

05/28/2019



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5-28-19

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):

EL RANCHERO LIMITED PARTNERSHIP

- Individual(s)
- Partnership
- Corporation- State: _____
- Other _____
- Association
- Limited Partnership

Citizenship (see guidelines) ILLINOIS

Additional names of conveying parties attached? Yes No

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

Execution Date(s) 5/24/2019

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: HOME SAVINGS BANK

Street Address: 1111 SUPERIOR AVE EAST, SUITE 1111

City: CLEVELAND

State: OHIO

Country: USA Zip: 44114

- Individual(s) Citizenship _____
- Association Citizenship _____
- Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other COMM. BANK Citizenship OHIO

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)

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

A. Trademark Application No.(s) Text

87/574320 - EL RANCHERO & Design
87/573260 - EL RANCHERO

B. Trademark Registration No.(s)

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: LISA ARLYN LOWE, ESQ.

Internal Address: _____

Street Address: 600 SUPERIOR AVE E, SUITE 1400

City: CLEVELAND

State: OHIO Zip: 44114

Phone Number: (216) 363-1400

Docket Number: _____

Email Address: lowe@buckleyking.com

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$65

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number _____

Authorized User Name _____

9. Signature:

Lisa Arlyn Lowe
Signature

5-24-2019

Date

Lisa Arlyn Lowe, Esq.

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 16

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



SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is entered into as of May 24, 2019 by and among AUTHENTICO FOODS, INC., an Illinois corporation ("Authentico"), LA GUADALUPANA FOODS LLC, an Illinois limited liability company ("LGF"), EL RANCHERO LIMITED PARTNERSHIP, an Illinois limited partnership ("El Ranchero"; together with Authentico and LGF, each a "Grantor", and, jointly and severally, the "Grantors"), and HOME SAVINGS BANK, an Ohio chartered commercial bank ("Lender").

RECITALS:

WHEREAS, Grantors and Lender have entered into that certain Credit Agreement, dated of even date herewith and which is incorporated herein by reference, pursuant to which Grantors and Lender have agreed that Lender shall extend a term loan and revolving credit facility to Grantors (collectively, the "Loans") as set forth therein (as amended, modified, supplemented or restated from time to time, the "Credit Agreement"); and,

WHEREAS, the obligations of Lender to make the Loans under the Loan Documents (as hereinafter defined) are subject to the condition, among others, that Grantors, jointly and severally, grant to and create in favor of Lender a first priority security interest in the Collateral (as hereinafter defined) pursuant to the terms and conditions herein.

NOW, THEREFORE, in consideration of the Loans granted to Grantors pursuant to the Loan Documents, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantors, and in order to induce Lender to make the Loans, Grantors intending to be legally bound hereby, covenant and agree as follows:

1. Recitals. Grantors and Lender acknowledge the accuracy of the foregoing Recitals, and agree that the Recitals are incorporated into and made a part of this Agreement.

2. Definitions. In addition to the words and terms defined elsewhere in this Agreement:

(a) words and terms defined in the Credit Agreement or the UCC (as hereinafter defined) shall, unless the context hereof clearly requires otherwise, have the same meaning herein as therein provided; and

(b) the following words and terms shall have the following meanings, respectively, unless the context hereof clearly requires otherwise:

(i) "Accounts" shall have the meaning given to that term in the UCC.

(ii) "Chattel Paper" shall have the meaning given to that term in the UCC.

