

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

Beta Brands Limited

- Individual(s)
- General Partnership
- Corporation-State Canada
- 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: April 30, 2003

2. Name and address of receiving party(ies)

Name: CIT Business Credit Canada Inc.

Internal
Address: _____

Street Address: 207 Queens Quay West, Suite 700

City: Toronto State: Ontario, Canada Zip: M5J1A7

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State Canada
- 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)

1,662,628 and 2,698,543

Additional number(s) attached Yes No

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

Name: Thomas P. Arden

Internal Address: Holland & Knight LLC

Street Address: 131 S. Dearborn St., 30th Floor

City: Chicago State: IL Zip: 60603

6. Total number of applications and registrations involved: _____

2

7. Total fee (37 CFR 3.41).....\$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

13-0045

(Attach duplicate copy of this page if paying by deposit account)

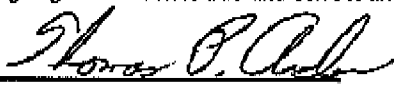
DO NOT USE THIS SPACE

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.

Thomas P. Arden

Name of Person Signing



Signature

July 7, 2003

Date

29

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

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

CH \$65.00 130045 1662328

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

WASHINGTON, D.C. 20231

Mark: CHAMPAGNE
 Registration No. 1,662,628
 Registrant: Beta Brands Limited
 1156 Dundas Street East
 London, Ontario N5W 5Y4
 CANADA

DOMESTIC REPRESENTATIVE OF FOREIGN REGISTRANT

The undersigned hereby appoints Thomas P. Arden, Peter J. Strand, and Elayna T. Pham, members of the Bar of the State of Illinois, and of the firm of Holland & Knight LLC, as domestic representatives of registrant, Beta Brands Limited; to file and receive all documents relating to Registration No. 1,662,628; and to transact all business in the Patent and Trademark Office in connection therewith, including filing and receiving notice of the recordal of the security agreement filed herewith.

Registrant requests that all correspondence be sent to Thomas P. Arden, whose postal address is Holland & Knight LLC, 131 S. Dearborn St., 30th Floor, Chicago, Illinois 60603, and who is designated as registrant's representative on whom notices or process in proceedings affecting the mark may be served.

All prior designations of domestic representation with respect to these trademark registrations are rescinded.

Dated: July 7, 2003

BETA BRANDS LIMITED

By: 
Name: Thomas P. Arden

Title: Attorney for Registrant

CHO1 #1290552 v1

TRADEMARK

REEL: 002690 FRAME: 0387

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

WASHINGTON, D.C. 20231

Mark: SWEET TOWN
Registration No. 2,698,543
Registrant: Beta Brands Limited
1156 Dundas Street East
London, Ontario N5W 5Y4
CANADA

DOMESTIC REPRESENTATIVE OF FOREIGN REGISTRANT

The undersigned hereby appoints Thomas P. Arden, Peter J. Strand, and Elayna T. Pham, members of the Bar of the State of Illinois, and of the firm of Holland & Knight LLC, as domestic representatives of registrant, Beta Brands Limited; to file and receive all documents relating to Registration No. 2,698,543; and to transact all business in the Patent and Trademark Office in connection therewith, including filing and receiving notice of the recordal of the security agreement filed herewith.

Registrant requests that all correspondence be sent to Thomas P. Arden, whose postal address is Holland & Knight LLC, 131 S. Dearborn St., 30th Floor, Chicago, Illinois 60603, and who is designated as registrant's representative on whom notices or process in proceedings affecting the mark may be served.

All prior designations of domestic representation with respect to these trademark registrations are rescinded.

Dated: July 7, 2003

BETA BRANDS LIMITED

By: 
Name: Thomas P. Arden

Title: Attorney for Registrant

CHO1 #1290582 v1

TRADEMARK

REEL: 002690 FRAME: 0388

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TRADE-MARK SECURITY AGREEMENT

TO: CIT Business Credit Canada Inc.
207 Queen Quay West, Suite 700
Toronto, Ontario M5J 1A7

WHEREAS:

