

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
B FERNANDEZ & HNOS, INC.		05/18/2012	CORPORATION: PUERTO RICO
RECEIVING PARTY DATA			
Name:	BANCO POPULAR DE PUERTO RICO		
Street Address:	209 Munoz Rivera Avenue		
City:	San Juan		
State/Country:	PUERTO RICO		
Postal Code:	00918		
Entity Type:	Bank: PUERTO RICO		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Serial Number:	76461332	ZERO	
Serial Number:	76509676	SUCRA	
CORRESPONDENCE DATA			
Fax Number:	7877565339		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	(787) 756-5333		
Email:	lvillafane@ccslp.com		
Correspondent Name:	Luis M. Villafane-Jorge		
Address Line 1:	P.O.Box 367189		
Address Line 4:	San Juan, PUERTO RICO 00936-7189		
NAME OF SUBMITTER:	Luis M. Villafane-Jorge		
Signature:	/Luis M. Villafane/		
Date:	06/22/2012		

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Total Attachments: 20

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TRDAEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "*Agreement*"), dated May 18, 2012, between B. FERNÁNDEZ HNOS., INC. ("*Debtor*"), and BANCO POPULAR DE PUERTO RICO, a Puerto Rico banking corporation (the "*Lender*" or "*Bank*").

WITNESSETH

WHEREAS, pursuant to the credit agreement, the Lender agreed to extend a term loan in the principal amount of \$2,500,000 (the "*Loan*" or "*Loans*"), which Loan is evidenced by the promissory note issued in connection therewith (the "*Note*" or "*Notes*"); and

WHEREAS, in connection with the execution of the Credit Agreement, Debtor has agreed to enter into this Agreement in order to guarantee and secure and guarantee the due payment and performance of the Secured Obligations (as hereinafter defined); and

WHEREAS, the obligations of the Lender under the Credit Agreement are conditioned upon the execution of this Agreement.

NOW THEREFORE, the parties hereto agree as follows:

Section 1. Defined Terms. Capitalized terms used and not defined herein have the meanings given to such terms in the Credit Agreement. The following terms which are defined in the PR-UCC (as defined herein) are used herein as so defined therein: Accessions, Cash Proceeds, Chattel Paper, Control, Delivery, Document, Financial Assets, Goods, Investment Property, and Proceeds. The following terms shall have the following meanings, such meanings to be equally applicable to the singular and plural forms of the terms defined.

"*Assigned Agreement*" has the meaning assigned to such term in Section 2 hereof.

"*Collateral*" has the meaning given to such term in Section 2 hereof.

"*Event of Default*" has the meaning given to such term in Section 12 hereof.

"*General Intangibles*" has the meaning given to such term in Section 2 hereof.

"*Pledged Collateral*" has the meaning given to such term in Section 4 hereof.

"*Secured Obligations*" shall mean, collectively: (a) the principal of, whether or not completely disbursed on the Closing Date, and interest on the Loans and the Notes and all other amounts from time to time owing to Lender under the Credit Agreement or any other Related Document, and all other Obligations of Debtor pursuant to the terms of the Credit Agreement and the Related Documents and any extension and renewal thereof as well as any costs, fees, charges, and expenses which may be due or owing in connection therewith; (b) all costs and expenses incurred in the collection of the Notes or the enforcement of the Obligations; (c) all moneys hereafter loaned or advanced by the Lender to Debtor, whether under the Credit

Agreement, the Related Documents or under any loan, contract, agreement, assignment or other transaction; and (d) without duplication of the amounts described in clauses (a), (b) and (c) above, all obligations, indebtedness and liabilities of Debtor pursuant to the terms of this Security Agreement; in each case whether now existing or hereafter arising and whether in the regular course of business or otherwise, and including those obligations of third parties under rights or agreements given as collateral under this Security Agreement.

“*Trademark Collateral*” shall mean the Trademarks identified in Schedule 7(h) hereto. Notwithstanding the foregoing, the Trademark Collateral does not and shall not include any Trademark that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as part of the Trademark Collateral.

“*Trademark Cover Sheet*” means the Recordation Form Cover Sheet-Trademarks Only, Form PTO-1618A of the United States Department of Commerce Patent and Trademark Office (the “*PTO*”).

“*Trademarks*” shall mean the trade names, trademarks and service marks, logos, trademark and service mark registrations, and applications for trademark and service mark registrations identified in Schedule 7(h) hereto, including, without limitation, all renewals of trademark and service mark registrations, all rights corresponding thereto throughout the world, the right to recover for all past, present and future infringements thereof, all other rights of any kind whatsoever accruing thereunder or pertaining thereto, together, in each case, with the product lines and goodwill of the business connected with the use of, and symbolized by, each such trade name, trademark and service mark.

