

**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
U.S. Mills, Inc.		11/10/2005	CORPORATION: DELAWARE

**RECEIVING PARTY DATA**

Name:	CapitalSource Finance, LLC
Street Address:	4445 Willard Ave.
Internal Address:	12th Floor
City:	Chevy Chase
State/Country:	MARYLAND
Postal Code:	20815
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

**PROPERTY NUMBERS Total: 26**

Property Type	Number	Word Mark
Registration Number:	969721	EREWHON
Registration Number:	1333486	EREWHON
Registration Number:	1421349	BARLEY PLUS
Registration Number:	1536604	AZTEC
Registration Number:	1665522	APPLE STROODLES
Registration Number:	1701981	EREWHON
Registration Number:	1680526	OUR GREAT TASTE COMES NATURALLY
Registration Number:	1694682	EREWHON
Registration Number:	1729653	U.S. MILLS
Registration Number:	1756201	BANANA O'S
Registration Number:	1878790	UNCLE SAM
Registration Number:	2018382	RICE TWICE
Registration Number:	2214924	CORNFETTI

OP \$665.00 969721

Registration Number:	2040225	WAFFLERS
Registration Number:	2219627	COCOMOTION
Serial Number:	78410461	SUPER-O'S
Registration Number:	2694473	NEW MORNING
Registration Number:	1427655	OATIOS
Registration Number:	1459416	FRUIT-E-O'S
Registration Number:	1470855	NEW MORNING
Registration Number:	1898243	FARINA CREAMY HOT WHEAT CEREAL
Registration Number:	1926613	FARINA MILLS
Registration Number:	2614931	ULTIMATE OAT BRAN
Registration Number:	2849801	GRAHAM-WICHES
Serial Number:	78410467	GALAXY GRAHAMS
Registration Number:	2999225	UNCLE SAM

**CORRESPONDENCE DATA**

Fax Number: (214)758-1550  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 2147581500  
Email: estafford@pattonboggs.com  
Correspondent Name: Darren W. Collins  
Address Line 1: 2001 Ross Avenue  
Address Line 2: Suite 3000; Patton Boggs, LLP  
Address Line 4: Dallas, TEXAS 75201

ATTORNEY DOCKET NUMBER:	013043.0354
NAME OF SUBMITTER:	Darren W. Collins
Signature:	/Darren W. Collins/
Date:	11/28/2005

Total Attachments: 15  
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## **INTELLECTUAL PROPERTY SECURITY AGREEMENT**

This Intellectual Property Security Agreement (as amended, supplemented or otherwise modified from time to time, this "IP Security Agreement") is made and effective as of November 10, 2005, by U.S. MILLS, INC., a Delaware corporation (the "Grantor"), in favor of CAPITALSOURCE FINANCE LLC, a Delaware limited liability company (the "Lender"). Capitalized terms used in this IP Security Agreement and not otherwise defined shall have the respective meanings ascribed to such terms in the Loan Agreement.

### **RECITALS**

**WHEREAS**, pursuant to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof, between the Grantor (as Borrower), Sunset Brands, Inc., a Nevada corporation and the sole shareholder of the Grantor, and the Lender (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), the Lender has agreed, subject to the terms and conditions set forth therein, to lend to the Borrower certain amounts pursuant to a revolving credit facility and a term loan (collectively, the "Loans"); and

**WHEREAS**, it is a condition precedent to the obligation of the Lender to execute and perform under the Loan Agreement that Grantor shall have executed and delivered this IP Security Agreement to the Lender;

**NOW, THEREFORE**, in consideration of the willingness of the Lender to enter into the Loan Agreement and to agree, subject to the terms and conditions set forth therein, to make the Loans to the Grantor pursuant thereto, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. **Grant of Security Interest**. To secure the Grantor's prompt, punctual and faithful payment of the Loans and the performance of all of the Grantor's obligations under the Loan Agreement, Grantor hereby grants to Lender a continuing security interest in all of the right, title and interest of Grantor in and to any and all of the following collateral, whether now owned or hereafter acquired, but excluding any Intellectual Property for which the granting of a security interest therein would terminate, invalidate, void, cancel or abandon such Intellectual Property (the "IP Collateral"):

