# TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

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|---|---|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|---|---|---|---|
| George W. Park Seed Company, Inc. | | 07/19/2007 | CORPORATION: SOUTH CAROLINA |

RECEIVING PARTY DATA

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|---|---|
| Name: | M-Three Concepts, Inc. |
| Street Address: | 605 Crescent Executive Court |
| Internal Address: | Suite 332 |
| City: | Lake Mary |
| State/Country: | FLORIDA |
| Postal Code: | 32746 |
| Entity Type: | CORPORATION: FLORIDA |

PROPERTY NUMBERS Total: 27

| Property Type | Number | Word Mark |
|---|---|---|
| Registration Number: | 3239327 | WAYSIDE GARDENS |
| Registration Number: | 3288495 | PARK'S SEEDS |
| Registration Number: | 3288494 | PARK'S GARDENS |
| Registration Number: | 3288493 | PARK'S BULBS |
| Registration Number: | 3288492 | WAYSIDE GARDENS |
| Registration Number: | 3275786 | PARK'S |
| Registration Number: | 3025347 | PARK SEED WHOLESALE |
| Registration Number: | 3016878 | PARK SEED WHOLESALE |
| Registration Number: | 2914833 | THE GARDEN WIZARD |
| Registration Number: | 2102255 | PARK SEED SINCE 1868 ALWAYS DEPENDABLE |
| Registration Number: | 2105387 | LEAH |
| Registration Number: | 2107081 | JANELL |
| Registration Number: | 2106714 | PARK'S COUNTRYSIDE GARDENS |

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|---|---|---|
| Registration Number: | 1806317 | SUPER-FAST |
| Registration Number: | 1817514 | PARK PERENNIALS |
| Registration Number: | 1846411 | PARK SEED |
| Registration Number: | 1753365 | WAYSIDE CLASSICS |
| Registration Number: | 1722271 | PARK SEED |
| Registration Number: | 1800223 | PARK PLUGS |
| Registration Number: | 1039368 | |
| Registration Number: | 1498169 | ONE STEP |
| Registration Number: | 1367243 | PARK-STARTS |
| Registration Number: | 1213389 | |
| Registration Number: | 0761162 | PARKSPAK |
| Registration Number: | 0739221 | PARKSPAK O'GOLD |
| Registration Number: | 0711039 | ALWAYS DEPENDABLE SINCE 1868 |
| Registration Number: | 0629126 | |

CORRESPONDENCE DATA


Fax Number: (312)251-5732

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

Phone: 312.368.4000

Email: ch.tm@dlapiper.com

Correspondent Name: Mark I. Feldman c/o DLA Piper US LLP

Address Line 1: P.O. Box 64807

Address Line 4: Chicago, ILLINOIS 60664-0807


| | |
|---|---|
| ATTORNEY DOCKET NUMBER: | 365923-000002 |
| NAME OF SUBMITTER: | Mark I. Feldman |
| Signature: | /Mark I. Feldman/ |
| Date: | 09/27/2007 |

Total Attachments: 15

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In Respect of $2,100,000.00 Loan

## SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement"), dated July 19th, 2007, by and among **George W. Park Seed Company, Inc.**, a South Carolina corporation ("Borrower"), **Park Seed Wholesale**, Inc., a South Carolina corporation, **Krazy Keith's, LLC**, a South Carolina limited liability company, and **Greenwood Advertising and New Media, Inc.** (Borrower, Park Seed Wholesale, Inc., Krazy Keith's, LLC and Greenwood Advertising and New Media, Inc. are collectively, hereinafter referred to as "Debtors") and **M-Three Concepts, Inc.**, a Florida corporation, 605 Crescent Executive Court, Suite 332, Lake Mary, Florida 32746 (hereinafter referred to as the "Secured Party" or "Lender"). (The designation Debtors, and Secured Party as used herein shall include said parties, their successors and assigns, and shall include singular, plural, masculine, feminine, or neuter as required by context).

All capitalized terms used, but not otherwise defined herein shall have the meaning set forth in that certain Loan Agreement dated of even date herewith among Secured Party and Debtors named therein (the "Loan Agreement").

