

04-19-2005

Form PTO-1594 (Rev. 06/04)  
OMB Collection 0651-0027 (exp. 6/30/2005)



U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

REC

102876936

# TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

### 1. Name of conveying party(ies)/Execution Date(s):

Farmland Dairies, LLC

- Individual(s)
- General Partnership
- Corporation-State
- Other Delaware Limited Liability Company
- Association
- Limited Partnership

Citizenship (see guidelines) \_\_\_\_\_

Execution Date(s) April 13, 2005

Additional names of conveying parties attached?  Yes  No

### 3. Nature of conveyance:

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

### 2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name: LaSalle Business Credit, LLC

Internal Address: \_\_\_\_\_

Street Address: 135 S. LaSalle Street

City: Chicago

State: Illinois

Country: USA Zip: 60603

Association Citizenship \_\_\_\_\_

General Partnership Citizenship \_\_\_\_\_

Limited Partnership Citizenship \_\_\_\_\_

Corporation Citizenship \_\_\_\_\_

Other Delaware LLC Citizenship \_\_\_\_\_

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)

### 4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

See Attached Schedule A

B. Trademark Registration No.(s)

See Attached Schedule A

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Elizabeth J. Burns

Internal Address: Latham & Watkins

Street Address: 233 S. Wacker Drive  
Suite 5800

City: Chicago

State: Illinois Zip: 60606

Phone Number: 312/876-7629

Fax Number: 312/993-9767

Email Address: elizabeth.burns@lw.com

### 6. Total number of applications and registrations involved:

21

### 7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 540.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

### 8. Payment Information:

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

9. Signature: Elizabeth Burns  
Signature

April 14, 2005  
Date

Elizabeth J. Burns

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

04/19/2005 DBYRNE 00000055 75257741 Name of Person Signing

01 FC:8521  
02 FC:8522

Documents recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

04/19/2005 DBYRNE 00000056 75257741

01 FC:8523

120.00 DP

TRADEMARK  
REEL: 003068 FRAME: 0693

4-15-05

4-15-05

# SCHEDULE A

## TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>U.S. Serial/Registration No.</u>	<u>Date Registered</u>
Cow Design	Ser. # 75257741 Reg. # 2132748	Jan. 27, 1998
1% PLUS	Ser. # 75490135 Reg. # 2234366	March 23, 1999
LIL' MILK	Ser. # 78089612 Reg. # 2787534	Nov. 25, 2003
MATHIS DAIRY	Ser. # 75337920 Reg. # 2768498	Sept. 30, 2003
NATURE'S HARVEST	Ser. # 74256709 Reg. # 1852787	Sept., 6 1994
SKIM PLUS	Ser. # 74052987 Reg. # 1675239	Feb. 11, 1992
SPECIAL REQUEST	Ser. # 75490134 Reg. # 2236846	April 6, 1999
SPECIAL REQUEST	Ser. # 75978062 Reg. # 2245181	May 11, 1999
WELSH FARMS	Ser. # 73682537 Reg. # 1548475	July 18, 1989
KINNETT	Ser. # 75348579 Reg. # 2199767	Oct. 27, 1998
THE JUST RIGHT JUG	Ser. # 75424953 Reg. # 2224289	Feb. 16, 1999
PEELERS FARM FRESH & Design	Ser. # 73370789 Reg. # 1269403	March 6, 1984
PEELERS & Design	Ser. # 73366848 Reg. # 1268692	Feb. 28, 1984
PEELERS	Ser. # 73366845 Reg. # 1268691	Feb. 28, 1984
WELSH FARMS & Design	Ser. # 73684886 Reg. # 1525989	Feb. 21, 1989
DESIGN MARK	Ser. # 73684467 Reg. # 1537504	May 2, 1989
B-THIN	Ser. # 73684160 Reg. # 1516182	Dec. 13, 1988
Dyna-Milk	Ser. # 73682391 Reg. # 1487666	May 10, 1988

TRADEMARK APPLICATIONS

Trademark Application  
Description

U.S. Application No.

Date Applied

MOOZONE DESIGN  
SKIM PLUS  
SPECIAL REQUEST

App. # 76571647  
App. # 76391900  
App. # 76391873

January 22, 2004  
April 5, 2002  
April 5, 2002

[SCHEDULE TO TRADEMARK SECURITY AGREEMENT]

**TRADEMARK**  
**REEL: 003068 FRAME: 0695**

## TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Security Agreement**") made as of this 13 day of April, 2005, by Farmland Dairies LLC, a Delaware limited liability company ("**Borrower**"), in favor of LaSalle Business Credit, LLC, as agent (together with any successor thereof under the Loan Agreement referred to below "**Agent**") for itself and various other lenders ("**Lenders**"), with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603.

