

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Method Products, Inc.		03/18/2005	CORPORATION: DELAWARE

**RECEIVING PARTY DATA**

Name:	U.S. Bank National Association
Street Address:	633 W. Fifth St., 29th Floor
Internal Address:	Attn: Method Products Acct Officer
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90071
Entity Type:	National Bank: UNITED STATES

**PROPERTY NUMBERS Total: 6**

Property Type	Number	Word Mark
Registration Number:	2843435	METHOD HOME CARE
Registration Number:	2799641	MM
Registration Number:	2843485	METHOD
Registration Number:	2733195	M
Serial Number:	76625221	METHOD LAUNDRY
Serial Number:	78558339	WOOD FOR GOOD

**CORRESPONDENCE DATA**

Fax Number: (866)459-2899  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 202-783-2700  
 Email: pagodoa@federalresearch.com  
 Correspondent Name: CBC Companies dba Federal Research  
 Address Line 1: 1030 Fifteenth Street, NW, Suite 920  
 Address Line 2: attn: Penelope J.A. Agodoa  
 Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

**TRADEMARK**

**900022196**

**REEL: 003056 FRAME: 0231**

**CH \$165.00 2843435**

NAME OF SUBMITTER:	Penelope J.A. Agodoa
Signature:	/pja/
Date:	03/30/2005
<p>Total Attachments: 18 source=324827#page1.tif source=324827#page2.tif source=324827#page3.tif source=324827#page4.tif source=324827#page5.tif source=324827#page6.tif source=324827#page7.tif source=324827#page8.tif source=324827#page9.tif source=324827#page10.tif source=324827#page11.tif source=324827#page12.tif source=324827#page13.tif source=324827#page14.tif source=324827#page15.tif source=324827#page16.tif source=324827#page17.tif source=324827#page18.tif</p>	



## TRADEMARK AND PATENT SECURITY AGREEMENT

THIS TRADEMARK AND PATENT SECURITY AGREEMENT (this "Agreement") dated as of March 18, 2005, is made between U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Bank"), having an office at 633 W. Fifth Street, 29th Floor, Los Angeles, California 90071 and METHOD PRODUCTS, INC., a Delaware corporation ("Borrower"), having an office at 30 Hotaling Place, 3rd Floor, San Francisco, California 94111.

### 1. DEFINITIONS.

1.1 Financing Agreement. Any capitalized term used, but not defined in, this Agreement will have the meaning given in the Financing Agreement between Bank and Borrower dated as of the date of this Agreement (the "Financing Agreement").

1.2 Other Definitional Provisions; Construction. Unless otherwise specified,

(i) As used in this Agreement, accounting terms relating to Borrower not defined in this Agreement have the respective meanings given to them in accordance with GAAP.

(ii) References to the Uniform Commercial Code, or UCC, mean as enacted in the particular jurisdiction(s) encompassed by the reference.

(iii) The definition of any document, instrument or agreement includes all schedules, attachments and exhibits thereto and all renewals, extensions, supplements, restatements and amendments thereof. All Exhibits and Schedules attached to this Agreement are incorporated into, made and form an integral part of, this Agreement for all purposes.

(iv) "Hereunder," "herein," "hereto," "this Agreement" and words of similar import refer to this entire document; "including" is used by way of illustration and not by way of limitation, unless the context clearly indicates the contrary; the singular includes the plural and conversely; and any action required to be taken by Borrower is to be taken promptly, unless the context clearly indicates the contrary.

(v) All of the uncapitalized terms contained in this Agreement which are now or hereafter defined in the Code will, unless the context indicates otherwise, have the meanings provided for now or hereafter in the Code.

2. GRANT OF SECURITY. To secure the full, prompt and complete payment and performance of the Obligations, Borrower hereby grants to, and creates in favor of, Bank a continuing security interest in, and Lien on, all of the Trademark and Patent Collateral. As used in this Agreement, "Trademark and Patent Collateral" means, collectively, (i) all of Borrower's right, title and interest in and to all of its now or in the future owned or existing trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service mark applications (exclusive, for purposes only of this Agreement, of any Intent to Use Applications as defined below), including each mark, registration, and application listed on Schedule I attached hereto and made a part hereof (the property in this item (i) being