## RECITAL OF PURPOSE

This Agreement is executed in connection with Secured Party's prior extension of credit to Borrower under that certain Note Agreement in the original principal amount of $2,100,000.00 dated as of the date hereof and in partial consideration of that certain loan in the original principal amount of $3,000,000.00 by Secured Party to Borrower dated the date hereof (together, the "Loans") pursuant to the Loan Agreement. All advances under the Loans and all existing credit arrangements and future extensions of credit of any kind or nature whatsoever, however and whenever arising, whether direct or contingent, by Secured Party to Geo. W. Park Seed Co., Inc. (the "Borrower") and any other Obligations to Secured Party from Borrower shall be secured by the security interest granted under this Agreement.

## SECURITY INTEREST

Debtors hereby grant to Secured Party a perfected security interest in the items of Collateral shown on Schedule A attached hereto (the "Collateral"), whether now owned or hereafter acquired, wherever located. Debtors hereby acknowledge that Secured Party would be unwilling to extend the Loans to Borrower without this Agreement.

## OBLIGATIONS SECURED

The security interest granted secures all existing and future obligations of Borrower to Secured Party or any of its assignees and participants including, but not limited to, the Loans, any now existing or hereafter arising promissory notes of Borrower to any Lender or Secured Party, hedge agreement, swap agreements, or other interest rate protection agreement entered into between Borrower and any Lender or Secured Party, or any affiliate thereof, whether now existing or hereafter entered into, including but not limited to, any agreement providing for an interest rate or commodity swap, cap, floor, or collar, or any combination of, or option with respect to, these or similar transactions, for the purpose of hedging Borrower's exposure to fluctuations in interest rates (a "SWAP"), guarantees, loan agreements, open accounts, extensions under lines of credit, the payment for all goods, and the performance of all now



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existing or hereafter arising obligations owing by Borrower to Secured Party (collectively, "Obligations"). This Agreement shall continue until the filing of a termination statement of record, notwithstanding the fact that from time to time Borrower may not be indebted to any Lender or Secured Party.

## UCC FINANCING STATEMENTS

Debtors hereby authorize Secured Party to prepare and file any financing statements Secured Party deems necessary to perfect its security interests in the Collateral pledged hereby and any continuation statements or amendments it deems necessary to protect or continue such security interests. Debtors agree that a carbon, photographic or other reproduction of this Agreement with respect to the Collateral shall be sufficient as a financing statement and may be filed as such by Secured Party and that Secured Party may exercise any financing statement filed pursuant to this paragraph either in its own name or in that of Debtors.

## USE AND DISPOSITION OF COLLATERAL

Until an Event of Default hereunder, Debtors may use the Collateral in any lawful manner not inconsistent with this Agreement, the Loan Agreement or with the terms or conditions of any policy of insurance thereon and also may sell or otherwise dispose of the Collateral in the ordinary course of business as permitted in the Loan Agreement. A sale in the ordinary course of business does not include a transfer in partial or total satisfaction of a debt. Except for sales or other dispositions in the ordinary course of business, or sales or abandonment of obsolete equipment used in Debtors' business which equipment has been or will be replaced promptly, Debtors shall not sell, encumber, or in any manner dispose of any of the Collateral, unless consented to by Secured Party in writing.

Secured Party at all times, following reasonable notice and during normal business hours, shall have a license to enter upon any premises where any tangible items of Collateral are located or where any record of an intangible item of Collateral may be maintained, and in connection therewith, Debtors assign to Secured Party all right, title and interest of Debtors in and to any leases or other agreements between Debtors and various persons having in their possession any or all of the Collateral, and such persons may rely upon this Agreement or a copy hereof as authority of Secured Party for entry upon said premises to the same extent and for the same purpose as Debtors may enter thereupon. Notwithstanding the assignment of all right, title and interest of Debtors in and to such agreements, Debtors agree to remain bound to the party having possession of the Collateral for the performance of all obligations with respect to such Collateral, and the entry of Secured Party under the terms of this Agreement upon such premises shall not constitute an acceptance by Secured Party of any obligation of Debtors to any person having possession of such Collateral.

## LEASE OF RECORDS

Debtors hereby lease to Secured Party, and Secured Party hires from Debtors, for a term which shall be effective so long as the Loans or other Obligations secured hereby are owing to Secured Party by Debtors and until Borrower has no further obligation to Secured Party under the Loan Agreement or any other Loan Document, all of Debtors' present and future books of