(a) The U.S and foreign copyrights, associated copyright registrations and applications for copyright registration, set forth on Schedule A attached hereto (collectively, the "Copyrights");

(b) The U.S. and foreign patents and patent applications set forth on Schedule B attached hereto, including, without limitation, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same (collectively, the "Patents");

(c) The U.S., state and foreign trademark and service mark registrations, trademark and service mark applications set forth on Schedule C attached hereto and all goodwill associated with the foregoing (collectively, the "Trademarks");

(d) The domain names and registrations set forth on Schedule D attached hereto and all goodwill associated with the foregoing (collectively, the “Domain Names”);

(e) Any and all claims and causes of action for past, present or future infringement of any of the IP Collateral, with the right, but not the obligation, to sue for and collect damages for infringement of the IP Collateral;

(f) Any and all licenses or rights granted under any of the IP Collateral, and all license fees and royalties arising from such licenses or rights, in each case to the extent permitted by such licenses or rights;

(g) Any and all amendments, renewals, extensions, reissuances and replacements of any of the IP Collateral; and

(h) Any and all products and proceeds of any of the foregoing.

2. Requested Recordation. Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks (and any state, foreign or other authority to which this IP Security Agreement is submitted) file and record this IP Security Agreement (and any corresponding or separate forms of such jurisdiction) in order to publicly reflect the interests of the Lender in the IP Collateral.

3. Assignment. Upon the occurrence and during the continuance of an Event of Default, Grantor shall execute and deliver to Lender an absolute assignment transferring its entire right, title, and interest in and to the IP Collateral to the Lender.

4. Power of Attorney. Grantor hereby irrevocably grants to the Lender, a power of attorney, to act as Grantor’s attorney-in-fact, with full authority in the name, place and stead of Grantor, from time to time in the Lender’s discretion, to take any action and to execute any instrument that the Lender may reasonably deem necessary or advisable to accomplish the purposes of this IP Security Agreement. This authority includes, without limitation, the following:

(a) To modify or amend (in the sole discretion of the Lender and without first obtaining Grantor’s approval thereof or signature thereto) Schedule A, Schedule B, Schedule C, and/or Schedule D hereof, as appropriate, to include references to any registered intellectual property (or application or license therefor) acquired by Grantor after the execution hereof or to delete any reference to any IP Collateral in which Grantor no longer has or claims any right, title or interest;

(b) To execute, file and pursue (in the sole discretion of the Lender and without first obtaining Grantor’s approval thereof or signature thereto, unless otherwise prohibited by applicable law) any application, form or other document in order to perfect, maintain, continue or otherwise protect the Lender’s interest or Grantor’s rights in the IP Collateral, including, without limitation, executing and filing (i) any financing statement, any continuation statement or any amendment thereto, and (ii) any document in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or the relevant office of any state or foreign jurisdiction (including,

without limitation, the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings) and to pay any fees and taxes in connection therewith or otherwise;

(c) To execute any document required to acknowledge, register or perfect the interest of the Lender in any part of the IP Collateral without the signature of Grantor unless prohibited by applicable law; and

(d) Upon the occurrence and during the continuation of an Event of Default, to (i) endorse the Grantor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the IP Collateral, (ii) take any other actions with respect to the IP Collateral as Lender deems to be in the best interest of Lender, (iii) grant or issue any exclusive or non-exclusive license under the IP Collateral to anyone or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the IP Collateral to anyone.

The foregoing power of attorney is coupled with an interest and is irrevocable until the obligations secured hereby have been unconditionally and indefeasibly paid or performed in full and the Loan Agreement has been terminated (except for any obligations designated under the Loan Agreement as continuing on an unsecured basis).

