

4/14/04

04-19-2004



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

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

Tab settings

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

1. Name of conveying party(ies): Coffee Bean International, Inc.
[] Individual(s) [] Association
[] General Partnership [] Limited Partnership
[X] Corporation-State
[] Other
Additional name(s) of conveying party(ies) attached? [] Yes [X] No

2. Name and address of receiving party(ies)
Name: LaSalle Bank National Association
Internal Address:
Street Address: 135 South LaSalle Street
City: Chicago State: IL Zip: 60603
[] Individual(s) citizenship
[] Association
[] General Partnership
[] Limited Partnership
[] Corporation-State
[X] Other national banking association
If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [] No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? [] Yes [] No

3. Nature of conveyance:
[] Assignment [] Merger
[X] Security Agreement [] Change of Name
[] Other
Execution Date: 4/09/04

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) See Schedule A attached
B. Trademark Registration No.(s) See Schedule A attached
Additional number(s) attached [X] Yes [] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Kate Rowles
Internal Address: Sachnoff & Weaver, Ltd.
Street Address: 30 South Wacker Drive
29th Floor
City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved: 20
7. Total fee (37 CFR 3.41) \$ 515.00
[X] Enclosed
[] Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.
Kate Rowles Name of Person Signing
[Signature] Signature
April 14, 2004 Date

Total number of pages including cover sheet, attachments, and document: 14

04/16/2004 ECOOPER 00000074 76305932

01 FC:8521 40.00 OP
02 FC:8522 475.00 OP

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

TRADEMARK REEL: 002949 FRAME: 0190

SCHEDULE A
Registered Trademarks and Domain Names

Mark/ Class	Country	Serial No./ Registration No.	Status	Next Action Date/Expiration of Mark
ALL THE WAY THROUGH TO THE CUP Cl. 30 (coffee)	Canada	1123063	Filed Nov. 23, 2001 Pending	Section 8/15 due Nov. 23, 2004
ALL THE WAY THROUGH TO THE CUP Cl. 30 (gourmet coffees and espresso)	US	76/305,932 2,552,673	Registered March 26, 2002	Section 8/15 due March 26, 2008 Renewal due March 26, 2012
BLENDER LATTE Cl. 30 (dry mixes for coffee based beverages containing milk)	US	75/266,702 2,155,875	Registered May 5, 1998	Section 8/15 due May 5, 2004 Renewal due May 5, 2008
BLENDER MOCHA Cl. 30 (dry mixes for coffee based beverages containing milk)	US	75/266,703 2,153,235	Registered April 21, 1998	Section 8/15 due April 21, 2004 Renewal due April 21, 2008
BLUE PARROT Cl. 30 (tea)	US	74/802,527 1,946,122	Registered January 2, 1996	Renewal due January 2, 2006
BLUE PARROT Cl. 30 (gourmet coffees, cocoas, pastries...)	US	76/296,597 2,608,264	Registered August 13, 2002	Section 8/15 due August 13, 2008 Renewal due August 13, 2012
CAFÉ TIERRA Cls. 21 & 30 (coffee)	Canada	TMA359798	Registered August 25, 1989	Renewal due August 25, 2004

SCHEDULE A**Registered Trademarks and Domain Names cont'd**

Trademark/Class	Country	Serial No./Registration No.	SPURS	File No. / Reg. No. / Date of Filing
CAFÉ TIERRA Cl. 30 (coffee)	United Kingdom	1,342,647	Registered April 26, 1988	Renewal due April 26, 2005
CAFÉ TIERRA Cl. 30 (coffee)	US	73/599,084 1,444,324	Registered June 23, 1987	Renewal due June 23, 2007
COUNTRY SPICE Cl. 30 (tea)	Canada	TMA273164	Registered October 29, 1982	Renewal due October 29, 2012
COUNTRY SPICE Cl. 46 (tea)	US	73/174,868 1,140,486	Registered October 14, 1980	Renewal due April 14, 2010
ESPRESSO BARISTA Cl. 30 (coffee)	US	74/374,640 1,823,030	Registered February 22, 1994	Renewal due February 22, 2014
GOLDEN PECAN Cl. 30 (cocoa)	US	74/564,284 1,967,411	Registered April 9, 1996	Renewal due April 9, 2006
GOLDEN PECAN Cl. 30 (coffee)	US	73/648,314 1,481,764	Registered March 22, 1988	Renewal due March 22, 2008
JERICHO Cl. 7 (electric coffee grinders)	US	74/229,462 1,713,079	Registered September 8, 1992	Renewal due September 8, 2012
MOMENT Cl. 30 (coffee)	US	72/003,779 0639792	Registered January 8, 1957	Renewal due January 8, 2007
PANACHE Cl. 30 (cocoa)	US	74/538,334 1,943,254	Registered December 19, 1995	Renewal due December 19, 2005

