12/03/2007 16:54 FAX 301 762 6044 MILLER,MILLER & CANBY 3/017 Fax Server 002

TO:GLENN M. ANDERSON COMPANY

10/25/2007 16:51 FAX 301 762 604 002

12-10-2007

103467071

RIN

10/25/07

Form PTO-1594 (Rev. 07/05)
OMB Collection 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET
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):

Sherwood Brands, LLC

- [ ] Individual(s)
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [ ] Corporation- State:
- [x] Other Limited Liability Company

Citizenship (see guidelines)

Additional names of conveying parties attached? [ ] Yes [x] No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? [ ] Yes [x] No

Name: Lana, LLC

Internal Address:

Street Address: 4821 Montgomery Lane #1001

City: Bethesda

State: Maryland

Country: USA Zip: 20814

- [ ] Association Citizenship
- [ ] General Partnership Citizenship
- [ ] Limited Partnership Citizenship
- [ ] Corporation Citizenship
- [x] Other 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)

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s): September 27, 2007

- [ ] Assignment
- [ ] Merger
- [x] Security Agreement
- [ ] Change of Name
- [ ] Other

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

Additional sheet(s) attached? [x] 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: Glenn M. Anderson

Internal Address:

Street Address: 2008 Monroe Street

City: Rockville

State: MD Zip: 20850

Phone Number: (301) 762-5212

Fax Number:

Email Address:

6. Total number of applications and registrations involved: 61

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $1,540.00

- [x] Authorized to be charged by credit card
- [ ] Authorized to be charged to deposit account
- [ ] Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers 8971
Expiration Date 3/10

b. Deposit Account Number

Authorized User Name

9. Signature: [signature] 10/25/07
Signature Date

Glenn M. Anderson
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 4 15

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

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(Continuation of Item 4)
(List of numbers to accompany previous chart)

EXHIBIT A
To Trademark Security Agreement
SHERWOOD BRANDS, LLC
Registered Marks

Page 1 of 3

Design of 5 Carrots	2604739
Egg-Streme	2681459
Egg-Streme	2764939
Elana	2666396
Elana & Design	1511976
Food Fight	76/299269
Fruit Burst	2401735
Gourmet Canes	1771711
Gummy Workshop	2765756
Holiday Gifts	2602558
Jelly Mummy Mix	2765757
Kastins	2688372
Little Princess	2648180
North Pole	2921508
PB Cows	2564012
Pumpkinheads	2705381
Rabbit Change	2398709
Rock heads	3074538

Ruger	1511159
Ruger	2659318
Secret Notes	2621269
Sherwood & Design	2453068
Sherwood Coffee Perks	2351826
Sherwood Pirate's Gold	2444418
Smile Pops	2447293
Smiley Face Design	2216344
Spooky Eyes	2698652
Stamp Pad Pals	2649258
Stuffed	2787287
The Great Easter Egg Hunt	2576078
The One and Only Gummy Candy Corn	2780735
"The Reward"	2659319
Strip 'O Pops	1620239
Tiger Tails	1766099
Tokens of Love	2500045
Tongue Tattoo	2321982
Tongue Tattoo Space Allen Suckers By Sherwood Brands	2859203
Tongue Tattoo	2373487
Witch's Brew	2771852
12 Carrot	3018899
14 Carrot	2860754

18 Carrot	3024943
24 Carrot	3064680
Asher	1975566
Bendy Buddies	2649259
Big Curl	2626542
Blood Balls	2773741
Cards & Pops	2619159
Conversation Pops!	2588952
Cool Cash	2508152
"Cows" w/Design of Cow	3223836
"Cows" w/Design of Cow	2145556
Cowpokes	2135985
Cows (word mark)	2338732
Demitasse	1658707
Design of 3 Carrots	2604740
Design of 4 Carrots	2604741
Animal Licks	78/663537
Asher Wanderfuls	78/414753
Asher Wanderfuls The Candy Wand with a Twist	78/414755
Bubblegram	78/904748
Scream Pops	78/825227