collectively, the "Trademarks"); (ii) all renewals of each of the Trademarks; (iii) all income, royalties, damages and payments now and in the future due or payable under with respect to any and all Trademarks, including damages and payments for past or future infringements of any and all Trademarks; (iv) all rights to sue for past, present and future infringements of any and all Trademarks; (v) all rights corresponding to each of the Trademarks throughout the world; (vi) all rights of Borrower as licensor or licensee under, and with respect to, trademarks, service marks, trade names, and trademark and service mark applications, including the licenses listed on Schedule I and the Trademark Licenses (as defined in Section 3.1) (Borrower's rights as licensor or licensee sometimes referred to in this Agreement collectively as "Trademark License Rights"); (vii) together in each case with the goodwill of Borrower's business connected with the use of, and symbolized by, the Trademark Collateral. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement is intended to be, or may be construed to be, an assignment of any application to register any trademark or service mark based on any intent to use filed by, or on behalf of, Borrower ("Intent to Use Applications"), and any Intent to Use Applications are specifically excluded from Trademark Collateral for purposes of this Agreement; (viii) all of Borrower's right, title and interest in and to its now or in the future owned or existing patents and patent applications, including the inventions and improvements described and claimed in those patents and patent applications and the patents listed on Schedule II which is attached and made a part of this Agreement (the property in this item (i) being collectively, the "Patents"); (ix) all reissues, divisions, continuations, renewals, extensions and continuations-in-part of each of the Patents; (x) all income, royalties, damages and payments now and in the future due or payable under and with respect to any and all of the Patents, including damages and payments for past or future infringements of any and all of the Patents; (xi) all rights to sue for past, present and future infringements of any and all of the Patents; (xii) all rights corresponding to any and all of the Patents throughout the world; and (xiii) all rights of Borrower as licensor or licensee under, and with respect to, any patents and patent applications, including the licenses listed on Schedule II and the Patent Licenses (as defined in Section 3.1) (Borrower's rights as licensor or licensee sometimes referred to in this Agreement collectively as "Patent License Rights").

### 3. LICENSES.

3.1 Licenses. Without Bank's prior written consent, Borrower expressly represents, warrants, covenants and agrees that Borrower shall not license, as licensor, any Trademarks (a "Trademark License") or any patent application or patent (a "Patent License" and together with the Trademark License, collectively the "Licenses" and each a "License") included in the Trademark and Patent Collateral other than (i) non-exclusive licenses; (ii) exclusive regional licenses made in the ordinary course of Borrower's business, (iii) licenses made in settlement of infringement claims; and (iv) any licenses for the development of products through or in collaboration with its customers.

3.2 Event of Default. After an Event of Default occurs, Borrower's rights hereunder to grant new licenses (or renew existing licenses) shall terminate, except that Borrower shall have the right to continue to perform under then existing licensing arrangements until Bank enforces its security interest in the Trademark and Patent Collateral. Any license granted in contravention of Section 3.1 or 3.2, shall be subject to the Bank's right, immediately or at any time thereafter, in its sole discretion, to deliver to Borrower and to each licensee under a License

notice terminating the Licenses, whereupon (i) the Licenses will automatically and immediately terminate without any further notice or demand (which Borrower expressly waives); (ii) all rights and interests of the licensees in and to and under the Licenses will revert to Borrower; and (iii) all rights of the licensees in the Trademark and Patent Collateral will cease to exist and be void. If the Event of Default is cured to Bank's satisfaction or is waived in writing by Bank, then, without any further action on the part of Bank, the Licenses will immediately revert with the licensees on the cessation of the Event of Default subject to the terms of this Agreement.

4. **REPRESENTATIONS AND WARRANTIES.** Except as set forth in Borrower's Schedule of Exceptions attached as Exhibit 9 to the Financing Agreement, Borrower represents and warrants as of the date hereof and as of each date of a Borrowing Base Certificate that:

(i) Borrower is the sole legal and beneficial owner of the entire right, title and interest in and to the Trademark and Patent Collateral, free and clear of any Lien, option, or license except as otherwise disclosed in Schedule I and Schedule II.

(ii) Set forth in Schedule I is a complete and accurate list of all Trademarks and the Trademark License Rights owned by Borrower or in which Borrower has any rights. Set forth in Schedule II is a complete and accurate list of all Patents and Patent License Rights owned by Borrower or in which Borrower has any rights.

(iii) Each Trademark identified in Schedule I is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and each registered trademark and service mark and, to Borrower's knowledge, each application for trademark and service mark registration is valid, registered or registrable and enforceable. Borrower has notified Bank in writing of all prior uses of any material item of the Trademark Collateral of which Borrower is aware which could lead to such item becoming invalid or unenforceable, including prior unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such item. Each Patent identified in Schedule II is subsisting and has not been adjudged invalid, unpatentable, or unenforceable, in whole or in part, and is enforceable, except as otherwise set forth on Schedule II.

(iv) Reasonable and proper statutory notice has been used in connection with the use of each registered trademark and service mark.

