

04/07/2011

Form PTO-1594 (Rev. 12-08)
OMB Collection 0651-0027 (exp. 01/31/2009)U. S. DEPARTMENT OF COMMERCE
United States Patent and Trademark OfficeRE
7

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MRD 2/14/11

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):FRANKFORD CANDY LLC
9300 ASHTON ROAD
PHILADELPHIA, PA 19114

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☐ Corporation- State: _____
☒ Other LLC

Citizenship (see guidelines) _____

Additional names of conveying parties attached? ☐ Yes ☒ No**3. Nature of conveyance)/Execution Date(s) :**Execution Date(s) 02/08/2011

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

2. Name and address of receiving party(ies)Additional names, addresses, or citizenship attached? ☐ Yes ☒ NoName: WELLS FARGO BANK, NATIONAL ASSOCIATION

Internal

Address: _____

Street Address: 2240 BUTLER PIKECity: PLYMOUTH MEETINGState: PACountry: _____ Zip: 19462

- ☐ Association Citizenship _____
☐ General Partnership Citizenship _____
☐ Limited Partnership Citizenship _____
☐ Corporation Citizenship _____

☒ Other NA Citizenship PAIf 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)

B. Trademark Registration No.(s)

SEE SCHEDULE 1

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: Corporation Service CompanyInternal Address: Suite 210Street Address: 1180 Avenue of the AmericasCity: New YorkState: NY Zip: 10036Phone Number: 212-299-5600Fax Number: 212-299-5656Email Address: ORDER# 671027**6. Total number of applications and registrations involved:**

8

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

- ☐ Authorized to be charged to deposit account
☐ Enclosed

8. Payment Information:

Deposit Account Number _____

Authorized User Name _____

9. Signature:

Signature

2/10/2011

Date

Luis Rodriguez

Name of Person Signing

Total number of pages including cover sheet, attachments, and document

9

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**TRADEMARK**
REEL: 004523 FRAME: 0756

SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademark Registrations/Applications

<u>Trademark</u>	<u>Country/Region</u>	<u>Registration Number</u>	<u>Registration Date</u>
JELLY PLANET LOGO	U.S.A	2,878,330	08/31/2004
DIG N' DIP	U.S.A.	2,900,424	11/02/2004
TOON POP	U.S.A.	2,889,920	09/28/2004
FRANKFORD	U.S.A.	2,060,846	05/13/1997
FOOD COURT	U.S.A.	3,127,972	08/08/2006
FRANKFORD	New Zealand	755008	09/13/2006
FRANKFORD	Australia, China, European Community, Turkey, and Russian Federation	0900601	09/25/2006
FRANKFORD	New Zealand	755008	09/13/2006
FRANKFORD	Mexico	1028928	03/04/2008
FRANKFORD	El Salvador		
FRANKFORD	India		
SIMPLE DELIGHTS	U.S.A.	3,500,325	09/09/2008
CRAVIN'	U.S.A.	3,451,487	06/17/2008
GHOULRY BOX	U.S.A.	3,822,825	03/20//2009
MALLO- LICIOUS	U.S.A.	Pending	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Trademark Security Agreement") is made this 8th day of February, 2011, between FRANKFORD CANDY LLC, a Delaware limited liability company ("Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Lender").

WHEREAS, pursuant to the Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") among Grantor, FRANKFORD REALTY HOLDINGS, LP ("Frankford Realty," together with Grantor, collectively, "Borrowers") and Lender, Lender is willing to make certain financial accommodations available to Borrowers pursuant to the terms and conditions thereof; and

WHEREAS, pursuant to the Loan Agreement, Grantor is required to execute and deliver to Lender this Intellectual Property Security Agreement;

NOW, THEREFORE, in consideration of the promises 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. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.

2. GRANT OF SECURITY INTEREST IN THE INTELLECTUAL PROPERTY COLLATERAL. Grantor hereby unconditionally grants, assigns and pledges to Lender a security interest in all of Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired or arising and wherever located (collectively, the "Intellectual Property Collateral"):

- (a) all of its Trademarks including those referred to on Schedule I hereto;
- (b) all of its patents including those referred to on Schedule II hereto (collectively, the "Patents"); and
- (c) all proceeds of the foregoing.

For purposes hereof, "Trademarks" means trademarks, trade names, trademark applications, service marks, service mark applications, and also includes (i) the registered or applied for trade names, trademarks, trademark applications, service marks, and service mark applications listed on Schedule I hereto, (ii) all renewals thereof, (iii) all income, royalties, damage awards and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future (A) infringements and dilutions thereof and (B) injury to the goodwill associated therewith, (iv) the right to sue for past, present and future (A) infringements and dilutions thereof and (B) injury to the goodwill associated therewith, (v) the goodwill of Grantor's business symbolized by the foregoing or connected therewith, and (vi) all of Grantor's rights corresponding thereto throughout the world.

3. SECURITY FOR OBLIGATIONS. This Intellectual Property Security Agreement and the security interest created hereby secures the payment and performance of the Obligations, whether now existing or arising hereafter.