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- (iii) "Collateral" shall mean, collectively, each and all of Grantors' Accounts (including any account receivables), Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Electronic Chattel Paper, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Stock Rights, all cash or cash equivalents, all letters of credit, Letter-of-Credit Rights, Proceeds and Supporting Obligations, all deposit accounts with any bank or other financial institution, and all accessions to, substitutions for and replacement proceeds, insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and the other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to the foregoing, whether now owned or acquired in the future, or arising in favor of any Grantor (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, any Grantor, and regardless of where located. References to a Grantor with respect to any element of Collateral will be deemed to mean such Grantor's interest or rights to its respective portion of the Collateral, except as the context may say otherwise.
- (iv) "Commercial Tort Claims" shall have the meaning given to that term in the UCC.
- (v) "Deposit Accounts" shall have the meaning given to that term in the UCC.
- (vi) "Documents" shall have the meaning given to that term in the UCC.
- (vii) "Electronic Chattel Paper" shall have the meaning given to that term in the UCC.
- (viii) "Equipment" shall have the meaning given to that term in the UCC.
- (ix) "Event of Default" shall have the meaning set forth in the Credit Agreement.
- (x) "Fixtures" shall have the meaning given to that term in the UCC.
- (xi) "General Intangibles" shall have the meaning given to that term in the UCC.
- (xii) "Goods" shall have the meaning given to that term in the UCC.
- (xiii) "Instrument" shall have the meaning given to that term in the UCC.
- (xiv) "Inventory" shall have the meaning given to that term in the UCC.
- (xv) "Investment Property" shall have the meaning given to that term in the UCC.
- (xvi) "Letter-of-Credit Rights" shall have the meaning given to that term in the UCC.
- (xvii) "Licenses" means, with respect to any Person, all of such Person's right, title, and interest in and to (1) any and all licensing agreements or similar arrangements in and to its patents, copyrights, or trademarks, (2) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments

for past and future breaches thereof, and (3) all rights to sue for past, present, and future breaches thereof.

- (xviii) "Lien" shall have the meaning set forth in the Credit Agreement.
- (xix) "Loan Documents" shall have the meaning set forth in the Credit Agreement.
- (xx) "Notes" shall have the meaning set forth in the Credit Agreement.
- (xxi) "Obligations" shall have the meaning set forth in the Credit Agreement.
- (xxii) "Person" means any natural person, corporation, limited liability company, trust, firm, enterprise, joint venture, association, company, partnership, Governmental Authority or other entity or organization.
- (xxiii) "Proceeds" shall have the meaning given to that term in the UCC.
- (xxiv) "Receivables" means the Accounts, Chattel Paper, Documents, Investment Property, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.
- (xxv) "Security Agreement" means this Agreement and all documents or annexes attached hereto or referred to herein, as any or all of the foregoing may be supplemented or amended from time to time.
- (xxvi) "Stock Rights" means all dividends, instruments or other distributions and any other right or property which Grantors, or any of them, shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any equity interests, any right to receive equity interests and any right to receive earnings in which any Grantor now has or hereafter acquires any right, issued by an issuer of any such equity interest.
- (xxvii) "Supporting Obligations" shall have the meaning given to that term in the UCC.
- (xxviii) "UCC" shall mean the Uniform Commercial Code as in effect in the State of Ohio on the date of this Agreement and as amended from time to time, or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Lender's Lien on any Collateral.

3. Security Interest. As security for the full and timely payment of the Obligations in accordance with the terms of this Agreement and the Loan Documents, and the full and timely payment and performance of the obligations of Grantors under this Agreement and under each of the other Loan Documents, Grantors grant to Lender a continuing enforceable perfected security interest under the UCC in and to such of the Collateral as is now owned or acquired after the date of this Agreement by Grantors (or any of them), and Grantors agree that, upon filing of all applicable UCC-1 financing statements with the appropriate offices (based on the information set forth in Exhibits "A," "B" and "C" to this Agreement), Lender shall have a first priority security interest in and to such Collateral in which a security interest may be perfected by filing, recording or registering a security agreement, financing statement or analogous document with such offices, subject to those security interests permitted under the Loan Documents (including, for the avoidance of doubt, any Permitted Encumbrances). The Collateral is

intended to be all personal property of Grantors including Grantors' Stock Rights, whether or not within the scope of the UCC. The Collateral shall secure the Loans, and obligations, debts and Obligations, plus interest thereon, that Grantors may have to Lender whether now existing or hereafter arising, whether voluntary or otherwise, whether due or not due, direct or indirect, determine or undetermined, absolute or contingent, liquidated or unliquidated whether the Grantors may be liable to Lender individually or jointly with others, obligated as guarantor, surety, accommodation party or otherwise.