SCHEDULE A

Registered Trademarks and Domain Names cont'd

MARK CLASS	COUNTRY	APPL. NO./REGISTRATION	REGISTRATION DATE	RENEWAL DATE
PANACHE Cl. 30 (coffee, tea & spices)	US	74/374,830 1,860,488	Registered October 25, 1994	Renewal due October 25, 2004
SPIN ESPRESSO Cl. 11 (electric coffee makers for household use)	US	73/542,748 1,393,939	Registered May 20, 1986	Renewal due May 20, 2006
SUNDAY BEST Cl. 30 (ground and whole bean coffee)	US	74/582,014 1,991,997	Registered August 6, 1996	Renewal due August 6, 2006
SUNDAY BEST Cl. 30 (cocoa)	I.US	75/061,009 2,122,223	Registered December 16, 1997 <i>*Client abandoned mark as of 11/14/03, however, mark is still active.</i>	Section 8/15 due June 16, 2004 Renewal due December 16, 2007
UN MOMENTO Cl. 30 (ground and whole bean coffee and espresso)	US	75/976,003 2,072,891	Registered June 17, 1997	Renewal due June 17, 2007
XANADU Cl. 30 (tea)	US	74/802,307 1,905,109	Registered July 11, 1995	Renewal due July 11, 2005
YOUR NEIGHBORHOOD'S BEST COFFEE (coffee – gourmet coffee and espresso's)	Canada	1123064	Filed November 23, 2001 Pending	Aff. of Use due November 23, 2004

SCHEDULE A

Registered Trademarks and Domain Names cont'd

Class	Country	Serial No./ Reg. No.	State	Expiration Date
YOUR NEIGHBORHOOD'S BEST COFFEE Cl. 30 (gourmet coffees and espresso)	US	76/305,933 2,628,021	Registered October 1, 2002	Section 8/15 due October 1, 2008 Renewal due October 1, 2012

Internet Domain Names:

www.coffeebeanintl.com
www.coffeebeanintl.net
www.cbicoffee.com
www.cbicoffee.net
www.blue-parrot.com

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "**Agreement**") is dated for reference purposes only as of April 9, 2004, by and between Coffee Bean International, Inc., an Oregon corporation ("**Pledgor**") and LaSalle Bank National Association, a national banking association, ("**Lender**").

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Loan and Security Agreement dated for reference purposes only as of even date herewith by and between Pledgor and Lender (the "**Loan Agreement**"), Lender has, subject to the satisfaction of certain conditions precedent, agreed to lend monies and/or make advances, extensions of credit and other financial accommodations (collectively, the "**Loans**") to, on behalf or for the benefit of Pledgor; and

WHEREAS, Lender has required as a condition, among others, to the making of the Loans to Pledgor, in order to secure the prompt and complete payment, observance and performance of all of the Secured Obligations, that the Pledgor execute and deliver this Agreement to Lender.

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

1. Defined Terms. Any capitalized term not expressly defined herein shall have the meaning set forth in the Loan Agreement, which definitions are incorporated herein by reference.

2. Security Interest in Trademarks and Licenses. To secure a prompt, complete and timely payment, performance and satisfaction of all of the Secured Obligations, Pledgor hereby grants to Lender, for the benefit of Lender, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Pledgor's now owned or existing or hereafter acquired or arising:

(a) trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, registered service marks, domain names and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, registered service marks, domain names and service mark applications listed on Schedule A attached hereto and

made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements or dilutions thereof, (iv) the goodwill of Pledgor's business symbolized by the foregoing and connected therewith and (v) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**");

(b) rights under or interests in any trademark license agreements or service mark license agreements with any other party in connection with any of the Trademarks or such other party's Trademarks and registered trademarks, trademark applications, service marks, registered service marks, service mark applications, trade names and trade styles, whether Pledgor is a licensor or licensee under any such license agreement, including without limitation, those license agreements listed on Schedule B attached hereto and made a part hereof, and the right, upon the occurrence and during the continuation of an Event of Default, to prepare and sell any and all Inventory now or hereafter owned by Pledgor and now or hereafter covered by such licenses, and all books and all records (including, without limitation, customer lists, credit files, computer programs, printouts and other computer materials and records) pertaining to any of the foregoing (all of the foregoing are hereinafter referred to collectively as the "**Licenses**"), in each case to the maximum extent such rights or interests may be collaterally assigned without violating the provisions of any such agreements; and

(c) *provided, however,* that upon thirty (30) days prior written notice to Bank of its intention to exercise such right, nothing herein shall affect Pledgor's right to allow certain of the Trademarks to go abandoned if such Trademarks are not being used or will not be used in the ordinary course of business.

