

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM622918

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
MLM Restaurants, Inc.		12/09/2020	Corporation: PUERTO RICO
RECEIVING PARTY DATA			
Name:	FIRSTBANK PUERTO RICO		
Street Address:	1619 Ponce de Leon Ave.		
City:	San Juan, PR		
State/Country:	UNKNOWN		
Postal Code:	00908		
Entity Type:	Corporation: PUERTO RICO		
PROPERTY NUMBERS Total: 7			
Property Type	Number	Word Mark	
Registration Number:	5621304	A CRAFT BEER EXPERIENCE OCEAN LAB BREWIN	
Registration Number:	5622773	OCEAN BLONDE ALE ISLA VERDE, PR	
Registration Number:	5622777	BOB OCEAN BLOOD ORANGE BLONDE ISLA VERDE	
Registration Number:	5622772	OCEAN AMERICAN WHEAT ISLA VERDE, PR	
Registration Number:	5622774	OCEAN IPA ISLA VERDE, PR	
Registration Number:	5622776	OCEAN SUNSET AMBER ISLA VERDE, PR	
Registration Number:	5622775	OCEAN PALE ALE ISLA VERDE, PR	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	787 250 2633		
Email:	agv@mcvpr.com		
Correspondent Name:	Adrián P. Goyco		
Address Line 1:	270 Muñoz Rivera Ave.		
Address Line 2:	McConnell Valdés LLC		
Address Line 4:	San Juan, PUERTO RICO 00918		
NAME OF SUBMITTER:	Adrian P. Goyco		
SIGNATURE:	/Adrian P. Goyco/		
DATE SIGNED:	01/28/2021		

OP \$190.00 5621304

Total Attachments: 28

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SECURITY AGREEMENT

SECURITY AGREEMENT dated December 9, 2020 (this "Agreement"), made by **MLM RESTAURANTS, INC.**, a corporation organized under the laws of the Commonwealth of Puerto Rico (the "Grantor"), in favor of **FIRSTBANK PUERTO RICO**, a banking corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Lender").

RECITALS:

WHEREAS, Grantor entered into a Loan Agreement (Main Street Priority Loan Facility) dated as of the date hereof (as the same may hereafter be amended or otherwise modified from time to time, the "Credit Agreement") with Lender, whereby Lender granted to Grantor certain credit facilities described therein;

WHEREAS, as a condition precedent to the making of the Loan by Lender to Grantor under the Credit Agreement, Grantor has agreed to constitute the pledge and grant the Lien and security interest contemplated by this Agreement;

NOW, THEREFORE, in consideration of the premises and the agreements herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby agrees with Lender as follows:

SECTION 1. Recitals; Definitions. The recitals set forth in the preamble to this Agreement are hereby incorporated herein and made to form an integral part hereof. Reference is hereby made to the Credit Agreement for a statement of the terms thereof. All capitalized terms used herein that are not otherwise defined shall have the meanings set forth in the Credit Agreement.

SECTION 2. Grant of Security. Grantor hereby assigns and pledges to Lender a security interest in, all of Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired by Grantor (the "Collateral");

(a) all machinery and equipment; all distribution, selling, data processing and office equipment, computer equipment (including, without limitation, computer hardware, software and other computer-related equipment); all motor vehicles; and all other equipment in all of its forms; all audiovisual equipment; all artwork; all furniture, furnishings and appliances and all parts thereof; all chairs, beds, chests, headboards, desks, lamps, tables, television sets, mirrors, pictures, wall decorations and similar items; all trade fixtures, tools, tooling, vessels, and all goods of every type (other than Inventory) which are used or bought for use primarily in business; all food and beverage service equipment, kitchen equipment, cleaning service equipment and laundry and dry cleaning equipment; all china, glassware, linens, silverware and uniforms; all fabric, textile and flexible plastic products including, without limitation, carpeting, drapes, bedspreads, wall and floor coverings, mats, shower curtains and similar items, in each instance, wherever located, now or hereafter existing, and all accessions thereto (collectively, the "Equipment");

(b) all inventory in all of its forms, now or hereafter existing, wherever located, whether in the possession of Grantor, a bailee or other person for sale, storage, transit, processing, use or otherwise, including, but not limited to, (i) all supplies and materials used or consumed in the operation of Grantor's business, (ii) goods in which Grantor has an interest in mass or a joint or other interest or right of any kind (including, without limitation, goods in which Grantor has an interest or right as

consignee), and (iii) goods which are returned to or repossessed by Grantor, and all accessions thereto, products thereof and documents therefor (collectively, the "Inventory");

(c) all rights of Grantor to payment for goods sold or leased or for services rendered wherever arising, whether now existing or hereafter arising, whether or not earned by performance, and all rights evidenced by an account, contract, security agreement, chattel paper, guarantee or other evidence of indebtedness or security, including, without limitation, all accounts receivable owed to Grantor; any kind or type of fees or any other charges for the use of goods or services provided by or on behalf of Grantor; all of Grantor's rights to receive, and all rights to payment from, any consumer credit or charge or debit card organization or entity; and unpaid interest accrued with respect to all of the foregoing (collectively, the "Accounts");

(d) all contracts and contract rights (including, without limitation, all contracts and contract rights relating to the service, supply, operation, management, membership to any amenities located at or used in connection with Grantor's properties, or maintenance of Grantor's properties and/or the business of Grantor), as the same may from time to time be amended, amended and restated, supplemented or otherwise modified and those contracts and contract rights hereafter entered into or acquired by Grantor (collectively, the "Assigned Contracts"), together with all rights thereunder including, without limitation, (i) all rights of Grantor to receive monies due or to become due thereunder or pursuant thereto, (ii) all rights of Grantor to receive proceeds of any insurance, condemnation, indemnity, or warranty with respect thereto, all claims of Grantor for damages arising out of or for breach of or default thereunder, and any and all guaranties, letters of credit, security deposits and any other credit support given to Grantor in connection therewith, (iii) all of Grantor's claims and rights to the payment of damages arising from the rejection thereof under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, conservatorship, winding-up, liquidation or other relief with respect to debts or debtors, (iv) the right of Grantor to terminate any Assigned Contract, to perform Grantor's obligations under any Assigned Contract, and to compel performance and otherwise exercise all remedies thereunder, and (v) all other rights, powers, privileges, options and other benefits of Grantor under the Assigned Contracts, including, without limitation, the immediate and continuing right to make claim for, receive, collect and receipt for all amounts payable or receivable thereunder and to do all other things which Grantor is or may be entitled to do under the Assigned Contracts;

(e) all chattel paper, negotiable instruments, securities, whether or not certificated, promissory notes and other debt instruments and documents, and all certificates or instruments representing the same, and all proceeds thereof, accessories thereto and substitutions therefor, all bills of lading, warehouse receipts and documents of title, other documents evidencing transport and other documents (collectively, the "Pledged Instruments");

(f) all of its now existing or hereinafter acquired, rights, title and interests in and to any ownership interests, stocks (preferred or common), membership interests, warrants, options, partnership interest (general or limited), notes, instruments, or any other rights, assets, goods or property and any and all proceeds and products thereof arising from or in exchange of any capital contribution(s) or capital investments made by Grantor in any Person ("Capital Investment Collateral");