(v) The Trademark License Rights are in full force and effect, and Borrower is not in default under any of the Trademark License Rights and, to Borrower's knowledge, no event has occurred which with notice, the passage of time, the satisfaction of any other condition, or all of them, might constitute a default by Borrower under the Trademark License Rights.

(vi) The current conduct of Borrower's business does not conflict with or infringe upon any proprietary right enforceable at law of any Person in any way which materially and adversely affects the business, financial condition or business prospects of Borrower or its Affiliates, and no one has asserted to Borrower or its Affiliates that the conduct of Borrower's business conflicts with or infringes any valid proprietary right of any Person in any way which materially adversely affects the business, financial condition or business prospects of Borrower.

(vii) The Patent License Rights are in full force and effect, and Borrower is not in default under any of the Patent License Rights, and, to Borrower's knowledge, no event has occurred which with notice, the passage of time, the satisfaction of any other condition, or all of them, might constitute a default by Borrower under the Patent License Rights.

(viii) Except for the filing of UCC financing statements, no authorization, consent, approval or other action by, and no notice to or filing or recording with, any Governmental Authority is currently or is reasonably expected to be required either (a) for the grant by Borrower of the Liens granted hereby or for the execution, delivery or performance of this Agreement by Borrower, or (b) for the perfection of or the exercise by Bank of its rights and remedies hereunder.

## 5. FURTHER ASSURANCES.

5.1 Required Borrower Actions. Borrower will from time to time, at its expense, promptly execute and deliver all further instruments, documents and agreements, and take all further action, that may be necessary or desirable, or that Bank may reasonably request, in order to (i) continue, perfect and protect the security interests and Liens granted or purported to be granted by this Agreement or (ii) enable Bank to exercise and enforce its rights and remedies under this Agreement with respect to any part of the Trademark and Patent Collateral.

5.2 Financing Statements. Without limiting the generality of Section 5.1, Bank is authorized by Borrower (i) to file one or more financing statements disclosing Bank's security interest and Lien under this Agreement without Borrower's signature appearing thereon and to correct or complete, or to cause to be corrected or completed, any financing statements, continuation statements or other such documents as have been filed naming Borrower as debtor and Bank as secured party and (ii) to give notice to any creditor or landlord of Borrower or to any other Person to whom Bank may reasonably determine it is necessary or desirable under applicable law to give notice to perfect or preserve Bank's interests in the Trademark and Patent Collateral. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Trademark and Patent Collateral or any part thereof will be sufficient as a financing statement.

5.3 Further Information. Borrower will furnish to Bank from time to time statements and schedules further identifying and describing the Trademark and Patent Collateral, including any licensing of Trademark and Patent Collateral, and all other reports in connection with the Trademark and Patent Collateral as Bank may reasonably request, all in reasonable detail.

5.4 Additional Ownership Interests. Borrower agrees that, should it obtain an ownership interest in any Trademark License Rights, Patent License Rights, Trademarks or Patents, which is not now identified in Schedules I and II, (i) Borrower will give prompt written notice to Bank, (ii) the provisions of Section 2 shall automatically apply to the Trademark License Rights, Patent License Rights, Trademarks and Patents (exclusive of any Intent to Use Applications) acquired or obtained, and (iii) each of such Trademark License Rights, Patent License Rights, Trademarks and Patents (exclusive of any Intent to Use Applications), together with the goodwill of the business connected with the use of the mark and symbolized by it, shall automatically become part of the Trademark and Patent Collateral. Borrower authorizes Bank to

modify this Agreement by amending Schedules I and II to include any of the Trademark License Rights, Patent License Rights, Trademarks or Patents which become part of the Trademark and Patent Collateral under this Section 5.4.