Section 2. Grant of Security Interest in Collateral. As collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations, Debtor hereby grants to Lender a first priority Lien and security interest in all of Debtor’s right, title and interest in and to the following property now owned or at any time hereafter acquired by Debtor or in which Debtor now has or at any time in the future any acquire any right, title or interest (collectively, the “*Collateral*”):

(a) all “general intangibles” (as such term is defined in the PR-UCC) now owned or hereafter acquired by Debtor, including all right, title and interest that Debtor may now or hereafter have in or under any licenses, copyrights, Trademarks, the Trademark Collateral, patents, and all applications therefore, and reissues, extensions or renewals thereof, rights in intellectual property, interests in partnerships, joint ventures and other business associations, licenses, permits, copyrights, trade secrets, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know-how, software, data bases, data, skill, expertise, experience, processes, models, drawings, materials and records, goodwill (including the goodwill associated with any trademark or trademark license), all rights and claims in or under insurance policies (including insurance for fire, damage, loss and casualty, whether covering personal property, real property, tangible rights or intangible rights, all liability, life, key man and business interruption insurance, and all unearned premiums), deposit, checking and other bank accounts, rights to receive tax refunds and other payments, rights to receive dividends, distributions, cash, Instruments and other

property in respect of or in exchange for pledged stock and Investment Property, rights of indemnification, all books and records, correspondence, credit files, invoices and other papers, including without limitation all tapes, cards, computer runs and other papers and documents in the possession or under the control of Debtor or any computer bureau or service company from time to time acting for Debtor (collectively, "*General Intangibles*");

(b) all of the Debtor's trademarks, trade names, trade styles and service marks and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office (the "USPTO") or in any similar office or agency of the United States or any State, territory or possession, or in any other place, nation or jurisdiction anywhere in the world thereof, including, without limitation, the trademark's, terms, designs and applications described in Exhibit 1 hereto, together with all rights and privileges arising under applicable law with respect to the Debtor's use of any trademark's, trade names, trade styles and service marks, and all reissues, extensions, continuation and renewals thereof (all of the foregoing being collectively referred to herein as the "Trademarks");

(c) all prints and labels on which such Trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature;

(d) all of the Debtor's patents and applications therefore issued by or pending in the USPTO or any other similar office or agency of any other country, including all the patents and applications therefore described in Exhibit 1 to the Security Agreement (all the foregoing being collectively referred to herein as the "Patents");

(e) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks;

(f) all income, fees, royalties and other payments under all licenses at any time entered into in connection with the Patents or Trademarks; and

(g) the right to sue for past, present and future infringements thereof;


(h) all rights corresponding thereto throughout the world; and

(i) any and all Proceeds (and Proceeds of Proceeds) of any of the foregoing including, without limitation, damages and payments or claims by the Debtor against third parties for past or future infringement of the Patents and/or Trademarks.

(j) the agreements, contracts, documents, papers, and licenses of Debtor used or useful in the conduct of Debtor's business and relating to the Trademark Collateral, as each such agreement, license, contract and document may be amended, supplemented or modified and in effect from time to time (said agreements, licenses, contracts and documents, as so amended, supplemented or modified and in effect from time to time, being, individually, an "*Assigned Agreement*", and, collectively, the "*Assigned Agreements*"), including, without limitation: (i) all

rights of Debtor to receive moneys due and to become due under or pursuant to the Assigned Agreements; (ii) all rights of Debtor to receive proceeds of any insurance, bond, indemnity, warranty or guaranty with respect to the Assigned Agreements; (iii) all claims of Debtor for damages arising out of or for breach of or default under the Assigned Agreements; (iv) all General Intangibles and contract rights arising therefrom; and (v) all rights of Debtor to terminate, amend, supplement, modify or waive performance under the Assigned Agreements, to perform thereunder and to compel performance and otherwise to exercise all remedies thereunder;

(k) to the extent related to any Property described in the foregoing clauses or such Proceeds, products and accessories, all books, correspondence, credit files, records, invoices and other papers, including, without limitation, all tapes, cards, computer runs and other papers and documents in the possession or under the control of Debtor or any computer bureau or service company from time to time acting for Debtor.



Section 3. Security for Secured Obligations. This Agreement and the Lien and security interest created over the Collateral secures the due payment and performance of all the Secured Obligations now existing or hereafter arising until all such Secured Obligations have been fully and indefeasibly paid, satisfied and discharged. Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by Debtor to Lender but for the fact that they are unenforceable or not allowable owing to the existence of bankruptcy, reorganization, or similar proceedings involving Debtor. This Agreement shall be and remain as a continuing security for any additional advances and Debts and any extension or renewal thereof and for costs, fees, charges and expenses which may be due or owing in connection therewith until all the Secured Obligations have been fully and indefeasibly paid, satisfied and discharged.

Section 4. Delivery and Control of Collateral. On the date hereof, subject to and in compliance with the provisions of Chapters 8 and 9 of the PR-UCC, any Collateral over which a security interest is created by Delivery and Control (herein sometimes referred to as "*Pledged Collateral*") (and after the Closing Date, any Pledged Collateral acquired with Proceeds) shall be Delivered to and be held in the possession and Lender for as long as any of the Secured Obligations shall remain unpaid or unsatisfied.

Section 5. First Priority. Debtor and Lender intend the Lien and security interest granted pursuant to Section 2 hereof to constitute first priority perfected Liens on the Collateral for the ratable benefit of the Lenders until the Secured Obligations are indefeasibly paid in full.

Section 6. No Release. Nothing set forth in this Agreement shall relieve Debtor from the performance of any term, covenant, condition or agreement on Debtor's part to be performed or observed under or in respect of any of the Collateral or from any liability to any Person under or in respect of any of the Collateral, or impose any obligation on Lender to perform or observe any such term, covenant, condition or agreement on Debtor's part to be so performed or observed, or impose any liability on Lender for any act or omission on the part of Debtor relating thereto or for any breach of any representation or warranty on the part of Debtor contained in this Agreement or in respect of the Collateral or made in connection therewith.