(g) (i) all United States, Puerto Rico and foreign patents, copyrights, trademarks, service marks, fictitious business names, trade styles, trade or commercial names, logos or business identifiers now owned or hereafter adopted or acquired by Grantor, all registrations and recordings thereof and all applications for registration and recording thereof in the United States Patent and

Trademark Office or in any similar office or agency of the United States, any state thereof, the Commonwealth of Puerto Rico, or any other country, political subdivision or territory thereof (except for "intent to use" applications for trademark or service mark registrations filed pursuant to §1(b) if the Lanham Act, unless and until an Amendment to Allege Use or a Statement of Use under §1(c) of said Act has been filed), including, without limitation, the patents, copyrights, trademarks, service marks and trade or commercial names and registrations listed on Schedule I to this Agreement (collectively, the "Trademarks"), together with the goodwill of the business(es) connected with the use of, and symbolized by, the Trademarks; all renewals, extensions, and continuations-in-part of the foregoing; all patentable inventions, discoveries, improvements, ideas, know-how, formula methodology, processes, technology, computer programs and software and applications and patents in any jurisdiction pertaining to the foregoing; all trade secrets, including confidential and other non-public information, and the right in any jurisdiction to limit the use or disclosure thereof; all databases and database rights; all internet web sites, domain names and applications and registrations pertaining thereto (including without limitation, intangible gaming devices, player tracking systems, and cashless wagering systems); all income, royalties, damages, and payments now and hereafter due and/or thereunder and with respect thereto, including damages, claims, and payments for past or future infringement thereof and the right to sue for past, present, and future infringements of any and all of the foregoing; (ii) all licenses, whether Grantor's interest be that of licensor or licensee thereunder, of any of the items described in clause (A) above; and (iii) to the extent not included in clauses (i) and (ii) above, any and all rights of Grantor to payment under licenses of Trademarks and all contract rights and rights as a judgment creditor arising out of enforcement of rights under the Trademarks (collectively, the "Intellectual Property Collateral");

(h) all rights, interests, choses in action, causes of action, claims and other intangible property of Grantor of every kind (other than Accounts and Trademarks) whether now owned or hereafter acquired, including, without limitation, all general intangibles; all present and future Permits, authorizations, approvals, licenses and franchises, hereto or hereafter granted to or on behalf of Grantor or Grantor's properties by any public or governmental agency or regulatory body for the development, construction, ownership, use, occupancy and operation of Grantor's properties or businesses; all loans, royalties and other obligations receivable of any kind now or hereafter existing; all organizational and business books and records, ledgers, printouts, file materials and other papers containing information relating to any Collateral; all inventions, designs, trade secrets, computer programs, software, printouts and other computer materials; all customer lists and databases; all interests in partnerships and joint ventures; all tax refunds and tax refund claims; all credits with and other claims against carriers and shippers; all rights to indemnification; all reversionary interests in pension and profit sharing plans and all reversionary, beneficial and residual interests in trusts or in which Grantor otherwise has an interest; all insurance policies held by Grantor or naming Grantor as insured, additional insured or loss payee and all proceeds thereof, including, without limitation, all rights, claims and recoveries relating thereto; and all letters of credit, guaranties, liens, security interests and other security held by or granted to Grantor; and all other intangible property, whether or not similar to the foregoing; and all rights now or hereafter existing in and to all security agreements, leases, subleases and other contracts securing or otherwise relating to any such Accounts, Assigned Contracts, Pledged Instruments, cash, deposit accounts, general intangibles or obligations;

(i) all machinery, furnishings, equipment, fixtures (including, without limitation, all air conditioning, plumbing, electrical, lighting, fuel lines, communications and elevator fixtures) and other property of every kind and nature, whether tangible or intangible, whatsoever owned by Grantor, or in which Grantor has or shall have an interest, now or hereafter located upon Grantor's properties, or any part thereof, or appurtenant thereto, and usable in connection with the present or future development, construction, use, operation, enjoyment and occupancy of Grantor's properties, and all building

equipment, materials and supplies of any nature whatsoever owned by Grantor, or in which Grantor has or shall have an interest, now or hereafter located upon Grantor's properties, or any part thereof, or appurtenant thereto; and all such property of Grantor used or usable in connection with the present or future development, construction, use, operation, enjoyment and occupancy of Grantor's properties, or any part thereof, including all such property which under the laws of the Commonwealth of Puerto Rico may properly be characterized or classified as real property;

(j) the following books and records relating to all of Grantor's properties: surveys (boundary and topographical); soil tests and reports; engineering studies; environmental tests, reports and assessments; plans and specifications (building and site) including, without limitation, fixture plans, building drawings, shop drawings, case connection drawings, structural drawings, electrical drawings, mechanical drawings and as-built drawings; test and inspection reports; maintenance and utility agreements; warranties and guaranties (building, site and equipment); identification (name, address and telephone number) of site and building architects, engineers, contractors and subcontractors and common area maintenance directors; and related correspondence;

(k) all financial accounts (each, a "Financial Account") and all investment property (as defined in the UCC) of Grantor, including, without limitation, (i) all moneys, financial assets (as defined in the UCC), checks, drafts, securities and instruments deposited or required to be deposited in such Financial Accounts, (ii) all investments and all certificates and instruments, if any, from time to time representing or evidencing any other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing items listed above, and (iii) each consent or other agreement from time to time entered into by Grantor with any financial institution at which any of the Financial Accounts is maintained and all rights of Grantor under each such consent or agreement (collectively, the "Financial Account Collateral");

(l) all depository accounts (each, a "Depository Account") and all cash from time to time deposited therein, including, without limitation, the Operating Accounts and the Reserve Account and any certificates and instruments evidencing ownership and control of funds in any such account and the right to demand or block withdrawals therefrom; all monies, financial assets, checks, drafts, securities and instruments deposited or required to be deposited in such accounts; all investments and all certificates and instruments, if any, from time to time representing or evidencing any other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the foregoing items; and each account or other agreement from time to time entered into by Grantor with any financial institution at which any of the financial accounts is maintained and all rights of Grantor under each such account or agreement; and all cash management services, notebooks and any other bank account, whether now or hereafter existing, such as deposit accounts, operating accounts, savings accounts, checking accounts, payroll accounts, cash management, POS, credit cards, debit cards and/or ATM processing, with a banking or financial institution, together with all funds, monies and rents collectively deposited therein from time to time and all earnings, proceeds and interests of every kind and description which may now or hereafter accrue thereon, including all passbooks, certificates and instruments of whatever nature which evidence the ownership and control of any of the foregoing (collectively, the "Depository Account Collateral");

(m) any and all other personal property of Grantor upon which a security interest may be granted pursuant to the terms of the UCC; and

(n) all cash and non-cash "proceeds", as such term is defined in the UCC or under other relevant law, and in any event including, without limitation, any and all (A) proceeds of any insurance, indemnity, warranty or guaranty payable to Lender or to Grantor from time to time with respect to any of the Collateral, (B) payments (in any form whatsoever) made or due and payable to Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all of any part of the Collateral by any Governmental Authority (or any Person acting on behalf of a Governmental Authority), and (C) instruments representing obligations to pay amounts in respect of the Collateral (collectively, the "Proceeds").