5.5 Maintenance of Rights. Borrower will take all necessary steps in any proceeding before the United States Patent and Trademark Office (or any similar office or agency in any other country or any political subdivision of that country, unless Borrower determines that such action is not in its best interests from the standpoint of a privately-held company that does business primarily in the United States) or in any court to maintain each registered Trademark and to pursue each material item of Trademark Collateral, including the filing of applications for renewal, the payment of maintenance fees, and the participation in opposition, interference and infringement proceedings. To the extent necessary to the conduct of its businesses, Borrower agrees to take corresponding steps with respect to the other items of Trademark Collateral (i.e., exclusive of any material item of Trademark Collateral) and each new or other registered Trademark and application for Trademark registration to which Borrower is now or later becomes entitled. Any expenses incurred in connection with such activities shall be borne by Borrower. Borrower shall not (i) abandon any registration of or any material item of Trademark Collateral, unless it determines such action would not have a material adverse effect on its business, or (ii) abandon any right to file an application for Trademark registration, or, with respect to any other Trademark Collateral (i.e., exclusive of any material item of Trademark Collateral), abandon any pending application, registration, or Trademark, unless the goodwill of the business connected with and symbolized by such application, registration, or Trademark is not necessary in the conduct of Borrower's business or such action would not have a material adverse effect on its business. With respect to any patent, patent application or Patent License Rights necessary to the conduct of Borrower's business as reasonably determined by Borrower from time to time, Borrower will take all necessary steps in any proceeding before the United States Patent and Trademark Office (or any similar office or agency in any other country or any political subdivision of that country, unless Borrower determines that such action is not in its best interests from the standpoint of a U.S.-based privately-held company) or in any court (i) to maintain and pursue any patent application now or in the future included in the Patent Collateral and (ii) to maintain each patent now or in the future included in the Patent Collateral, including the filing of divisional, continuation, continuation-in-part and substitute applications; the filing of applications for reissue, renewal or extensions; the payment of maintenance fees, and the participation in reexamination, opposition, interference and infringement proceedings unless borrower determines (from the standpoint of a privately-held company that does business primarily in the United States) that failure to take such action would not have a material adverse effect on its business. Any expenses incurred in connection with the foregoing described activities will be borne by Borrower. Borrower will not abandon any right to file a patent application or abandon any pending patent application or patent unless the invention which is the subject of such patent application or patent is not necessary to the conduct of Borrower's business or such action would not have a material adverse effect on its business, or unless it is the opinion of Borrower's counsel that a meaningful patent will not issue on a patent application.

5.6 Notification. Borrower will notify Bank immediately when Borrower learns (i) that any material item of the Trademark and Patent Collateral may become abandoned or dedicated; (ii) of any adverse determination or any development (including the institution of any proceeding in the United States Patent and Trademark Office or any other U.S. or foreign court



or tribunal of any kind) regarding any material item of the Trademark and Patent Collateral; or (iii) that Borrower is or potentially could be in default of any of the Trademark License Rights or Patent License Rights.

5.7 Infringement. If Borrower becomes aware that any material item of the Trademark and Patent Collateral is infringed or misappropriated by any Person, Borrower will promptly notify Bank and will, if necessary under the circumstances, as determined by Borrower (from the standpoint of a privately-held company that does business primarily in the United States) in its sole discretion, promptly sue for infringement or misappropriation and for recovery of all damages caused by the infringement or misappropriation, and will take all other actions as Borrower deems appropriate under the circumstances to protect the Trademark and Patent Collateral. Any expense incurred in connection with the foregoing activities will be borne by Borrower.

5.8 Statutory Notice. Borrower will continue to use, and will cause the use of, reasonable and proper statutory notice in connection with its use of each patent, registered trademark or service mark.

6. TRANSFERS AND OTHER LIENS. Borrower will not:

(i) sell, assign (by operation of law or otherwise), license or otherwise dispose of any of the Trademark and Patent Collateral, except (a) as expressly permitted by the Financing Agreement or (b) as expressly permitted by this Agreement;

(ii) create or suffer to exist any Liens on, or with respect to, any of the Trademark and Patent Collateral except as otherwise disclosed in Schedule I or II or as otherwise expressly permitted by the Financing Agreement; or

(iii) take any other action in connection with any of the material items of Trademark and Patent Collateral that could impair the value of the interests or rights of Borrower or Bank in, to or under such Trademark and Patent Collateral.

7. POWER OF ATTORNEY. Borrower hereby irrevocably appoints Bank as Borrower's attorney-in-fact, with full authority in Borrower's place, stead and on behalf of Borrower and in Borrower's name or otherwise, from time to time in Bank's sole and absolute discretion, to take any action and to execute any instrument that Bank may deem necessary or advisable on and after the occurrence of an Event of Default and during the continuance thereof to accomplish the purposes of this Agreement including:

(i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under, or in respect of, any and all of the Trademark and Patent Collateral;

(ii) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (i) of this Section 7; and

(iii) (a) to file any claims or take any action or institute any proceedings that Bank may deem necessary or desirable for the collection of any of the Trademark and Patent

Collateral, (b) to assign of record in the United States Patent and Trademark Office (and each other applicable Governmental Authority) any and all of the Trademark and Patent Collateral in Bank's name (or the name of any nominee), or (c) otherwise to enforce the rights of Bank with respect to any of the Trademark and Patent Collateral.