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Accounts, computer printouts, magnetic, digital and laser tapes and disks, computer and electronic storage media, computer software programs, trial balance records, ledgers and cabinets in which they are located, reflected or maintained, in any way relating to the Collateral, and all present and future supporting evidence and documents relating thereto in the form of written applications, credit information, account cards, payment records, trial balances, correspondence, delivery receipts, certificates and the like, as well as the past and current information stored in computer software programs for and on Debtors' behalf by third parties. Debtors, if requested by Secured Party, agrees to legend all of the foregoing to indicate the lease thereof to Secured Party. If an Event of Default occurs, then, in addition to all of the other rights and remedies of Secured Party herein, Secured Party will have the right forthwith or at any time thereafter to remove from Debtors' premises, or any other location, all of the foregoing and keep and retain the same in Secured Party's possession until the Loans and other Obligations secured hereby shall have been fully paid and discharged and Secured Party has no further obligation under the Loan Agreement. The provisions of this paragraph shall not be deemed to diminish or contravene the security interest of Secured Party in Debtors' General Intangibles or in the property, materials, and interests described in this paragraph but shall be deemed to be in addition to any rights Secured Party may have with respect to Debtors' grant of a security interest in its General Intangibles to Secured Party.

## LICENSE OF RIGHTS

Secured Party is hereby granted a license or other right to use, without charge, Debtors' labels, patents copyrights, rights of use of any name, trade secrets, tradenames, trademarks and advertising matter or any property of a similar nature as it pertains to the Collateral, in advertising for sale and in selling any Collateral, and Debtors' rights under all licenses and all franchise agreements shall inure to Secured Party's benefit.

## SPECIAL PROVISIONS REGARDING ACCOUNTS

1. Secured Party shall have the right to notify any and all Account Debtors obligated on any or all of the Accounts to make payment thereof directly to Secured Party and to take control of all proceeds of any such Accounts, which right Secured Party may exercise at any time whether or not an Event of Default exists hereunder and whether or not Debtor was theretofore making collections thereon. Any such notice by the Secured Party to such Account Debtors shall be given by an authorized representative of the Secured Party. Debtors, if requested by Secured Party, shall stamp or cause to be stamped on each Account item in legible letters "Pledged to M-Three Concepts, Inc." and shall turn over physical possession of the Accounts to Secured Party. Debtors authorize Secured Party to sign and endorse Debtors' name upon any check, draft, money order, or other form of payment of any Account item and to sign and endorse satisfactions and releases of Account items in Debtor's name. Until such time as Secured Party elects to exercise the right to collect and enforce said Accounts, Debtors are authorized, as agent of Secured Party, to collect and enforce said Accounts in Debtor's name. The costs of such collection and enforcement, including attorney's fees and out-of-pocket expenses and all other expenses and liabilities resulting therefrom, shall be borne solely by Debtors whether the same are incurred by Secured Party or Debtors. At the request of Secured Party, Debtors shall upon receipt of all checks, drafts, cash and other remittances in payment or on account of the Accounts deposit the same in the **Special Collection Account**. The funds in the Special Collection



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Account shall be held by Secured Party as security for all obligations secured hereby. Said proceeds shall be deposited in precisely the form received, except for the endorsement of Debtors where necessary to permit collection of items, which endorsement Debtors agree to make, and which the Debtors are also hereby authorized to make on Debtors' behalf. Pending such deposit, Debtors agree that they will not commingle any such checks, drafts, cash and other remittances with any of Debtors' funds or property, but will hold them separate and apart therefrom and upon an express trust for Secured Party until deposit thereof is made in the Special Collection Account. Secured Party may, in accordance with the provisions of this Agreement, apply the whole or any part of the Collected Balance on deposit in the Special Collection Account against the principal and/or interest of the Loans or other Obligations secured hereby, the order and method of such application to be at the discretion of the Secured Party. Any portion of said funds on deposit in the Special Collection Account which Secured Party elects not to so apply may, at the Secured Party's election, be paid over by the Secured Party to Debtors; pro aided, however, that if at any time the Secured Party grants to Debtors the right to retain the proceeds of the Accounts for Debtors' use, or if at any time Secured Party elects to pay funds on deposit in the Special Collection Account to Debtors, such right to retain and use proceeds or payment from the Special Collection Account shall be deemed to be continuing new value for the security interest attaching hereunder on all after-acquired property. In addition to the rights set forth in this Section and elsewhere in this Agreement and in the Loan Documents, Secured Party shall be entitled to enforce Debtors' rights against Accounts Debtors.