- A. BETA BRANDS LIMITED** (the "Borrower") is indebted (or liable, or may become indebted or liable, to **CIT BUSINESS CREDIT CANADA INC.** (the "Lender") pursuant to a financing agreement dated with effect as of the date hereof among, *inter alia*, the Borrower and the Lender (the "Financing Agreement");
- B.** To secure the payment and performance of all of the indebtedness, liabilities and obligations incurred by the Borrower, or to be incurred by the Borrower, to and in favour of the Lender, pursuant to the terms of the Financing Agreement, the Borrower has entered into, *inter alia*, a general security agreement in favour of the Lender dated with effect as of the date hereof (the "General Security Agreement"); and
- C.** As additional security for the due payment and performance of all of the indebtedness, liabilities and obligations incurred by the Borrower, or to be incurred by the Borrower, to and in favour of the Lender, pursuant to the terms of the Financing Agreement, the Borrower has agreed to pledge, mortgage, hypothecate and grant a security interest in all of its right, title, interest and benefit in, to, under and in respect of the Trade-mark Collateral (as hereinafter defined) to the Lender, on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the extension of credit by the Lender to the Borrower and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged by the Borrower, the Borrower hereby agrees with and in favour of the Lender as follows:

1. Defined Terms.

In this Agreement, the following terms shall have the following meanings:

- (a) "Agreement" means this Agreement, including the Schedules, as the same may be amended, varied, supplemented, restated, renewed or replaced at any time and from time to time;
- (b) "Business Days" shall have the same meaning ascribed thereto in the Financing Agreement;
- (c) "Default" shall have the same meaning ascribed thereto in the Financing Agreement;
- (d) "Event of Default" shall have the same meaning ascribed thereto in the Financing Agreement;

\\COM\FIN\LEGAL\CIT Business Credit (Canada) Inc\Beta Brands\Doc\Financing Agreements\Trade-mark security agreement v04.doc

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- (e) "Financing Agreement" has the meaning specified in Recital A to this Agreement;
- (f) "General Security Agreement" has the meaning specified in Recital B to this Agreement;
- (g) "Law" shall have the same meaning ascribed thereto in the Financing Agreement;
- (h) "Material Adverse Effect" shall have the same meaning ascribed thereto in the Financing Agreement;
- (i) "Obligations" shall have the same meaning ascribed thereto in the Financing Agreement;
- (j) "Permitted Encumbrances" shall have the same meaning ascribed thereto in the Financing Agreement;
- (k) "Person" shall have the same meaning ascribed thereto in the Financing Agreement";
- (l) "Trade-mark" and "Trade-marks" have the meanings specified in Section 2(a) of this Agreement; and
- (m) "Trade-mark Collateral" has the meaning specified in Section 2 of this Agreement.

2. Grant of Security.

As general and continuing collateral security for the payment and performance of all Obligations, the Borrower hereby grants a general continuing collateral lien, charge and security interest in all of the world-wide right, title, benefit and interest in and in respect of the following property and assets now existing, owned or used or hereafter existing, owned, acquired, adopted or used by the Borrower or any of its successors or assigns or to which the Borrower or any of its successors or assigns is or may hereafter otherwise become entitled (collectively, the "Trade-mark Collateral"):

- (a) all trade-marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos and other forms of business identifiers, and all prints and labels on which any of the foregoing have appeared or appear and designs (all of the foregoing items in this Section 2(a) being hereinafter individually referred to as a "Trade-mark" and collectively referred to as the "Trade-marks"), all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications with the Canadian Trade marks Office or in any office or agency of the United States of America or any foreign country, including those referred to in item A of Schedule I hereto and all reissues, extensions or renewals thereof;

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- (b) all Trade-mark licenses and other agreements providing the Borrower with the right to use and/or exploit any items of the type described in Section 2(a) including each Trade-mark licence referred to in Item B of Schedule I hereto;
- (c) all of the goodwill of the business connected with the use of, and symbolized by, any Trade-mark described in Section 2(a);
- (d) the right to sue third parties for past, present and future infringements of any Trade-mark Collateral described in Section 2(a) and, to the extent applicable, Section 2(b); and
- (e) all proceeds of, and rights associated with, the foregoing, including any claim by the Borrower against third parties for past, present or future infringement or dilution of any Trade-mark, Trade-mark registration or Trade-mark licence, including any Trade-mark, Trade-mark registration or Trade-mark licence referred to in Item A and Item B of Schedule I herein, or for any injury to the goodwill associated with the use of any such Trade-mark or for breach or enforcement of any Trade-mark licence and all rights corresponding thereto throughout the world.

3. Agreement for Security Purposes.

This Agreement has been executed and delivered by the Borrower for the purpose of recording the lien, charge and security interest of the Lender in the Trade-mark Collateral relating to the Trade-marks registered or pending in Canada and referred to in Item A to Schedule I with the Canadian Trade-marks Office and recording the lien, charge and security interest of the Lender in the Trade Mark Collateral relating to the Trade-marks registered or pending in the United States and referred to in Item I to Schedule A with the United States Patent and Trade Marks Office, in each case, to the extent such lien, charge and security interest may be so recorded therein. The lien, charge and security interest granted hereby have been granted as a supplement to, and not in limitation of, the lien, charge and security interest granted to the Lender under the General Security Agreement. The General Security Agreement (and all rights and remedies of the Lender provided for therein) shall remain in full force and effect in accordance with its terms.

