

07-19-2004

Form PTO-1594
(Rev. 10/02)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

Vitamin Discount Center, Inc.

- Individual(s)
- General Partnership
- Corporation-State
- 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: 7/1/2004

2. Name and address of receiving party(ies)

Name: United Natural Foods, Inc.

Internal Address: _____

Street Address: 260 Lake Road

City: Dayville State: CT Zip: 06241-0999

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State Delaware
- 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) 2790613; 2478881

Additional number(s) attached Yes No

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

Name: Eileen K. Tobin, Paralegal

Internal Address: Cameron & Mittleman LLP

Street Address: 56 Exchange Terrace

City: Providence State: RI Zip: 02903

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: _____

OFFICE OF PATENT RECORDS
2001 JUL 15 AM 8:55
FRANCE SECTION

DO NOT USE THIS SPACE

9. Signature.

Joseph A. Anesta, Esq.
Name of Person Signing

Signature

July 7, 2004
Date

Total number of pages including cover sheet, attachments, and document: **6**

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

07/16/2004 NBETACHE 0000035 2790613

01 FC:0521 40.00 OP
02 FC:0522 25.00 OP

TRADEMARK
REEL: 003008 FRAME: 0173

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of July 1st, 2004, is made by the undersigned (the "Company") to and in favor of UNITED NATURAL FOODS, INC., a Delaware corporation ("Lender"), pursuant to that certain Investment Agreement, dated as of even date herewith, among the Company, the Lender and the other signatories thereto (as amended, restated, supplemented or otherwise modified from time to time, the "Investment Agreement"; capitalized terms used herein and not defined shall have the meanings ascribed to them in the Investment Agreement).

WITNESSETH:

RECITALS.

A. The Company owns and uses certain Trademarks (as hereinafter defined) which are registered in, or applications for registration of which have been filed in, the United States Patent and Trademark Office, all as more fully described on Schedule I attached hereto and by reference made part hereof;

B. The Lender propose to make certain loans to the Company pursuant to the Investment Agreement; and

C. Pursuant to the Investment Agreement, the Company has assigned, conveyed, mortgaged, pledged, hypothecated and transferred to the Lender, for its benefit and the ratable benefit of the Lender, all of its right, title and interest in and to, and granted to the Lender, for its benefit and the ratable benefit of the Lender, a security interest in, the property described therein, including, without limitation, all of the Company's Trademarks (as hereinafter defined), whether presently existing or hereafter acquired or arising, or in which the Company now has or hereafter acquires rights and wherever located, and all products and proceeds any of the foregoing, as security for all of the company's obligations to the Lender referenced in the Investment Agreement, including, without limitation, that certain \$3,500,000 Subordinated Secured Promissory Note from the Company to the Lender (collectively, the "Obligations").

D. As a condition precedent to the extension of such financial accommodations pursuant to the Investment Agreement and in furtherance of the Investment Agreement, including, without limitation, for purposes of perfecting the security interests granted therein, the Lender has required that the Company grant to the Lender a security interest in and a collateral assignment of the Property (as hereinafter defined);

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

"Trademarks" means all of the following: (i) all trademarks and service marks, all registrations and recordings thereof, and all applications for trademarks and service marks, including, without limitation registrations, recordings and applications in the office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those referred to in Schedule I attached hereto, and (ii) all reissues, continuations, continuations-in-part or extensions thereof.

2. As security for the payment and performance of all of the Obligations, the Company hereby grants and conveys a security interest to the Lender, for its benefit and the ratable benefit of the Lender, in, and collaterally assigns to the Lender, for its benefit and the ratable benefit of the Lender, all of the Company's right, title and interest in, to and under the following (collectively, the "Property"): (a) each Trademark now or hereafter owned by the Company or in which the Company now has or hereafter acquires rights and wherever located, including, without limitation, each Trademark referred to in Schedule I hereto and any renewals of registrations thereof; (b) the goodwill of the Company symbolized by the Trademarks; and (c) all products and proceeds of the foregoing, including, without limitation, any claim by the Company against third parties for past, present or future infringement of any Trademark including, without limitation, any Trademark referred to in Schedule I hereto.

Notwithstanding the foregoing or anything else in this Agreement to the contrary, unless and until the Lender exercises the rights and remedies accorded to it under the Investment Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, the Lender hereby grants to the Company the exclusive, nontransferable, royalty-free right and license under the Property for the Company's own benefit and account, so that the Company may use and enjoy the Property in connection with its business operations and exercise rights and remedies with respect to the Property, but with respect to all Property being used in the Company's business, only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property. The Company agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to the Company in this paragraph, except that the Company may sublicense the Property in the ordinary course of the Company's business but only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property. Upon the exercise by the Lender of the rights and remedies accorded to it under the Investment Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, the license granted under this paragraph to the Company shall terminate.

3. The Company does hereby further acknowledge and affirm that the representations, warranties and covenants of the Company with respect to the Property and the rights and remedies of the Lender with respect to the security interest in and collateral assignment of the Property made and granted hereby are more fully set forth in the Investment Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. This Agreement shall terminate upon termination of the Obligations. At any time and from time to time prior to such termination, the Lender may terminate its security interest in or reconvey to the Company any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from the Company, the Lender shall, at the expense of the Company, execute and deliver to the Company all deeds, assignments and other instruments as may be necessary or proper in reasonable judgment of the Company in order to evidence such termination, subject to any disposition of the Property which may have been made by the Lender pursuant hereto or pursuant to the Investment Agreement.

5. If at any time before the termination of this Agreement, the Company shall obtain or acquire rights to any new Trademark (including any Trademark application), the provisions of Section 2 shall automatically apply thereto and the Company shall comply with the terms of the Security Agreement with respect to such new Trademark. The Company authorizes the Lender to modify this Agreement by amending Schedule 1 to include any future Trademarks (and Trademark applications) covered by Section 2 or by this Section 5.

6. The Company further agrees that (a) the Lender shall not have any obligation or responsibility to protect or defend the Property and the Company shall, at its own expense protect, defend and maintain the same in accordance with the terms and conditions set forth in the Investment Agreement, (b) the Company shall forthwith advise the Lender promptly in writing upon detection of infringements of any of the Property being used in the Company's business and (c) if the Company fails to comply with the requirements of the preceding clause (a), the Lender may do so in the Company's name or in its own name, but in any case at the Company's expense, and the Company hereby agrees to reimburse the Lender for all expenses, including attorneys' fees, incurred by the Lender in protecting, defending and maintaining the Property.

7. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF CONNECTICUT, EXCEPT TO THE EXTENT THAT PERFECTION (AND THE EFFECT OF PERFECTION AND NONPERFECTION) AND CERTAIN REMEDIES MAY BE GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF CONNECTICUT.

[Signature line appears on the next page]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its duly authorized officers as of the date first above written.

"COMPANY"

VITAMIN DISCOUNT CENTER, INC.

By: 
Name: Michael D. Cook **TRADEMARK**
Title: REEL 003008 FRAME: 0176

SCHEDULE I

REGISTERED U.S. TRADEMARKS

| <u>DESCRIPTION</u> | <u>REGISTRATION NO.</u> | <u>REGISTRATION DATE</u> |
|-------------------------|-------------------------|--------------------------|
| Vitamin Discount Center | 2790613 | 12/9/03 |
| Vitamin Discount Center | 2478881 | 8/21/01 |