5. Release. Unless otherwise agreed in writing by the parties, the security interests granted herein will terminate (and all rights to the IP Collateral will revert to the Grantor) upon satisfaction of the following conditions: (a) payment and performance in full of all the Obligations secured hereby (unconditionally and indefeasibly) and (b) the termination of the Loan Agreement (except for any obligations designated thereunder as continuing on an unsecured basis). Upon any such termination, the Lender (at the Grantor's request and sole expense) will promptly execute and deliver to the Grantor (without any representation, warranty or recourse of any kind whatsoever) such documents as the Grantor may reasonably request and as are provided to the Lender to evidence such termination.

6. Newly Registered Copyrights, Patents and Trademarks. Grantor hereby agrees to provide the Lender, every three (3) months, a schedule of newly registered Copyrights, Patents and Trademarks (if any).

7. Miscellaneous.

(a) This IP Security Agreement has been entered into in conjunction with the provisions of and the security interest granted to the Lender under the Loan Agreement. The rights and remedies of the Grantor and the Lender with respect to the security interests granted herein are in addition and without prejudice to those set forth in the Loan Agreement, all terms and provisions of which are hereby incorporated herein by reference. In the event that any provisions of this IP Security Agreement are deemed to conflict with the Loan Agreement or the other Loan Documents, the provisions of the Loan Agreement or the other Loan Documents shall govern.

(b) This IP Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on

one document. Each such counterpart will be deemed to be an original, but all counterparts together will constitute one and the same instrument.

*[Remainder of Page Intentionally Blank; Signature Page Follows]*

**IN WITNESS WHEREOF**, the parties hereto have executed this IP Security Agreement as of the date first written above.

**GRANTOR:**

**U.S. MILLS, INC.**

By: 

Name: Todd Sanders

Title: Chief Executive Officer

**LENDER:**

**CAPITALSOURCE FINANCE LLC**

By: \_\_\_\_\_

Name:

Title:

**TRADEMARK**

**REEL: 003199 FRAME: 0678**



**IN WITNESS WHEREOF**, the parties hereto have executed this IP Security Agreement as of the date first written above.

**GRANTOR:**

**U.S. MILLS, INC.**

By: \_\_\_\_\_  
Name: Todd Sanders  
Title: Chief Executive Officer

**LENDER:**

**CAPITALSOURCE FINANCE LLC**

By:   
Name: **STEPHEN M. KLEIN**  
Title: **MANAGING DIRECTOR**


ACKNOWLEDGMENT

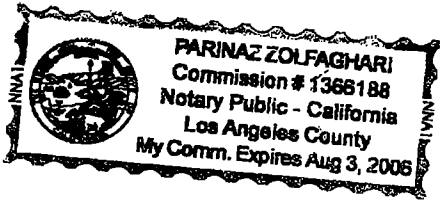
STATE OF CALIF :

: SS

COUNTY OF LOS ANGELES :

Before me, the undersigned, a Notary Public, on this 4<sup>TH</sup> day of November 2005, personally appeared TODD SANDERS to me known personally, who, being by me duly sworn, did say that he is the CEO of U.S. Mills, Inc., as Grantor, and that said Intellectual Property Security Agreement was signed on behalf of said Grantor, by authority of its board of directors, and the said he acknowledged said instrument to be his free act and deed.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires: AUG 3, 06



**SCHEDULE A**

**COPYRIGHT COLLATERAL**

None

**SCHEDULE B**

**PATENT COLLATERAL**

None

**SCHEDULE C**

**TRADEMARK COLLATERAL**

See pages following.

