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
HSI Distributors, LLC		102/28/2006	LIMITED LIABILITY COMPANY: ILLINOIS

RECEIVING PARTY DATA

Name:	Wells Fargo Foothill, Inc., as Administrative Agent	
Street Address:	1000 Abernathy Road	
Internal Address:	Suite 1450	
City:	Atlanta	
State/Country:	GEORGIA	
Postal Code:	30328	
Entity Type:	CORPORATION: CALIFORNIA	

PROPERTY NUMBERS Total: 21

Property Type	Number	Word Mark
Registration Number:	2533839	BRONZE ELITE ELEGANT GARDEN SCULPTURE HENRI STUDIO
Registration Number:	1766724	CREATE-A-POND
Registration Number:	1638415	FARMER'S PETS
Registration Number:	2579359	GARDEN GIFT INTERNATIONAL
Registration Number:	2029561	HENRI
Registration Number:	2048620	HENRI
Registration Number:	2166708	HENRI STUDIO
Registration Number:	1979235	HENRI STUDIO
Registration Number:	2036430	HENRI WATER GARDENING
Registration Number:	2038686	HENRI WATER GARDENING
Registration Number:	1678097	HIPPITY HOPS
Registration Number:	2067204	HSI SCULPTURE
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Registration Number:	2529484	HSI SCULPTURS FOUNTAIN ELEGANTS RESIN-LIGHT GARDEN FOUNTAINS
Registration Number:	1919817	INDESTRUCTA POND
Registration Number:	1922120	INDESTRUCTA POND WATER GARDEN
Registration Number:	2002438	LITTLE DREAMERS
Registration Number:	2002445	LITTLE DREAMERS
Registration Number:	1535300	NATURE'S PET
Registration Number:	2344948	PRIMA VASI COLLECTION PREMIUM POLY PLANTERS BY HENRI STUDIO INC.
Registration Number:	2241184	GEO JOTS
Registration Number:	1896974	SPROUTS

CORRESPONDENCE DATA

Fax Number: (312)863-7806

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 312-863-7198

Email: nancy.brougher@goldbergkohn.com

Correspondent Name: Nancy Brougher c/o Goldberg Kohn

Address Line 1: 55 East Monroe Street

Address Line 2: Suite 3700

Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:	1989.116
NAME OF SUBMITTER:	Nancy Brougher
Signature:	/njb/
Date:	05/09/2006

Total Attachments: 10

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TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Trademark Security Agreement") is made this 28th day of February, 2006, among the Grantor listed on the signature page hereof ("Grantor"), and WELLS FARGO FOOTHILL, INC., in its capacity as administrative agent for the Lender Group and the Bank Product Provider (together with its successors, "Agent").

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement dated as of January 25, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among L. R. Nelson Corporation and Sunterra, LLC as borrowers ("Borrowers"), the lenders party thereto as "Lenders" ("Lenders"), and Wells Fargo Foothill, Inc., as a lender and as arranger and administrative agent for the Lenders, the Lender Group is willing to make certain financial accommodations available to Borrowers pursuant to the terms and conditions thereof; and

WHEREAS, the members of the Lender Group are willing to make the financial accommodations to Borrowers as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor and certain of its affiliates shall have executed and delivered to Agent, for the benefit of Lender Group and the Bank Product Provider, that certain Security Agreement dated as of January 25, 2006 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Agent, for the benefit of Lender Group and the Bank Product Provider, this Trademark Security Agreement;

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

- 1. <u>DEFINED TERMS</u>. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement and/or the Credit Agreement.
- 2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Agent, for the benefit of the Lender Group and the Bank Product Provider, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):
- (a) all of its Trademarks and Trademark Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;
 - (b) all reissues, continuations or extensions of the foregoing;

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- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark Intellectual Property License; and
- (d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.
- 3. <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, for the benefit of the Lender Group and the Bank Product Provider, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
- 4. <u>AUTHORIZATION TO SUPPLEMENT</u>. If Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantor's obligations under this <u>Section 4</u>, Grantor hereby authorizes Agent unilaterally to modify this Agreement by amending <u>Schedule I</u> to include any such new trademark rights of Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend <u>Schedule I</u> shall in any way affect, invalidate or detract from Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.
- 5. <u>COUNTERPARTS</u>. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

HSI DISTRIBUTORS, LLC, an Illinois limited liability company

By: Juldhal
Name: Tedos. Lucken
Title: Manager
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ACCEPTED AND ACKNOWLEDGED BY:
WELLS FARGO FOOTHILL, INC., as Agent
By:
Name:
TOLL

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

HSI DISTRIBUTORS, LLC,

an Illinois limited liability company By: Name: Title: ACCEPTED AND ACKNOWLEDGED BY: WELLS FARGO FOOTHILL, INC., as Agent By: Name: MATT MOULEDaus Title: VP

SCHEDULE I to TRADEMARK SECURITY AGREEMENT

See attached.

Schedule I to Trademark Security Agreement - Page 1

TRADEMARK REEL: 003305 FRAME: 0650

SCHEDULE 2

INTANGIBLE ASSETS

REGISTERED TRADEMARKS UNITED STATES PATENT AND TRADEMARK OFFICE - OWNER: HENRI STUDIO, INC.