The obligations of Grantor under this Agreement and the assignment, pledge and security interest granted by Grantor in favor of Lender hereunder are in addition to and not in substitution of the obligations of Grantor under any of the other Loan Documents.

SECTION 3. Security for Obligations. This Agreement secures the indefeasible payment in full in cash and the performance of all obligations of every kind and character now or hereafter existing (whether matured or unmatured, contingent or liquidated) of Grantor and each other Loan Party under the Credit Agreement, the Note and each other Loan Document (including, without limitation, this Agreement), in each case as each of such agreements or instruments may hereafter be amended, restated, extended or otherwise modified from time to time, whether for principal, interest (including, without limitation, all interest accruing or payable at the then applicable rate provided in the Credit Agreement after the maturity or acceleration of the Note and interest accruing or payable at the then applicable rate provided in the Credit Agreement or other applicable agreement after the filing of any petition in bankruptcy or the commencement of any insolvency, reorganization or like proceeding, relating to any Loan Party), fees, expenses, fixed or variable amounts, reimbursement, indemnification or otherwise (all such obligations being the "Obligations"). Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the Obligations and would be owed by any Loan Party to Lender under the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar case or proceeding involving any Loan Party.

SECTION 4. Grantor Remains Liable. Nothing set forth in this Agreement (a) shall relieve Grantor from the performance of any term, covenant, condition or agreement on Grantor'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 (b) shall impose any obligation on Lender to perform or observe any such term, covenant, condition or agreement on Grantor's part to be so performed or observed or (c) shall impose any liability on Lender for any act or omission on the part of Grantor relating thereto or for any breach of any representation or warranty on the part of Grantor contained in this Agreement or any other Loan Document or under or in respect of the Collateral or made in connection herewith or therewith. The exercise by Lender of any of the rights hereunder shall not release Grantor from any of its duties or obligations under the Collateral, and Lender shall not have any obligation or liability under the Collateral by reason of this Agreement, nor shall Lender be obligated to take any action to collect or enforce any claim for payment assigned hereunder. The obligations of Grantor contained in this Section 4 shall survive the termination of this Agreement and the discharge of the Obligations of Grantor under this Agreement and the other Loan Documents.

SECTION 5. Representations, Warranties and Covenants. Grantor represents, warrants and covenants to Lender as follows:

(a) Upon the completion of the deliveries, filings and other actions contemplated in Section 6 hereof, the pledge, assignment and security interest granted to Lender, pursuant to this Agreement in and to the Collateral will constitute a perfected security interest therein, superior and prior to the rights of all other Persons therein.

(b) Grantor is, as of the date hereof, and, as to Collateral acquired by it from time to time after the date hereof, Grantor will be, the sole, direct legal and beneficial owner of all Collateral pledged by it hereunder free from any Lien or other right, title or interest of any Person, and Grantor shall defend the Collateral pledged by it hereunder against all claims and demands of all Persons at any time claiming any interest therein adverse to Lender. There is no agreement, and Grantor shall not enter into any agreement or take any other action, that would result in the imposition of any other Lien, restrict the transferability of any of the Collateral or otherwise impair or conflict with Grantor's obligations or the rights of Lender hereunder except to the extent expressly permitted by the Loan Documents.

(c) There is no financing statement (or similar statement or instrument or registration under the law of any jurisdiction) covering or purporting to cover any interest of any kind in the Collateral, and so long as any of the Obligations remain unpaid, Grantor shall not execute, authorize or permit to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) or statements relating to any Collateral, except (i) financing statements filed or to be filed in respect of and covering the security interests granted by Grantor in favor of Lender pursuant to this Agreement and (ii) Permitted Liens.

(d) The chief executive office and the principal place of business, and all Inventory and Equipment of Grantor, are located at the addresses indicated in Schedule II hereto. Grantor shall not move its chief executive office or principal place of business or move any Inventory or Equipment to any location other than those listed on Schedule II (except to such new location as Grantor may establish in accordance with the last sentence of this subsection). All tangible evidence of all Collateral and the only original books of account and records of Grantor relating thereto are, and will continue to be, kept at such chief executive office, or at such new location for such chief executive office as Grantor may establish in accordance with the last sentence of this subsection. Grantor shall not establish a new location for its chief executive office or principal place of business, or move any Inventory or Equipment to any location other than those listed on Schedule II, or change its name, identity or organizational structure except in accordance with the provisions of the Credit Agreement.

(e) Grantor owns or has rights to use all the Collateral pledged by it hereunder and all rights with respect to any of the foregoing used in, necessary for, or material to Grantor's business as currently conducted and as contemplated to be conducted pursuant to the Loan Documents; the use by Grantor of such Collateral, and all such rights with respect to the foregoing, do not infringe on the rights of any Person in a manner that would reasonably be likely to have a Material Adverse Effect. No claim has been made and remains outstanding that Grantor's use of any Collateral does or may violate the rights of any Person to the extent that such claim, if it were determined in favor of the claimant, would reasonably be likely to have a Material Adverse Effect.

(f) All information set forth herein, including the schedules and annexes attached hereto, and all information contained in any documents, schedules and lists heretofore delivered to Lender in connection with this Agreement, in each case relating to the Collateral, is accurate and complete in all material respects. The Collateral described on the schedules attached hereto constitutes all of the property of such type of Collateral owned or held by Grantor.

(g) Grantor shall in good faith use its reasonable best efforts to prevent the infringement, counterfeiting or other diminution in value of any of the Intellectual Property Collateral by others and for that purpose agrees to diligently maintain any action, suit or proceeding against any person so infringing necessary to prevent such infringement unless Grantor has determined that such Intellectual Property Collateral that is the subject to any pending or contemplated infringement or enforcement action or proceeding does not contain or represent sufficient value or utility (consistent with prudent business practice) to reasonably justify the burdens of taking the actions required under this clause (g).

(h) Grantor shall notify each financial institution at which any Financial Account or Depository Account is maintained that such Financial Account or Depository Account, as applicable, is under the exclusive dominion and control of Lender and that all moneys, instruments, securities and other property deposited therein are to be held on behalf of Lender.

(i) Grantor shall not (i) sell, convey, assign or otherwise dispose of, or grant any option with respect to, any of the Collateral pledged by it hereunder except as expressly permitted by the Credit Agreement, or (ii) create or permit to exist any Lien upon or with respect to any of the Collateral pledged by it hereunder, other than Permitted Liens.

(j) Grantor hereby covenants and agrees that Lender may perform or cause to be performed, at Grantor's reasonable expense, any obligation(s) of Grantor under the terms and provisions of the Assigned Contracts if Grantor shall fail to duly perform such obligation(s) (provided such failure to perform by Grantor is not triggered by a default of the counterparty under such Assigned Contract), and Lender may also agree with the contracting parties under the Assigned Contracts to perform, or to cause to be performed, any obligation(s) of Grantor under the Assigned Contracts before Grantor's failure to perform such obligation(s) constitutes a default under the Assigned Contracts.

SECTION 6. Perfection; Supplements; Further Assurances.

(a) In furtherance and not in limitation of the other covenants herein, Grantor shall, upon entering into any new Assigned Contract, provide to Lender a copy of such new Assigned Contract (including the name and address of the counterparty thereunder) within ten (10) days after the execution thereof. To the extent that any Assigned Contract would constitute an Assigned Contract hereunder, Grantor shall in good faith use its reasonable best efforts to cause the counterparty thereto to deliver to Lender a Consent and Agreement substantially in the form of Exhibit A or such other form as is required by the Credit Agreement or the other Loan Documents.