<b>REFERENCE NUMBER</b>	<b>MARK</b>	<b>REGISTRATION NO. (Serial No.)</b>	<b>REGISTRATION DATE (Filing date)</b>	<b>STATUS</b>	<b>NEXT RENEWAL DATE</b>
E0137.20000EM00	EREWON	1652502	9/12/2001	Registered	5/11/2010
E0137.20000US00	EREWON	969721	10/2/1973	Registered	10/2/2013
E0137.20000CA00	EREWON	196171	12/14/1973	Registered	12/14/2018
E0137.20004US00	EREWON	1333486	4/30/1985	Registered	4/30/2015
E0137.20007CA00	BARLEY PLUS	342655	7/15/1988	Registered	7/15/2018
E0137.20007US00	BARLEY PLUS	1421349	12/16/1986	Registered	12/16/2006
E0137.20012CA00	AZTEC	378194	1/11/1991	Registered	1/11/2006
E0137.20012US00	AZTEC	1536604	4/25/1989	Registered	4/25/2009
E0137.20013CA00	SUPER-O's	411642	4/30/1993	Registered	4/30/2008
E0137.20025CA00	APPLE STROODLES	405271	11/20/1992	Registered	11/20/2007
E0137.20025US00	APPLE STROODLES	1665522	11/19/1991	Registered	11/19/2011
E0137.20027US00	EREWON	1701981	7/21/1992	Registered	7/21/2012
E0137.20028US00	OUR GREAT TASTE COMES NATURALLY	1680526	3/24/1992	Registered	3/24/2012
E0137.20029US00	EREWON	1694682	6/16/1992	Registered	6/6/2012
E0137.20031EM00	U.S. MILLS	357319	10/15/1998	Registered	9/13/2006
E0137.20031US00	U.S. MILLS	1729653	11/3/1992	Registered	11/3/2012
E0137.20034US00	BANANA O'S	1756201	3/2/1993	Registered	3/2/2013
E0137.20038MX00	UNCLE SAM	545881	4/8/1997	Registered	7/26/2014
E0137.20038SA00	UNCLE SAM	385/69	10/7/1996	Registered	1/18/2014
E0137.20038US00	UNCLE SAM	1878790	2/14/1995	Registered	2/14/2015
E0137.20038CA00	UNCLE SAM	444812	6/30/1995	Registered	6/30/2010
E0138.20038JP00	UNCLE SAM	4011921	6/13/1997	Registered	6/13/2007
E0137.20038LB00	UNCLE SAM	64264	10/16/1994	Registered	10/26/2009
E0137.20040CA00	RICE TWICE	479120	7/29/1997	Registered	7/29/2012
E0137.20040US00	RICE TWICE	2018382	11/19/1996	Registered	11/19/2006
E0137.20043CA00	CORNFETTI	TMA482797	9/23/1997	Registered	9/23/2012
E0137.20043CH00	CORNFETTI	446865	10/24/1996	Registered	10/24/2006
E0137.20043EM00	CORNFETTI	398370	10/15/1998	Registered	10/22/2006
E0137.20043US00	CORNFETTI	2214924	12/29/1998	Registered	12/29/2008
E0137.20044CA00	U.S. MILLS NATURALS	TMA523560	2/22/2000	Registered	2/15/2015
E0137.20044CH00	U.S. MILLS NATURALS	494602	2/14/2002	Registered	9/16/2006
E0137.20045US00	WAFFLERS	2040225	2/25/1997	Registered	2/25/2007
E0137.20045CA00	WAFFLERS	TMA479084	7/28/1997	Registered	7/28/2012
E0137.20055CH00	US MILLS NATURALS CORNFETTI	451245	6/9/1998	Registered	10/24/2006