Section 7. Representations and Warranties. Debtor hereby represents and warrants that:

(a) Title; No Other Liens. Except for the Lien granted to Lender pursuant to this Agreement, Debtor is, and as to the Collateral acquired by it from time to time after the date hereof Debtor will be, except as otherwise permitted by this Agreement or the Credit Agreement, the sole owner of each item of Collateral subject to no other Liens. No security agreement, financing statement or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as may have been filed in favor of Lender pursuant to this Agreement. As of the date hereof, all Pledged Collateral has been delivered to Lender.

(b) Location of Collateral. Except for the Pledged Collateral which shall be in the Control and possession of Lender, the Collateral is now and so long as any of the Secured Obligations shall remain unpaid and outstanding shall be kept at the location(s) set forth in Schedule 7(b) hereto or at any other location approved by Lender in writing.

(c) Perfected First Priority Liens. Lender will make, at Debtor's sole cost and expense, all initial filings of Financing Statements required hereunder. Debtor agrees to make, at its sole cost and expense, all additional filings including, without limitation, the filing of any financing or continuation statements under the PR-UCC or under the Uniform Commercial Code in effect in any applicable jurisdictions, with respect to the Liens created hereby, and Debtor will, at its sole cost and expense, take at the request of Lender, all other actions necessary or desirable in the opinion of Lender to perfect, preserve and protect Lender's Lien and security interest in each item of Collateral, for the ratable benefit of the Lenders. Upon the filing of any financing statements which may be necessary to be made, this Agreement will create a valid, perfected, and continuing first priority Lien on and security interest in the Collateral in favor of Lender, superior and prior to the rights of all other Persons therein and subject and subordinate to no other Liens. This Agreement is enforceable as such against all creditors of and purchasers from Debtor.


(d) Chief Executive Office. Debtor's chief executive office and principal place of business is located at the place(s) set forth in Schedule 7(b) hereto.

(e) Valid and Binding Obligation. Debtor has full power, authority and legal right (corporate or otherwise) to pledge and grant a Lien and security interest in and over the Collateral pursuant to this Agreement, and this Agreement constitutes the legal, valid and binding obligation of Debtor, enforceable against Debtor in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(f) Consents and Approvals. No consent of any Person, or approval, authorization of, or registration or declaration or filing with, any Governmental Authority (other than the filing of Financing Statements in the Department of State of the Commonwealth of

Puerto Rico) is required to be obtained, effected or given in connection with either: (i) the pledge of and grant of a security interest in the Collateral by Debtor pursuant to this Agreement or for the execution, delivery or performance of this Agreement or any of the other Collateral Documents executed and delivered by Debtor pursuant to the Credit Agreement; or (ii) for the exercise by Lender of the rights provided for in this Agreement or the remedies in respect of the Collateral pursuant to this Agreement.

(g) Nature and Use of Collateral. As of the date hereof and for so long as any of the Secured Obligations shall remain unpaid and outstanding, the Collateral: (i) is and shall continue to be used by Debtor exclusively in connection with the conduct of Debtor's business; and (ii) is not and will not after the date hereof be used in any manner for personal, family or household purposes.



(h) Trademark Collateral. (i) Schedule 7(h) hereto sets forth a complete and correct list of Trademarks owned by Debtor on the date hereof, which have been acquired by Debtor pursuant to the Acquisition and the Acquisition Documents, and for which an application for registration will be made through the filing of the appropriate Trademark Cover Sheets with the PTO not later than the third Business Day immediately following the Closing Date. On and as of the date hereof: (A) Debtor owns and possesses the right to use, and has done nothing to authorize or enable any other Person to use, any Trademark listed in said Schedule 7(h) hereto; and (B) all registrations listed in said Schedule 7(h) are valid and in full force and effect. Debtor owns and possesses the right to use all such Trademarks on and as the date hereof; and (ii) To the best of Debtor's knowledge, on and as of the date hereof: (A) except as set forth in Schedule 7(h) hereto, there is no violation by others of any right of Debtor with respect to any Trademark listed in such Schedule 7(h) under the name of Debtor; and (B) Debtor is not infringing in any respect upon any Trademark of any other Person; and no proceedings have been instituted or are pending against Debtor or, to the best of Debtor's knowledge, threatened, and no claim against Debtor has been received by Debtor, alleging any such violation.

(i) Other Representations and Warranties. Debtor hereby makes to Lender each of the representations and warranties made by it in the Credit Agreement and the Loan Documents as if made on and as of the date hereof, all of which shall be incorporated hereto by reference as if set forth in full herein.

Section 8. Covenants. Debtor covenants and agrees with Lender and each Lender that until the Secured Obligations are paid in full:

(a) Further Documentation; Pledge of Instruments. At any time and from time to time, upon the written request of Lender, and at the sole expense Debtor, Debtor will promptly and duly execute and deliver such further instruments and documents and take such further action as Lender may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the PR-UCC or under the Uniform Commercial Code in effect in any applicable jurisdiction, with respect to the Liens created hereby. Debtor hereby authorizes Lender to file any such financing or continuation statements without the signature of Debtor to the extent permitted by applicable law.

Notwithstanding the foregoing, Lender's right to obtain further instruments and documents from Debtor shall not release Debtor from its obligations hereunder to make filings of financing and continuation statements under the PR-UCC or, as applicable, the Uniform Commercial Code in appropriate jurisdictions. If any additional amount is made available to Debtor under the Credit Agreement, any additional collateral required thereunder shall be immediately delivered to Lender, pursuant to the terms hereof, duly endorsed in a manner satisfactory to Lender, if necessary, to be held as Collateral pursuant to this Agreement.