4. Rights and Remedies of a Secured Party. In addition to all rights and remedies given to Lender pursuant to the Credit Agreement, this Agreement and the other Loan Documents as applicable to Grantors, Lender shall have all of the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the Collateral).

5. Preservation and Protection of Security Interest.

(a) Grantors represent and warrant to Lender that they have (or will have upon their acquisition of such Collateral), and covenant and agree that at all times during the term of this Agreement they will have, good and valid title to the Collateral from time to time owned or acquired by them free and clear of all Liens, except those in favor of Lender, and those permitted under the Loan Documents (including, for the avoidance of doubt, any Permitted Encumbrances), and each has full power and authority to grant to Lender the security interests in such Collateral pursuant hereto, and shall defend the Collateral against the claims and demands of all Persons, whomsoever, other than the holders of any Liens so permitted.

(b) Grantors covenant and agree that they shall not (1) borrow against or pledge the Collateral or any portion of the Collateral from any other Person except Lender and as may otherwise be permitted under the Loan Documents, (2) grant or create or permit to attach or exist any Lien on, of or in any of the Collateral or any portion of the Collateral except those in favor of Lender, and those permitted under the Loan Documents (including, for the avoidance of doubt, any Permitted Encumbrances), (3) permit any levy or attachment to be made against the Collateral or any portion of the Collateral except those permitted under the Loan Documents (including, for the avoidance of doubt, any Permitted Encumbrances) or (4) permit any financing statements or such other instruments or notices with respect to security interests to be on file with respect to any of the Collateral, except financing statements or such other instruments of notice in favor of Lender, and as otherwise permitted under the Loan Documents (including, for the avoidance of doubt, with regards to any Permitted Encumbrances).

(c) Grantors shall execute any and all further documents and take such other actions in order to preserve and protect Lender's security interests in the Collateral and shall, at their own cost and expense, take such other actions as Lender may reasonably request in order to cause or assist Lender to cause such security interests to be perfected and continue to be perfected so long as Grantors' obligations hereunder, and under the Loan Documents or any portion of the Obligations is outstanding, unpaid or executory.

(d) For purposes of the perfection of Lender's security interest in the Collateral in accordance with this Agreement, Grantors irrevocably authorize Lender, at any time and from time to time, to file financing statements, continuation statements and amendments thereto that describe the Collateral as all assets of Grantors or words of similar effect and which contain any other information required by the UCC for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment. If any such financing statement, continuation statement or amendment requires the signature of Grantors, or any of them, it may be signed by Lender on behalf of Grantors.

(e) Grantors shall, from time to time at the reasonable request of Lender, file or record, or cause to be filed or recorded, such other instruments, documents and notices, including financing statements, continuation statements, amendments, assignments and certificates of title, as Lender may reasonably deem necessary or advisable from time to time in order to perfect and continue perfected such security interests. Grantors shall do all such other acts and things, shall execute and deliver all such other instruments and documents, including further security agreements, control agreements, pledges, endorsements and assignments, and notices, and shall furnish any other information as Lender, in its discretion, may reasonably deem necessary or advisable from time to time in order to perfect and preserve the security interests in the Collateral. Upon occurrence and continuation of an Event of Default, Grantors irrevocably appoint Lender (and any of Lender's designated officers, employees and/or agents) as the attorney-in-fact of Grantors (or any of them) to take such action as Lender may reasonably deem necessary from time to time to preserve, perfect and continue the perfection of Lender's security interests in the Collateral in accordance with the requirements of this Agreement, including, but not limited to, signing any financing statements or amendments to financing statements evidencing Lender's security interest in the Collateral for and on behalf of Grantors. Grantors agree that a carbon, photographic or other reproduction of this Agreement or financing statement is sufficient as a financing statement and may be filed instead of the original.

