

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
CITRUS AND ALLIED ESSENCES LTD.		03/24/2005	CORPORATION: NEW YORK
RECEIVING PARTY DATA			
Name:	COMMERCE BANK, N.A.		
Street Address:	155 Pinelawn Road		
Internal Address:	Suite 100 North		
City:	Melville		
State/Country:	NEW YORK		
Postal Code:	11747		
Entity Type:	National Banking Association:		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	2885132	COLORSHIELD	
Registration Number:	2874289	SPICESSENCE	
Serial Number:	78183974	CA-2-4-1	
Serial Number:	78237574	FLAVORSHIELD	
CORRESPONDENCE DATA			
Fax Number:	(202)728-0744		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	2027216405		
Email:	christine.wilson@t-t.com		
Correspondent Name:	Thomson & Thomson		
Address Line 1:	1750 K Street, NW		
Address Line 2:	Suite 200		
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20006		
NAME OF SUBMITTER:	CHRISTINE WILSON		

CH \$115.00 2885132

Signature:	/CHRISTINE WILSON/
Date:	03/25/2005
Total Attachments: 15 source=citrus - commerce#page1.tif source=citrus - commerce#page2.tif source=citrus - commerce#page3.tif source=citrus - commerce#page4.tif source=citrus - commerce#page5.tif source=citrus - commerce#page6.tif source=citrus - commerce#page7.tif source=citrus - commerce#page8.tif source=citrus - commerce#page9.tif source=citrus - commerce#page10.tif source=citrus - commerce#page11.tif source=citrus - commerce#page12.tif source=citrus - commerce#page13.tif source=citrus - commerce#page14.tif source=citrus - commerce#page15.tif	

SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of March 24, 2005 (this "Agreement"), is by and between CITRUS AND ALLIED ESSENCES LTD., a New York corporation (the "Company") and COMMERCE BANK, N.A., a national banking association, having its principal place of business at 1701 Route 70 East, Cherry Hill, New Jersey 08034-4700 and having a regional office at 155 Pinelawn Road, Suite 100 North, Melville, New York 11747 (the "Bank").

WHEREAS, the Company, C & A Holdings International Ltd., a Delaware corporation (the "Guarantor") and the Bank have entered into a Loan Agreement dated of even date herewith (the "Loan Agreement"); and

WHEREAS, it is a condition precedent to the Bank's willingness to enter into the Loan Agreement and to make any loans or otherwise extend credit to the Company under the Loan Agreement and the other Loan Documents (as such term is defined in the Loan Agreement) that the Company execute and deliver to the Bank a security agreement in substantially the form hereof in order to, among other things, (a) grant to the Bank a continuing lien on and security interest in the Collateral (as defined in Section 2.1 of this Agreement), and (b) expressly provide a grant of a lien on and a security interest in the Collateral (as defined herein) to secure the Obligations under the Loan Agreement and the Loan Documents, in each case as provided herein; and

NOW THEREFORE, in consideration of advances, loans and extensions of credit now outstanding or hereafter made to, or for the account or benefit of, the Company by the Bank, whether alone or in conjunction with another or others and/or the granting to, or for the account or benefit of the Company, extensions, forbearances, modifications or renewals thereof, as the Bank, in its sole discretion may deem advisable, and/or of any advances, loans or extensions of credit now outstanding or hereafter made by the Bank to another, the payment of which is guaranteed by the Company to the Bank, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Company does hereby agree with the Bank as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

"Agreement" shall mean this Security Agreement, as the same may be reaffirmed, ratified, restated, amended or otherwise modified, and any and all other documents and instruments now or hereafter executed and delivered in conjunction herewith.

"Collateral" shall have the meaning set forth in Section 2.1.

"Event of Default" shall mean any of the events specified in Section 5 hereof, provided that any requirement for the giving of notice, or the lapse of time, or both has been satisfied.