2. Whether or not an Event of Default has occurred, any of Secured Party's officers, authorized representatives, employees or agents shall have the right, at any time or times hereafter, in the name of Secured Party or in any trade or fictitious name selected by Secured Party, or in the name of any designee of Secured Party or Debtors, to verify the validity, amount or any other matter relating to any Accounts by mail, telephone, telegraph, or otherwise. Debtors shall cooperate fully with Secured Party in an effort to facilitate and promptly conclude any such verification process.

3. At the request of Secured Party, and irrespective of whether an Event of Default has occurred or is continuing, Debtors agree to acquire at its expense a post office box in the City of Greenville, South Carolina, to which Secured Party and its designees alone shall have access. Debtors agree to give notice to all of its Account Debtors to mail payments due to Secured Party to such post office box. Debtors agree that Secured Party, or its designees, may open such post office box, may receive, open and dispose of all mail addressed to Debtors at such post office box, and may deposit any payments contained in such mail in the Special Collection Account. Debtors agree to give all required instructions to the U.S. Postal Service authorities to enable Secured Party, or its designees, to attain access to such post office box of Debtors, agree that they will not attempt to remove any mail from such post office box, and agree to execute such additional agreements as Secured Party may reasonably require in connection with such post office box. Debtors agree to instruct all of its Account Debtors, which make any payments on the Accounts by bank wire to wire such payments to the Special Collection Account.

4. If any of Debtors' Accounts are or should become evidenced by promissory notes, trade acceptances chattel paper, chattel mortgages, conditional sales contracts, or other instruments, Debtors will immediately deliver same to Secured Party, endorsed or assigned with recourse to Secured Party's order and, regardless of the form of such endorsement or assignment,



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Debtors hereby waive presentment, demand, notice of dishonor, protest and notice of protest and all other notices with respect thereto. All Chattel Paper shall bear a legend acceptable to Secured Party indicating that Secured Party has a security interest in the same.

## SPECIAL PROVISIONS REGARDING EQUIPMENT

Part of the Equipment pledged by this Agreement may constitute motor vehicles and other vehicles subject to registration under the motor vehicle title registration statutes of South Carolina or other states, and with respect to which the security interest of Secured Party therein is required to be registered on the vehicle title certificate. Debtors agree to execute and deliver on a timely basis all such title certificates and instruments as shall be necessary to convey to Secured Party a perfected security interest in all such motor vehicles and other Equipment.

Part of the Equipment may be affixed to real estate owned or leased by Debtors and may constitute fixtures under the Uniform Commercial Code. Debtors agree that any such fixtures shall be included within the meaning of Equipment as used and defined herein and that Secured Party is hereby granted a security interest in and a lien upon such fixtures.

## REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtors represent, warrant and covenant as follows:

1. Subject to any limitations stated in writing herein or in connection herewith, all information furnished by Debtors to Secured Party concerning the Collateral was, is, or will be at the time the same is furnished, accurate and complete in all material respects.

2. Debtors have good and marketable title to the Collateral.

3. The office where Debtors keep its records concerning the Collateral is located at Debtors' principal place of business at 1 Parkton Avenue, Greenwood, South Carolina 29647. Debtors will not remove any such records from Debtors' principal place of business without the written consent of Secured Party.

4. Geo. W. Park Seed Co., Inc., Park Seed Wholesale, Inc. and Greenwood Advertising & New Media, Inc. are corporations organized and existing and in good standing under the laws of the State of South Carolina. Krazy Keith's, LLC is a limited liability company organized and existing and in good standing under the laws of the State of South Carolina. Debtors will not change their state of organization without 30 days prior written notice to Secured Party.

5. The Collateral is used for business purposes.

6. All balance sheets, earnings statements and other financial data furnished Secured Party accurately reflect or reflected the financial condition of Debtors as of the date thereof and the results of its operations for the period for which such financial data is furnished. Since the date of such financial data there has been no material adverse change, financial or otherwise, in the condition of Debtors; and no litigation or proceeding of any governmental body is presently



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pending or (to the knowledge of Debtors) threatened against Debtors which, if adversely determined, could materially affect the business, operations, or properties of Debtors.

7. Debtors are authorized to execute and deliver this Agreement and incur the Obligations, which it secures and will secure; and this Agreement and the Obligations do not conflict with any provisions of any existing indenture, contract or agreement of Debtors.

8. The Collateral currently is situated at 1 Parkton Avenue, Greenwood, South Carolina 29647. Except as otherwise permitted hereunder, Debtors will not remove any of the Collateral from said location without the written consent of Secured Party except in the ordinary course of business as herein elsewhere provided.