INTELLECTUAL PROPERTY SECURITY AGREEMENT

TO SECURE THE PAYMENT OF that certain Promissory Note, dated as of July 31, 2007, made by SHERWOOD BRANDS, INC., a North Carolina corporation ("Borrower") to the order of LANA, LLC, a Maryland limited liability company ("Creditor"), in the original principal amount of Six Million One Hundred Seven Thousand Seven Hundred Ninety 76/100 Dollars ($6,107,790.76) (the "Promissory Note"); and as a material inducement to Creditor to extend credit to Borrower and in connection with a Guarantee Agreement entered as of the date hereof for the benefit of Creditor, SHERWOOD BRANDS, LLC, a Maryland limited liability company (the "Guarantor") hereby agrees as follows:

1. Security Interest in Intellectual Property. To secure the complete and timely satisfaction of all sums secured by the Note, Guarantor hereby grants, assigns and conveys to Creditor a continuing security interest in all of its right, title and interest in and to any and all now owned or existing or hereafter acquired, created or arising trade names, trademarks, service marks, designs, trademark, service mark and trade name registrations, and applications for registration (including registrations resulting therefrom), logos and other business identifiers, domestic and foreign, and all rights of whatever kind appurtenant thereto (whether pursuant to a license or otherwise), including without limitation all of those used by Debtor in whole or in part in conducting its business and including without limitation the marks, names, applications and registrations which are listed in Schedule A attached hereto, together with all proceeds and rights to receive income therefrom (such as, without limitation, licenses, royalties and proceeds of infringement suits), the right (but not the obligation) to register claims under any law and to apply for, renew and extend the same, the right to sue for past, present, and future infringements, the common law rights therein, goodwill of the businesses to which they relate and the rights to apply for registrations therefore throughout the world (collectively the "Trademarks"), and the good will of the business to which each of the Trademarks relates.

2. Representations and Warranties. Guarantor covenants and warrants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable, and are not subject to or a subject of any pending litigation;

(b) To the best of Guarantor's knowledge, each of the Trademarks is valid and enforceable;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

(d) Guarantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by Debtor not to sue third persons;

(e) Guarantor has the unqualified right to enter into this Agreement and perform its terms;

(f) Guarantor has used, and will continue to use for the duration of this Agreement, notice in connection with its use of the Trademarks;

(g) Guarantor has used, and will continue to use for the duration of this

Agreement, consistent standards of quality in its publication, marketing and distribution of products sold under the Trademarks;

(h) Schedule A attached hereto identifies all of the Trademarks that Guarantor owns or of which Guarantor is entitled to the benefit; and

(i) Guarantor agrees not to sell or assign its interest in, or grant any license under the Trademarks, without the prior written consent of Creditor.

3. Rights to New Trademarks. If, before the Note shall have been satisfied in full, Guarantor shall obtain rights to any new trade names, trademarks, service marks, designs, or trademark, service mark and trade name registrations or applications, the provisions of *paragraph 1* shall automatically apply to such new Trademarks and Guarantor shall give Creditor prompt written notice thereof.

Guarantor authorizes Creditor to modify this Agreement, without the signature of Guarantor, by amending Schedule A and the Assignment to include any new Trademarks covered by *paragraphs 1 and 3* hereof.

4. Remedies upon Default. Upon Creditor's provision of notice to Guarantor of the occurrence of an Event of Default, Guarantor's ownership and rights in the Trademarks shall terminate forthwith, and Creditor shall have, in addition to all other rights and remedies given it by this Agreement and those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located.

5. Termination of Agreement. At such time as the Note shall be fully paid, this Agreement shall terminate and Creditor shall execute and deliver to Guarantor all assignments and other instruments as may be necessary or proper to release this security interest

6. Fees and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by Creditor in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise 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 and paid by Guarantor on demand by Creditor.

7. Duties of the Guarantor. Guarantor agrees that, until the Note is fully paid, Guarantor will, upon request, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable in order to perfect and protect the security interest granted herein or to enable Creditor to exercise its rights and remedies hereunder.

Guarantor shall have the duty to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until the Note shall have been fully paid and to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary

or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by the Guarantor. The Guarantor shall not abandon any Trademark without the consent of the Creditor.

Guarantor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event Creditor may, if necessary, be joined as a nominal party to such suit if Creditor shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Guarantor shall promptly, upon demand, reimburse and indemnify Creditor for all damages, costs and expenses, including attorney's fees, incurred by Creditor in the fulfillment of the provisions of this *paragraph* 7.