(b) All certificates or instruments representing or evidencing any Collateral, to the extent not previously delivered to Lender, shall immediately upon receipt thereof by Grantor be delivered to and held by or on behalf of Lender pursuant hereto, and all certificated Pledged Instruments shall be in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Lender. Lender shall have the right, at any time upon the occurrence and during the continuance of any Event of Default and without notice to Grantor, to endorse, assign or otherwise transfer to or to register in the name of Lender or any of its nominees or endorse for negotiation any or all of the Pledged Instruments, without any indication that such Pledged Instruments are subject to the security interest hereunder. In addition, Lender shall have the right at any time to exchange certificates representing or evidencing Pledged Instruments for certificates of smaller or larger denominations.

(c) If any of the Pledged Instruments are at any time not evidenced by certificates or writings, then Grantor shall, to the extent permitted or required by applicable law to perfect, continue and maintain a legal valid, enforceable, first priority security interest in the Pledged Instruments, record such pledge on the register or the books of the issuer, cause the issuer to execute and deliver to Lender an acknowledgment, in form and substance acceptable to Lender of the pledge of such Pledged Instruments, execute any customary pledge forms or other documents, in form and substance acceptable to Lender necessary or appropriate to complete the pledge, and give Lender the right to transfer such Pledged Instruments under the terms hereof.

(d) In furtherance and not in limitation of the other covenants herein, Grantor shall, immediately upon the acquisition or issuance of any Pledged Instrument, execute and deliver to Lender a Pledge Supplement substantially in the form of Exhibit B hereto (each, a "Pledge Supplement"), and shall deliver such Pledged Instrument in each case accompanied by appropriate endorsements executed in blank; provided, however, that Grantor's failure to execute and deliver any Pledge Supplement shall not affect or limit Lender's security interest in or other rights in and to the Pledged Instruments.

(e) If any of the Capital Investment Collateral issued from time to time are at any time not evidenced by certificates or writings, then Grantor shall, to the extent permitted or required by applicable law to perfect, continue and maintain a legal, valid, enforceable, first priority security interest in such Collateral, record such pledge on the register or the books of the issuer, cause the issuer to execute and deliver to Lender an acknowledgment of the pledge of such Collateral, execute any customary pledge forms or other documents necessary or appropriate to complete the pledge, and give Lender the right to transfer such Collateral under the terms hereof.

(f) In furtherance and not in limitation of the other covenants herein, Grantor shall, immediately upon the acquisition or issuance of any Capital Investment Collateral that can be considered a Pledged Instrument, execute and deliver to Lender a Pledge Supplement, and shall deliver such Pledged Instrument in each case accompanied by appropriate endorsements executed in blank; provided, however, that Grantor's failure to execute and deliver any Pledge Supplement shall not affect or limit the Secured Party's security interest in or other rights in and to such Collateral.

(g) Grantor hereby further agrees that Lender may make filings with the United States Patent and Trademark Office and the Trademark Division of the Puerto Rico Department of State (or any successor office or any similar office), including the filing of the Trademark Security Agreement attached hereto as Exhibit C, or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by Grantor in the Trademarks.

(h) In addition to any other actions required herein to be taken by Grantor, Grantor shall cause each financial institution where a Financial Account or Depository Account is maintained, to execute and deliver to Lender, within thirty (30) days after Lender's demand therefor, a control agreement in form and substance reasonably satisfactory to Lender, acknowledging the security interest and exclusive dominion and control of Lender in all Financial Account Collateral and Depository Account Collateral, as applicable, with such financial institution.

(i) Grantor agrees that at any time and from time to time, it will execute and, at the sole cost and expense of Grantor file and refile, or permit Lender to file and refile, such financing statements, continuation statements and other documents (including, without limitation, this Agreement), in form and substance acceptable to Lender, in such offices as Lender may reasonably deem necessary, desirable or appropriate in order to perfect, continue and maintain a valid, enforceable, first priority Lien

in the Collateral and to preserve the other rights and interests granted to Lender hereunder with respect to any Collateral. Grantor authorizes Lender to file any such financing or continuation statement or other document without the signature of Grantor where permitted by law. A photocopy or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(j) Grantor agrees to do such further acts and things, and to execute and deliver to Lender such additional assignments, agreements, supplements, powers and instruments, as Lender may reasonably deem necessary, desirable or appropriate in order to perfect, preserve and protect the security interest in the Collateral as provided herein and the rights and interests granted to Lender hereunder, to carry into effect the purposes of this Agreement or better to assure and confirm unto Lender or permit Lender to exercise and enforce its rights, powers and remedies hereunder with respect to any Collateral. Without limiting the foregoing, Grantor shall make, execute, endorse, acknowledge, file or refile and/or deliver to Lender from time to time such lists, descriptions and designations of the Collateral, copies of warehouse receipts, receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, supplements, additional security agreements, conveyances, financing statements, transfer endorsements, powers of attorney, certificates, reports, and other assurances or instruments, as Lender may reasonably request. From and after the occurrence and during the continuance of an Event of Default, Lender may institute and maintain, in its own name or in the name of Grantor, such suits and proceedings as Lender may be advised by counsel shall be reasonably necessary or expedient to prevent any impairment of the security interest in or perfection of the Collateral. All of the foregoing shall be at the sole cost and expense of Grantor.

SECTION 7. As to Equipment and Inventory.

(a) Grantor (i) shall, in accordance with the terms of the Credit Agreement, (A) keep and maintain the Equipment in good operating condition and repair, reasonable wear and tear excepted, and (B) make all necessary replacements thereof; and (ii) shall not permit any such items to become a fixture to real estate or accession to other personal property, unless Lender has a first priority Lien in such real estate or other personal property (subject to Permitted Liens).

(b) Grantor shall pay promptly when due all property and other taxes, assessments and governmental charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Equipment and Inventory in accordance with the terms of the Credit Agreement.

(c) Until the expiration or termination of the Loan commitment under the Credit Agreement and the indefeasible payment in full in cash of the Obligations, at any time when an Event of Default has occurred and is continuing: (i) Grantor will perform any and all reasonable actions requested by Lender to enforce Lender's security interest and Lien on the Inventory and all of Lender's rights hereunder, such as leasing warehouses to Lender or its designee, placing and maintaining signs, appointing custodians, transferring Inventory to warehouses, and delivering to Lender warehouse receipts, documents of title and such other documentation as Lender may reasonably request; (ii) if any Inventory is in the possession or control of any of Grantor's agents, contractors or processors or any other third party, Grantor will notify Lender thereof and will notify such agents, contractors or processors or third party of Lender's security interest therein and, upon request, instruct them to hold such Inventory for Lender's and Grantor's account, as their interests may appear, and subject to Lender's instructions; (iii) Lender shall have the right to hold all Inventory subject to the security interest and Lien granted hereunder; and (iv) Lender shall have the right to take possession of the Inventory or any part thereof and

to maintain such possession on Grantor's premises or to remove any or all of the Inventory to such other place or places as Lender desires in its sole discretion. If Lender exercises its right to take possession of the Inventory, Grantor, upon Lender's demand, will assemble the Inventory and make it available to Lender at Grantor's premises at which it is located.