"Obligations" shall mean any and all liabilities and obligations of the Company to the Bank of every kind whether arising under this Agreement, the Loan Agreement or any other agreement of the Company with the Bank, including any liability of the Company pursuant to any guarantee executed by the Company in favor of the Bank, however evidenced and whether now existing or hereafter incurred, originally contracted with the Bank alone or with another or others, or as agent for another or others, secured or not secured, direct or indirect, matured or not matured, absolute or contingent, now due or hereafter to become due (including, without limitation, any and all costs and reasonable attorneys' fees incurred by the Bank in the collection, whether by suit or by any other means of any of the Obligations hereunder) and any amendment, modification, extension or renewal of any of the foregoing.

"UCC" shall mean the New York Uniform Commercial Code, as amended from time to time.

Section 1.2. Usage. Any term not otherwise defined herein shall be deemed to be defined in accordance with the definition thereof ascribed to it under the UCC.

SECTION 2. SECURITY INTEREST

Section 2.1. Grant. The Company hereby grants to the Bank a continuing security interest in and lien on the Collateral (as defined in Section 2.1 of this Agreement). As collateral security for the prompt, complete and unconditional payment and performance of the Obligations, the Company does hereby ratify, restate, and reaffirm such security interest and lien on such collateral, and expressly grants to the Bank to secure the prompt, complete and unconditional payment and performance of the Obligations, a continuing first priority security interest in and lien on all the following properties, assets and rights of the Borrower, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the "Collateral"): all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents (including, if applicable, electronic documents), accounts, chattel paper (whether tangible or electronic), deposit accounts, letters-of-credit, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles) and all other personal and fixture property of every kind and nature including but not limited to the schedule of trademarks listed in Schedule A attached hereto; provided, however, the Collateral shall not include the real property, fixtures and equipment located at the Borrower's facilities in Belcamp, Maryland and Corona, California. Such security interest shall continue until terminated by a written agreement executed by the Bank, notwithstanding the fact that there may be no Obligations outstanding from time to time. As additional security for the payment of the Obligations, the Company hereby grants to the Bank a continuing lien, security interest and right of set-off in and to all property of the Company, and the proceeds thereof, now or hereafter actually or constructively held or received by or for the Bank for any purpose, including safekeeping, custody, pledge, transmission and collection, and the Bank shall have a continuing lien and/or right of set-off for the amount of any of the Obligations upon all of the Company deposits (general and special) and credits with the

Bank. The Bank is authorized at any time or from time to time, during the existence and continuation of an Event of Default, with or without notice to the Company, to apply all or part of such property, deposits or credits to any of the Obligations in such amounts as the Bank may elect in its sole and absolute discretion, although the Obligations may be contingent or unmatured, and whether or not the Collateral may be deemed adequate.

Section 2.2. Authorization to File Financing Statements. The Company hereby irrevocably authorizes the Bank at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statement and amendments thereto that (a) indicate the Collateral (i) as all assets of the Company or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC or such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail, and (b) provide any other information required by part 5 of Article 9 of the UCC or such other jurisdiction for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether the Company is an organization, the type of organization and any organization identification number issued to the Company and, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Company agrees to furnish any such information to the Bank promptly upon request. The Company also ratifies its authorization for the Bank to have filed in any Uniform Commercial Code jurisdiction any like financing statements or amendments thereto if filed prior to the date hereof.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF COMPANY

The Company represents and warrants to the Bank, and shall be deemed to continually do so, as long as this Agreement shall remain in force, as follows

3.1 Corporate Existence. The Company is duly organized and validly existing and is in good standing under the laws of each jurisdiction in which it transacts its business, has the power to own its assets and to transact the business in which it presently is engaged and to subject the Collateral to the security interest herein provided.

3.2 Corporate Power and Authorization. The Company is authorized to enter into this Agreement and is empowered to implement and carry out the provisions hereof, and has taken all necessary actions, corporate or otherwise, in respect thereto.

3.3 Corporate Name. The Company represents and warrants to the Bank that (a) the Company's exact legal name is that indicated on the signature page hereof, (b) the Company is a corporation organized under laws of the State of New York, (c) the Company's does not have an organizational identification number issued by the State of New York, (d) the Company's place of business or, if more than one, its chief executive office, as well as the Company's mailing address, is set forth in Section 7.4 hereof.