BRONZE ELITE ELEGANT GARDEN SCULPURE HENRI STUDIO (Stylized)	2,533,839	1/29/2002	11	Registered
CREATE-A-POND	1,766,724	4/20/1993	19	Registered
FARMER'S PETS	1,638,415	3/19/1991	19	Registered
GARDEN GIFT INTERNATIONAL	2,579,359	6/11/2002	11, 19	Registered
HENRI (STYLIZED)	2,029,561	1/14/1997	11, 22	Registered
HENRI	2,048,620	4/1/1997	11, 22	Registered
HENRI STUDIO (Stylized)	2,166,708	6/23/1998	11, 19, 20, 21	Registered
HENRI STUDIO	1,979,235	6/11/1996	11, 19, 20, 21	Registered
HENRI WATER GARDENING	2,036,430	2/11/1997	7, 11, 20	Registered
HENRI WATER GARDENING & Design	2,038,686	2/18/1997	11, 20, 21	Registered
HIPPITY HOPS	1,678,097	3/3/1992	19	Registered
HSI SCULPTURE	2,067,204	6/3/1997	19	Registered
HSI SCULPTURES – FOUNTAIN ELEGANTS- RESIN-LIGHT GARDEN FOUNTAINS (Stylized)	2,529,484	1/15/2002	11	Registered

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INDESTRUCTA POND	1,919,817	9/19/1995	22	Registered
INDESTRUCTA POND WATER GARDEN (and Design)	1,922,120	9/26/1995	22	Registered
LITTLE DREAMERS (and Design)	2,002,438	9/24/1996	19	Registered
LITTLE DREAMERS	2,002,445	9/24/1996	19	Registered
NATURE'S PET	1,535,300	4/18/1989	19	Registered
PRIMA VASI COLLECTION PREMIUM POLY PLANTERS BY HENRI STUDIO INC. (Stylized)	2,344,948	4/25/2000	21	Registered
GEO JOTS	2,241,184	4/20/1999	19	Registered
PROUTS	1,896,974	5/30/1995	21	Registered

STATE TRADEMARKS ILLINOIS - OWNER: HENRI STUDIO, INC.

Neark,	AL RECENOISE		
BACKYARD BUDS	IL 84687	19	Registered
NATURE'S PET	IL 62949	20	Registered

COMMON LAW TRADEMARKS

OWNER: HENRI STUDIO, INC.

HENRI STUDIO, INC.
HSI SCULPTURE, INC.
RESIN STONE
NEW GARDENS
EUROPA
COLD CAST BRONZE

INTERNATIONAL TRADEMARKS

OWNER: HENRI STUDIO, INC.

Argentina		2168731	1761078	Registered
Australia	HENRI LOGO		731896	Registered
Canada	HENRI WATER GARDENING	CA081363700	TMA0491228	Registered
Canada	HSI SCULPTURE	CA082616500	TMA0502407	Registered
Canada	HENRI STUDIO	CA115858400	TMA0606124	Registered
Canada	CREATE-A-POND	CA066861300	TMA0433828	Registered
Canada	HIPPITY HOPS	CA066861400	TMA0425956	Registered
Canada	LITTLE PRINTS	CA067069700	TMA0398952	Registered
Canada	FARMER'S PETS	CA067069800	TMA0394522	Registered
Canada	NATURE'S PET	CA067671600	TMA0396404	Registered
Canada	HSI	CA068289600	TMA0401729	Registered
Canada	FONT'NETTES	CA077477300	TMA0489377	Registered
Chile	HENRI STUDIO	436021	544784	Dogistana
China	HENRI STUDIO	970054593	1218082	Registered Registered

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J. Cally				en e
China	HENRI STUDIO	970054594	1212815	Registered
China	HENRI STUDIO	970054592	1194567	Registered
China	HENRI STUDIO	970054595	1185276	Registered
Czech	HENRI STUDIO	137083	225872	Registered
Republic				1228,000
Dominic	a HENRI STUDIO		92302	Registered
n Rep.				
Dominica	HENRI STUDIO		92299	Registered
n Rep.	**************************************		<u>l</u> _	
Dominica	HENRI STUDIO		92303	Registered
n Rep. Estonia				
	HENRI STUDIO	9602577	26129	Registered
Germany		H73427/19WZ		Pending
India	HENRI STUDIO	735101	735101	Registered
India	HENRI STUDIO	735103	735103	Registered
India Kuwait	HENRI STUDIO	735102		Pending
Kuwait	HENRI STUDIO	042169	35426	Registered
Mexico	HENRI STUDIO	042170	35427	Registered
New	HENRI STUDIO	****		Pending
Zealand	HENRI STUDIO	273376-79	273376-79	Registered
Russian	THE PLANTS			
Federatio	HENRI STUDIO	97701837	168703	Registered
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n Saudi	THE TOT CONTINUE			
Arabia	HENRI STUDIO	73727	658/25	Registered
Saudi	HEVIDI GOT IDYO	<u> </u>		
Arabia	HENRI STUDIO	73728	658/26	Registered
Turkey	DEMDI CTIDIO			
U.K.	HENRI STUDIO BRONZE ELITE	3240	182826	Registered
O 1.2.	ELEGANT GARDEN	2268582	2268582	Registered
	SCULPTURE - HENRI			
	STUDIO (Stylized)		1	
U.K.	FOUNTAIN	2260963	2252252	
	ELEGANTS RESIN-	2200903	2260963	Registered
İ	LIGHT GARDEN]		
	FOUNTAINS - HSI]		
	(Stylized)	[
U.K.	BRONZE ELITE	2260968	2260069	D
	ELEGANT GARDEN	2200,00	2260968	Registered
j	SCULPTURE HENRI		ļ	ļ
i	STUDIO (Stylized)	ĺ		İ

U.K.	HSI SCULPTURE HSI S.C.U.L.P.T.U.R.E and Design	2002123	2002123	Registered
U.K.	NATURE'S PET	1446105	1446105	Registered
U.K.	HENRI STUDIO	B1271140	B1271140	Registered