SECTION 8. As to the Assigned Contracts. Grantor shall comply with the provisions of the Credit Agreement regarding the Assigned Contracts.

(a) Grantor shall, at its sole expense, (i) promptly pay when due all sums or charges required to be paid by it under any Assigned Contract, (ii) promptly and faithfully perform, observe and comply in all material respects with all the terms, covenants and provisions of the Assigned Contracts to be performed or observed by it, (iii) maintain the Assigned Contracts in full force and effect, enforce the Assigned Contracts in accordance with their respective terms, and take all such action to such end as may be from time to time reasonably requested by Lender, (iv) give Lender prompt notice of any material default under any Assigned Contract, and (v) furnish to Lender promptly upon receipt thereof copies of all notices, requests and other documents received by Grantor under or pursuant to the Assigned Contracts that may result in a Material Adverse Effect, (vi) from time to time furnish to Lender such information and reports regarding the Assigned Contracts as Lender may reasonably request, and (vii) upon the reasonable request of Lender make to any other party to any Assigned Contract such demands and requests for information and reports or for action as Grantor is entitled to make thereunder.

(b) Grantor shall not: (i) cancel or terminate any Assigned Contract or consent to or accept any cancellation or termination thereof except in the exercise of reasonable business judgment; (ii) amend or otherwise modify the terms of any Assigned Contract or give any consent, waiver or approval thereunder, except in the exercise of reasonable business judgment; (iii) waive any material default under or material breach of any Assigned Contract, except in the exercise of reasonable business judgment; or (iv) take any other action in connection with any Assigned Contract which could materially impair the value of the interest or rights of Grantor thereunder or which, when combined with any contemporaneous amendment, modification, waiver or other action, would materially impair the interest or rights of Lender.

SECTION 9. Insurance. Grantor shall, at its sole expense, maintain insurance with respect to the Collateral in such amounts, against such risks, in such form and with such insurers as are required by the Credit Agreement.

SECTION 10. Lender Appointed Attorney-in-Fact. Grantor hereby irrevocably appoints the Division Head of Lender's Corporate Banking Division in Puerto Rico as Grantor's attorney-in-fact and proxy, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise, from time to time in Lender's reasonable discretion upon the occurrence and during the continuance of an Event of Default, to take any action and to execute any instrument that Lender reasonably may deem necessary or advisable to accomplish the purposes of this Agreement including, without limitation, (a) to obtain and adjust insurance required to be paid to Lender with respect to the Collateral; (b) to pay taxes, assessments or other charges or claims that Lender in good faith believes to be then due with respect to the Collateral; (c) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipt for moneys, claims and other amounts due and to become due under or in respect of the Collateral (including, without limitation, any Pledged Instruments) and to extend the time of payment of any thereof and to make allowance and other adjustments with reference thereto; (d) to receive, indorse and collect any checks, drafts, notes, acceptances or other instruments, any invoices, freight or express bills, bills of lading, storage, warehouse receipts, assignments, verifications, notices or other documents and

chattel paper; (e) to file any claims or take any action or institute or defend any proceedings which Lender reasonably may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights Lender with respect to the Collateral; (f) to direct any party liable for any payment in respect of or arising out of 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; (g) to 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 reasonably may deem appropriate; (h) to set off or cause to be set off amounts in any account maintained with Lender or otherwise enforce rights against any of the Collateral in the possession of Lender; (i) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral; (j) to effect any repairs called for by the terms of this Agreement or the Credit Agreement; and (k) generally, to sell, transfer, pledge and make any agreement with respect to, or otherwise deal with, any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option and Grantor's expense, at any time from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's Lien thereon and to effect the intent of this Agreement, all as fully and effectively as Grantor might do. Grantor hereby ratifies, confirms and approves all acts of the attorney-in-fact other than those constituting acts of gross negligence or willful misconduct. Lender shall not be liable for any losses or liabilities resulting from any acts or omissions or any error of judgment or mistake of fact or law, except those losses or liabilities which a court of competent jurisdiction finally determines were caused by the gross negligence or willful misconduct of Lender.

SECTION 11. Lender May Perform. If Grantor fails to perform any agreement contained herein, Lender may itself perform, or cause the performance of, such agreement or obligation, and the expenses of Lender incurred in connection therewith shall be payable by Grantor pursuant to Section 14 hereof, together with interest thereon at the Default Rate specified in the Credit Agreement and shall constitute Obligations secured hereby.

SECTION 12. Lender's Duties. The powers conferred on Lender under this Agreement are solely to protect the interest of Lender in the Collateral and shall not impose any duty or obligation of any kind upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for monies actually received by it hereunder, Lender shall not have any liability or duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any rights pertaining to any Collateral. Neither Lender nor any of its respective directors, officers, employees, attorneys, agents, advisors, attorneys-in-fact, experts and Affiliates 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 Grantor or otherwise.

SECTION 13. Remedies. If any Event of Default shall have occurred and be continuing:

(a) Lender may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein, in the Credit Agreement, in any Loan Document and in any other instrument or agreement securing, evidencing or relating to the Obligations, or otherwise available to it, all the rights and remedies of a Lender under the UCC or other applicable law. Without limiting the generality of the foregoing, Lender also may (i) require Grantor to, and Grantor hereby agrees that it will at its expense and upon request of Lender forthwith, assemble all or part of the Collateral as directed by Lender and make it available to Lender at a place to be designated by Lender which is reasonably convenient to both parties and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Lender's offices or elsewhere, for cash,

on credit or for future delivery, without assumption of any credit risk, and upon such other terms as Lender may deem commercially reasonable. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Lender until the selling price is paid by the purchaser thereof, but Lender shall not incur any liability in case of the failure of such purchaser to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice. To the extent permitted by applicable law, in no event shall the obligations of Grantor to any of Lender be credited with any part of the Proceeds of sale of any Collateral until cash payment thereof has actually been received by Lender. Grantor agrees that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification; provided, however, that no demand, advertisement or notice, all of which are hereby expressly waived, shall be required in connection with any sale or other disposition of any part of the Collateral which threatens to decline speedily in value or which is of a type customarily sold on a recognized market. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. To the extent permitted by applicable law, Lender may, without notice or publication, 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. Lender shall have the right upon any such public sale or sales, and, to the extent permitted by applicable law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, and each Lender shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at such sale, to use and apply any of the Obligations owed to such Person (or, in the case of Lender, any or all of the Obligations owed to Lender) as a credit on account of the purchase price payable by such Person at such sale. Each purchaser at any such sale shall acquire the property sold absolutely free from any claim or right on the part of Grantor, and Grantor hereby waives (to the fullest extent permitted by law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

(b) Lender, instead of exercising the power of sale herein conferred upon it, may proceed by a suit or suits at law or in equity to foreclose the security interests granted hereby and sell the Collateral, or any portion thereof, under one or more judgments or decrees of a court or courts of competent jurisdiction.