4. Attachment of Liens.

The Borrower confirms that value has been given, that the Borrower has rights in the Trade-mark Collateral, and that the parties have not agreed to postpone the time for attachment of the lien, charge and security interest contemplated hereby in any of the Trade-mark Collateral.

5. Limitations on Grant of Liens.

If the grant of any lien, charge and security interest in respect of any Trade-mark licence hereunder would result in the termination or breach of such licence, then the applicable Trade-mark licence shall not be subject to any lien, charge or security interest hereunder but shall, to the fullest extent permitted thereby, be held in trust by the Borrower for the Lender and on

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exercise by the Lender of any of its rights under this Agreement following an Event of Default, assigned by the Borrower, as directed by the Lender.

6. Enforcement; Remedies.

If an Event of Default occurs, the Lender may exercise all rights and remedies granted to it in this Agreement, the General Security Agreement and the Financing Agreement, and all rights and remedies of a secured party provided at Law. Without limitation, the Borrower hereby acknowledges and affirms that certain rights and remedies given to the Lender with respect to the lien, charge and security interest in the Trade-mark Collateral granted hereby are set forth in the General Security Agreement, the terms and provisions of which (and all rights and remedies of the Lender provided for therein) are incorporated by reference herein as if fully set forth herein.

7. Representations and Warranties.

The Borrower hereby represents and warrants to the Lender, and acknowledges that the Lender is relying thereon, notwithstanding any investigation by the Lender or otherwise, that:

- (a) **Title; No Other Liens.** Except for Permitted Encumbrances, the Borrower owns all of the Trade-mark Collateral free and clear of any and all liens, charges and security interests of others (other than the liens, charges and security interests in favour of the Lender). No security agreement, financing statement or other current and valid like public notice with respect to all or any part of the Trade-mark Collateral is on file or on record in any public office, except such as may have been filed in respect of Permitted Encumbrances.
- (b) **First Priority Liens.** The lien, charge and security interest granted by the Borrower to the Lender pursuant to this Agreement constitutes a first (subject to Permitted Encumbrances) priority and fully perfected lien, charge and security interest in the Trade-mark Collateral.
- (c) **Power and Authority; Authorization.** The Borrower has the power and authority and the legal right to execute and deliver, to perform its obligations under, and to grant the lien, charge and security interest in the Trade-mark Collateral pursuant to, this Agreement, and the Borrower has taken all necessary corporate action to authorize its execution, delivery and performance of, and grant of the lien, charge and security interest in the Trade-mark Collateral pursuant to, this Agreement.
- (d) **Enforceability.** This Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.
- (e) **No Conflict.** The execution, delivery and performance of this Agreement will not violate any provision of any requirement of Law or contractual obligation of the Borrower and will not result in the creation or imposition of any lien, charge or

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of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted. The Borrower agrees that the Lender will have the right to require that this Agreement be amended or supplemented (i) to reflect any changes in Law, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions; or (iii) if the Borrower merges or amalgamates with any other Person or enters into any corporate reorganization, in each case in order to confer upon the Lender the lien, charge and security interest intended to be created hereby.

