania limited partnership)  
1325 Morris Drive, Suite 207  
Wayne, Pennsylvania 19087

General Mills, Inc. (Delaware corporation)  
Number One General Mills Boulevard  
Minneapolis, Minnesota 55426

- Individual(s) citizenship: \_\_\_\_\_
- Association: \_\_\_\_\_
- General Partnership: \_\_\_\_\_
- Limited Partnership: \_\_\_\_\_
- Corporation: \_\_\_\_\_
- Other: \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached  Yes  No  
(Designation must be a separate document from Assignment)  
Additional name(s) & addresses attached?  Yes  No

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

A. Trademark Application No.(s):

B. Trademark Reg. No.(s): 1591553; 1814309; 1864456

Additional numbers attached  Yes  No

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

Robert K. Hahm, Esq.  
Drinker Biddle & Reath LLP  
1000 Westlake Drive, Suite 300  
Berwyn, PA 19312

Attorney Docket No. 156891

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41) \$90.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit Account Number: 50-0573

DO NOT USE THIS SPACE

9. 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.

ROBERT K. HAHM

Name of Person Signing

Signature

January 9, 2003

Date

Total number of pages including cover sheet, attachments and document: 11

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

01/29/2003 LMUELLER 00000062 500573 1591553

01 FC:8521  
02 FC:8522

40.00 CH  
50.00 CH

Commissioner for Trademarks  
Box Assignments  
Washington, D.C. 20231

## SECURITY AGREEMENT

This Security Agreement (this "Agreement") is made and entered into as of January 9, 2003, between NURTURE, Inc., a Delaware corporation ("Nurture"), Nurture Investment, LP ("NILP"), and General Mills, Inc. ("GMI" and together with NILP, "Secured Parties"), with reference to the following facts:

### RECITALS

A. Nurture is the owner of certain intellectual property interests described on Exhibit "B" attached hereto (the "Intellectual Property").

B. Secured Parties are concurrently with the execution of this Agreement agreeing to make available to Nurture a bridge loan in the aggregate original principal amount of \$350,000 (the "Loan") and Nurture is delivering to each Secured Party a promissory note (together, the "Notes") dated concurrently with this Agreement, to represent the Loan.

C. Secured Parties have conditioned making of their respective Loan upon the execution and delivery of this Agreement by Nurture, and Nurture has agreed to execute and deliver this Agreement to Secured Parties in consideration for Secured Parties' making of the Loan.

D. The Loan is also secured by a mortgage on certain real property of Nurture located in Missoula County, Montana, all to the extent provided in the Notes.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Grant of Security Interest. To secure payment of the Notes, Nurture hereby grants to Secured Parties a present security interest (the "Interest") in all of Nurture's right, title and interest in and to the Intellectual Property and all proceeds and products of the Intellectual Property, including, without limitation, any U.S. and foreign patents, and patents issuing from any patent applications, the inventions and improvements described and claimed therein, and all reissues, divisions, continuations, continuations-in-part, substitutions, renewals and extensions thereof, all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing (collectively with the Intellectual Property, the "Collateral"). The security interest shall give Secured Parties a continuing lien in the Collateral until such time as all amounts due and payable under the Notes are paid or converted in full.

2. Representations and Covenants. Nurture hereby represents and covenants:

(a) Priority of Lien. Nurture represents and warrants that it is the sole owner of the Collateral and has the legal right to grant to Secured Parties a security interest therein, and that the Collateral is free and clear of all other liens, security interests and encumbrances. In addition, Nurture covenants that it will not sell, assign (by operation of law or otherwise), or otherwise dispose of, or create or suffer to exist any lien, security interest, or other charge or encumbrance upon or with respect to, any of the Collateral.

(b) Financing Statement. That Nurture shall execute and deliver to Secured Parties for filing in the appropriate Secretary of State office(s) the Financing Statement - Form UCC-1, attached hereto as Exhibit "A" pursuant to the Uniform Commercial Code and, upon Secured Party's written request, such extensions, renewals and amendments to the Financing Statement to maintain perfection of the security interest granted herein. Nurture shall pay all costs of filing the Financing Statement and any extensions, renewals, amendments and releases thereof. The information included on the attached Financing Statement is accurate in all respects, and, when filed in the appropriate Secretary of State office(s), shall be sufficient to perfect Secured Party's Interest in the Collateral.

(c) Compliance with Law. That Nurture shall comply with all governmental acts, rules, regulations, orders and laws applicable to the Collateral or any part thereof.