(c) Lender may exercise any and all rights and remedies of Grantor under or in connection with the Assigned Contracts or otherwise in respect of the Collateral, including, without limitation, any and all rights of Grantor to take or refrain from taking any action thereunder, or to receive, demand or otherwise require payment of any amount thereunder, or to require the performance of any provision thereof. In furtherance and not in limitation of the foregoing, Lender may: (i) notify any and all obligors under the Assigned Contracts that the same have been assigned to Lender, that Lender is entitled to exercise all rights pertaining thereto, and that all payments thereon and other performance thereunder are to be made and rendered directly and exclusively to Lender; (ii) renew, extend, modify, amend, accelerate, accept partial payments or performance on, make allowances and adjustments and issue credits with respect to, release, settle, compromise, compound, collect or otherwise liquidate or deal with, on terms acceptable to Lender, in whole or in part, the rights to the Collateral and any amounts owing thereon or any performance due thereunder or any of Grantor's rights or interests therein; (iii) enter into any other agreement relating to or affecting the rights to the Collateral; and (iv) give all consents, waivers and ratifications in respect of the rights to Grantor and exercise all other rights, powers and remedies and otherwise act with respect thereto as if it were the owner thereof. Grantor hereby releases Lender from, and agrees to hold Lender harmless from and against, any claims arising out of,

any action taken or omitted to be taken with respect to any such Assigned Contract, except for those claims that are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of Lender.

(d) All payments received by Grantor under or in connection with any Assigned Contract or Account or otherwise in respect of the Collateral shall be received in trust for the benefit Lender, shall be segregated from other funds of Grantor and shall be forthwith paid over to Lender in the same form as so received (with any necessary endorsement).

(e) If at any time when Lender shall determine to exercise its right to sell all or any Pledged Instruments pursuant to this Section 13, such Pledged Instruments or the part thereof to be sold shall not be effectively registered under the Securities Act of 1933, as amended (as from time to time in effect, together with the rules and regulations thereunder, the "Securities Act"), Lender is hereby expressly authorized to sell such Pledged Instruments or such part thereof by private sale in such manner and under such circumstances as Lender may deem reasonably necessary or advisable in order that such sale may legally be effected without such registration. Grantor agrees that private sales so made may be at prices and upon such terms less favorable to the seller than if such Pledged Instruments were sold at public sales, and that Lender has no obligation to delay sale of any such Pledged Instruments for the period of time necessary to permit the issuer of such Pledged Instruments for public sale under such applicable securities law. Grantor agrees that private sales shall not, solely by virtue of being private sales, be deemed to have been made in a commercially unreasonable manner.

(f) Lender may in its discretion hold any or all of the Pledged Instruments until maturity and receive any payments therefrom for the benefit of Lender or may sell any or all of such Pledged Instruments in public or private sale.

(g) Lender may instruct Grantor not to make any further use of the Trademarks or any mark similar thereto for any purpose and may license, whether general, special or otherwise, and whether on an exclusive or nonexclusive basis, any of the Trademarks throughout the world for such term or terms, on such conditions, and in such manner, as Lender shall in its sole discretion determine.

(h) In order to implement the assignment, sale or other disposition of any of the Trademarks, Lender may, at any time, pursuant to the authority granted in Section 10 hereof, execute and deliver on behalf of Grantor, one or more instruments of assignment of the Trademarks (or any application of registration thereof), in form suitable for filing, recording or registration in any country.

(i) Subject to the terms and conditions of the Credit Agreement, any cash held by Lender as Collateral and all cash Proceeds received by Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of Lender, be held by Lender as collateral for, and/or then or at any time thereafter be applied as set forth in the Credit Agreement. Any surplus of such cash or cash Proceeds held by Lender and remaining after payment in full of all the Obligations shall be paid over to Grantor or to whomsoever may be lawfully entitled to receive such surplus. To the extent permitted by applicable law, Grantor expressly and unconditionally waives all claims, damages and demands it may acquire against Lender arising out of the exercise by Lender of any rights hereunder.

(j) In the event that the Proceeds of any sale, collection or realization of Collateral are insufficient to pay all amounts to which Lender is legally entitled, Grantor shall be liable for the deficiency, together with interest thereon at the default rate specified in the Credit Agreement as the

Default Rate, and for the costs of collection and the reasonable fees of any attorneys employed by Lender to collect such deficiency.

SECTION 14. Indemnity and Expenses.

(a) Grantor agrees to indemnify and hold harmless Lender and its respective directors, officers, employees, attorneys, agents, advisors, attorneys-in-fact, experts and affiliates in accordance with the terms of Section 8.4 of the Credit Agreement.

(b) Grantor will upon demand pay to Lender the amount of any and all reasonable out-of-pocket costs and expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which Lender may incur in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of Lender hereunder, or (iv) the failure by Grantor to perform or observe any of the provisions hereof. Such costs, expenses and fees shall be secured by this Agreement.

(c) The indemnities and other agreements contained in this Section 14 are in addition to any indemnities and other agreements in any other Loan Document, but in no event shall Lender be entitled to any duplicative payment other than with respect to any payment which Lender is required to return.

(d) The agreements of Grantor contained in this Section 14 shall survive the payment in full in cash and the performance of all of the Obligations.

SECTION 15. Security Interest Absolute. To the extent permitted by applicable law, all rights Lender hereunder and the pledge, assignment and security interest created hereunder, and all obligations of Grantor hereunder, shall be absolute and unconditional, and shall not be affected or released in any way, irrespective of:

(a) any lack of validity or enforceability of the Credit Agreement, the Note, any Loan Document, or any other instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of, or any consent to departure from, this Agreement, the Credit Agreement, or any other Loan Document, or any other agreement or instrument, including, but not limited to, (i) any increase or decrease in any such Obligations and (ii) any amendment of any Loan Document to permit Lender to extend further or additional credit to Grantor or any of its Affiliates in any form, including credit by way of loan, purchase of assets, guarantee, letter of credit, or otherwise, whether or not such credit shall thereupon be or become an Obligation;

(c) any taking and holding of collateral (which term for purposes of this Agreement includes but is not limited to the Collateral) or additional guaranties for all or any of the Obligations; or any amendment, alteration, exchange, substitution, transfer, enforcement, waiver or subordination of any collateral or such guaranties; or the termination, release or non-perfection of any collateral (other than with respect to any Collateral expressly released by Lender) or such guaranties or any consent to departure from any security agreement or guaranty with respect thereto;

(d) any manner of application of Collateral, or Proceeds thereof, to all or any of the

Obligations, or the manner of sale of any collateral;

(e) any consent by Lender to (i) the change, restructuring or termination of the organizational or entity structure or existence, as the case may be, of Grantor or any of its Affiliates and (ii) any corresponding restructuring of, or any other restructuring or refinancing of, the Obligations or any portion thereof;

(f) any modification, compromise, settlement or release by Lender or by operation of law or otherwise, collection or other liquidation of the Obligations or the liability of Grantor or any guarantor, or of any collateral, in whole or in part, and any refusal of payment by Lender, in whole or in part, from any obligor or guarantor in connection with any of the Obligations, whether or not with notice to, or further assent by, or any reservation of rights against, Grantor or any of its Affiliates; or

(g) any other circumstance (including, but not limited to, any statute of limitations) that might otherwise constitute a defense available to, or a discharge of, Grantor or a guarantor other than indefeasible payment in full in cash of the Obligations.