### WITNESSETH

WHEREAS, Borrower, Agent and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as amended, restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended, restated or otherwise modified from time to time, the "**Financing Agreements**"), which Financing Agreements provide (i) for Agent and Lender to, from time to time, extend credit to or for the account of Borrower and (ii) for the grant by Borrower to Agent of a security interest in certain of Borrower's assets, including, without limitation, its trademarks and trademark applications; and

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

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Borrower hereby grants to Agent, for the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Borrower's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Borrower's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Borrower warrants and represents to Agent that:

(i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) Except for the Permitted Liens set forth in clause (j) of the definition of "Permitted Liens" in the Loan Agreement, Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Borrower not to sue third persons;

(iii) Borrower has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iv) Borrower has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Borrower agrees that until Borrower's Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated, Borrower shall not, without the prior written consent of Agent, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Agent under this Security Agreement unless Borrower is permitted to enter into such transaction under any Financing Agreement.

5. New Trademarks. Borrower represents and warrants that, based on a diligent investigation by Borrower, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Borrower. If, before Borrower's Liabilities shall have been satisfied in full or before the Loan Agreement has been terminated, Borrower shall (i) become aware of any existing Trademarks of which Borrower has not previously informed Agent, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Borrower shall give to Agent prompt written notice thereof. Borrower hereby authorizes Agent to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. The term of this Security Agreement shall extend until the payment in full of Borrower's Liabilities and the termination of the Loan Agreement. Borrower agrees that upon the occurrence and continuance of an Event of Default, the use by Agent of all Trademarks shall be without any liability for royalties or other related charges from Agent to Borrower.

7. Product Quality. Borrower agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with Borrower's commercially reasonable business practices. Upon the occurrence and continuance of an Event of Default, Borrower agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon (a) payment in full of Borrower's Liabilities and termination of the Loan Agreement or (b) the disposition by Borrower of any Trademark as permitted under any Financing Agreement, Agent shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements.

9. Expenses. All expenses incurred by Agent in connection with the performance of any of the agreements set forth herein shall be borne by Borrower. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Agent in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Borrower and until paid shall constitute Liabilities.

10. Duties of Borrower. Borrower shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Borrower's Liabilities shall have been paid in full and the Loan Agreement has been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Borrower's Liabilities under this Section 10 shall be borne by Borrower.

11. Agent's Right to Sue. After and during the continuance of an Event of Default, but subject to the Intercreditor Agreement, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Agent shall commence any such suit, Borrower shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify Agent for all costs and expenses incurred by Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Borrower and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

14. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Agent's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Borrower hereby authorizes Agent upon the occurrence and during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Borrower's true and lawful attorney-in-fact, with power to, subject to the Intercreditor Agreement, to (i) endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Agent deems to be in the best interest of Agent, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until such Event of Default has been cured or until Borrower's Liabilities shall have been paid in full and the Loan Agreement has been terminated. Borrower acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in New York.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Borrower and its respective successors and assigns, and shall inure to the benefit of Agent, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of New York and applicable federal law.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Borrower agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

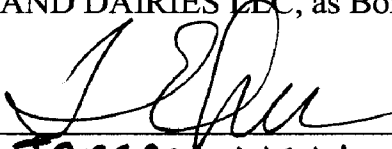
20. Survival of Representations. All representations and warranties of Borrower contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Loan Agreement.

[Signature Page Follows]



IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement  
as of the date first written above.

FARMLAND DAIRIES LLC, as Borrower

By   
Name Teresa Webb  
Its CFO

Agreed and Accepted  
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC,  
as Agent

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement  
as of the date first written above.

FARMLAND DAIRIES LLC, as Borrower

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

Agreed and Accepted  
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC,  
as Agent

By *David A. Goedecki*  
Name *David A. Goedecki*  
Its *Senior Vice President*

[Signature Page to Trademark Agreement]  
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# SCHEDULE A

## TRADEMARK REGISTRATIONS

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TRADEMARK APPLICATIONS

Trademark Application  
Description

U.S. Application No.

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SKIM PLUS  
SPECIAL REQUEST

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App. # 76391900  
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January 22, 2004  
April 5, 2002  
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RECORDED: 04/15/2005

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REEL: 003068 FRAME: 0704