8. BANK MAY PERFORM.

8.1 Performance by Bank. If Borrower fails to perform any of its obligations contained in this Agreement after notice from Bank, Bank (solely at its option without any obligation to do so) may itself perform, or cause performance of, such obligations, and the expenses of Bank incurred in connection therewith shall be payable under the Financing Agreement.

8.2 Bank May Bring Suit. On, and at any time after, the occurrence of an Event of Default and during the continuance thereof, Bank will have the right, but in no way will be obligated, to bring suit in its own name or in the name of Borrower to enforce any part of the Trademark and Patent Collateral. Borrower will at the reasonable request of Bank do any and all lawful acts and sign any and all proper documents required by Bank in aid of Bank's enforcement actions. On Bank's demand, Borrower will promptly reimburse and indemnify Bank for all costs and expenses incurred by Bank in the exercise of its rights under this Section 8.

9. BANK'S DUTIES. The powers and rights conferred on Bank under this Agreement are solely to protect its interests in the Trademark and Patent Collateral and will not impose any duty on Bank to exercise any of the powers or rights. Except for the reasonable care of any Trademark and Patent Collateral in its custody and possession and the accounting for moneys actually received by it under this Agreement, Bank will have no duty as to any Trademark and Patent Collateral or as to the taking of any necessary steps to preserve rights against other Persons or any other rights pertaining to any Trademark and Patent Collateral. Bank will be deemed to have exercised reasonable care of the Trademark and Patent Collateral in its custody and possession if the Trademark and Patent Collateral is accorded treatment substantially equal to that which Bank accords its own property.

10. REMEDIES. If any Event of Default occurs and is continuing:

(i) Bank may exercise in respect of the Trademark and Patent Collateral, in addition to other rights and remedies provided for in this Agreement or otherwise available to Bank, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Trademark and Patent Collateral) and also may do any one or more of the following at Bank's option: (a) cause the assignment of record in the United States Patent and Trademark Office (and each other applicable Governmental Authority) of the Trademark and Patent Collateral in Bank's name or in the name of any nominee of Bank; (b) exercise any and all rights and remedies of Borrower under or otherwise in respect of the Trademark and Patent Collateral; (c) require Borrower to, and Borrower at its expense will, immediately on Bank's request assemble all or any part of the documents embodying the Trademark and Patent Collateral as directed by Bank and make the documents available to Bank at a place to be designated by Bank which is reasonably convenient to both Bank and Borrower;

(d) license the Trademark and Patent Collateral or any part thereof, or assign its rights to the Trademark License Rights or Patent License Rights to any Person and exercise any and all rights and remedies of Borrower under or in connection with the Licenses or otherwise in respect of the Trademark and Patent Collateral; and (e) with 10 days advance notice (unless no notice is required under applicable law), sell the Trademark and Patent Collateral or any part thereof in one or more parcels at public or private sale, at any of Bank's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Bank may deem commercially reasonable. In the event of any sale, assignment, or other disposition of any of the Trademark and Patent Collateral, (1) the goodwill of the business connected with and symbolized by any Trademark and Patent Collateral subject to such disposition shall be included, and (2) Borrower will supply to Bank or its designee Borrower's (A) know-how and expertise relating to the manufacture and sale of products or the provision of services relating to any Trademark and Patent Collateral subject to such disposition and (B) customer lists and other records relating to such Trademark and Patent Collateral and to the distribution of such products and services. Borrower agrees that, to the extent notice of sale shall be required by law, at least 10 days' notice to Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Bank shall not be obligated to make any sale of any Trademark and Patent Collateral regardless of notice of sale having been given. Bank may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(ii) All payments received by Borrower under or in connection with any of the Trademark and Patent Collateral will be received in trust for the benefit of Bank, will be segregated from other funds of Borrower and will be immediately paid over to Bank in the same form as so received (with any necessary indorsements) in accordance with the Financing Agreement.

(iii) All payments made under, in connection with or otherwise in respect of, the Trademark and Patent Collateral and all cash proceeds received by Bank in respect of any sale of, collection from, or other realization on all or any part of the Trademark and Patent Collateral may, in the discretion of Bank, be held by Bank as collateral for, and then or at any time thereafter applied (after payment of any costs or expenses payable to Bank pursuant to the Financing Agreement) in whole or in part by Bank against, all or any part of the Obligations, in any order as Bank may elect. Any surplus of any cash or cash proceeds held by Bank and remaining after the indefeasible payment and performance in full of all Obligations will be paid over to Borrower or to whomsoever may be lawfully entitled to receive the surplus, if any.

11. NOTICE. Any notice, certificate, request, notification and other communication required, permitted or contemplated hereunder must be in writing and given in accordance with the Financing Agreement.