(f) No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been terminated naming Grantors (or any of them) as debtor has been filed or is of record in any jurisdiction except for financing statements or security agreements naming Lender as the secured party or as consent to in writing by Lender and financing statements permitted under the Loan Documents (including, for the avoidance of doubt, with regards to any Permitted Encumbrances).

(g) Grantors represent and warrant to Lender that the name in which they have executed this Agreement is the exact name as it appears in its organizational documents as filed with such Grantor's jurisdiction of organization, and that the type of entity of each Grantor, its state of organization, the organizational number issued to it by its state of organization are as set forth on Exhibit "A".

(h) Grantors represent and warrant to Lender that their mailing addresses and the locations of their principal places of business (if they have only one) or their chief executive offices (if they have more than one place of business) is as set forth on Exhibit "B".

(i) Grantors represent and warrant to Lender that all of each Grantor's Deposit Accounts are listed on Exhibit "B".

(j) Grantors represent and warrant to Lender that all of each Grantor's locations where Collateral, is located are listed on Exhibit B. All of said locations are owned by Grantors except for locations (1) which are leased by a Grantor as Lessee and designated as such on Exhibit B and, (2) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated as such on Exhibit B.

(k) Grantors will not (1) maintain Collateral owned by them at any location other than those locations listed on Exhibit B (except Inventory in transit), (2) otherwise change, or add to, such locations without Lender's prior written consent as required by the Credit Agreement (and if Lender gives such consent, Grantors will concurrently therewith obtain a Collateral Access Agreement for each such location to the extent required by the Credit Agreement), or (3) change their principal places of business or chief executive offices from the location identified on Exhibit B, other than as permitted by the Credit Agreement.

(l) Exhibit C sets forth each Grantor's interest in, or title to, any patent, trademark or copyright or applications therefor. This Agreement creates a valid and continuing Lien and, upon filing of appropriate financing statements in the appropriate jurisdiction and this Agreement or equivalent with the United States Copyright Office and/or the United States Patent and Trademark Office, a fully perfected first priority security interests in favor of Lender on any Grantor's patents, trademarks and copyrights in which a security interest may be perfected by filing, recording or registering a security agreement, financing statement or analogous document in the United States Patent and Trademark Office or the United States Copyright Office, as applicable, and such perfected security interests are enforceable as such as against any and all creditors of and purchasers from each Grantor, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally.

6. Insurance. Grantors, at their sole cost and expense, shall keep and maintain (a) the Collateral insured for the full insurable value against all hazards and risks ordinarily insured against by other owners or users of such properties in similar businesses; and (b) business interruption insurance, cybersecurity, and public liability and property damage insurance, including, all insurance required under the Credit Agreement. All such policies of insurance shall be in a form with insurers and in such amounts as may be reasonably satisfactory to Lender. Grantors shall deliver to Lender the original (or certified copy) of each policy of insurance, or a certificate of insurance, and evidence of payment of all premiums for such policy. Such policies of insurance (except those of public liability) shall contain a standard form lender's loss payable clause, in form and substance acceptable to Lender, showing loss payable to Lender, and shall provide that: (x) the insurance companies will give Lender at least thirty (30) days written notice before any such policy or policies of insurance shall be altered or canceled; and (y) no act or default of Grantor, or any of them, or any other Person shall effect the right of Lender to recover under such policy or policies of insurance in case of loss or damage. Upon the occurrence of an Event of Default that remains uncured and is continuing, Grantors hereby directs all insurers under such policies of insurance (except those of public liability) to pay all proceeds payable thereunder directly to Lender and hereby authorizes Lender, to make, settle and adjust claims under such policies of insurance and endorse the name of Grantors on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance.

7. Preservation of Rights Against Third Parties; Preservation of Collateral in Lender's Possession. Until such time as Lender exercises its right to effect direct collection of the Chattel Paper and the Electronic Chattel Paper and to effect the enforcement of Grantors' contract rights, Grantors assume full responsibility for taking commercially reasonable steps to preserve rights in respect of the Chattel Paper and the Electronic Chattel Paper to which each Grantor is a party and their contracts against third parties. Lender shall be deemed to have exercised reasonable care in the custody and preservation of such of the Collateral as may come into its possession from time to time if Lender takes such action for that purpose as Grantors shall request in writing, provided that such action shall not, in the judgment of Lender, impair Lender's security interest in the Collateral or its right in, or the value of, the Collateral, and provided further that Lender receives such written request in sufficient time to permit Lender to take the requested action.

8. Additional Interests of Grantors.

(a) Grantors shall promptly, and in any event within thirty (30) days after the same is acquired by any of them, notify Lender of any Commercial Tort Claim acquired by it and, unless Lender otherwise consents, Grantors shall enter into an amendment to this Security Agreement, granting to Lender a first priority security interest in such Commercial Tort Claim.

(b) If Grantors (or any of them) are or become the beneficiary of a letter of credit, they shall promptly, and in any event within thirty (30) days after becoming a beneficiary, notify Lender thereof and

cause the issuer and/or confirmation bank to (1) consent to the assignment of any Letter-of-Credit Rights to Lender and (2) agree to direct all payments thereunder to a Deposit Account at Lender (including the Funding Account), or subject to a Deposit Account Control Agreement for application to the Obligations all in form and substance reasonably satisfactory to Lender.

(c) Grantors will promptly notify Lender of any Collateral which constitutes a claim against the United States government or any state or local government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state or municipal law.

(d) Grantors will provide to Lender within thirty (30) days of Lender's request therefor, a Deposit Account Control Agreement duly executed on behalf of each financial institution holding a deposit account of any Grantor as set forth in this Security Agreement.

9. Events of Default and Remedies.

(a) If any one or more Events of Default shall occur and be continuing, Lender, may then, or at any time thereafter, so long as such default shall continue, foreclose its Lien or security interests in the Collateral in any way permitted by law or, upon ten (10) days' prior written notice to Grantors (unless such notice is waived by Grantors), sell any or all Collateral at private sale at any time or place in one or more sales, at such price or prices and upon such terms, either for cash or on credit, as Lender, in its sole discretion, may elect, or sell any or all Collateral at public auction, either for cash or on credit, as Lender, in its sole discretion, may elect, and at any such sale, Lender may bid for and become the purchaser of any or all such Collateral. Pending any such action, Lender may liquidate the Collateral.

(b) If any one or more of Events of Default shall occur and be continuing, Lender may then, or at any time thereafter, so long as such default shall continue, grant extensions to or adjust claims of, or make compromises or settlements with, debtors, Grantors or any other Persons with respect to the Collateral or any securities, guarantees or insurance applying thereon, without notice to or the consent of Grantors, without affecting Grantors' liability under this Agreement, the Credit Agreement or the other Loan Documents applicable to Grantors. Grantors waive notice of acceptance, of nonpayment, protest or notice of protest of any Chattel Paper or Electronic Chattel Paper or any of its contract rights and any other notices to which Grantors may be entitled.

(c) If any one or more Events of Default shall occur and be continuing, then in any such event, the Lender shall have, such additional rights and remedies in respect of the Collateral or any portion thereof as are provided by the UCC (whether or not the UCC applies to the affected Collateral) and such other rights and remedies in respect thereof which it may have at law or in equity or under the Loan Documents applicable to Grantors, including, without limitation, the right to enter any premises where any of the Collateral is located and take possession and control thereof without demand or notice and without prior judicial hearing or legal proceedings, which Grantors expressly waive.