9. Debtors covenant that, except in the ordinary course of business or as otherwise permitted hereunder, the Collateral will not be transferred, voluntarily or involuntarily, without Debtors' giving prior written notice to Secured Party.

10. Debtors covenant that the Collateral will not be used in violation of any federal, state or local statute, law or ordinance.

11. Debtors agree to execute all such further writings, documents and instruments and to do all such things and acts as may be necessary or appropriate or as may be reasonably requested by Secured Party to implement and carry out the provisions of this Agreement. Without limiting the generality of the foregoing, where any of the Collateral may be perfected by possession, and where Secured Party in the exercise of its discretion determines to perfect by that method, Debtors agree to do all such things as may be necessary to place the Collateral in the control and custody of Secured Party.

12. Debtors shall promptly notify Secured Party should Debtors obtain any "commercial tort claim" (as defined in the Code) and take such steps as may be requested by Secured Party to further evidence and perfect Secured Party's security interest in the same.

## TAXES, ASSESSMENTS AND GOVERNMENTAL CHARGES

Debtors hereby warrant that there are currently no past-due taxes, assessments or governmental charges of any kind, which are owing by it on any of the Collateral. Debtors covenant that it will pay promptly when due all taxes, assessments, and governmental charges imposed upon it or its properties, including without limitation, real and personal property taxes and use taxes. Additionally, on the demand of Secured Party, Debtors will pay any and all taxes, charges and fees arising in relation to or stemming from the creation, perfection, preservation and continuation of any security interest in the Collateral, whenever arising.

## INDEMNIFICATION

In the event any governmental body, instrumentality, entity or agency determines at any time that any tax, charge, fee and/or penalty is due and owing with regard to the creation, perfection, preservation, or continuation of the security interest intended to be created hereunder or assesses such amounts against Secured Party or Debtors, Secured Party may pay such tax, fee, charge and/or penalty on behalf of Debtors or require Debtors to pay such tax, fee, charge and/or



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penalty in full on demand. In the event Secured Party pays such tax, fee, charge and/or penalty on behalf of Debtors, Debtors hereby agree to indemnify Secured Party in full for any such amounts and any costs, fees or charges related thereto, including, without limitation any and all attorney fees or other legal costs. Any such taxes, fees, charges and/or penalties paid by Secured Party hereunder shall be deemed an advance secured by the Collateral until paid in full and shall be afforded the same protection as advances made under any loan secured by this Agreement.

## MAINTENANCE AND PRESERVATION OF COLLATERAL

Debtors will maintain and preserve the Collateral in good order and condition and will not permit the Collateral to be wasted or destroyed. Debtors will use all reasonable and diligent efforts to collect all accounts receivable and notes receivable when due. Additionally, on demand of Secured Party, Debtors will pay any and all taxes, charges and fees arising in relation to or stemming from the creation, perfection, preservation and continuation of any security interest in the Collateral, whenever arising.

## NO OTHER SECURITY INTEREST OR FINANCING STATEMENTS

Except with the prior written consent of Secured Party, Debtors will not permit or suffer to exist any other security interest in or lien upon the Collateral or any financing statement covering the Collateral to be on file in any public office except those in favor of Secured Party or those approved by Secured Party prior to the date hereof. Debtors will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein. Secured Party, however, may contest any claims made against Debtors in the name of Debtors wherein the security hereunder would by an adverse decision be impaired, and Secured Party may charge to Debtors its expenses in defending any such claims.

## INSURANCE

Without limiting any other provision hereof or any provision in any other Loan Document and as a supplement to insurance requirements set forth in the Loan Agreement, Debtors will keep the Collateral insured in amounts equal to its full insurable value, with companies and against such risks as may be satisfactory to Secured Party. Debtors will pay the costs of all such insurance and deliver policies evidencing such insurance to Secured Party with mortgagee and loss payable clauses in favor of Secured Party. Debtors hereby assign to Secured Party all right to receive proceeds, directs any insurer to pay all proceeds directly to Secured Party, and authorizes Secured Party to endorse any check or draft for such proceeds and apply the same toward satisfaction of the Loans and other Obligations secured hereby.