12. GENERAL.

12.1 Severability. If any term of this Agreement is found invalid under California law or other laws of mandatory application by a court of competent jurisdiction, the invalid term will

be considered excluded from this Agreement and will not invalidate the remaining terms of this Agreement.

12.2 GOVERNING LAW. THIS AGREEMENT HAS BEEN DELIVERED AND ACCEPTED AT AND SHALL BE DEEMED TO HAVE BEEN MADE AT LOS ANGELES, CALIFORNIA. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF CALIFORNIA (WITHOUT REGARD TO CALIFORNIA CONFLICTS OF LAW PRINCIPLES); PROVIDED THAT BANK SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

12.3 WAIVER OF JURISDICTION. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR BANK TO ENTER INTO THIS AGREEMENT AND EXTEND CREDIT TO BORROWER, BORROWER AND BANK AGREE THAT ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT, ITS VALIDITY OR PERFORMANCE, AND WITHOUT LIMITATION ON THE ABILITY OF BANK, ITS SUCCESSORS AND ASSIGNS, TO EXERCISE ALL RIGHTS AS TO THE TRADEMARK AND PATENT COLLATERAL AND INITIATE AND PROSECUTE IN ANY APPLICABLE JURISDICTION ACTIONS RELATED TO REPAYMENT OF THE OBLIGATIONS, SHALL BE INITIATED AND PROSECUTED AS TO ALL PARTIES AND THEIR SUCCESSORS AND ASSIGNS AT LOS ANGELES, CALIFORNIA. BANK AND BORROWER EACH CONSENTS TO AND SUBMITS TO THE EXERCISE OF JURISDICTION OVER ITS PERSON BY ANY COURT SITUATED AT LOS ANGELES, CALIFORNIA HAVING JURISDICTION OVER THE SUBJECT MATTER, AND CONSENTS THAT ALL SERVICE OF PROCESS BE MADE BY CERTIFIED MAIL DIRECTED TO BORROWER AND BANK AT THEIR RESPECTIVE ADDRESSES SET FORTH IN THE FINANCING AGREEMENT OR AS OTHERWISE PROVIDED UNDER THE LAWS OF THE STATE OF CALIFORNIA. BORROWER WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER, AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

12.4 Survival and Continuation of Representations and Warranties. All of Borrower's representations and warranties contained in this Agreement subject to the Schedule of Exceptions attached as Exhibit 9 to the Financing Agreement, as updated or modified in connection with each Borrowing Base Certificate shall survive the execution, delivery and acceptance hereof by the parties hereto and the closing of the transactions described herein or related hereto.

12.5 Bank's Additional Rights Regarding Collateral. All of the Obligations shall constitute one obligation secured by all of the Trademark and Patent Collateral. In addition to Bank's other rights and remedies under the Loan Documents, Bank may, in its discretion exercised in good faith, following the occurrence and during the continuance of any Event of Default: (i) exchange, enforce, waive or release any of the Trademark and Patent Collateral or portion thereof, (ii) apply the proceeds of the Trademark and Patent Collateral against the Obligations and direct the order or manner of the liquidation thereof (including any sale or other disposition), as Bank may, from time to time, in each instance determine, and (iii) settle, compromise, collect or otherwise liquidate any such security in any manner without affecting or impairing its right to take any other further action with respect to any security or any part thereof.

12.6 Application of Payments; Revival of Obligations. Bank shall have the continuing right to apply or reverse and reapply any payments to any portion of the Obligations. To the extent Borrower makes a payment or payments to Bank or Bank receives any payment or proceeds of the Trademark and Patent Collateral or any other security for Borrower's benefit, which payment(s) or proceeds or any part thereof are subsequently voided, invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy act, state or federal law, common law or equitable cause, then, to the extent of such payment(s) or proceeds received, the Obligations or part thereof intended to be satisfied shall be revived and shall continue in full force and effect, as if such payment(s) or proceeds had not been received by Bank.

12.7 Additional Waivers by Borrower. Borrower waives presentment and protest of any instrument and notice thereof, and, except as expressly provided in the Loan Documents, demand, notice of default and all other notices to which Borrower might otherwise be entitled. Borrower shall also assert no claim against Bank on any theory of liability for consequential, special, indirect or punitive damages.

