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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # _____ Frame # _____

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger Change of Name
 - Other _____
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name KRIGEL'S, INC. Execution Date 07-31-98
Month Day Year

Formerly _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Kansas

Receiving Party

Mark if additional names of receiving parties attached

Name Foothill Capital Corporation

DBA/AKA/TA _____

Composed of _____

Address (line 1) 11111 Santa Monica Boulevard

Address (line 2) Suite 1500

Address (line 3) Los Angeles California 90025
City State/Country Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Delaware

FOR OFFICE USE ONLY

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Mail documents to be recorded with required cover sheet(s) information to
 Commissioner of Patents and Trademarks, Box Assignments, Washington, DC 20231
 REEL: 1766 FRAME: 0660

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name Federal Research Corp

Address (line 1) Suite 101

Address (line 2) 400 Seventh St NW

Address (line 3) Washington DC

Address (line 4) 20004

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

6

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<u>1,453,648</u>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Carole S. Moorehouse
Name of Person Signing

Carole S. Moorehouse
Signature

8/4/98
Date Signed

TRADEMARK MORTGAGE

THIS TRADEMARK MORTGAGE (this "Mortgage"), made as of the 31st day of July, 1998 by and between KRIGEL'S, INC., a Kansas corporation ("Borrower"), and FOOTHILL CAPITAL CORPORATION, a Delaware corporation ("Lender").

WITNESSETH

WHEREAS, pursuant to a certain Loan and Security Agreement of even date herewith between Borrower and Lender (as the same may hereafter be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), Lender has agreed to make certain loans to Borrower, and to extend certain other financial accommodations to or for the benefit of Borrower; and

WHEREAS, pursuant to the Loan Agreement, Borrower has granted to Lender a continuing security interest in certain of Borrower's assets, including, without limitation, the Trademarks (as defined below);

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender agree as follows:

1. Incorporation of Loan Agreement; Definitions. The Loan Agreement and the provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interest. To secure the complete and timely payment and satisfaction of the Obligations, Borrower hereby grants to Lender, and hereby reaffirms its prior grant pursuant to the Loan Agreement of, a continuing security interest in Borrower's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trademark registrations and trade names, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present or future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing, and all rights corresponding to any of the foregoing throughout the world and the goodwill of Borrower's business connected with the use of and symbolized by the Trademark (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks").

3. New Trademarks. Borrower represents and warrants that the Trademarks listed on Schedule A constitute all of the federally registered Trademarks now

owned by Borrower. If, before the Obligations shall have been satisfied in full and the Loan Agreement has been terminated, Borrower shall obtain any new federally registered Trademarks, Borrower shall give Lender prompt written notice thereof. Borrower hereby agrees that, upon Lender's written request, Borrower will execute and deliver to Lender one or more supplements to this Mortgage, each in form and content substantially similar to this Mortgage, in respect of any and all new federally registered Trademarks owned by Borrower.

4. Term. The term of the security interests granted herein shall extend until the Obligations have been paid in full and the Loan Agreement has been terminated in accordance with its terms.

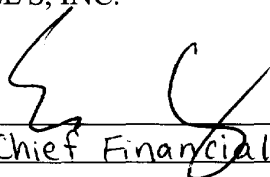
5. Effect on Other Agreements; Cumulative Remedies. Borrower acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement but rather is intended to supplement and facilitate the exercise of such rights and remedies. All of the rights and remedies of Lender with respect to the Trademarks, whether established hereby, by the Loan Agreement, by any other agreements, or by law, shall be cumulative and may be exercised singularly or concurrently.

6. Binding Effect; Benefits. This Mortgage shall be binding upon Borrower and its respective successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

7. APPLICABLE LAW; SEVERABILITY. THIS MORTGAGE SHALL BE INTERPRETED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE CONFLICT OF LAWS RULES) OF THE STATE OF CALIFORNIA GOVERNING CONTRACTS TO BE PERFORMED ENTIRELY WITHIN SUCH STATE. WHENEVER POSSIBLE, EACH PROVISION OF THIS MORTGAGE SHALL BE INTERPRETED IN SUCH A MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS MORTGAGE SHALL BE PROHIBITED BY OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE ONLY TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF SUCH PROVISIONS OR THE REMAINING PROVISIONS OF THIS MORTGAGE.


IN WITNESS WHEREOF, the parties hereto have duly executed this Mortgage as of the date first above written.

KRIGEL'S, INC.

By  _____
Title Chief Financial Officer

Agreed and Accepted to as of the date first written above

FOOTHILL CAPITAL CORPORATION

By  _____
Title Vice President

SCHEDULE A

TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>Registration No.</u>	<u>Date Registered</u>
Frog Design	1,453,648	8/18/87