(b) Maintenance of Records. Debtor will keep and maintain at its own cost and expense satisfactory and complete records in respect of the Collateral. Debtor will mark its books and records pertaining to the Collateral to evidence this Agreement and the Liens and security interests granted hereby. Debtor shall permit access to any such books and records to Lender or to its representatives during normal business hours at the reasonable request of Lender and shall, upon lender's request after the occurrence and during the continuation of any Event of Default, turn over any such books and records to Lender.

(c) Right of Inspection. Debtor will at any reasonable time and from time to time upon reasonable notice, permit Lender or representative thereof, at the expense of Debtor, to examine and make copies of and abstracts from the records and books of account of Debtor in connection with the Collateral and its business operations, and to discuss the affairs, finances and accounts of Debtor with any of its officers and directors. Upon reasonable notice to Lender, Lender and its representatives shall at any reasonable time also have the right to enter into and upon any premises where any of the Collateral is located for the purpose of inspecting the same, observing its use or otherwise protecting its interest therein. Debtor shall be responsible for any and all reasonable costs in connection with any such audits as provided in the Credit Agreement.

(d) Compliance with terms of Contracts, etc. To the extent applicable, Debtor will perform and comply in all material respects with all its contractual obligations relating to the Collateral.

(e) Compliance with Laws, etc. Debtor will comply with all Laws applicable to the Collateral or any part thereof or to the operation of Debtor's business; *provided, however*, that Debtor may contest any Law in any reasonable manner in good faith and by appropriate legal proceedings as permitted in the Credit Agreement.

(f) Payment of Obligations. Debtor will pay promptly when due all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of its income or profits therefrom, as well as all claims of any kind (including, without limitation, claims for labor, materials and supplies) against or with respect to the Collateral, except that no such charges need be paid if: (i) the validity thereof is being contested in good faith by appropriate legal proceedings; (ii) such proceedings do not involve any material danger of the sale, forfeiture or loss of any of the Collateral or any interest therein; and (iii) such charge is adequately reserved against on Debtor's books in accordance with GAAP.

(g) Limitation on Liens on Collateral. Debtor will not create, incur or permit to exist, will defend the Collateral against, and will take such other action as is necessary to

remove, any Lien or claim on or to the Collateral, other than the Liens created hereby, and will defend the right, title and interest of Lender in and to any of the Collateral against the claims and demands of all Persons. Debtor will take no action that would, or, in the reasonable judgment of Lender would, adversely affect the existence, enforceability, priority, or perfection of the Liens and security interests in any of the Collateral granted hereunder. To the extent that any security interest granted hereunder in any Property constituting a part of the Collateral either: (i) does not constitute a perfected first priority Lien on the date hereof (but is intended to constitute a perfected first priority Lien pursuant to the terms hereof); or (ii) ceases without the consent of Lender to constitute a perfected first priority Lien after the date hereof; Debtor shall take all actions, make all filings and record all instruments as may be reasonably requested by Lender to restore the priority and perfection of such Lien. The right of Lender to require any such filing shall not be deemed to impose upon Lender any duty or obligation to ascertain whether any circumstances exist which require such filings or recordations.

(h) Limitations on Dispositions of Collateral. Debtor will not sell, transfer, lease, or otherwise dispose of any of the Collateral, or in any other way attempt, offer, or contract to do so except in accordance with the terms of the Credit Agreement and except for the sale of Inventory in the ordinary course of business.

(i) Trademark Collateral.

(i) Debtor will: (A) furnish to Bank upon its request statements and schedules further identifying and describing the Trademark Collateral, and such other reports in connection with the Trademark Collateral as Lender may reasonably request, all in reasonable detail; and (B) promptly upon request by Lender, following receipt by Lender of any statements, schedules or reports pursuant to clause (i) above, modify this Agreement by amending Schedule 7(h) hereto to include any Trademark that becomes part of the Collateral under this Agreement.

(ii) Debtor will: (A) take all actions necessary to properly register, maintain and renew all registrations for Trademarks which are or may become subject to this Agreement for the full term or terms allowed by law, including, but not limited to, the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to register, maintain and renew said registrations for Trademarks which may be necessary or appropriate under applicable law; (B) execute and deliver all Trademark Cover Sheets necessary or appropriate to perfect the Bank's security interest in the Trademark Collateral upon their filing with the PTO; (C) protect such Trademark Collateral from infringement, unfair competition or dilution or damage by all appropriate actions including the commencement of legal action to prevent and recover damages for said infringement and to defend such Trademark Collateral from claims of infringement, unfair competition or damage including the defense of any legal actions making such claims; (D) provide semiannual reports to Lender informing it of: (1) the status of all Trademarks subject to this Agreement, including any new Trademarks, Trademark registrations, Trademark applications and related licenses; and (2) any actions taken by the Debtor pursuant to this Section 8(i);

(iii) For the purpose of enabling Lender, for the benefit of the Lenders, during the continuance of an Event of Default, to exercise the rights and remedies set forth under Section 13 hereof at such time as Lender and the Lenders shall be lawfully entitled to exercise such rights and remedies, and for no other purpose, Debtor, upon the occurrence and during the continuation of an Event of Default grants to Lender, for the benefit of the Lenders, to the extent assignable, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to Debtor) to use, assign, license or sublicense any of the Trademark Collateral now owned or hereafter acquired by Debtor, wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or printout thereof. Any use or license of the Trademarks will conform to the quality standards previously maintained by Debtor. Lender, on behalf of the Lenders, agrees that it will not exercise any of its license rights set forth in this Section prior to having received the required consents, if any, under any licensing agreements to which Debtor is a party to the exercise of such rights and remedies.