(d) Upon the occurrence and continuation of any Event of Default, Grantors shall promptly, following demand by Lender, assemble the Collateral and make it available to Lender at a place or places to be designated by Lender and permit Lender by its representatives and agents, to enter any premises where all or part of the Collateral, or the books and records related thereto, or both are located, to remove all or any part thereof and to conduct sales of the Collateral. Upon the request of Lender, Grantors shall, at their own expense, cause the independent certified public accountants then engaged by Grantors to prepare and deliver to Lender reports with a reconciliation of all Collateral, including without limitation the Stock Rights. The rights of Lender under this section to have the Collateral assembled and made available to it is of the essence of this Agreement and Lender may, at its election, enforce such right by an action in equity for injunctive relief or specific performance.

(e) If any one or more Events of Default shall occur and be continuing, Lender shall have the right to use and operate under all tradenames under which Grantors (or any of them) does business. For the purpose of exercising its rights and remedies hereunder, Grantors further grant to Lender an irrevocable, nonexclusive license (exercisable without royalty or compensation to Grantors) to use, license or sublicense any such tradename now owned or hereafter acquired by Grantors.

(f) The agreements and obligations of Grantors hereunder are continuing agreements and obligations, and are absolute and unconditional irrespective of the genuineness, validity or enforceability of the Credit Agreement, or any other instrument or instruments now or hereafter evidencing the Obligations or any part thereof, or of the Loan Documents or any other agreement or agreements now or hereafter entered into by Lender and/or Grantors pursuant to which the Obligations or any part thereof is issued or of any other circumstance which might otherwise constitute a legal or equitable discharge of such agreements and obligations. Without limitation upon the foregoing, such agreements and obligations shall continue in full force and effect as long as the Obligations or any part thereof remain outstanding and unpaid and shall remain in full force and effect without regard to and shall not be released, discharged or in any way affected by (1) any renewal, refinancing or refunding of the Obligations in whole or in part, (2) any extension of the time of payment of instrument or instruments now or hereafter evidencing the Obligations, or any part thereof, (3) any compromise or settlement with respect to the Obligations or any part thereof, or any forbearance or indulgence extended to Grantors, (4) any amendment to or modification of the terms of the Notes or any other document or instrument now or hereafter evidencing the Obligations or any part thereof or any other agreement or agreements now or hereafter entered into by Lender and/or Grantors pursuant to which the Obligations or any part thereof is issued or secured, (5) any substitution, exchange, or release of a portion of, or failure to preserve, perfect or protect, or other dealing in respect of, the Collateral or any other property or any security for the payment of the Obligations or any part thereof, (6) any bankruptcy, insolvency, arrangement, composition, assignment for the benefit of creditors or similar proceeding commenced by or against any Grantors, (7) any dissolution, liquidation or termination of Grantors for any reason whatsoever, or (8) any other matter or thing whatsoever whereby the agreements and obligations of Grantors hereunder, would or might otherwise be released or discharged. Grantors hereby waive notice of the acceptance of this Agreement by Lender.

(g) Lender shall have no obligation to prepare the Collateral for sale. Lender shall use commercially reasonable care with respect to the Collateral in its possession or under its control. Lender shall not have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of Lender, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on Lender to exercise remedies in a commercially reasonable manner, Grantors acknowledge and agree that it is commercially reasonable for Lender (1) to fail to incur expenses deemed significant by Lender to prepare Collateral for disposition, (2) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral, (3) to fail to exercise collection remedies against Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (4) to exercise collection remedies against Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (5) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (6) to contact other Persons, whether or not in the same business as Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (7) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (8) to dispose of assets in a commercially reasonable manner, (9) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (10) to purchase insurance or credit enhancements to insure Lender against risks of loss, collection or disposition of Collateral or to provide to Lender a guaranteed return from the collection or

disposition of Collateral, or (11) to the extent deemed appropriate by Lender, to obtain the services of other brokers, investment bankers, consultants and other professionals, at reasonable fees and expenses, to assist Lender in the collection or disposition of any of the Collateral. Grantors acknowledge that the purpose of this Section is to provide non-exhaustive indications of what actions or omissions by Lender would be commercially reasonable in Lender's exercise of remedies against the Collateral and that other actions or omissions by Lender, including any rights and remedies provided in any of the other Loan Documents, shall not be deemed commercially unreasonable solely on account of not being indicated in this Section. Without limitation upon the foregoing, nothing contained in this Section shall be construed to grant any rights to Grantors or to impose any duties on Lender that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section.