3.4 Representations and Warranties Concerning Collateral. The Company further represents and warrants to the Bank as follows: (a) the Company is the owner of or has other rights in or power to transfer the Collateral, free from any right or claim of any person or any adverse lien, except for the security interest created by this Agreement

and other Liens permitted by the Loan Agreement, (b) none of the Collateral constitutes, or is the proceeds of, "farm products" as defined in §9-102(a)(34) of the Uniform Commercial Code of the State, (c) none of the account debtors or other persons obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or like federal, state or local statute or rule in respect of such Collateral, (d) the Company holds no commercial tort claim except as previously disclosed to the Bank in writing, and (e) the Company has, to its knowledge, at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

3.5 Enforceable Security Interest. The provisions of this Agreement are effective to create a legal, valid and enforceable first priority (except where disclosed in Schedule 3.5 annexed hereto) security interest in favor of the Bank in all right, title and interest of the Company in the Collateral.

SECTION 4. AFFIRMATIVE COVENANTS

4.1 Payment of Obligations. The Company shall pay or perform all of the Obligations secured hereby when due.

4.2 Covenants Concerning Collateral, Etc. The Company further covenants with the Bank as follows: (a) the Collateral, will be kept at those locations listed on Schedule 4.2 annexed hereto and the Company will not remove any Collateral, except work in progress and inventory in the ordinary course of business, from such locations, without providing at least 30 days prior written notice to Bank, (b) except for the security interest herein granted and Liens permitted by the Loan Agreement, the Company shall be the owner of or have other rights in the Collateral free from any right or claim of any other person or any lien, and the Company shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Bank, (c) the Company shall not pledge, mortgage or create, or suffer to exist any right of any person in or claim by any person to the Collateral, or any lien in the Collateral in favor of any person, other than Bank, except for Liens permitted by the Loan Agreement or with the prior consent of Bank, (d) the Company will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon, (e) as provided in the Loan Agreement, the Company will permit Bank, or its designee, to inspect the Collateral at any reasonable time, wherever located, (f) the Company will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement, (g) the Company will continue to operate, its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances, and (h) the Company will not sell or otherwise dispose, or offer to sell or otherwise dispose, of the Collateral or any interest therein except for (i) sales and leases of inventory and licenses of general intangibles in the ordinary course of business and (ii) so long as no Event of Default has

occurred and is continuing, sales or other dispositions of obsolescent items of equipment consistent with past practices.

4.3 Maintenance of Insurance. The Company will maintain with financially sound and reputable insurers insurance with respect to its properties and business against such casualties and contingencies as shall be in accordance with general practices of businesses engaged in similar activities in similar geographic areas. Such insurance shall be in such minimum amounts that the Company will not be deemed a co-insurer under applicable insurance laws, regulations and policies and otherwise shall be in such amounts, contain such terms, be in such forms and be for such periods as may be reasonably satisfactory to Bank. In addition, all such insurance shall be payable to Bank as loss payee under a "standard" or "New York" loss payee clause for the benefit of the Bank. Without limiting the foregoing, the Company will (a) keep all of its physical property insured with casualty or physical hazard insurance on an "all risks" basis, with broad form flood and earthquake coverages and electronic data processing coverage, with a full replacement cost endorsement and an "agreed amount" clause in an amount equal to 100% of the full replacement cost of such property, (b) maintain all such workers' compensation or similar insurance as may be required by law and (c) maintain, in amounts and with deductibles equal to those generally maintained by businesses engaged in similar activities in similar geographic areas, general public liability insurance against claims of bodily injury, death or property damage occurring, on, in or about the properties of the Company; business interruption insurance; and product liability insurance.

4.4 Insurance Proceeds. The proceeds of any casualty insurance in respect of any casualty loss of any of the Collateral shall, subject to the rights, if any, of other parties with an interest having priority in the property covered thereby, (a) so long as no Event of Default has occurred and is continuing and to the extent that the amount of such proceeds is less than \$50,000, be disbursed to the Company for direct application by the Company solely to the repair or replacement of the Company's property so damaged or destroyed and (b) in all other circumstances, be held by Bank as cash collateral for the Obligations. Bank may, at its sole option, disburse from time to time all or any part of such proceeds so held as cash collateral, upon such terms and conditions as Bank may reasonably prescribe, for direct application by the Company solely to the repair or replacement of the Company's property so damaged or destroyed, or Bank may apply all or any part of such proceeds to the Obligations.