- (b) *Payment of Expenses; Indemnification.* The Borrower agrees to pay, and to indemnify and save the Lender harmless from, any and all liabilities, costs and expenses (including legal fees and expenses on a solicitor and his own client basis): (i) incurred by the Lender in the preparation, registration, administration or enforcement of this Agreement; (ii) with respect to, or resulting from, any delay by the Borrower in paying any and all excises, sales, goods and services or other taxes which may be payable or determined to be payable with respect to any of the Trade-mark Collateral; (iii) with respect to, or resulting from, any delay by the Borrower in complying with any requirement of Law applicable to any of the Trade-mark Collateral; or (iv) incurred by the Lender in connection with any of the transactions contemplated by this Agreement. The amount of all such liabilities, costs and expenses shall be deemed to form part of the Obligations, shall be payable on demand by the Lender and the payment of all such liabilities, costs and expenses shall be secured hereby.
- (c) *Limitation on Liens on Trade-mark Collateral.* The Borrower shall not create, incur or permit to exist, shall defend the Trade-mark Collateral against, and shall take such other action as is necessary to remove, any lien, charge or security interest or claim on or to the Trade-mark Collateral other than Permitted Encumbrances, and the Borrower shall defend the right, title, benefit and interest of the Lender in and to any of Trade-mark the Collateral against the claims and demands of all Persons.
- (d) *Limitations on Dispositions of Collateral.* The Borrower shall not sell, transfer, lease or otherwise dispose of any of the Trade-mark Collateral, or attempt, offer or contract to do so except as permitted in writing by the Lender.
- (e) *Trade-mark Collateral.*
- (i) The Borrower shall, with respect to each of its Trade-marks: (A) maintain the quality of products and services offered under such Trade-marks; (B) employ such Trade-marks with the appropriate notice of registration sufficient to obtain the benefit of such notice; (C) as soon as practicable after the filing of a Trade-mark application for any mark which is confusingly similar or a colourable imitation of such Trade-marks, grant to the Lender and cause to be perfected a lien, charge and security interest in such Trade-marks pursuant to this Agreement; and (D) not (and not permit

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any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trade-marks may become invalidated.

- (ii) The Borrower shall notify the Lender immediately if it knows, or has reason to know, that any application or registration relating to any Trade-mark may expire, become abandoned or dedicated to the public domain, or of any material adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the Canadian Trade-mark Office or any court or tribunal in any country) regarding the Borrower's ownership of the Trade-marks or its right to register the same or to keep and maintain the same.
- (iii) Whenever the Borrower, either by itself or through any agent, employee, licensee or designee, will file an application for the registration of any Trade-mark with the Canadian Trade-mark Office or any similar office or agency in any other country or any political subdivision thereof or any similar office or agency in any other country or any political subdivision thereof, the Borrower shall report such filing to the Lender within three (3) Business Days after such filing occurs. Upon request of the Lender, the Borrower will execute and deliver any and all agreements, instruments, documents, and papers as the Lender may request to evidence the Lender's lien, charge and security interest in any Trade-mark and the goodwill of the business symbolized thereby of the Borrower connected with the use of and symbolized by the Trade-marks, and the Borrower hereby constitutes the Lender its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations have been indefeasibly paid and performed in full. Notwithstanding anything herein to the contrary, unless an Event of Default will have occurred, the Lender will from time to time execute and deliver, upon the reasonable written request of the Borrower, any and all instruments, certificates or other documents, in a form reasonably acceptable to the Lender, necessary or appropriate in the reasonable judgment of the Borrower for the Borrower to continue to exploit, licence, use, enjoy and protect the Trade-marks; provided, however, that any such instrument, certificate or other document will, in the reasonable judgment of the Lender, in no way impair, adversely alter, or otherwise adversely affect the lien, charge and security interest in the Trade-mark Collateral granted hereby.
- (iv) The Borrower shall take all reasonable and necessary steps, to the extent reasonably practicable, including, without limitation, in any proceeding before the Canadian Trade-mark Office, or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the Trade-marks, including, without

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limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability. If any Trade-marks included in the Trade-mark Collateral is infringed, misappropriated or diluted by a third party in any manner which would have a Material Adverse Effect and would materially impair such Trade-mark Collateral, the Borrower shall promptly notify the Lender after it learns of such infringement, misappropriation or dilution and the Borrower shall promptly take such action (including entering into licences or covenants not to sue) as is appropriate under the circumstances to protect such Trade-mark.

9. Lender's Appointment as Attorney-in-Fact.

- (a) The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or agent of the Lender, with full power of substitution from time to time, as the Borrower's true and lawful attorney-in-fact, with full irrevocable and unconditional power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name, to do on the Borrower's behalf anything which can lawfully be done by an attorney in connection with the security interest granted herein and, without limitation, to execute any and all documents and instruments and do any assignments, transfers, registrations, agreements, licenses, assurances and things which may be necessary or desirable to accomplish the purposes of this Agreement, under the covenants and provisions contained in this Agreement, the General Security Agreement and the Financing Agreement and to use the name of the Borrower in the exercise of all or any of the powers hereby conferred on the Lender and the Borrower declares this to be a general power of attorney in the widest respect. The Borrower hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Obligations have been indefeasibly paid and performed in full.
- (b) The Borrower also authorizes the Lender, at any time and from time to time, to execute any endorsements, assignments or other instruments or conveyance or transfer with respect to the Trade-mark Collateral in connection with any sale provided for herein or pursuant to the General Security Agreement or the Financing Agreement.