10. Defeasance. Notwithstanding anything to the contrary contained in this Agreement, upon payment in full of the Obligations and performance of all obligations under the Loan Documents, this Agreement shall terminate and be of no further force and effect and, at the request of Grantors, Lender shall thereupon promptly terminate and release its security interest in the Collateral and shall promptly execute and deliver to Grantors all releases or other documents that Grantors shall reasonably request to evidence such termination or release. Until such time, however, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns, provided that Grantors may not assign this Agreement or any of its rights under this Agreement or delegate any of its duties or obligations under this Agreement and any such attempted assignment or delegation shall be null and void. This Agreement is not intended and shall not be construed to obligate Lender to take any action whatsoever with respect to the Collateral or to incur expenses or perform or discharge any obligation, duty or liability of Grantors.

11. Miscellaneous.

(a) The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall for any reason be held invalid or unenforceable, in whole or in part, in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or unenforceability of such provision in any other jurisdiction or any other provision of this Agreement in any jurisdiction.

(b) No failure or delay on the part of Lender in exercising any right, remedy, power or privilege under this Agreement, the Credit Agreement or any of the other Loan Documents, shall operate as a waiver thereof or of any other right, remedy, power or privilege of Lender under this Agreement, the Credit Agreement, or any of the other Loan Documents; nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other right, remedy, power or privilege or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of Lender under this Agreement, the Credit Agreement, and the other Loan Documents are cumulative and not exclusive of any rights or remedies which they may otherwise have.

(c) All notices, statements, requests and demands given to or made upon any party in accordance with the provisions of this Agreement shall be deemed to have been given or made when given or made as provided in the Credit Agreement.

(d) The section headings contained in this Agreement are for reference purposes only and shall not control or affect its construction or interpretation in any respect.

(e) The UCC shall govern the settlement, perfection and the effect of attachment and perfection of Lender's security interests in the Collateral and the rights, duties and obligations of Lender and Grantor with respect to the Collateral (whether or not the UCC applies to the Collateral). This Agreement shall be deemed to be a contract under the laws of the State of Ohio and the execution and

delivery of this Agreement and, to the extent not inconsistent with the preceding sentence, the terms and provisions of this Agreement shall be governed by and construed in accordance with the laws of that State without regard to the principles of the conflicts of laws thereof.

(f) Grantors hereby agree to indemnify, defend and hold harmless Lender, its Affiliates and Subsidiaries and its successors, assigns, agents, officers and employees (collectively, the "Lender Parties"), from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including, without limitation, all reasonable expenses of litigation or preparation therefor whether or not Lender is a party thereto) imposed on, incurred by or asserted against any of the Lender Parties, in any way relating to or arising out of this Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral, but excluding any Lender Party's gross negligence or willful misconduct.

12. Jurisdiction. Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any federal or state court situated in Cuyahoga County, Ohio in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such court and irrevocably waives any objection it may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

13. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned by their duly authorized representatives have executed and delivered this Agreement on the day and year first above written.

GRANTORS:

AUTHENTICO FOODS, INC.

By: James A. Foley
Name: James A. Foley
Its: Vice President and Secretary

LA GUADALUPANA FOODS LLC

By: James A. Foley
Name: James A. Foley
Its: Vice President and Secretary

EL RANCHERO LIMITED PARTNERSHIP

By: ER Foods, LLC, its General Partner

By: James A. Foley
Name: James A. Foley
Its: Vice President and Secretary

LENDER:

HOME SAVINGS BANK, an Ohio chartered
commercial bank

By: Elizabeth M. Lynch
Name: Elizabeth M. Lynch
Its: Vice President

[Signature Page-Security Agreement]

EXHIBIT A

ORGANIZATIONAL INFORMATION

Exact Legal Name	Type of Entity	Jurisdiction of Organization/Formation	Organizational Identification Number
Authentico Foods, Inc.	Corporation	Illinois	71727807
La Guadalupana Foods LLC*	Limited Liability Company	Illinois	TBD
El Ranchero Limited Partnership	Limited Partnership	Illinois	C001058

*Entity Number will change effective with the conversion. Updated entity number will be provided when the conversion occurs.