3. New Trademarks and Licenses. Pledgor hereby represents and warrants to Lender that (i) Schedule A sets forth all of the registered Trademarks and domain names owned by Pledgor as of the date of this Agreement, (ii) Schedule B sets forth all of the Licenses held by Pledgor as of the date of this Agreement and (iii) no other liens, claims or security interests have been granted by Pledgor to any other Person in such Trademarks and Licenses which have not been released prior to the date hereof. Pledgor hereby agrees that if, prior to the termination of this Agreement, Pledgor shall obtain rights to any new Trademarks, file any application for registration thereof, become entitled to the reissue, division, continuation, renewal, extension or continuation-in-part of any Trademark or Licenses, or enter into any new License, then (i) the provisions of this Agreement shall automatically apply thereto, (ii) Pledgor shall promptly furnish written notice thereof to Lender together with information sufficient to permit Lender, upon its receipt of such notice, to modify this Agreement, as appropriate, by amending Schedules A and B and (iii) Pledgor shall execute and deliver, with regard to any Trademarks, any agreements, instruments and documents that Lender may reasonably request from time to time to further effect and confirm the assignment and grant of security interest created by this

Agreement in such Trademarks, and Pledgor hereby appoints Lender, at all times during the continuance of an Event of Default, its attorney-in-fact to execute, deliver and record any and all such agreements, instruments and documents for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed and such power, being coupled with an interest, shall be irrevocable for so long as this Agreement shall be in effect with respect to Pledgor.

4. Royalties. Pledgor hereby agrees that the use by Lender of the Trademarks and Licenses as authorized hereunder during the continuance of an Event of Default shall be coextensive with the Pledgor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Pledgor.

5. Termination of Lender's Security Interest. This Agreement is made for collateral security purposes only. Upon payment in full of all of the Secured Obligations and termination of the Loan Agreement, this Agreement shall terminate. Following such termination, Lender shall execute a written release confirming the termination and any and all other documents reasonably requested by Pledgor or the United States Patent and Trademark Office or any similar office or agency in any state, province or county, in connection with such termination.

6. Duties of the Pledgor. Subject to the provisions of Section 2(c) of this Agreement, Pledgor shall (i) prosecute diligently any Trademark or service mark application, if any, that is part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, (ii) make application on registrable trademarks or service marks as Pledgor deems appropriate, and (iii) take all reasonable steps to preserve and maintain all of Pledgor's rights in the Trademarks and Licenses whether now existing or hereafter acquired or arising, including, without limitation, making timely filings with the United States Patent and Trademark Office or any similar office or agency in any state, province or country or renewals and extensions and diligently monitoring unauthorized use hereof.

7. Lender's Right to Sue. After the occurrence and during the continuation of an Event of Default, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks or Licenses and, if the Lender shall commence any such suit, Pledgor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Pledgor shall, upon demand, promptly reimburse Lender for all Costs incurred by Lender in the exercise of such enforcement (including, without limitation, reasonable attorneys' fees).

8. Waivers. No course of dealing between Pledgor and Lender and no failure or delay on the part of Lender to exercise, or delay in exercising, any right, power or privilege hereunder, under the Loan Agreement or under any other agreement, shall operate as a waiver of any of Lenders' rights, powers or partial exercise of any right, power or privilege hereunder, under the Loan Agreement or under any other agreement.

9. Cumulative Remedies; Power of Attorney. All of the rights and remedies of Lender with respect to the Trademarks or Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. After the occurrence and during the continuance of an Event of Default, Pledgor hereby appoints Lender and all Persons as Lender may designate, in its sole and absolute discretion, as Pledgor's attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor or otherwise, to take any action and to execute any instrument which Lender may deem reasonably necessary or advisable to accomplish the purposes of this Agreement. Pledgor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations shall have been paid in full and all financing arrangements between Lender and Pledgor shall have been terminated. Pledgor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any of the other Loan Documents, but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks or Licenses may be located or deemed located.

10. Binding Effect; Benefits. This Agreement shall be binding upon Pledgor and its successors and assigns, and shall inure to Lender, for the benefit of Lender, and its nominees. Pledgor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Pledgor. Pledgor shall not assign its obligations hereunder without Lender's prior written consent.

11. Incorporation by Reference. The provisions of Article 15 of the Loan Agreement are hereby incorporated herein by reference and shall be binding upon the parties as if fully set forth herein.

12. Duty of Lender. Lender shall not be liable for any actions, omissions, errors of judgment or mistakes of fact or law with respect to the Trademarks or Licenses except as a result of the gross negligence or willful misconduct of Lender. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any action necessary to preserve rights in the Trademarks or Licenses against any other Persons but may do so at its option, and all expenses incurred in connection therewith shall be for the sole account of Pledgor and added to the Secured Obligations secured hereby.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the parties hereby have duly executed this Trademark Security Agreement, dated for reference purposes only as of the date first above written.

Coffee Bean International, Inc.

By: 

Name: Alex R. Miller

Title: Chairman

LaSalle Bank National Association

By: 

Name: Carla Steyeart

Title: Asst. Vice President

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www.blue-parrot.com

SCHEDULE B

Licenses

None.

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Licenses

None.