10. Termination of this Agreement.

Upon indefeasible payment and performance in full of all of the Obligations, this Agreement shall be and become fully ended and terminated and all right, title, benefit and interest in and in respect of the Trade-mark Collateral pledged, mortgaged, hypothecated and secured by the Borrower hereunder shall be released and all covenants and agreements of the Borrower hereunder shall be at an end and the Lender shall, upon the written request of the Borrower and at the expense of the Borrower, execute such instruments and other documents and give such notifications or assurances as may be necessary to fully release, cancel and discharge this Agreement in the circumstances.

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11. Performance by Lender of Borrower's Obligations.

If the Borrower fails to perform or comply with any of its agreements contained herein and the Lender, as provided for by the terms of this Agreement, will itself perform or comply, or otherwise cause performance or compliance, with any such agreements, the expenses of the Lender incurred in connection with such performance or compliance shall be payable by the Borrower to the Lender on demand, shall be added to the Obligations and secured hereby.

12. Severability.

If any covenant, obligation or agreement contained in this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, obligation and agreement contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by Law.

13. Interpretation.

The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof. When used in this Agreement, the word "including" means "including without limitation". Any reference in this Agreement to any statute will include all regulations made thereunder from time to time, and will include such statute as the same may be amended, supplemented or replaced from time to time.

14. No Waiver.

The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder will operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Lender of any right or remedy hereunder on any one occasion will not be construed as a bar to any right or remedy which the Lender would otherwise have on any future occasion. Without limiting the generality of the foregoing, this Agreement may not be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Borrower and the Lender.

15. Rights and Remedies Cumulative.

The rights or remedies given to the Lender hereunder are in addition to and not in substitution for any rights or remedies to which the Lender may be entitled under the Financing Agreement or the General Security Agreement provided to the Lender with respect to the Obligations or under statute or at Law and may be exercised whether or not any Lender has pursued or is then pursuing any other such rights and remedies.

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16. Time of Essence.

Time shall be of the essence of this Agreement.

17. Dealings by Lender.

The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Borrower or any third party having dealings with the Borrower, and with the Trade-mark Collateral or any part thereof, and with other security and sureties, as the Lender may see fit, all without prejudice to the Obligations or to the rights of the Lender under this Agreement. The powers conferred on the Lender hereunder are solely to protect the interests of the Lender in the Trade-mark Collateral and will not impose any duty upon the Lender to exercise any such powers. The Lender will be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees, advisors or agents will be responsible to the Borrower for any act or failure to act hereunder, except for its or their own gross negligence or wilful misconduct.

18. Successors and Assigns.

This Agreement shall be binding upon the Borrower and its successors and permitted assigns and shall inure to the benefit of the Lender and its successors and assigns. The Borrower may not assign any of its rights and obligations under this Agreement without the prior written consent of the Lender. The Lender may assign this Agreement, in whole or in part, in accordance with the provisions of the Financing Agreement.

19. Communication.

Except as otherwise herein provided, any notice, report or other communication required hereunder shall be in writing and be given in accordance with the provisions of the Financing Agreement and shall be deemed to have been validly served, given or delivered when given in accordance of the provision of the Financing Agreement.

20. Non-Exclusivity of Remedies.

This Agreement and the lien, charge and security interests arising hereunder are in addition to and not in substitution for any other security now or hereafter held by the Lender in respect of the Borrower, the Obligations or the Trade-mark Collateral. No remedy for the enforcement of the rights of the Lender hereunder will be exclusive of or dependent on any other such remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

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21. Release of Information.

The Borrower hereby authorizes the Lender to provide a copy of this Agreement and such other information as may be requested of the Lender by Persons entitled thereto pursuant to any applicable legislation and otherwise in accordance with the provisions of the Financing Agreement.

22. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and without prejudice to the ability of the Lender to enforce this Agreement in any other proper jurisdiction, the Borrower hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario for the purposes of this Agreement.

23. Miscellaneous Provisions.

This Agreement is in addition to and not in substitution for any other security now or hereafter held by the Lender in respect of any of the property or undertakings of the Borrower. Possession of an executed copy of this Agreement by the Lender constitutes conclusive evidence that this Agreement was executed and delivered out of escrow by the Borrower, free of all conditions.

24. Survival of Representations and Warranties.

All agreements, representations, warranties and covenants made by or on behalf of the Borrower herein are material, will be considered to have been relied upon by the Lender and shall survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Lender and any disposition or payment of the Obligations until indefeasible payment and satisfaction in full thereof.