Without limiting the generality of the foregoing, Grantor hereby consents to, and hereby agrees, that the rights Lender hereunder, and the liability of Grantor hereunder, shall not be affected by any and all releases of any collateral (other than Collateral expressly released by Lender) from the Liens created by any Loan Document or any other agreement or instrument. This Agreement and the Lien created hereby shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by Lender upon the insolvency, bankruptcy or reorganization of Grantor or of any other Loan Party or otherwise, all as though such payment had not been made.

SECTION 16. Notices. All notices and other communications provided for hereunder shall be in writing and shall be given in the manner, and shall be effective, as provided in the Credit Agreement.

SECTION 17. Miscellaneous.

(a) No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by Grantor and Lender, and no waiver of any provision of this Agreement, and no consent to any departure by Grantor therefrom, shall be effective unless it is in writing and signed by Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purposes for which given.

(b) No failure on the part of Lender to exercise, and no delay in exercising, any right hereunder, under the Credit Agreement, or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies Lender provided herein, in the Credit Agreement, and in any other Loan Document are cumulative and are in addition to, and not exclusive of, any rights or remedies which Lender may have under the Credit Agreement, the Note, or any other Loan Document or would otherwise have at law or in equity. The rights Lender hereunder and under the Credit Agreement, the Note, and any other Loan Document against any party are not conditional or contingent on any attempt by Lender to exercise any of its rights under any other Loan Document against such party or against any other Person.

(c) Any provision of this Agreement that 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 portions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(d) This Agreement creates a continuing Lien and security interest in the Collateral and shall (i) remain in full force and effect until the date which is the later of (A) the date of expiration or termination of the Loan commitment under the terms of the Credit Agreement and (B) the date on which Lender has received indefeasible payment in full in cash of the Obligations, (ii) be binding upon Grantor, its successors and assigns, and (iii) inure, together with the rights and remedies of Lender hereunder, to the benefit of Lender and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), to the extent permitted under the Credit Agreement, Lender may assign or otherwise transfer the Loan held by it to any other assignee, and such other assignee shall thereupon become vested with all of the benefits in respect thereof granted to such assignee herein or otherwise.

(e) This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico, except to the extent that the validity or perfection of the Liens hereunder, or remedies hereunder, in respect of any particular Collateral, are governed by the laws of a jurisdiction other than the Commonwealth of Puerto Rico. Unless otherwise defined herein or in the Credit Agreement, the terms used in Chapter 9 of the Puerto Rico Commercial Transactions Act, as amended (the "UCC") are used herein as therein defined.

(f) Notwithstanding anything in this Agreement to the contrary, in the event of any inconsistency between the terms of this Agreement and the terms of the Credit Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid, enforceable and perfected Lien upon the Collateral, but, otherwise, the provisions of the Credit Agreement shall be controlling and the provisions hereof shall be subject or subordinate to those of the Credit Agreement.

(g) GRANTOR AND LENDER EACH HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY.

(h) ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT MAY BE TRIED AND LITIGATED IN, AND GRANTOR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF, THE COURTS OF THE COMMONWEALTH OF PUERTO RICO AND THE FEDERAL COURT LOCATED IN SAN JUAN, PUERTO RICO, UNLESS SUCH ACTIONS OR PROCEEDINGS ARE REQUIRED TO BE BROUGHT IN ANOTHER COURT TO OBTAIN SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. GRANTOR WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS, TO ASSERT THAT IT IS NOT SUBJECT TO THE JURISDICTION OF SUCH COURTS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION.

[Signature Page Follows]

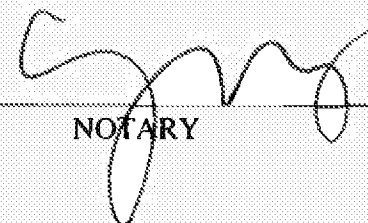
IN WITNESS WHEREOF, Grantor has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

MLM RESTAURANTS, INC.

By: 
Name: Matías Fernández Guillermety
Title: President

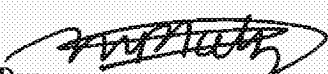
Affidavit No. 1904

Acknowledged and subscribed before me in San Juan, Puerto Rico on December 9, 2020 by the following person personally known to me: Matías Fernández Guillermety, of legal age, married, executive and resident of Guaynabo, Puerto Rico, as President of **MLM RESTAURANTS, INC.**


NOTARY

ACKNOWLEDGED AND ACCEPTED,
as of the date first set forth above:







FIRSTBANK PUERTO RICO




By: 
Name: Michelle Platzer
Title: Vice President



SCHEDULE I

TRADEMARKS

Trademark	Owner	Registration Office	Registration Number
A CRAFT BEER EXPERIENCE OCEAN LAB BREWING CO. ISLA VERDE, PUERTO RICO	MLM Restaurants Inc.	United States Patent and Trademark Office ("USPTO")	5,621,304
BORN ON THE BEACH	MLM Restaurants, Inc.	Puerto Rico Trademark Office ("PRTO")	234441-32-1 (Registration Pending)
BORN ON THE BEACH	MLM Restaurants, Inc.	PRTO	234439-21-1 (Registration Pending)
BORN ON THE BEACH	MLM Restaurants, Inc.	PRTO	234438-40-1 (Registration Pending)
Ocean Lab Logo 	MLM Restaurants, Inc.	PRTO	225498-32-1
Ocean Blonde Ale Logo 	MLM Restaurants, Inc.	USPTO	5,622,773
Blood Orange Blonde Logo 	MLM Restaurants, Inc.	USPTO	5,622,777
American Wheat Logo 	MLM Restaurants, Inc.	USPTO	5,622,772
Ocean IPA Logo 	MLM Restaurants, Inc.	USPTO	5,622,774
Ocean Sunset Amber Logo 	MLM Restaurants, Inc.	USPTO	5,622,776
Ocean Pale Ale Logo	MLM Restaurants, Inc.	USPTO	5,622,775

			
Vivo Beach Club Logo 	MLM Restaurants, Inc.	PRTO	214862
Vivo Beach Club Logo 	MLM Restaurants, Inc.	PRTO	215661

SCHEDULE II

Chief Executive Office

Road 187, KM 2. 4
Carolina, Puerto Rico 00979

Principal Place of Business

Road 187, KM 2. 4
Carolina, Puerto Rico 00979

Locations of Equipment and Inventory:

Road 187, KM 2. 4
Carolina, Puerto Rico 00979

Location of Records of Collateral:

Road 187, KM 2. 4
Carolina, Puerto Rico 00979

Location of Assigned Contracts:

Road 187, KM 2. 4
Carolina, Puerto Rico 00979

Other Collateral Locations

None.

FORM OF CONSENT AND AGREEMENT

CONSENT AND AGREEMENT

A. **MLM RESTAURANTS, INC.**, a corporation organized under the laws of the Commonwealth of Puerto Rico (the "Grantor"), has entered into that certain Loan Agreement (Main Street Priority Loan Facility) dated as of December 9, 2020 (the "Credit Agreement"), with **FIRSTBANK PUERTO RICO**, a banking corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Lender").

B. _____, a _____ (the "Undersigned"), and Grantor, entered into that certain _____ Agreement dated as of _____, ____ (the "Assigned Contract").

C. Pursuant to that certain Security Agreement dated as of December 9, 2020 (the "Security Agreement"), between Grantor and Lender, Grantor has assigned its interests under the Assigned Contract as collateral to Lender.