(j) [Reserved].

(k) [Reserved]

(l) Further Identification of Collateral. Debtor will furnish to Lender from time to time reasonably detailed statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Lender may reasonably request.

(m) Notices. Debtor will advise Lender promptly, in reasonable detail, at its address set forth in the Credit Agreement: (i) of any Lien (other than Liens created hereby) on, or material claim asserted against, any of the Collateral; and (ii) of the occurrence of any other event that could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereunder.


(n) Changes in Locations, Name, etc. Without Lender's prior written consent, Debtor will not: (i) change the location of its chief executive office/principal place of business from that specified in Section 7(b) hereof, change the location(s) of the office for the processing and record-keeping of the Accounts, or remove its books and records from such location(s); (ii) other than for the Pledged Collateral, permit any of the Collateral to be kept at location(s) other than those listed on Schedule 7(b) hereto; or (iii) change its name, identity or corporate structure to such an extent that any financing statement filed by or on behalf of Lender, in connection with this Agreement would become misleading. Lender's consent to any of the foregoing will not be unreasonably withheld so long as Debtor shall provide Lender with 45 days' prior written notice of its intention to take any of the actions specified in clauses (i) - (iii) above and shall take all actions necessary to maintain the perfection of the security interest in the Collateral intended to be created hereby.

(o) Other Financing Statements and Liens. Except as otherwise permitted under the Credit Agreement, without the prior written consent of Lender, Debtor shall not file or suffer to be on file, or authorize or permit to be filed or to be on file, in any jurisdiction, any

financing statement or like instrument with respect to the Collateral in which Lender is not named as the sole secured party, for the ratable benefit of the Lenders,.

(p) Deficiency. If the proceeds of sale, collection or other realization of or upon the Collateral pursuant to Section 13 hereof are insufficient to cover the costs and expenses of such realization and the payment in full of the Secured Obligations, Debtor shall remain liable for any deficiency.

Section 9. Lender's Appointment as Attorney-in-Fact.



(a) Powers. Debtor hereby irrevocably constitutes and appoints Lender and any officer or Lender thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the name, place and stead of Debtor or in its own name, from time to time in Lender's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, Debtor hereby gives Lender the power and right, on behalf of Debtor, without notice to or assent by Debtor, to do the following:

(i) after giving Debtor prior notice and 5 Business Days to act, to pay or discharge Taxes and Liens levied or placed on or threatened against the Collateral, to effect any repairs or obtain and maintain any insurance called for by the terms of this Agreement and to pay, at Debtor's sole cost and expense, all or any part of the premiums therefor and the costs thereof; and

(ii) upon the occurrence and during the continuance of any Event of Default, to, on behalf of the Lenders: (A) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to Lender or as Lender shall direct; (B) ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) sign and endorse any checks, invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) commence and prosecute suits, actions or proceedings at law or in equity in any court of competent jurisdiction to foreclose on the Collateral and to enforce any other right in respect of any Collateral; (E) defend any suit, action or proceeding brought against Debtor with respect to any Collateral; (F) settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as Lender may deem appropriate; and (G) generally, to sell, pledge, transfer, and make any agreements with respect to, or otherwise deal with, any of the Collateral as though Lender, on behalf of the Lenders, were the absolute owner thereof for all purposes, and to do, on behalf of the Lenders and at Lender's option and Debtor's expense, at any time or from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's Liens thereon, and to effect the intent of this Agreement. Subject to the provisions of subsection (c) below, Debtor hereby ratifies all that said attorneys 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.

(b) Other Powers. Debtor also authorizes Lender, upon the occurrence and during the continuance of an Event of Default, to execute, in connection with the sale provided for in Section 13 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

(c) No Duty on Lender's Part. The powers conferred on Lender hereunder are solely to protect Lender's interests in the Collateral, and shall not impose any duty upon it to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees, or Lender shall be responsible to Debtor for any act or failure to act hereunder, except for its own gross negligence or willful misconduct.

(d) Authority of Lender. Debtor acknowledges that the rights and responsibilities of the Lender under this Agreement with respect to any action taken by the Lender or the exercise or non-exercise by the Lender of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall be governed by the Credit Agreement.

Section 10. [Reserved].

Section 11. Performance by Lender of Debtor's Obligations. If Debtor fails to perform or comply with any of its agreements contained herein and Lender, as provided for by the terms of this Agreement, shall itself perform or comply, or otherwise cause performance or compliance with such agreement, the expenses of Lender incurred in connection with such performance or compliance, together with interest thereon at a rate per annum equal to the Default Rate, shall be payable by Debtor to Lender on demand and shall constitute Secured Obligations for all purposes hereof.


Section 12. Events of Default. The occurrence of any of the following shall constitute an "Event of Default" hereunder:

(a) default in the timely performance by Debtor of any obligation or covenant contained herein;

(b) any representation or warranty made by Debtor herein, or any statement or representation made in any certificate, report or opinion delivered in connection herewith, shall prove to have been false or misleading in any material respect when made; or

(c) the occurrence of any "Event of Default" as described in the Credit Agreement or any of the Loan Documents.