12.8 Equitable Relief. Borrower recognizes that, in the event Borrower fails to perform, observe or discharge any of its obligations or liabilities under this Agreement, any remedy of law may prove to be inadequate relief to Bank; therefore, Borrower agrees that Bank, if Bank so requests, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

12.9 Entire Agreement; Counterparts; Fax Signatures. This Agreement and the other Loan Documents set forth the entire agreement of the parties with respect to subject matter of this Agreement and supersede all previous understandings, written or oral, in respect thereof. Any request from time to time by Borrower for Bank's consent under any provision in the Loan Documents must be in writing, and any consent to be provided by Bank under the Loan Documents from time to time must be in writing in order to be binding on Bank; *however*, Bank will have no obligation to provide any consent requested by Borrower, and Bank may, for any reason in its discretion exercised in good faith, elect to withhold the requested consent. Two or more duplicate originals of this Agreement may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument. Any documents delivered by, or on behalf of, Borrower by fax transmission (i) may be relied on by Bank as if the document were a manually signed original and (ii) will be binding on Borrower for all purposes of the Loan Documents.

12.10 Headings. Section headings in this Agreement are included for convenience of reference only and shall not relate to the interpretation or construction of this Agreement.

12.11 Cumulative Remedies. The remedies provided in this Agreement and the other Loan Documents are cumulative and not exclusive of any remedies provided by law. Exercise of one or more remedy(ies) by Bank does not require that all or any other remedy(ies) be exercised and does not preclude later exercise of the same remedy. If there is any conflict, ambiguity, or inconsistency, in Bank's judgment, between the terms of this Agreement or any of the other Loan Documents, then the applicable terms and provisions, in Bank's judgment, providing Bank with greater rights, remedies, powers, privileges, or benefits will control. Without limiting the

generality of the foregoing, the description of the Trademark and Patent Collateral in this Agreement does not in any way limit the description of, or Bank's Lien on, the "Collateral" as defined in the Security Agreement, or Bank's remedies respecting the "Collateral."

12.12 Waivers and Amendments in Writing. Failure by Bank to exercise any right, remedy or option under this Agreement or in any Loan Documents or delay by Bank in exercising the same shall not operate as a waiver by Bank of its right to exercise any such right, remedy or option. No waiver by Bank shall be effective unless it is in writing and then only to the extent specifically stated. This Agreement cannot be amended, modified, changed or terminated orally.

12.13 Recourse to Directors or Officers of Bank. The obligations of Bank under this Agreement are solely the corporate obligations of Bank. No recourse shall be had for the payment of any amount owing in respect to this Agreement or for the payment of any fee hereunder or for any other obligation or claim arising out of or based upon this Agreement against any stockholder, employee, officer, or director of Bank.

12.14 Recourse to Directors or Officers of Borrower. The obligations of Borrower under this Agreement are solely the corporate obligations of Borrower. No recourse shall be had for the payment of any amount owing in respect to this Agreement or for the payment of any fee hereunder or for any other obligation or claim arising out of or based upon this Agreement against any stockholder, officer, or director of Borrower.

12.15 Assignment. Bank shall have the right to assign this Agreement and the other Loan Documents. Borrower may not assign, transfer or otherwise dispose of any of its rights or obligations hereunder, by operation of law or otherwise, and any such assignment, transfer or other disposition without Bank's written consent shall be void. All of the rights, privileges, remedies and options given to Bank under the Loan Documents shall inure to the benefit of Bank's successors and assigns, and all the terms, conditions, covenants, provisions and warranties in this Agreement shall inure to the benefit of and bind the permitted successors and assigns of Borrower and Bank, respectively.

12.16 Continuing Rights. This Agreement creates a continuing Lien on the Trademark and Patent Collateral and will (i) remain in full force and effect until the full and final payment of all the Obligations, (ii) be binding on Borrower, its successors and assigns, and (iii) inure, together with the rights and remedies of Bank under this Agreement, to the benefit of Bank and Bank's successors, transferees and assigns.

12.17 Term; Trademark and Patent Collateral Reversion. Subject to Section 12.6, this Agreement will terminate on the later to occur of (i) the full, indefeasible performance, payment and satisfaction of the Obligations and (ii) the termination of the Financing Agreement, at which time the Lien granted by this Agreement will terminate and all rights to the Trademark and Patent Collateral will revert to Borrower (without representation, warranty or recourse). On any such termination, Bank will, at Borrower's expense, sign and deliver to Borrower such documents as Borrower reasonably requests to evidence such termination (without representation, warranty or recourse).

12.18 Conflict. If there is any conflict, ambiguity, or inconsistency, in Bank's judgment, between the terms of this Agreement and any of the other Loan Documents, then the applicable terms and provisions, in Bank's judgment, providing Bank with greater rights, remedies, powers, privileges, or benefits will control. Without limiting the generality of the foregoing, the description of the Trademark and Patent Collateral in this Agreement does not in any way limit the description of, or Bank's Lien on, the "Collateral" as defined in the Security Agreement, or Bank's remedies respecting the "Collateral."

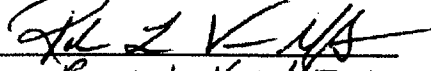
12.19 WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR BANK TO ENTER INTO THIS AGREEMENT AND EXTEND CREDIT TO BORROWER, BORROWER AND BANK EACH WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT OR THE CONDUCT OF THE RELATIONSHIP BETWEEN BANK AND BORROWER.





Accepted as of March 18, 2005.

U.S. BANK NATIONAL ASSOCIATION

By:   
Name: ROBIN L VAN METER  
Title: VICE PRESIDENT

SCHEDULE I  
TRADEMARKS

Mark	Country	Filing Date	Application/ Reg. Number	Status
METHOD HOME CARE	U.S.	2/8/01	Reg.: 2,843,435	Reg. 5/18/04. Affidavit of Use due 5/18/10
M with reflective M Design	U.S.	2/8/01	Reg.: 2,799,641	Reg. 12/30/03. Affidavit of Use due 12/30/09.
METHOD and Design	U.S.	8/9/01	Reg.: 2,843,485	Reg. 5/18/04. Affidavit of Use due 5/18/10.
M and Circle Design	U.S.	12/12/01	Reg.: 2,733,195	Reg. 7/1/03. Affidavit of Use due 7/1/09.
M and Circle Design	Japan	3/5/04	Reg.: 4815909	Reg. 11/12/04. Renewal due 11/12/09.
METHODHOME	Japan	3/5/04	Reg.: 4815908	Reg. 11/12/04. Renewal due 11/12/09.
METHOD LAUNDRY	U.S.	12/20/2004	76/625,221	Awaiting Office Action.
WOOD FOR GOOD	U.S.	2/1/2005	78/558,339	Awaiting Office Action.

SCHEDULE II

PATENTS

Type	Country	Title	Filing/Issue Date	Application Patent No.	Status
Design	U.S.	DISH SOAP DISPENSER	Issued: 6/29/04	Pat.: D492,199 S	Patent Active. Expires on 6/29/18.
Design	United Kingdom	DISH SOAP DISPENSER	Issued: 5/16/03	Pat.: 3009903	Renewal due 12/23/07.
Design	Japan	DISH SOAP DISPENSER	Issued: 7/11/03	Pat.: 1183526	Renewal due 7/11/06.
Utility	U.S.	BOTTOM DISPENSING LIQUID SOAP DISPENSER	Issued: 3/16/04	Pat.: 6,705,492	Maintenance fee due 9/16/07.
Design	Germany	SOAP BOTTLE	Issued: 10/10/03	Pat.: 40304965.2	Renewal due 7/23/08.
Design	France	SOAP BOTTLE	Issued: 12/5/03	Pat.: 722 095 – 722 104	Renewal due 5/23/08.
Design	United Kingdom	SOAP BOTTLE	Issued: 11/11/03	Pat.: 3013882	Renewal due 7/30/08.
Design	Japan	SOAP BOTTLE	Filed: 8/1/03	Appln.: 2003-22437	Awaiting Office Action.
Design	France	SOAP BOTTLE	Issued: 3/26/04	Pat.: 730 777 – 730 783	Renewal due 11/19/08.
Design	U.S.	SOAP BOTTLE Des.	Filed: 5/23/03	Appln.: 29/182,391	Awaiting Office Action.
Design	Japan	SOAP BOTTLE Des.	Filed: 11/21/03	Appln.: 2003/034831	Awaiting Office Action.
Design	United Kingdom	SOAP BOTTLE Des.	Issued: 2/12/04	Pat.: 3015322	Renewal due 11/21/08.
Design	Germany	SOAP BOTTLE Des.	Issued 5/26/04	Pat.: 40307198.4	Renewal due 11/7/08.
Design	U.S.	BOTTLE	Filed: 7/30/04	Appln.: 29/210,471	Awaiting Office Action.

Type	Country	Title	Filing/Issue Date	Application Patent No.	Status
Design	U.S.	BOTTLE	Filed: 7/30/04	Appln: 29/210,395	Awaiting Office Action.
Design	U.S.	SOAP BOTTLE	Issued: 7/6/04	Pat.: D492,603	Expires 7/16/18
Design	Canada	BOTTLE	Mailed 1/28/05	Appln: n/a	Awaiting filing receipt
Design	Canada	BOTTLE	Mailed 1/28/05	Appln: n/a	Awaiting filing receipt