NOW THEREFORE, the Undersigned hereby agrees as follows:

1. The Undersigned hereby acknowledges notice of, and consents to the terms and provisions of, the Security Agreement.

2. The Undersigned hereby agrees that (i) Lender shall be entitled to exercise any and all rights of Grantor under the Assigned Contract in accordance with the terms of the Security Agreement and the undersigned shall comply in all respects with such exercise; and (ii) the Undersigned shall not, without the prior written consent of Lender, (A) consent to the cancellation or termination of the Assigned Contract by Grantor, nor (B) amend or otherwise modify the terms of the Assigned Contract. The Undersigned represents and warrants that the Assigned Contract is currently in full force and effect and no default has occurred thereunder.

3. This Consent and Acknowledgment shall be binding upon the respective successors and assigns of the undersigned and shall inure to the benefit of Lender and its successors, transferees and assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the Undersigned by its officer thereunto duly authorized, has duly executed this Consent and Agreement as of the date set forth below.

Dated as of: _____, 20____

By: _____
Name: _____
Title: _____

ACKNOWLEDGED AND ACCEPTED,
as of the date first set forth above:

.....

By: _____
Name: _____
Title: _____

FORM OF PLEDGE SUPPLEMENT

PLEDGE SUPPLEMENT

PLEDGE SUPPLEMENT dated _____, _____ (the "Pledge Supplement"), made by _____, a corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Grantor"), in favor of **FIRSTBANK PUERTO RICO**, a banking corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Lender").

1. This Pledge Supplement is executed and delivered pursuant to the terms of the Security Agreement dated as of December 9, 2020 (as supplemented by this Pledge Supplement and as the same has been and may hereafter be supplemented by any other Pledge Supplement or otherwise amended or modified, the "Security Agreement"), between Grantor and Lender. Terms defined in the Security Agreement are used herein as therein defined.
2. Grantor confirms and reaffirms the security interest in the Pledged Instruments granted to Lender under the Security Agreement, and as additional collateral security for the prompt and complete payment and performance when due of all of the Obligations, Grantor hereby delivers to Lender, and hereby pledges, assigns, hypothecates, transfers and grants to Lender, a first priority security interest in the additional Pledged Instruments listed on Schedule A annexed hereto and all Proceeds thereof and any collateral security securing the same.
3. Grantor hereby represents and warrants that the representations and warranties set forth in Section 5 of the Security Agreement are true and correct as of the date of this Supplement, and acknowledges and agrees that all references in the Security Agreement to "Pledged Instruments" shall include the additional Pledged Instruments listed on Schedule A hereto and on Schedule A to each Pledge Supplement executed prior to the date hereof and all references therein to "this Security Agreement" shall mean the Security Agreement as supplemented hereby. In addition, Grantor represents and warrants that this Pledge Supplement has been duly executed and delivered by Grantor and constitutes a legal, valid and binding obligation of Grantor enforceable against Grantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting creditors' rights.
4. This Pledge Supplement is supplemental to the Security Agreement, forms a part thereof and is subject to all the terms thereof.

IN WITNESS WHEREOF, Grantor has caused this Pledge Supplement to be duly executed and delivered by its duly authorized officer on the date first set forth above.

MLM RESTAURANTS, INC.

By: _____
Name:
Title:

Affidavit No. _____

Acknowledged and subscribed before me in San Juan, Puerto Rico on _____, 20__ by the following person who is personally known to me: _____, of legal age, _____, executive and resident of _____, Puerto Rico, as _____ of **MLM RESTAURANTS, INC.**

NOTARY

ACKNOWLEDGED AND ACCEPTED,
as of the date first set forth above:

FIRSTBANK PUERTO RICO

By: _____
Name:
Title:

FORM OF TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT dated as of _____, _____, by MLM RESTAURANTS, INC., a Puerto Rico corporation (the "Grantor"), in favor of FIRSTBANK PUERTO RICO, a banking corporation organized and existing under the laws of the Commonwealth of Puerto Rico (the "Lender").

RECITALS:

WHEREAS, Grantor is party to a Security Agreement dated December 9, 2020 (as amended, restated and modified from time to time, the "Security Agreement") in favor of Lender pursuant to which Grantor is required to execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce Lender to make the Loan under the Credit Agreement, Grantor hereby agrees with Lender as follows:

SECTION 1. **Defined Terms.** Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

SECTION 2. **Grant of Security Interest in Trademarks.** Grantor hereby pledges and grants to Lender a Lien on and security interest in and to all of its right, title and interest in, to and under all the following Collateral: (a) the Trademarks of Grantor listed on Schedule I attached hereto; (b) all goodwill associated with such Trademarks; and (c) all Proceeds of any and all of the foregoing.

SECTION 3. **Security Agreement.** The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to Lender pursuant to the Security Agreement, and Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Trademarks made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Trademark Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control unless Lender shall otherwise determine.

SECTION 4. **Continuing Lien.** This Trademark Security Agreement creates a continuing Lien and security interest in the Collateral described herein and shall (a) remain in full force and effect until the date which is the later of (i) the date of expiration or termination of the Loan commitment under the Credit Agreement, and (ii) the date on which Lender has received indefeasible payment in full in cash of the Obligations, (b) be binding upon Grantor, its successors and assigns, and (c) inure, together with the rights and remedies of Lender hereunder, to the benefit of Lender and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (c), to the extent permitted under the Credit Agreement, Lender may assign or otherwise transfer the Loan held by it to any other assignee, and such other assignee shall thereupon become vested with all of the benefits in respect thereof granted to such assignee herein or otherwise.

SECTION 5. **Counterparts.** This Trademark Security Agreement may be executed in any

number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Trademark Security Agreement by signing and delivering one or more counterparts.

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized offer as of the date first set forth above.

MLM RESTAURANTS, INC.

By: _____

Name:

Title:

Affidavit No. _____

Acknowledged and subscribed before me in San Juan, Puerto Rico on _____, 20____ by the following person who is personally known to me: _____, of legal age, _____, executive and resident of _____, Puerto Rico, as _____ of **MLM RESTAURANTS, INC.**

NOTARY

ACKNOWLEDGED AND ACCEPTED,
as of the date first set forth above:

FIRSTBANK PUERTO RICO

By: _____







Name:

Title:

SCHEDULE I

TRADEMARKS

Owner	Registration Office	Registration Number	Trademark

Trademark	Owner	Registration Office	Trademark Registration Number
A CRAFT BEER EXPERIENCE OCEAN LAB BREWING CO. ISLA VERDE, PUERTO RICO	MLM Restaurants, Inc.	United States Patent and Trademark Office ("USPTO")	5621304
Ocean Blonde Ale Logo 	MLM Restaurants, Inc.	USPTO	5622773
Blood Orange Blonde Logo 	MLM Restaurants, Inc.	USPTO	5622777
American Wheat Logo 	MLM Restaurants, Inc.	USPTO	5622772
Ocean IPA Logo 	MLM Restaurants, Inc.	USPTO	5622774
Ocean Sunset Amber Logo 	MLM Restaurants, Inc.	USPTO	5622776
Ocean Pale Ale Logo 	MLM Restaurants, Inc.	USPTO	5622775