Section 13. Remedies; Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default:





(a) Lender, shall have and may exercise, with respect to the Collateral and the Obligations, any or all of the rights and remedies of a secured party under the PR-UCC, and as otherwise granted herein or under any other applicable law, including, without limitation, the right and power to sell, at public or private sale(s), or otherwise dispose of, or otherwise utilize the Collateral and any part(s) thereof in any manner authorized or permitted under the PR-UCC after default by a debtor, and to apply the proceeds thereof toward payment of any costs and expenses and attorneys' fees and expenses thereby incurred by Lender and toward payment of the Secured Obligations in such order or manner as Lender may elect. Specifically and without limiting the foregoing, Lender shall, on behalf of the Lenders, have the right to take possession of all or any part of the Collateral or any security therefor and of all books, records, papers and documents of Debtor or in Debtor's possession or control relating to the Collateral which are not already in Lender's possession, and for such purpose may, in the name of Debtor deal directly with any Person maintaining such Collateral, books, records, papers and documents for the purpose of obtaining possession thereof. To the extent permitted by law and further subject to the provisions of subsection (iv) below, Debtor expressly waives any notice of sale or other disposition of the Collateral and all other rights or remedies of Debtor or formalities prescribed by law relative to the sale or disposition of the Collateral or the exercise of any other right or remedy of Lender or the Lenders existing after an Event of Default hereunder. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Lender may, in its sole discretion, adjourn any public or private sale.

(b) Upon notice by Lender to Debtor, Lender or its nominee(s) shall have the sole and exclusive right to exercise on behalf of the Lenders, all voting and consensual powers pertaining to the Collateral or any part thereof and may exercise such powers in such manner as Lender may elect.

(c) Upon the occurrence and during the continuance of an Event of Default, Lender may exercise, in addition to all other rights and remedies granted in this Agreement, and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party upon default of a debtor under the PR-UCC. Without limiting the generality of the foregoing, Debtor expressly agrees that in any such event Lender, on behalf of the Lenders, may, without demand of performance or other demand, advertisement or notice of any kind (except for any notice required by applicable law) to or upon Debtor or any other Person, all and each of which demands, advertisements and/or notices are (to the extent permitted by applicable law) hereby expressly waived, forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option(s) to purchase, or sell to or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of Lender's offices or elsewhere, for cash, on credit or for future delivery, at such time(s), at such price(s), and upon such other terms as Lender may deem commercially reasonable, irrespective of the impact of any such sales on the market price of the Collateral in accordance with Subchapter 5 of Chapter 9 of the PR-UCC, and Lender, on behalf of the Lenders, may proceed to sell, transfer and/or dispose of the Collateral as it may deem pertinent or convenient at its discretion, in either private or public sales, in whole or in parts from time to time as provided in Subchapter 5 of Chapter 9 of the PR-UCC. Lender shall have the right on any such public or private sale(s) to purchase the whole or any part of said Collateral so

sold and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price of all or any portion of the Collateral sold at any such public or private sale, to use and apply any of the Secured Obligations owed to Lender or such Lender at such sale. Each purchaser at any such sale shall hold the Property sold absolutely free from any claim or right on the part of Debtor, except for any right of redemption as may be available by applicable law. Debtor further agrees, at Lender's request and at Debtor's sole cost and expense, to assemble the Collateral and make it available to Lender at the places that Lender reasonably selects, whether at Debtor's premises or elsewhere.



(d) To the extent permitted by applicable law, Debtor waives all claims, damages, and demands against Lender and the Lenders arising out of the repossession, retention, or sale of the Collateral unless resulting from Lender's gross negligence or willful misconduct. Debtor agrees that Lender need not give more than 10 days' notice (which notice shall be deemed given when mailed) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. No notification need be given to Debtor if it has signed, after the occurrence of an Event of Default, a statement renouncing or modifying any right to notification of sale or other intended disposition. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Lender, on behalf of the Lenders, may, in its sole discretion, adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Debtor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral applied to the Secured Obligations are insufficient to indefeasibly pay in full all Secured Obligations and amounts to which Lender and each Lender is entitled, Debtor also being liable for the reasonable fees of any attorneys employed by Lender to collect such deficiency.

(e) [Reserved].

(f) All rights to marshaling of assets of Debtor, including any such right with respect to the Collateral, are hereby waived by Debtor.

(g) All recitals in any instrument of assignment or any other instrument executed by Lender incident to the sale, lease, transfer, assignment or other disposition or utilization of the Collateral or any part thereof hereunder shall be full proof of the matters stated therein and no other proof shall be required to establish the full legal propriety of the sale or other action taken by Lender or of any fact, condition or thing incident thereto and all prerequisites of such sale or other action or of any fact, condition or thing incident thereto shall be presumed conclusively to have been performed or to have occurred.

Section 14. Limitation on Lender's Duties in Respect of Collateral. Lender's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, shall be to deal with it in the same manner as Lender deals with similar property for its own account. Lender shall not have any responsibility for: (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not Lender has or is deemed to have knowledge of such matters; or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral.

Neither Lender nor any of its directors, officers, employees, attorneys or Lenders shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so nor shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Debtor or otherwise.

Section 15. [Reserved].