25. Acknowledgement of Receipt.

The Borrower hereby acknowledges receipt of an executed copy of this Agreement.

26. Paramountcy.

If there is a conflict between a provision in this Agreement and a provision in the Financing Agreement, the provision in the Financing Agreement shall prevail.

[The remainder of this page has intentionally been left blank.]

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DATED with the effect as of the th 3rd day of April, 2003.

BETA BRANDS LIMITED

By:  c/s

Name: STEPHEN HUMMEL
Title: CHIEF OPERATING OFFICER

By:  c/s

Name: GEORGE WIERINGA
Title: CHIEF FINANCIAL OFFICER AND SECRETARY

We have authority to bind the Corporation

Schedule I • Trademarks

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SCHEDULE I

Trade-marks

A. Trade-marks

Amched

TRADEMARK

REEL: 002690 FRAME: 0401

BETA BRANDS LIMITED
(CURRENT AS OF MARCH, 2003)

1. Pending Applications

Brand Name	Amount	Date	Description
BETABRANDS & Design	1,122,799	November 28, 2001	Chocolates, candies, cookies and crackers.
CHAMPAGNE	1,097,956	March 30, 2001	Cookies.
MILK WHEAT	1,097,955	March 30, 2001	Cookies.
SOUR-BETS	1,044,013	February 18, 2000	Candy
SWEET TOWN & Design	1,123,274	November 27, 2001	Chocolates, candies, cookies and crackers.
ZERO BELOW	1,153,702	September 24, 2002	Candies and breath mints
FROST BITES	1,153,703	September 24, 2002	Candies and breath mints
COLD SNAP	1,153,704	September 24, 2002	Candies and breath mints
MINT BLASTERS	1,153,705	September 24, 2002	Candies and breath mints
SWEET TOWN	1,125,090	January 15, 2002	Chocolates, candies, cookies and crackers.

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2. Registrations

Registrant	Serial Number	Registration Date	Renewal Date	Expiry Date	Description
ALJENS	296,253	November 2, 1984 Renewed: November 2, 1999		November 2, 2014	Confectionery namely candy.
ALPHA & Design	492,176	March 31, 1998		March 31, 2013	Sweets, candy and sugar sprinkles.
ALPHA	461,604	August 23, 1996		August 23, 2011	Sweets, candy, sugar sprinkles.
B.B. BATS	118,963	July 29, 1960 Renewed: July 29, 1990		July 29, 2005	Candy.
BEAN Design	292,909	July 13, 1984 Renewed: July 13, 1999		July 13, 2014	Confectionery, namely candy.

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BIG BOY	225,278	January 6, 1978 Renewed: January 6, 1993	January 6, 2008	Mixed candy.
BITELIFE	418,368	October 15, 1993	October 15, 2008	Crackelins.
BEÉ DU MOULIN	411,721	April 30, 1993	April 30, 2008	Crackelins.
BULLES AU BLÉ	423,062	February 4, 1994	February 4, 2009	Crackelins.
CHAMPAGNE	413,487	May 23, 1949 Renewed: May 23, 1985 May 23, 2000	March 23, 2015	Biscuits, crackers, gâteaux.
CHEESE BEASIS	474,700	April 14, 1997	April 14, 2012	Produits alimentaires, renforcement: maqueleins, pains- bâtons, bretzels, croissants, biscuits, chapeaux, ferries, toast melba, biscottes, gâteaux, bombes, tartelettes, zévillets, bases pour soupes et sauces déshydratées, sauces et sauces déshydratées.
CHICK-A-BOOM	555,688	December 19, 2001	December 19, 2016	Candies and sodies.
CLUB CRACKERS	259,715	June 5, 1981 Renewed:	June 5, 2011	Biscuits.

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	June 5, 1996			
COLD TEASER	555,673	December 19, 2016	Lozenges namely, medicated lozenges, non-medicated lozenges and throat lozenges.	
CROOKIES	899,331	December 17, 2015	Candies, crookies and crackers.	
CRACKERBREAD	233,908	December 12, 1980 Renewed: December 12, 1995	Baked goods, namely, crackers.	
CRACKERBREAD	149,288	December 16, 1988	Crackers.	
CUBAN LUNCH	292,183	June 22, 1984 Renewed: June 23, 1999	Confectionery namely chocolate bars.	
FRUIT-POPS	279,551	May 13, 1983 Renewed: May 13, 1998	Candy products, namely tuffee.	
GOODY & Bean Design	402,189	September 4, 1992	Confectionery namely, candy.	
GOODY & Design	405,115	November 20, 1992	Confectionery namely, candy.	
GOODY & Design	411,007	April 16, 1993	Confectionery namely, candy	
GOODY & Design	405,116	November 20, 1992	Confectionery namely, candy.	
GOODY & Design	410,263	April 2, 1993	Confectionery namely, candy.	
HANDY CANDY	314,238	May 16, 1986	Confectionery namely, candy.	