4.5 Continuation of Insurance. All policies of insurance shall provide for at least 30 days prior written cancellation notice to Bank. In the event of failure by any Company to provide and maintain insurance as herein provided, Bank may, at its option, provide such insurance and charge the amount thereof to the Company. The Company shall furnish Bank with certificates of insurance evidencing compliance with the foregoing insurance provision.

4.6 Expenses of the Bank. The company shall reimburse the Bank for all expenses including, without limitation, disbursements and any other costs and fees incurred by the Bank in connection this Agreement or with the Collateral, including, without limitation, any reasonable attorneys' fees.

4.7 Covenants Concerning the Company's Legal Status. The Company covenants with the Bank as follows: (a) without providing at least 30 days prior written notice to Bank, the Company will not change its name, its principal place of business or, if more than one, chief executive office, or its mailing address or organizational identification number if it has one, (b) if the Company does not have an organizational identification number and later obtains one, the Company will forthwith notify Bank of such organizational identification number, and (c) the Company will not change its type of organization, jurisdiction of organization or other legal structure without the prior consent of the Bank.

4.8 Other Actions as to any and all Collateral. The Company further agrees, upon the written request of Bank and at Bank's option, to take any and all other actions as Bank may determine to be reasonably necessary or useful for the attachment, perfection and first priority of, and the ability of Bank to enforce, Bank's security interest in any and all of the Collateral, including (a) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that the Company's signature thereon is required therefor, (b) causing Bank's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of Bank to enforce, Bank's security interest in such Collateral, (c) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of Bank to enforce, Bank's security interest in such Collateral, (d) obtaining governmental and other third party waivers, consents and approvals, in form and substance satisfactory to Bank, including any consent of any licensor, lessor or other person obligated on Collateral, (e) obtaining waivers from mortgagees and landlords in form and substance satisfactory to Bank, and (f) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by Bank to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

SECTION 5. EVENTS OF DEFAULT

Any of the following events shall be an Event of Default:

(a) The Company fails to make any payment of principal or interest or any other payment on any Obligation when due and payable, by acceleration or otherwise;

(b) Any representation or warranty made herein by the Company or in any document furnished to the Bank by the Company under this Agreement is incorrect in any material respect when made or when reaffirmed;

(c) The Company fails to observe or perform any covenant, condition, or agreement to be observed or performed pursuant to the terms hereof;

(d) A court enters a decree or order for relief in respect of the Company in an involuntary case under any applicable bankruptcy, insolvency, or other similar law then in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, or sequestrator

(or other similar official) of the Company or for any substantial part of its property, or orders the windup or liquidation of the Company's affairs; or a petition initiating an involuntary case under any such bankruptcy, insolvency, or similar law is filed against the Company and is pending for thirty (30) days without dismissal;

(e) The Company commences a voluntary case under any applicable bankruptcy, insolvency, or other similar law then in effect, makes any general assignment for the benefit of creditors, fails generally to pay its debts as such debts become due, or takes corporate action in furtherance of any of the foregoing;

(f) Any guarantor revokes or attempts to revoke its guaranty of any of the Obligations, or dies, or becomes the subject of any insolvency proceeding of the type described in clauses (e) or (f) above with respect to the Company;

(g) An Event of Default occurs under the terms of the Loan Agreement; or

(h) The Company defaults under the terms of any other indebtedness and such default is not cured within the time period permitted pursuant to the terms and conditions of such indebtedness, or an event occurs that gives any creditor the right to accelerate the maturity of any such indebtedness.

SECTION 6. BANK'S RIGHTS AND REMEDIES

6.1 General Rights. The rights of the Bank shall at all times be those of a secured party under the UCC and without limiting the generality of the foregoing, the Bank shall have the additional rights set forth in this Section.

6.2 Rights upon Default. Upon the occurrence or continuance of any Event of Default hereunder, the Bank may declare any or all of the Obligations to be immediately due and payable without presentment, demand, protest, or notice of any kind, all of which are expressly waived, notwithstanding anything to the contrary contained in any instrument evidencing any of the Obligations. The Company further authorizes the Bank and does hereby irrevocably make, constitute and appoint the Bank and any officer or agent thereof, with full power of substitution, as the Company's true and lawful attorney-in-fact with full power, in its own name or in the name of the Company: (a) to endorse any notes, checks, drafts, money orders or other instruments of payment (including payments payable under or with respect to any policy of insurance) relating to the Collateral or in connection therewith, to sign and endorse any invoices, drafts against debtors, assignments, verifications and notices in connection with accounts and other documents relating to the Collateral; (b) to give written notice to such officials of the United States Post Office to effect such change or changes of address so that all mail addressed to the Company may be delivered directly to a Post Office Box or to such other depository as may be selected by the Bank and consented to by the Company and to receive, open and dispose of mail addressed to the Company or as otherwise agreed by the Company; (c) to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral; (d) to receive payment of, receipt for, settle, compromise or adjust and give discharges and releases for or in respect of any and all moneys, claims and other amounts due and to become due at any time under or rising out of the Collateral; (e) to defend any suit, action or proceeding brought against the Company with respect to any Collateral; (f) to settle, compromise or

adjust any suit, action or proceeding described above and in connection therewith, to give such discharges or releases as the Bank may deem appropriate and, generally, to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Bank was the absolute owner thereof for all purposes; (g) without limiting the generality of the foregoing and with respect to the accounts; (i) to take, demand, collect, receive and give acquittances, releases and receipts and for any and all moneys due or to become due in the name of the Company or in the name of the Bank or otherwise and to take possession of and endorse and collect any notes, checks, drafts, money orders or other instruments or payment (including payments payable under or with respect to any policy of insurance) relating thereto or in connection therewith and to file any claim and to take any other action in any court of law or equity or otherwise deemed appropriate by the Bank for the purpose of collecting any and all such moneys whenever payable relating thereto, although the Bank shall not be required or be obligated in any manner to make any demand or to make any inquiry as to the nature of sufficiency of any payment received by it, or to present or file any claim or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled hereunder at any time or times; and (ii) to direct obligors respecting accounts or any other party liable for the payment thereof to make payment of any and all moneys at any time payable in connection therewith directly to the Bank or to an agent specified by it; and notwithstanding the foregoing, neither this Agreement nor the receipt by the Bank of any payment pursuant thereto or hereto shall cause the Bank to be under any obligation or liability in any respect to any obligor or any other party for the performance or observance by any of the representations, warranties, conditions or terms of any invoice, agreement or other document issued or executed in connection with the accounts and in connection with the foregoing, the Company agrees that (1) it will not renew or extend the time of payment of any account, (2) it will furnish to the Bank all original invoices or papers which relate to the creation of the account, and (3) with respect to any accounts which are collected by the Company, it will remit such collections promptly to the Bank in the form received (with appropriate endorsements) and, until remitted, it will hold such collections in trust for the Bank; and (h) without limiting the generality of the foregoing and with respect to the equipment and inventory, the Bank shall also have the right, without notice to the Company, to enter upon and into the premises of the Company without liability for trespass and to remove all of the equipment and inventory and all books, records, invoices and other documentation or materials relative thereto. The Bank may require the Company to assemble or package the equipment and inventory and make it available to the Bank, at a location to be designated by the Bank, reasonably convenient to the parties where it will remain at the Company's expense pending sale or other disposition by the Bank.

6.3 Sale of the Collateral. In the event the Bank determines that the Collateral should be sold to satisfy all or any part of the Obligations, the Bank may dispose of the Collateral in whole or in part at public or private sale, and any notice required to be given shall be given in accordance with Section 7.4 herein at least ten (10) days before the proposed sale. The parties agree said notice shall be reasonable, provided, however, the Bank need not give such notice with respect to Collateral which is perishable or threatens to decline speedily in value or is a type customarily sold on a recognized market. At any such sale the Bank may purchase the Collateral free from, and discharged of all trusts,

claims, rights of redemption and equities of the Company, all of which are hereby waived and released. The Company shall remain liable for any deficiency resulting from any sale of the Collateral and shall pay such deficiency promptly on the Bank's demand.