8. Appointment as Attorney-In-Fact. In the event of the occurrence of an Event of Default under the Note or this Agreement, Guarantor irrevocably authorizes and empowers Creditor to make, constitute and appoint any officer or agent of Creditor as Creditor may select, in its exclusive discretion, as Guarantor's true and lawful attorney-in-fact, with the power to endorse Guarantor's name on all applications, documents, papers and instruments necessary to assign, pledge, convey or otherwise transfer or dispose of all of Guarantor's right, title and interest in and to the Trademarks to Creditor or any other party, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Creditor to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Guarantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable for the life of this Agreement. The rights and powers conferred upon Creditor under this Agreement are solely to protect its interest in the Trademarks and shall not impose any duty upon Creditor to exercise any such rights or powers. Creditor shall be accountable only for amounts that Creditor actually receives as a result of the exercise of such rights and powers and neither Creditor nor any of its officers, directors, employees or agents shall be responsible to Guarantor for any act or failure to act, except for Creditor's own gross negligence or willful misconduct.

9. Right to Enforce Trademarks. If Guarantor fails to comply with any of its obligations hereunder, Creditor may do so in Guarantor's name or in Creditor's name, but at Guarantor's expense, and Guarantor hereby agrees to reimburse Creditor in full for all expenses, including reasonable attorney's fees, incurred by Creditor in protecting, defending and maintaining the Trademarks.

10. Cumulative Rights and Remedies; Waiver. All of Guarantor's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

No course of dealing between Debtor and Guarantor, nor any failure to exercise, nor any delay in exercising, on the part of Creditor, any right, power or privilege hereunder or under the Loan Agreement 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.

11. Enforceability; Governing Law. The provisions of this 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 Agreement in any jurisdiction. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the internal laws of the State of Maryland.

12. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in *paragraph 3*.

13. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties; provided, however, that the foregoing provisions shall not invalidate or otherwise modify the restriction imposed on Guarantor hereunder with respect to transferring any part of or interest in the Trademarks.

14. Notices. Each demand, notice or other communication required or permitted hereunder shall be given by mail addressed to the party at the address set forth below or as changed in written notice to the other party, or by hand delivery upon the party:

If to Creditor: LANA, LLC
4821 Montgomery Lane #1001
Bethesda, MD 20814

If to Guarantor: Sherwood Brands, LLC
1803 Research Boulevard, Suite 201
Rockville, Maryland 20850

15. Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provisions of this Agreement.

16. Subordination Agreement. This security agreement and all of the rights and remedies of the Creditor hereof are subject to the terms of that certain subordination agreement dated as of June 3, 2005, by and between Lana, LLC and Branch Banking and Trust Company of Virginia, as modified or amended from time to time.

IN WITNESS WHEREOF, Guarantor and Creditor have executed this Agreement under seal as of the date set forth above.

SHERWOOD BRANDS, LLC

By: _____ (SEAL)
Uziel Frydman, Manager (Guarantor)

LANA, LLC

By: _____ (SEAL)
Ilana Frydman, Manager (Creditor)

STATE OF MARYLAND]
] To Wit:
COUNTY OF Montgomery]

I HEREBY CERTIFY that on this 27th day of September, 2007, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared ILANA FRYDMAN who acknowledged herself to be the MANAGER of LANA, LLC, a Maryland limited liability company, and that she, as such officer, being authorized so to do, executed the foregoing Agreement for the purposes therein contained, by signing her name on behalf of the company.

WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
My Commission Expires:

Glenn M. Anderson
NOTARY PUBLIC
Montgomery County, Maryland
My Commission Expires 8/6/2011

STATE OF MARYLAND]
] To Wit:
COUNTY OF Montgomery]

I HEREBY CERTIFY that on this 27th day of September, 2007, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Uziel Frydman who acknowledged himself to be the Manager of SHERWOOD BRANDS, LLC, a Maryland limited liability company, and that he, as such officer, being authorized so to do, executed the foregoing Agreement for the purposes therein contained, by signing his name on behalf of the company.

WITNESS my hand and Notarial Seal.

NOTARY PUBLIC
My Commission Expires:

Glenn M. Anderson
NOTARY PUBLIC
Montgomery County, Maryland
My Commission Expires 8/6/2011