Section 16. Application of Proceeds by Lender. In the event Lender sells or otherwise disposes of the Collateral in the course of exercising the remedies provided for in Section 13 hereof, any amounts held, realized or received by Lender, for the ratable benefit of the Lenders, pursuant to the provisions hereof, including the proceeds of the sale of any of the Collateral or any part thereof, shall be applied by Lender as provided in the Credit Agreement. Any amounts and any Collateral remaining after such application and after the full and indefeasible payment of all of the Secured Obligations shall be paid or delivered to Debtor, its successor or assigns, or as a court of competent jurisdiction may direct.

Section 17. Lender's Right of Set-Off and Banker's Lien. Debtor recognizes and agrees that with respect to any time or other deposit, certificate of deposit or any other balance of account standing to the credit of Debtor on the books of Lender, at any branch thereof wherever located, upon the occurrence and continuance of an Event of Default, Lender and each Lender has a right of set-off and a bankers' lien to the full extent permitted by law. Debtor further agrees that Lender may exercise such right of set-off or bankers' lien at any time when an Event of Default shall occur, regardless of the stated maturity of any time deposit or other such credit balance.


Section 18. Termination. This Agreement and the security interest created hereunder shall terminate when all the Secured Obligations have been indefeasibly paid in full and when the Lender have no further obligation to extend credit under the Credit Agreement or any other agreement relating to Secured Obligations, at which time Lender shall, at Debtor's sole cost and expense, execute and deliver to Debtor all documents which Debtor shall reasonably request to evidence termination of such security interest and shall return physical possession to Debtor of any Collateral then held by Lender.

Section 19. Notices. Any communication, notice, or demand to be given hereunder shall be duly given if made in accordance with the terms of the Credit Agreement.

Section 20. Indemnity and Expenses. Debtor agrees to indemnify, defend and hold Lender harmless from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of the Credit Agreement or this Agreement and all claims and demands of all Persons at any time claiming the Collateral or any interest therein), except claims, losses or liabilities resulting from Lender's gross negligence or willful misconduct. Debtor agrees to pay on demand all out-of-pocket expenses (including the reasonable fees and expenses of Lender's counsel, experts, and Lenders) relating to the enforcement or protection of the rights of Lender hereunder and further agrees that the Collateral secures such payment.

Section 21. No Waiver; Cumulative Rights. No failure on the part of Lender to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Lender or any Lender of any right, remedy, or power hereunder preclude any other or future exercise of the same or any other right, remedy or power. Each and every right, remedy, and power hereby granted to Lender, or allowed to it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Lender from time to time.

Section 22. Submission to Jurisdiction and Venue; Waiver of Jury Trial.



(a) Debtor irrevocably: (i) agrees that any suit, action or other legal proceeding arising out of or relating to this Agreement or such other documents which may be delivered in connection with this Agreement may be brought in a competent court in San Juan, Puerto Rico, or in the Courts of the United States of America located in the District of Puerto Rico; (ii) consents to the jurisdiction of each such court in any such suit, action or proceeding; and (iii) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum.


(b) Debtor and Lender hereby knowingly, voluntarily, and intentionally waive any right to trial by jury in any action or proceeding which in any manner arises out of or in connection with or is in any way related to this Agreement or any of the transactions contemplated herein.

(c) The provisions of this Section 22 are a material inducement for Lender entering into the agreement and the transactions contemplated herein. Debtor hereby acknowledges that it has reviewed the provisions of this Section 22 with its independent counsel.

Section 23. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 24. Expenses. Debtor agrees to pay to Lender, from time to time upon demand, all reasonable fees, costs and expenses of Lender (including, without limitation, the reasonable expenses, fees and disbursements of its counsel, experts and Lenders) incurred by Lender, or arising in connection with: (a) the preparation, execution, delivery, administration, modification, amendment or termination of this Agreement or the enforcement of any of the provisions hereof; (b) the custody or preservation and protection of, or the sale of, collection from, or other realization upon, any of the Collateral; (c) the preservation, protection, defense, exercise or enforcement of any of the rights of Lender hereunder and in and to the Collateral; or (d) the failure by Debtor to perform or observe any of the provisions hereof. When Lender incurs expenses or renders services after an Event of Default, such expenses and the compensation for such services are intended to constitute administrative expenses under Debtor Relief Laws.

Section 25. Obligations Absolute.



(a) All obligations of Debtor hereunder shall be absolute and unconditional irrespective of: (i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of Debtor or any other Person; (ii) any lack of validity or enforceability of the Credit Agreement, the Loan Documents or any other agreement or instrument relating thereto; (iii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement or any other agreement or instrument relating thereto; (iv) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to any departure from any guarantee for all or any of the Secured Obligations; (v) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect of the Credit Agreement except as specifically set forth in a waiver granted pursuant to the provisions of this Agreement; or (vi) any other circumstances except payment which might otherwise constitute a defense available to, or a discharge of, Debtor.

(b) This Agreement shall not be construed as relieving Debtor from full liability on the Secured Obligations and any and all future and other indebtedness secured hereby and for any deficiency thereon.

(c) Lender is hereby subrogated to all of Debtor's interests, rights and remedies in respect to the Collateral and all security now or hereafter existing with respect thereto and all guaranties and endorsements thereof and with respect thereto.