<b>REFERENCE NUMBER</b>	<b>MARK</b>	<b>REGISTRATION NO. (Serial No.)</b>	<b>REGISTRATION DATE (Filing date)</b>	<b>STATUS</b>	<b>NEXT RENEWAL DATE</b>
E0137.20056CA00	COCOMOTION	TMA500478	9/11/1998	Registered	9/11/2013
E0137.20056US00	COCOMOTION	2219627	1/19/1999	Registered	1/19/2009
E0137.20057CA00	OATS PLUS	TMA531177	8/15/2000	Registered	8/15/2015
E0137.20059US01	SUPER-O'S	(78/410461)	(4/29/2004)	Pending	
E0137.20061US00	NEW MORNING	2694473	3/11/2003	Registered	3/11/2013
E0137.20063US00	OATIOS	1427655	2/3/1987	Registered	2/3/2007
E0137.20064US00	FRUIT-E-O'S	1459416	9/29/1987	Registered	9/29/2007
E0137.20066US00	NEW MORNING	1470855	12/29/1987	Registered	12/29/2007
E0137.20066EM00	NEW MORNING	2791465	10/20/2003	Registered	7/30/2012
E0137.20068US00	FARINA CREAMY HOT WHEAT CEREAL	1898243	6/6/1995	Registered	6/6/2015
E0137.20069US00	FARINA MILLS	1926613	10/10/1995	Registered	10/10/2015
E0137.20071US00	ULTIMATE OAT BRAN	2614931	9/3/2002	Registered	9/3/2012
E0137.20073US00	GRAHAM- WICHES	2849801	6/1/2004	Registered	6/1/2014
E0137.20074CA00	EREWHON	632884	2/16/2005	Registered	2/16/2020
E0137.20075US00	GALAXY GRAHAMS	(78/410467)	(4/29/2004)	Published	
E0137.20076US00	UNCLE SAM	2999225	9/20/2005	Registered	9/20/2015



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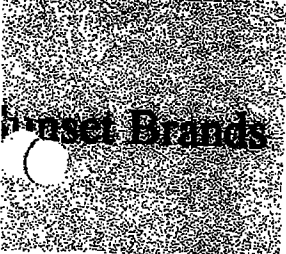
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APR Status	ASSIGN Status	TDR Status	TTAB Status
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turn to TESS)



<b>Registered Mark</b>	<b>SUNSET BRANDS</b>
<b>Goods and Services</b>	(ABANDONED) IC 035. US 100 101 102. G & S: "food distribution"
<b>Standard Characters</b>	
<b>Marked</b>	
<b>Mark Drawing Code</b>	(4) STANDARD CHARACTER MARK
<b>Serial Number</b>	78380110
<b>Filing Date</b>	March 8, 2004
<b>Current Filing Basis</b>	1B
<b>Original Filing Basis</b>	1B
<b>Applicant</b>	(APPLICANT) Sunset Brands, Inc. CORPORATION NEVADA 10990 Wilshire Blvd. Ste. 1220 Los Angeles CALIFORNIA 90024
<b>Character of Mark</b>	SERVICE MARK
<b>Registration Status</b>	PRINCIPAL
<b>Abandonment Indicator</b>	DEAD
<b>Abandonment Date</b>	March 23, 2005

SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH	SEARCH
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*Sunset Brands inc.*  
your choice for life.

July 27, 2005

To Whom It May Concern:

This letter is in regards to Trademark serial # 78380110, Word Mark 'Sunset Brands', Owned by Sunset Brands, Inc, which is 'Dead' and is considered Abandoned as of March 23, 2005.

The delay in Sunset Brands filing a response or extension request was unintentional because the Office Action and/or Notice of Allowance was not received by Sunset Brands or our Attorney.

Please reinstate/revive the Trademark as soon as possible – our credit card payment form is enclosed with this mailing.

Should you have any questions, please contact Julia Goldberg at 1.310.478.4600.

Thank you,



Julia B. Goldberg

10990 Wilshire Boulevard, Suite 1220  
Los Angeles, CA 90024  
[p] 310.478.4600 [f] 310.478.4601  
[www.sunsetbrands.com](http://www.sunsetbrands.com)



TRADEMARK  
REEL: 003199 FRAME: 0687

**SCHEDULE D**  
**DOMAIN NAMES**

**www.sunsetbrands.com**  
**www.usmillsinc.com**