## RECORDS, REPORTS, EXAMINATIONS, INSPECTIONS ETC.

Debtors will at all times keep accurate and complete records of the Collateral, and Secured Party or its agents shall have the right to call at Debtors' place or places of business at intervals to be determined by Secured Party, upon reasonable notice and during Debtors' regular business hours, and without hindrance or delay, to inspect and examine the Collateral and to inspect, examine, check, and make abstracts from the books, records, journals, orders, receipts, computer printouts, correspondence and other data relating to the Collateral or to any other transactions between the parties hereto. If requested by Secured Party, Debtors agree to make its



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books, records, journals, orders, receipts, computer printouts, correspondence, and other data relating to the Collateral available at Secured Party's main office for inspection, examination and checking by Secured Party or its agents.

## COSTS AND EXPENSES PAID BY SECURED PARTY

In the event Secured Party determines that Debtors do not maintain insurance on the Collateral as required by this Agreement or any other Loan Document, at its option, Secured Party may pay for insurance on the Collateral. Further, Debtors hereby agree that at its option, Secured Party may discharge taxes, Liens, security interests or other encumbrances at any time levied or placed on the Collateral and may pay for the maintenance and preservation of the Collateral. Debtors agree to reimburse Secured Party, on demand, for any payment made or expense incurred by Secured Party pursuant to the foregoing authorization, including, without limitation, attorney's fees. Any payment so made or expense so incurred by Secured Party shall be added to the indebtedness of Debtors to Secured Party and shall be secured by this Agreement until paid in full.

## ATTORNEY IN FACT

Debtors hereby irrevocably designate, make, constitute and appoint Secured Party (and all Persons designated by Secured Party) as Debtors' true and lawful attorney (and agent-in-fact) and Secured Party, or Secured Party's agent, may, without notice to Debtors and in either Debtors' or Secured Party's name, but at the cost and expense of Debtors:

1. At such time or times hereafter as Secured Party or said agent, in its sole discretion, may determine, endorse Debtors' name on any checks, notes, acceptances, drafts, money orders or any other evidence of payment or proceeds of the Collateral which come into the possession of Secured Party or under Secured Party's control; and

2. At such time or times as Secured Party or its agent in its sole discretion may determine (and irrespective of whether an Event of Default exists): (i) settle, adjust, compromise, discharge or release any of the Collateral; (ii) sell or collect any of the Collateral upon such terms, and for such amounts and at such time or times as Secured Party deems advisable; (iii) take possession, in any manner, of any item of payment or proceeds relating to any Collateral and apply the same to the Obligations; (iv) prepare, file and sign Debtors' name to a proof of claim in bankruptcy or to any notice of lien, assignment or satisfaction of lien or similar document in connection with any of the Collateral; (v) receive, open and dispose of all mail addressed to Debtors and to notify postal authorities to change the address for delivery thereof to such address as Secured Party may designate; (vi) execute in Debtors' name or in Secured Party's name U.C.C. financing statements and other instruments evidencing the pledge of the Collateral to Secured Party for filing with various governmental entities; (vii) endorse the name of Debtors upon any of the items of payment or proceeds relating to any Collateral and deposit the same to the account of Secured Party or any other Secured Party on account of the Obligations; (viii) endorse the name of Debtors upon any chattel paper, document, instrument, invoice, freight bill, bill of lading or similar document or agreement relating to any Collateral; (ix) use the information recorded on or contained in any data processing equipment and computer hardware and software relating to any Collateral and to which Debtors have access; (x)



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make and adjust claims under policies of insurance; and (xi) for and in the name of Debtors to give instructions and direct any bank or financial institution in which proceeds of the Collateral are deposited to turn over said proceeds to Secured Party; and (xii) do all other acts and things necessary, in Secured Party's determination, to fulfill Debtors' obligations under this Agreement.

## WAIVER

Debtors hereby release and waive any and all actions, claims, causes of action, demands and suits which it may ever have against Secured Party as a result of any possession, collection, settlement, compromise or sale by Secured Party of any of the Accounts upon the occurrence of an Event of Default hereunder, notwithstanding the effect of such possession, collection, settlement, compromise or sale upon the business of Debtors. Said waiver shall include all causes of action and claims which may result from the exercise of the power of attorney conferred upon Secured Party hereinafter excluding those resulting from gross-negligence or intentional malfeasance of Secured Party. The failure at any time or times hereafter to require strict performance by Debtors of any of the provisions, warranties, terms and conditions contained in this Agreement or any other agreement, document or instrument now or hereafter executed by Debtors, and delivered to Secured Party, shall not waive, affect, or diminish any right of Secured Party thereafter to demand strict compliance and performance therewith and with respect to any other provisions, warranties, terms and conditions contained in such agreements, documents or instruments, and any waiver of default shall not waive or affect any other default, whether prior or subsequent thereto, and whether the same are of a different type. None of the warranties, conditions, provisions and terms contained in the Agreement or any other agreement, document or instrument now or hereafter executed by Debtors and delivered to Secured Party shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, representatives, officers or employees, but only by an instrument in writing signed by an officer of Secured Party and directed to Debtors specifying such waiver.