(d) Further Acts. That Nurture shall sign any other documents, and do any other acts, which any Secured Party reasonably believes necessary or important to perfect its security interest in the Collateral, including, without limitation, (i) deliver physical possession of any documents or certificates evidencing Nurture's ownership in the Collateral, and (ii) file with the United States Patent and Trademark Office any documents requested by any Secured Party to protect its rights in the Collateral. Nurture hereby authorizes any Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral, without the signature of Nurture where permitted by law. A carbon, photographic or other reproduction of this Agreement or any part thereof shall be sufficient as a financing statement where permitted by law.

(e) Intellectual Property. That the Intellectual Property is all of the intellectual property owned and used by Nurture in its business. Nurture will take all necessary actions to maintain and protect each item of Intellectual Property.

3. Default. An event of default as used in this Agreement shall mean and include any "Event of Default" as defined in the Note.

4. Remedies.

(a) Upon the occurrence of an event of default by Nurture under this Agreement, each Secured Party, in addition to other rights and remedies provided herein or otherwise available to it, shall have all the rights, options and remedies in the Collateral available to a secured party under the Uniform Commercial Code as amended or recodified from time to time and other applicable laws (the "Code"). A Secured Party may, after notice is given as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of such Secured Party's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as such Secured Party may deem commercially reasonable. Such Secured Party shall give twenty business days' notice (or such greater notice as is required by law) to the other parties hereto of the time and place of any public sale or the time after which any private sale is to be made, and Nurture agrees that twenty business days' notice shall constitute reasonable notification. Secured Parties shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. Secured Parties may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor,

and such sale may, without further notice, be made at the time and place to which it was so adjourned. All net proceeds received by a Secured Party from the Collateral shall first be applied to reimburse such Secured Party for expenses of collection and then shall be shared by the Secured Parties pro rata in accordance with the amounts owned to each under the Notes.

(b) No Secured Party shall be deemed to have waived any of said rights upon or under this Agreement as to the Collateral unless such waiver be in writing and signed by such Secured Party. No delay or omission on the part of any Secured Party in exercising any such right shall operate as a waiver of such right or any other right of such Secured Party. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion. Except as otherwise provided in this Section 4, all rights and remedies of Secured Parties shall be cumulative and may be exercised singularly or concurrently and in any order. The proceeds realized upon any disposition of the Collateral, after deduction for any and all expenses incurred by Secured Parties in relation to such disposition, including, without limitation, all attorneys' fees and costs, shall be applied equally between the Secured Parties in satisfaction of the obligations secured hereby.

5. Termination. Upon satisfaction of the Notes, this Agreement shall terminate and Secured Parties shall deliver to Nurture appropriate documents to release the Interest and lien on the Collateral granted under this Agreement and the Financing Statement provided for herein.

6. Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, facsimile transmission, courier service or personal delivery:

(a) If to the Company, to:

NURTURE, Inc.  
c/o Natural Bridge, Inc.  
28 South Waterloo Road  
Suite 100  
Devon, PA 19033  
Fax: (610) 989-0991  
Attention: H. Griffith Parker

(b) If to NILP, to:

Nurture Investment, LP  
1325 Morris Drive, Suite 207  
Wayne, PA 19087  
Fax: (610) 722-0800  
Attention: Derek R. Spence

(c) If to GMI, to:

General Mills, Inc.  
Number One General Mills Boulevard  
Minneapolis, Minnesota 55426  
Fax: (763) 764-7384  
Attention: David B. VanBenschoten

All such notices and communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if faxed.

7. Counterparts. This Agreement may be signed in counterparts, which shall together constitute one and the same instrument. This Agreement shall be binding upon the parties and their respective heirs, successors and permitted assignees. If a legal proceeding is instituted to interpret or enforce this Agreement, the prevailing party shall be entitled to recover all costs including reasonable attorneys' fees.

8. Expenses. Without limiting the generality of the last sentences of Section 4 hereof and Section 7 hereof, following the occurrence and during the continuation of an event of default, Nurture will upon demand pay to Secured Parties the amount of any and all reasonable expenses, including the reasonable fees and disbursements of counsel and of any experts and agents, which Secured Parties may incur in connection with (i) the custody, preservation, use, or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (ii) the exercise or enforcement of any of the rights of Secured Parties.

9. Governing Law. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of laws.

10. Severability. The provisions of this Agreement are independent of and severable from each other, and no such provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other such provision may be invalid or unenforceable in whole or in part.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

Nurture, Inc.

By: H. Griffith Parker  
H. Griffith Parker,  
Chief Executive Officer

Nurture Investment, L.P.

By: \_\_\_\_\_  
Derek R. Spence,  
Authorized Person

General Mills, Inc.

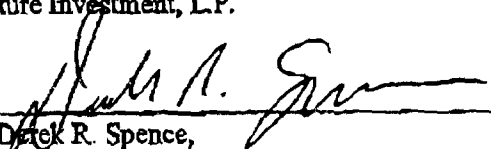
By: \_\_\_\_\_  
David B. VanBenschoten,  
Vice President, Treasurer

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H. Griffith Parker,  
Chief Executive Officer

Nurture Investment, L.P.

By:  \_\_\_\_\_  
Derek R. Spence,  
Authorized Person

General Mills, Inc.

By: \_\_\_\_\_  
David B. VanBenschoten,  
Vice President, Treasurer

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Chief Executive Officer

Nurture Investment, L.P.

By: \_\_\_\_\_  
Derek R. Spence,  
Authorized Person

General Mills, Inc.

By:   
David B. VanBenschoten,  
Vice President, Treasurer



**EXHIBIT "A"**

**FINANCING STATEMENT - FORM UCC-1**

[Hard copy to be attached to executed documents]

**EXHIBIT "B"**  
**NURTURE, INC. INTELLECTUAL PROPERTY**

**ISSUED & PENDING PATENTS**

<u>PATENT #</u>	<u>TITLE</u>	<u>DATE</u>	<u>COUNTRY</u>
1,337,262	Time Release Protein	10/10/95	Canada
619,570	Time Release Protein	6/8/89	Australia
5,023,080	Time Release Protein	6/11/91	U.S.
5,055,300	Time Release Protein	10/8/91	U.S.
5,079,005	Time Release Protein	1/7/92	U.S.
0419563	Time Release Protein	5/7/97	U.K., Germany, France, Belgium, Switzerland
2,565,781	Time Release Protein	10/3/96	Japan
5,589,195	Film-Forming Proteinaceous Emulsion	12/31/96	U.S.
2,544,268	Film-Forming Proteinaceous Emulsion	7/25/96	Japan
5,622,690	Seed-Derived Proteinaceous Compositions for Reduction of Sunburn Cell Formation	4/22/97	U.S.
5,620,692	Oat Oil Compositions with Useful Cosmetic and Dermatological Properties	4/15/97	U.S.
5,393,550	Fat Substitute	2/28/95	U.S.
673,435	Fat Substitute	02/26/97	Australia
5,399,350	Proteinaceous Oil Spill Dispersant	3/21/95	U.S.
674,451	Methods Involving Film-Forming Proteinaceous Emulsion (Oil Dispersant)	5/13/97	Australia
0523184	Methods Involving Film-Forming Proteinaceous Emulsion (Oil Dispersant)	12/30/98	U.K., France, Greece, Netherlands
6,001,263	Distiller's Dried Grain as Oil Dispersant	12/14/99	U.S.
711,143	Removal of Undesirables in Liquid or Gas	7/18/95	Australia
6,113,964	Removal of Undesirable Components from a Liquid or Gas with Proteinaceous Oat Material	9/5/00	U.S.
6,323,338	Method for Concentrating Beta-Glucan	11/27/2001	U.S.
6,485,945	Polysaccharide Compositions and Uses Thereof	11/26/2002	U.S.

**PENDING PATENTS**

EP 693883	Fat Substitute – Europe	Abandon July 00
EP 797390	Removal of Undesirable Components from a Liquid or Gas with Proteinaceous Oat Material	NP*
EP 804145, AU 1397095, CA 2179740, JP 9506063	Oat Oil Compositions with Useful Cosmetic and Dermatological Properties	NP*
PCTUS00/038 86	Polysaccharide compositions and Uses Thereof	NP*
Recently filed	Method for Concentrating Beta-Glucan Film	U.S.

\* National Phase filings pending in various countries.

**EXHIBIT "B"**  
(continued)

**NURTURE, INC. INTELLECTUAL PROPERTY**

**TRADEMARKS**

<u>TRADEMARK #</u>	<u>TITLE</u>	<u>DATE</u>	<u>COUNTRY</u>
1,591,553	Nurture	4/17/90	U. S.A.
1,399,995	Nurture	3/31/89	UK
520,259	Nurture	9/29/89	Australia
410,993	Nurture	9/28/89	Canada
1,185,648	Nurture	9/3/92	W. Germany
2,531,246	Nurture	4/28/93	Japan
376,236	Nurture	9/29/89	Switzerland
2,098,829	Microat	11/3/95	Germany
446,429	Microat	8/25/95	Canada
93/467141	Microat	5/5/93	France
1,534,557	Microat	5/5/93	UK
292,755	Microat	5/10/93	South Korea
411,971	Microat	5/6/93	Switzerland
1,814,309	Microat	11/6/92	U.S.A.
3,128,545	Microat	3/29/96	Japan
1,864,456	The Green Chemistry Company	11/29/94	U.S.A.
93/494881	The Green Chemistry Company	12/2/93	France