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HONEYMOON	243,294	April 18, 1980 Renewed: April 18, 1995	April 18, 2010	Confectionary products, namely soft and hard candies, creams, chocolates, nuts, jelly, coffee, pastries, tarts and biscuits.
ENRIGIDE	552,555	October 24, 2001	October 24, 2016	Candies.
JELLY JOISTS	461,744	August 23, 1996	August 23, 2011	Développement des ventes, pour le bénéfice de détaillants, par la publicité et les efforts de vente exceptionnels; exploitation d'une entreprise offrant des services de fabrication sur commande, de distribution et de vente de produits alimentaires.
JUMPERS	474,701	April 14, 1997	April 14, 2012	Produits alimentaires, notamment: croquignons, pains-bûches, brioches, croûtons, biscuits, chapelures, farines, toast miettes, biscuits, gâteaux, tartines, feuilletés, bonbons, bases pour soupes et sauces déshydratées, épices et sauces déshydratées.

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LES SURS VOLTÉS	461,743	August 23, 1996	August 23, 2011	Développement des ventes, pour le général de détaillants, par la publicité et les efforts de vente exceptionnels; exploitation d'une entreprise offrant des services de fabrication sur commande, de distribution et de vente de produits alimentaires renommés.
LUNE DE MIEL	243,295	April 18, 1980 Renewed: April 18, 1995	April 18, 2010	Confectionery products, namely soft and hard candies, creams, chocolates, mints, jolly, toffees, marshmallows and biscuits.
MÉGA BÉTES	474,704	April 14, 1997	April 14, 2012	Produits alimentaires, notamment: cacahuètes, pains- bâtons, brezels, croissants, biscuits, câpres, pâtes, toast melba, biscottes, gâteaux, frites, feuilletés, bonbons, bases pour soupes et sauces déshydratées, soupes et sauces déshydratées.

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MCCORMICKS & DESIGN	534,167	October 5, 2003	October 6, 2015	Confectionery products, namely, candies, namely regular and sour marsh; jellies; gums, namely sugared starch tablets; macarallow products, namely; shaped stracciatas, bismars, brooms, ices, slars, purgkins, diracles, hearts, lannies, eggs and peasuca; hard boiled candies, chocolate compound products, namely assorted dark and light chocolate trances, chocolate covered peppermint patty with coconut topping and peanut clusters; soft and hard coated paned products, namely cinnamon hearts, jelly hearts and scotch minis and peanut butter caps.
MCCORMICKS & Design	328,665	June 12, 1987 Renewed: July 3, 2002	July 3, 2017	Cakes and confectionery, namely candy
MCCORMICKS & MINIS ET Design	409,589	January 23, 1997	January 23, 2012	Proruits aimentaires nonarment: Bombons, caramelles.
MCCORMICKS & Design	221,475	June 24, 1977 Renewed: June 24, 1992	June 24, 2017	Candy.
MCCORMICKS	363,947	May 3, 1991	May 3, 2016	Candies, confectionary, namely, candy.

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MILKWHEAT	410,688	April 9, 1993	April 9, 2008	Craquelins.
MONUMENTS	177,277	July 30, 1971 Renewed: July 30, 1986 July 30, 2001	July 30, 2016	Chocolates and candies.
MONSTERS TREATS/DELICIES DL MONSIEUR	295,654	September 28, 1984 Renewed: September 28, 1999	September 28, 2014	Candy, namely candy.
MOVERS	476,296	May 14, 1997	May 14, 2012	Pâtisseries alimentaires, notamment: craquelins, pains- d'ânes, biscuits, croûtons, biscuits, chapelures, farines, toast melba, biscottes, gâteaux, tartelottes, bonbons, bases pour soupes et sauces déshydratées, soupes et sauces déshydratées.
NO CANDY, NO MONEY	422,298	January 21, 1994	January 21, 2009	Promotion et publicité adressée intégralement aux consommateurs lors d'expositions et/ou selon de l'alimentation sous forme de matériel publicitaire et de présentoir.
PATACRAQUE	443,724	June 9, 1995	January 9, 2010	Produits alimentaires notamment craquelins.
PEANUT COLADA	279,570	May 15, 1983 Renewed:	May 13, 2013	Biscuits and candy.