## EVENTS OF DEFAULT

There shall be a default under this Agreement upon the happening on any of the following events (each an "Event of Default"):

1. If there shall be any default by Debtors in the due observance or performance of any covenants, terms or conditions contained herein, or breach by Debtors or the material falseness of any representation or warranty of Debtors herein.

2. If there shall be any "Event of Default" as defined in the Loan Agreement or a default or event of default under any other Loan Document (as defined in the Loan Agreement).

3. If there shall be any loss, theft, substantial damage or destruction of Collateral which is not promptly replaced or repaired, having a value, in the aggregate, in excess of $25,000.00, or encumbrance of any material portion or value of the Collateral, provided, however, if Debtors are diligently pursuing a claim with its insurer it shall not be an Event of Default hereunder so long as Debtors provide Secured Party satisfactory evidence of pursuit of such claim and the delay in the processing of such claim is not resulting from the delay caused



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by Debtors or any misrepresentation of Debtors and such delay does not cause a Material Adverse Change (as defined in the Loan Agreement).

4. If any event shall occur which gives Secured Party, or any affiliate of Secured Party, the right or option to terminate any SWAP.

In any such event and at any time thereafter, Secured Party may declare all Obligations secured hereby to be immediately due and payable without presentment, demand, protest or other notice of dishonor of any kind, all of which are hereby expressly waived. No delay in accelerating the maturity of any obligation as aforesaid or in taking any other action with respect to any Event of Default shall affect the rights of Secured Party later to take such action with respect thereto, and no waiver as to one Event of Default shall affect rights as to any other Event of Default.

## REMEDIES

1. If any Event of Default shall occur, Secured Party may exercise and shall have any and all rights and remedies accorded to it by the South Carolina Uniform Commercial Code, as provided in the Loan Agreement and other Loan Documents and as otherwise provided at law or in equity.

2. In addition to the foregoing remedies, following an Event of Default Secured Party may enter upon the premises where any of the Collateral may be located and take possession of the same, and after first taking inventory of said Collateral, dispose of it in the following manner:

(a) In the event the Collateral consists partially, or totally, of items which are perishable or threaten to rapidly decline in value or is of a type customarily sold on a recognized market, Secured Party may sell said inventory at such time or times and in such manner as it deems economically feasible. The inventory may be sold in bulk, lots, or in the ordinary course of business of Debtors; and

(b) Secured Party may sell all or any part of any Collateral to any person, including Secured Party at a price determined by a disinterested appraiser. Secured Party shall give Debtors ten (10) days notice of a sale of Collateral, other than Collateral described in subsection (a) hereinabove. It is the intent and purpose of this paragraph that the business operated by Debtors will not be interrupted by default and the value of Collateral thereby be impaired. It is expressly agreed that a sale under the provisions of this paragraph is commercially reasonable. Secured Party shall apply all proceeds realized from the sale of any Collateral in accordance with the provisions of the South Carolina Uniform Commercial Code, and this Agreement. Debtors shall remain liable to Secured Party for any deficiency.

## MISCELLANEOUS PROVISIONS

1. The provisions of this Agreement may be amended, or compliance with this agreement waived, at any time by the written agreement of Secured Party and Debtors.



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2. Debtors shall do, make, execute and deliver all such additional and further acts, things, deeds, assurances, and instruments as Secured Party reasonably may require for the purpose of more completely vesting in and assuring to Secured Party its rights hereunder and in or to the Collateral.

3. Any notice(s) furnished hereunder shall be made as required in the Loan Agreement.

4. All rights of Secured Party and all of the rights, remedies and duties of Secured Party and Debtors shall be governed by the laws of the State of South Carolina.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written, under seal, which execution may be by counterparts, all of which together shall constitute the Agreement.