Section 26. Continuing Security Interest; Transfer of Secured Obligations. This Agreement shall create a continuing security interest in the Collateral and shall: (i) remain in full force and effect until all Secured Obligations are indefeasibly paid in full (at which time Lender will, at Debtor's expense, take all acts necessary or appropriate to return all Collateral to Debtor and extinguish the security interests granted hereunder, including, without limitation, the execution and filing of any necessary PR-UCC termination statements); (ii) be binding upon Debtor and its successors and assigns; and (iii) inure, together with the rights and remedies of Lender, for the ratable benefit of the Lenders, hereunder, to the benefit of Lender, for the ratable benefit of the Lenders, and each of its respective successors, transferees and assigns. No other Persons (including, without limitation, any other creditor of Debtor other than the Lenders) shall have any interest herein or any right or benefit with respect hereto. Without limiting the generality of the foregoing clause (iii), Lender may assign, grant participations in, or otherwise transfer any Obligation held by it secured by this Agreement to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such party herein or otherwise. Neither this Agreement nor any interest herein or in the Collateral, nor any part thereof, may be assigned by Debtor.

Section 27. Powers Coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are irrevocable and are powers coupled with an interest.

Section 28. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any

such prohibition or unenforceability in any jurisdiction shall not invalidate or render such provision unenforceable in any other jurisdiction.


Section 29. Paragraph Headings. The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

Section 30. Waivers and Amendments; Governing Law. None of the terms or provisions of this Agreement may be waived, amended, supplemented, or otherwise modified except by a written instrument executed by Debtor and Lender. This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Puerto Rico without regard to any legal principle that would result in the interpretation of this Agreement under the law of any jurisdiction other than the Commonwealth of Puerto Rico.

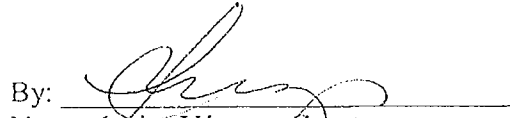
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

B. FERNÁNDEZ & HNOS., INC.

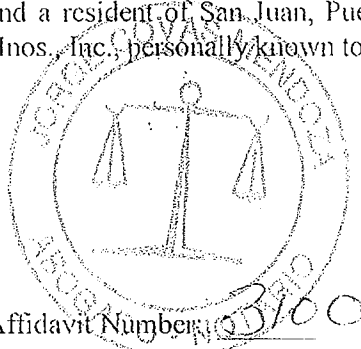
By: 
Name: José Teixidor Méndez
Title: Authorized Officer

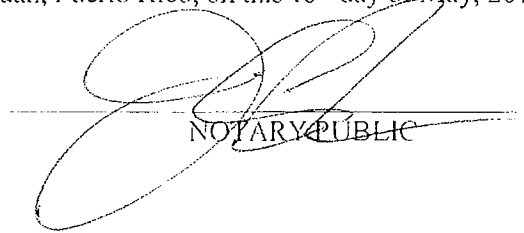
BANCO POPULAR DE PUERTO RICO

By: 
Name: Janice Vázquez Zapata
Title: Vice President

Affidavit Number: 3099

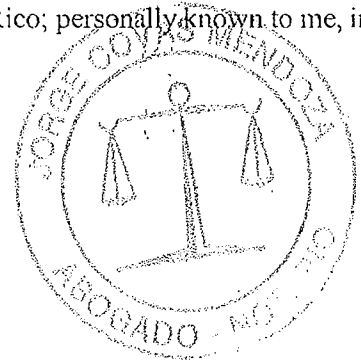
Subscribed to before me by José Teixidor Méndez, of legal age, single, a business executive, and a resident of San Juan, Puerto Rico, in his capacity as authorized officer of B. Fernández & Hnos. Inc., personally known to me, in San Juan, Puerto Rico, on this 18th day of May, 2012.

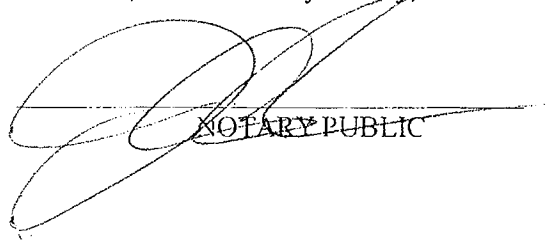



NOTARY PUBLIC

Affidavit Number: 3100

Subscribed to before me by Janice Vázquez Zapata, of legal age, married, a banker and a resident of San Juan, Puerto Rico, in her capacity as authorized officer of Banco Popular de Puerto Rico, personally known to me, in San Juan, Puerto Rico, on this 18th day of May, 2012.




NOTARY PUBLIC

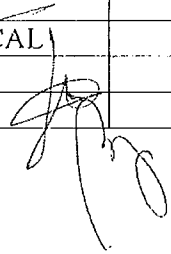
Schedule 7(b)
To Security Agreement
Location(s)

Luchetti Industrial Ward
Road 5
Bayamón Puerto Rico 00961

A handwritten signature in black ink, consisting of several loops and a vertical stroke, positioned on the left side of the page.

TRADEMARKS AND TRADEMARK APPLICATIONS
Registered at the USPTO

MARK	SERIAL NO.
SUCRA	76509676
ZERO	76461332
ZERO LIGHT	
YES	
ZERO LIGHT SABOR TROPICAL	
<i>2012 NO</i>	



INTELLECTUAL PROPERTY RIGHTS

All the Intellectual Property Rights that were transferred pursuant to Acquisition Documents.