6.4 Expense of Collection and Sale. The Company agrees to pay all reasonable costs and expenses incurred by the Bank in enforcing, collecting or realizing upon the Obligations or the Collateral (including, without limitation, reasonable attorneys' fees).

6.5 Exercise of Remedies. If any Obligations are now or hereafter secured by property other than the Collateral, or by any guaranty, endorsement or property now or hereafter owned by any other person, firm or corporation, then the Bank shall have the right in its sole discretion to determine, which rights, security liens, security interests or remedies the Bank shall at any time pursue, relinquish, subordinate, modify or take any other action with respect thereto, without in any way modifying or affecting any such rights or any of the Bank's rights hereunder.

SECTION 7. MISCELLANEOUS

7.1 Limited Role of the Bank. The relationship between the Company and the Bank shall be solely that of debtor and secured party, respectively. The Bank shall not have any fiduciary responsibilities to the Company or with respect to the Collateral and no joint venture exists between the Company and the Bank. The Company and the Bank each hereby severally acknowledge that there are no representations, warranties, covenants, undertakings or agreements by the parties hereto as to this Agreement except as specifically provided herein. The Bank shall have no obligation to sell or otherwise realize upon the Collateral and shall not be responsible for, and the Company shall not assert as a defense, the Bank's failure to realize upon the Collateral.

7.2 Choice of Law; Construction. This Agreement shall be construed in accordance with the internal laws (and not the law of conflicts) of the State of New York. If any provision of this Agreement shall be or become unenforceable or illegal under any law, all other provisions shall remain in full force and effect.

7.3 Consent to Jurisdiction. (a) The Company hereby irrevocably submits to the non-exclusive jurisdiction of the Supreme Court of the State of New York in any action or proceeding arising out of or relating to this Agreement and the Company hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such a court or the fact that such court is an inconvenient forum.

(b) The Company irrevocably and unconditionally consents to the service of process in any such action or proceeding in any of the aforesaid courts by the mailing of copies of such process to it, by certified or registered mail in accordance with the terms of Section 7.4 herein.

(c) The Company agrees that nothing herein shall affect the Bank's right to effect service of process in any other manner permitted by law and the Bank shall have the right to bring any legal proceeding (including a proceeding for enforcement of a judgment

entered by any of the aforementioned courts) against the Company in any other court or jurisdiction in accordance with applicable law.

7.4 Notices. All notices, requests and demands to or upon the respective parties hereto shall be in writing and shall be deemed to have been duly given or made when delivered by hand, or if sent by certified mail, three days after the day in which mailed, or, in the case of facsimile, when evidence of receipt is obtained, or, in the case of overnight courier service, one business day after delivery to such courier service, addressed as set forth below, or to such other address as may be hereafter notified by the respective parties hereto.

The Bank: Commerce Bank, N.A.
155 Pinelawn Road, Suite 100 North
Melville, New York 11747
Attention: Jane Duggan, Vice President

The Company: Citrus and Allied Essences Ltd.
3000 Marcus Avenue
Lake Success, New York 11042
Attention: Richard C. Pisano, Jr., Executive Vice President
and Treasurer

7.5 Waivers. The Company expressly waives notice of non payment or protest, demand, or presentment, in relation to the Obligations or the Collateral. No delay or omission of the Bank in exercising or enforcing any of its rights, powers, privileges, options or remedies under this Agreement or any other agreement or promissory note between the Bank and the Company shall constitute a waiver thereof, and no waiver by the Bank of any Event of Default by the Company shall operate as a waiver of any other Event of Default. Except for the terms and provisions of any promissory notes or other security agreements now existing or hereafter executed and delivered to the Bank by the Company (which terms and provisions are specifically deemed to be in addition to and not in derogation of the terms and provisions hereof), this Agreement constitutes the entire understanding between the Company and the Bank with respect to the subject matter hereof and supersedes all prior written or oral communications or understandings. No term or provision of this Agreement shall be waived, altered or modified except in writing signed by the parties hereto. All rights and remedies of the Bank under this Agreement shall be cumulative and not alternative or exclusive of any rights or remedies provided by law and may be exercised by the Bank at such time or times and in such order as the Bank, in its sole discretion, may determine and are for the sole benefit of the Bank and the exercise or failure to exercise such shall not result in liability to the Company or others except in the event of willful misconduct or gross negligence by the Bank, and in no event shall the Bank be liable for more than it actually receives as a result of the exercise or failure to exercise such right and remedies. The Bank shall not be liable for any failure by it to comply with any recording, re recording, filing, refiling or other legal requirement necessary to establish or maintain the validity, priority or enforceability of, or the Bank's right in and to the Collateral, or any part thereof.

7.6 Successors and Survival. This Agreement shall remain in full force and effect until terminated as to future transactions by written agreement of the parties. The Company may not transfer or assign any of its rights, interest or obligations hereunder without the prior written consent of the Bank. This Agreement shall be binding upon the Company and shall inure to the benefit of the Bank and its successors and assigns and to the permitted successors and assigns of the Company. All representations, warranties and covenants contained herein or in any other agreement between the Bank and the Company shall survive the execution hereof and thereof and the granting of loans or advances pursuant hereto or thereto.

7.7 Waiver of Counterclaim. Setoff In any litigation whether pursuant hereto or otherwise in which the Company and the Bank are adverse parties the Company waives the right to interpose any set-off or counterclaim of any nature or description against the Bank.

7.8 Captions. The headings of the Section in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.

7.9 Severability. If any provision of this Agreement shall be or become illegal or unenforceable in whole or in part for any reason whatsoever, the remaining provisions shall nevertheless be deemed valid, binding and subsisting.

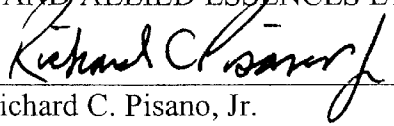
7.10 WAIVER OF JURY TRIAL. COMPANY AND BANK HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Agreement has been executed as of this 24th day of March, 2005.

CITRUS AND ALLIED ESSENCES LTD.

By:



Richard C. Pisano, Jr.

Executive Vice President and Treasurer

SCHEDULE 3.5

EXISTING LIENS

Citrus and Allied Essences Ltd.

<u>Creditor</u>	<u>Amount</u>	<u>Property Subject to Lien</u>
The Bank of New York 280 Broadway Newburgh, NY 12550	\$10,000,000	UCC's
Steelcase Financial Services, Inc. 901 44 th Street SE Grand Rapids, MI 49508-0000	\$100,000	UCC
AOE Ricoh 650 CIT Drive PO Box 1638 Livingston, NJ 07039-0000	\$20,000	UCC
Agilent Financial Services, Inc. 900 Ashwood Parkway Atlanta, GA 30338-0000	\$150,000	UCC
Hartford County, Maryland Multi- Modal Interchangeable Rate/ Demand Economics Development Revenue Bonds Series 1996 and 1988	\$6,000,000	4620 Mercedes Drive Belcamp, MD 21017

SCHEDULE 4.2
COLLATERAL LOCATIONS

65 S. TYSON AVENUE
FLORAL PARK, NY 11001

240 DEININGER CIRCLE
CORONA, CA. 92880

4620 MERCEDES DRIVE
BELCAMP, MD. 21017

1530 LOUIS AVENUE
ELK GROVE VILLAGE, IL 60007

BALTIC INVESTMENT
1440 CHESAPEAKE AVE
BALTIMORE, MD. 21226

USA CONTAINER CO., INC
1776 SOUTH SECOND STREET
PISCATAWAY, NJ 08854

SCHEDULE A

Citrus and Allied Essences Ltd.

Schedule of Trademarks

OWNER	APPLICATION NUMBER	APPLICATION DATE
Citrus and Allied Essences Ltd.	78/183974	11/12/02
Citrus and Allied Essences Ltd.	78/237574	04/14/03

OWNER	REGISTRATION NUMBER	FILING DATE
Citrus and Allied Essences Ltd.	2885132	09/14/04
Citrus and Allied Essences Ltd.	2874289	08/17/04

O:\BHPP Department Data\Commercial Mortgage Department Data\COMM.MTG\Commerce Bank\Citrus and Allied\Trademark Schedule (Borrower).doc