EXHIBIT B

GRANTORS' LOCATIONS OF PRINCIPAL PLACES OF BUSINESS

1365 West 37th Street, Chicago, IL 60609

OR CHIEF EXECUTIVE OFFICES (if more than one place of business)

1365 West 37th Street, Chicago, IL 60609

LOCATIONS OF COLLATERAL

Owned by Guarantor

Address	Owner
1365-1367 West 37 th St., Chicago, IL 60609	Diaz Real Estate Holding, LLC, a wholly owned subsidiary of La Guadalupana Foods LLC, which is a wholly owned subsidiary of Authentico Foods, Inc.
4647 South Archer Ave., Chicago, IL 60632	Diaz Real Estate Holding, LLC, a wholly owned subsidiary of La Guadalupana Foods LLC, which is a wholly owned subsidiary of Authentico Foods, Inc.

Leased by Grantors (include Landlord's name)

Address	Landlord
2547 Kedzie Ave., Chicago, IL 60623*	Salvator Hernandez
4545 South Tripp Ave., Chicago, IL 60632	Salvator Hernandez
4457 South Kildare Ave., Chicago, IL 60632	Salvator Hernandez
4343 South Tripp Ave., Chicago, IL 60632	Albany Bank & Trust Company NA, as Trustee under Trust No. 2163

* The Kedzie location will be exited within 30 days of closing. The landlord is providing access to this location free of charge given the short duration of occupancy and there will be no lease.

Public Warehouse or Locations pursuant to Bailment or Consignment:
(include name of Warehouse Operator, Bailee or Consignee)

NONE



DEPOSIT ACCOUNTS:

Account Owner	Bank	Account Number
Authentico Foods, Inc.	Home Savings	xxxxx25
El Rancho Limited Partnership	Home Savings	xxxxx10
El Rancho Limited Partnership	Home Savings	xxxxx62
La Guadalupana Foods LLC, the successor-by-conversion to Castro Foods Wholesale, Inc.	Home Savings	xxxxx36
La Guadalupana Foods LLC, the successor-by-conversion to Castro Foods Wholesale, Inc.	Home Savings	xxxxx03
La Guadalupana Foods LLC, the successor-by-conversion to Castro Foods Wholesale, Inc., a wholly owned subsidiary of Authentico Foods, Inc.	Bank of America	xxxxx35
El Rancho Limited Partnership, a limited partnership in which Authentico Foods, Inc. owns 100% of the limited partnership interests and in which the general partner is ER Foods, LLC, a wholly owned subsidiary of Authentico Foods, Inc.	Byline Bank	xxxxx20

EXHIBIT C

INTELLECTUAL PROPERTY

List all Patents, Trademarks and Copyrights, as well as any Applications for any of the foregoing; Include name of Grantor, Description, Registration, Issue or Application Number and Date of Registration, Issue, or Application.

Trademark	App. No.	Filing Date	Reg. No.	Reg. Date	Status	Owner
EL RANCHERO & Design 	87/574320	8/18/2017			Pending Opposed	El Ranchero Limited Partnership
EL RANCHERO	87/573260	8/17/2017			Pending Opposed	El Ranchero Limited Partnership
LA GUADALUPANA	87/278457	12/22/2016	5383715	1/23/2018	Registered	La Guadalupana Foods LLC, the successor-by-conversion to Castro Foods Wholesale, Inc.
LA GUADALUPANA & Design 	87/278190	12/22/2016	5383712	1/23/2018	Registered	La Guadalupana Foods LLC, the successor-by-conversion to Castro Foods Wholesale, Inc.