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		May 13, 1998		
PEERLESS	367,748	April 13, 1999	April 13, 2005	Biscuits, crackers.
POURQUOI PAYER PLUS?	465,227	October 25, 1996	October 25, 2011	Bâtisseries, gâteaux, bonbons, mélanges à suaves, biscuits, craquelins.
ROB ROY	014,809	November 24, 1939 Renewed: November 24, 1984 November 24, 1999	November 24, 2014	Biscuits and shortbread, certified ones, namely candy.
RSVP	352,723	March 3, 1989	March 3, 2004	Crackers.
SNAP LUNCH	354,813	March 31, 1989	March 31, 2004	Confectionery namely chocolate bars.
SNOWBIRDS	225,834	February 3, 1978 Renewed: February 3, 1993	February 3, 2008	Biscuits and cookies.
SOME OF EACH	195,610	November 23, 1973 Renewed: November 23, 1988	November 23, 2003	Snacktype biscuits sold in packages containing individually-wrapped packs of three different crackers, viz rye crackers, chip crackers and cracked wheat crackers.
SOUVENIR	014,153	May 23, 1940 Renewed: May 23, 1985 May 23, 2000	May 23, 2015	Biscuits, bonbons et confiseries.

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SUPER JAZZ	492,464	April 6, 1998	April 16, 2013	Nuts, cereal and dried fruits coated with candy, chocolate, or yogurt and candy.
SWEET MEMORIES	0-6,924	May 2, 1942 Renewed: May 12, 1987 May 12, 2002	May 12, 2017	Chocolate.
SWIRLS	284,948	November 18, 1985 Renewed: November 18, 1998	November 18, 2013	Confectionery, namely candy.
THE COUNT'S FAVORITES/LES PREFIERES DU COMUB	295,652	September 28, 1984 Renewed: September 28, 1999	September 28, 2014	Confectionery, namely candy.
TIAMO	463,486	September 13, 1996	September 3, 2011	Produits alimentaires, merisseries; bonbons.
TRIANGLES	432,508	August 26, 1994	August 26, 2009	Produits alimentaires merisseries; craquelins.
WHEAT BUBBLES	418,357	October 15, 1985	October 15, 2003	Craquelins.
WHEAT-ON	403,418	October 9, 1992	October 9, 2007	Crackers.
WHEAT-ON	402,921	September 25, 1992	September 25, 2007	Crackers.

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WHY PAY MORE?	466,171	November 21, 1996	November 21, 2011	Pâtisseries, gâteaux, bonbons, mélanges à soupes, biscuits, craquelins.
WITCH'S CAULDRON/CHAU DRON DE LA SORCIERE	293,561	July 27, 1984 Renewed: July 27, 1999	July 27, 2014	Confectionery, namely candy.

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BETA BRANDS LIMITED
(CURRENT AS OF MARCH, 2003)

1. Applications

Trademark	Serial Number	Registration Date	Goods
MILLWHEAT	76262,083	May 24, 2001	Cookies
SOUR-BETS	75931,511	February 29, 2000	Candy
MINT BLAST	78168,582	September 27, 2002	Candy, candy mints, candy breath mints, and chewing gum
CROOKIES	75653,366	March 4, 1999	Candies, cookies

2. Registrations

Trademark	Serial Number	Registration Date	Goods
MILLWHEAT	1,859,848	October 25, 1994	crackers made in whole or significant part of wheat
ALPHA	2,016,296	November 12, 1996	Candy
BETA BRANDS	76419,984	June 13, 2002	Candy, mints, cookies, crackers, and cheese and cracker combinations

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BETABRANDS	76/407,312	May 13, 2002	Candy, mints, cookies, crackers, and cracker and cheese combinations
BETABRANDS Design	76/407,305	May 13, 2002	Candied fruit, candied fruit snacks, candied nuts, and cheese and cracker combinations
BETA BRANDS	76/419,986	June 13, 2002	Candied fruit, candied fruit snacks, candied nuts, and cheese and cracker combinations
SWEET TOWN	76/276,393	March 18, 2003	Candy
CHAMPAGNE	74/038,799	October 29, 1991	Crackers, cookies and lady fingers

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B. Tradenames

Description	Application/Registration Date	Expiry Date
Alpha Candies	August 31, 1998	August 30, 2003

C. Trade-mark Licenses

BREATH SAVERS

BEECH-NUT

License from Marvel Enterprises Inc. and Marvel Characters Inc. for Spider Man and X-Men characters

D. Other

None.