**DEBTORS:**
**GEORGE W. PARK SEED COMPANY, INC.**
(Seal)

By: _____

Its: President

**PARK SEED WHOLESALE, INC.**
(Seal)

By: _____

Its: President

**KRAZY KEITH'S, LLC**
(Seal)

By: _____

Its: _____

**GREENWOOD ADVERTISING & NEW MEDIA, INC.**
(Seal)

By: _____

Its: President





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**SECURED PARTY:**

**M-THREE CONCEPTS, INC.**
(Seal)

By: Donald J. Hackenberger

Its: President

In Respect of $2,100,000.00 Loan

## SCHEDULE A

## COLLATERAL DESCRIPTION



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In Respect of $2,100,000.00 Loan

SCHEDULE A — COLLATERAL DESCRIPTION

(State Filing)

All of Debtors' right, title and interest in the following personal property (each capitalized term as defined in Article 9 of the South Carolina Uniform Commercial Code), wherever located and whether now owned by any Debtor or hereafter acquired, including but not limited to:

ALL Goods, Equipment, Fixtures, Accounts, Inventory, Chattel Paper, Instruments, Investment Property, Letter of Credit Rights, Deposit Accounts, General Intangibles and Documents.

Any and all products and proceeds of any of the foregoing (including, but not limited to, any claims to any items referred to in this definition, and any claims of any Debtor against third parties for loss of, damage to or destruction of any or all of the collateral or for proceeds payable under, or unearned premiums with respect to, policies of insurance) in whatever form, including, but not limited to, cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements and other documents and the proceeds of such proceeds.

## SCHEDULE A - U.S. TRADEMARKS

| Mark | Serial No. | Filing Date | Registration No. | Registration Date |
|---|---|---|---|---|
| WAYSIDE GARDENS | 78,893,175 | 05/25/06 | 3,239,327 | 05/08/07 |
| PARK'S SEEDS | 76,616,867 | 10/21/04 | 3,288,495 | 09/04/07 |
| PARK'S GARDENS | 76,616,866 | 10/21/04 | 3,288,494 | 09/04/07 |
| PARK'S BULBS | 76,616,865 | 10/21/04 | 3,288,493 | 09/04/07 |
| WAYSIDE GARDENS | 76,616,864 | 10/21/04 | 3,288,492 | 09/04/07 |
| PARK'S | 76,616,868 | 10/21/04 | 3,275,786 | 08/07/07 |
| PARK SEED WHOLESALE | 76,584,404 | 04/01/04 | 3,025,347 | 12/13/05 |
| PARK SEED WHOLESALE | 76,584,403 | 04/1/04 | 3,016,878 | 11/22/05 |
| THE GARDEN WIZARD | 76,407,001 | 05/10/02 | 2,914,833 | 12/28/04 |
| PARK SEED SINCE 1868 ALWAYS DEPENDABLE | 75,091,021 | 04/19/96 | 2,102,255 | 09/30/97 |
| LEAH | 75,182,458 | 10/16/96 | 2,105,387 | 10/14/97 |
| JANELL | 75,182,457 | 10/16/96 | 2,107,081 | 10/21/97 |
| PARK'S COUNTRYSIDE GARDENS | 75,133,596 | 07/12/96 | 2,106,714 | 10/21/97 |
| SUPER-FAST | 74,355,922 | 02/05/93 | 1,806,317 | 11/23/93 |
| PARK PERENNIALS | 74,330,231 | 11/10/92 | 1,817,514 | 01/18/94 |
| PARK SEED | 74,270,959 | 04/30/92 | 1,846,411 | 07/26/94 |
| WAYSIDE CLASSICS | 74,235,962 | 01/08/92 | 1,753,365 | 02/16/93 |
| PARK SEED | 74,235,961 | 01/08/92 | 1,722,271 | 10/06/92 |
| PARK PLUGS | 74,227,420 | 12/05/91 | 1,800,223 | 10/19/93 |
| (DESIGN MARK) | 73,060,295 | 08/12/75 | 1,039,368 | 05/11/76 |
| ONE STEP | 73,620678 | 09/18/86 | 1,498,169 | 07/26/88 |
| PARK-STARTS | 73,515,398 | 12/27/84 | 1,367,243 | 10/29/85 |
| (DESIGN MARK) | 73,313,895 | 06/08/81 | 1,213,389 | 10/19/82 |
| PARKSPAK | 72,140,037 | 03/16/62 | 761,162 | 12/10/63 |
| PARKSPAK O'GOLD | 72,131,987 | 11/14/61 | 739,221 | 10/16/62 |
| ALWAYS DEPENDABLE SINCE 1868 | 72,087,901 | 12/23/59 | 711,039 | 02/14/61 |
| (DESIGN MARK) | 71,697,602 | 11/2/1955 | 629,126 | 6/19/56 |