4. LOAN AGREEMENT. The security interest granted pursuant to this Intellectual Property Security Agreement is granted in conjunction with the security interest granted to Lender pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent there is any inconsistency between this Intellectual Property Security Agreement and the Loan Agreement, the Loan Agreement shall control.

5. AUTHORIZATION TO SUPPLEMENT. If Grantor shall obtain rights to any new Trademarks or Patents, the provisions of this Intellectual Property Security Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Lender with respect to any such new Trademarks and/or Patents or with respect to Grantor's election not to renew or extend any material Trademark and/or Patent registration. Without limiting Grantor's obligations under this Section 5, Grantor hereby authorizes Lender unilaterally to modify this Intellectual Property Security Agreement by amending Schedule I and/or Schedule II, as applicable, to include any such new Trademark and/or Patent rights of Grantor. Notwithstanding the foregoing, no failure to so modify this Intellectual Property Security Agreement or amend Schedule I and/or Schedule II shall in any way affect, invalidate or detract from Lender's continuing security interest in all Collateral, whether or not listed on Schedule I or Schedule II.

6. POWER OF ATTORNEY. Upon the occurrence and during the continuance of an Event of Default under the Loan Agreement, Grantor hereby covenants and agrees that Lender may take such action permitted under the Loan Agreement, the Financing Agreements and/or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks and/or Patents covered hereby. Grantor hereby authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Lender, to use the Trademarks and/or Patents or to grant or issue any exclusive or non-exclusive license under the Trademarks and/or Patents to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks and/or Patents to any Person including, without limitation, the power to execute a trademark/patent assignment in the form attached hereto as Exhibit 1, as it may then be completed by Lender in order to effectuate a transfer of the Trademarks and/or Patents and carry out the intent of the parties hereto; provided that Lender shall not assign or otherwise dispose of any Trademark owned by Grantor without assigning the assets and goodwill of the business associated therewith; and any assignment not in compliance with the foregoing shall be null and void. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof. This power of attorney shall be irrevocable until all Borrowers' Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated, at which time this power of attorney shall immediately and automatically, without further action of Lender or Grantor, terminate.

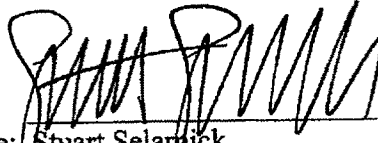
7. COUNTERPARTS. This Intellectual Property Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

8. GOVERNING LAW. THE VALIDITY OF THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT AND THE OTHER FINANCING AGREEMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER FINANCING AGREEMENT IN RESPECT OF SUCH OTHER FINANCING AGREEMENTS), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA.

[SIGNATURE PAGE FOLLOWS]

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

FRANKFORD CANDY LLC

By: 
Name: Stuart Selarnick
Title: Chief Executive Officer

ACCEPTED AND ACKNOWLEDGED
BY:

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

By: _____
Name: Robert J. Bauer
Title: Senior Vice President

[SIGNATURE PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

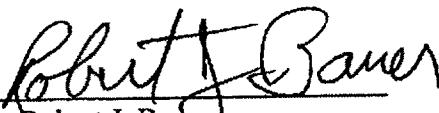
IN WITNESS WHEREOF, Grantor, intending to be legally bound, has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

FRANKFORD CANDY LLC

By: _____
Name: Stuart Selarnick
Title: Chief Executive Officer

ACCEPTED AND ACKNOWLEDGED
BY:

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

By: 
Name: Robert J. Bauer
Title: Senior Vice President

[SIGNATURE PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

SCHEDULE I
to
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FRANKFORD	Australia, China, European Community, Turkey, and Russian Federation	0900601	09/25/2006
FRANKFORD	New Zealand	755008	09/13/2006
FRANKFORD	Mexico	1028928	03/04/2008
FRANKFORD	El Salvador		
FRANKFORD	India		
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MALLO- LICIOUS	U.S.A.	Pending	

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patent Registrations/Applications

<u>Patent</u>	<u>Country/Region</u>	<u>Registration Number</u>	<u>Registration Date</u>
CANDY CANE WITH POUND COMBINATION (TWO PACKAGES)	U.S.A.	29/174,593	01/31/2003
CANDY CANE WITH POUCH COMBINATION (JUST CANDY CANE)	U.S.A.	29/174,595	01/31/2003
CANDY CANE WITH POUCH COMBINATION (WITH BOW)	U.S.A.	29/174,594	01/31/2003

EXHIBIT 1

TRADEMARK/PATENT/ASSIGNMENT

WHEREAS, [] ("Grantor") is the registered owner of the United States (i) trademarks, service marks, trade names, service trademark applications, and service trade names listed on Schedule A attached hereto and made a part hereof ("Trademarks"), and (ii) patents listed on Schedule B attached hereto and made a part hereof ("Patents"), which are registered in the United States Patent and Trademark Office, and

WHEREAS, _____ ("Grantee"), having a place of business at _____, is desirous of acquiring said **[Trademarks/Patents]**;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, subject to the terms of the Intellectual Property Security Agreement dated _____, 2011 between Grantor and Grantee, all of its present and future right, title and interest in and to the **[Trademarks/Patents]** and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Trademark /Patent Assignment to be executed as of the ____ day of _____.

[]

By: _____

Attorney-in-fact

Witness: