

SECURITY AGREEMENT
(Trademarks)

THIS SECURITY AGREEMENT (Trademarks) (the "Trademark Security Agreement") is made and dated this ~~9th~~ day of October, 1998 by Musco Olive Products, Inc., a California corporation (the "Debtor"), in favor of John Hancock Mutual Life Insurance Company, a Massachusetts corporation, as collateral agent ("Collateral Agent") for the Holders ("Holders") of Notes (as the same may be amended, extended, and replaced from time to time, the "Notes") issued by the Debtor pursuant to a Note Purchase Agreement dated the date hereof (as the same may be amended, extended and replaced from time to time, the "Note Purchase Agreement") by and among the Debtor, the Purchasers of Notes party thereto, and the Collateral Agent.

RECITALS

A. Pursuant to the Note Purchase Agreement, the Debtor agreed to issue and the Purchasers, as the initial Holders of the Notes, agreed to purchase the Notes on the terms and conditions set forth therein.

B. As a condition to the precedent to the purchase of the Notes by the Purchasers, the Debtor agreed, among other things, to grant to the Collateral Agent for its benefit and that of the Holders a first priority security interest in certain collateral pursuant to the terms of (i) that certain Security Agreement dated the date hereof (the "Security Agreement") between the Debtor and the Collateral Agent, and (ii) certain supplemental documents, including, without limitation, this Trademark Security Agreement.

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Debtor hereby agrees as follows:

AGREEMENT

1. Grant of Security Interest. The Debtor hereby mortgages, assigns, grants and conveys to the Collateral Agent, for its benefit and for the benefit of the Holders, a security interest, pledge, assignment and mortgage in all of the Debtor's right, title and interest in the following (the "Trademark Collateral"):

(a) All now existing or hereafter created or acquired, trademarks, service marks, unregistered marks, logos, indicia, tradenames, tradestyles, other business identifiers and rights and works protectible by trademark whether now owned or hereafter, and, except to the extent prohibited by the terms thereof or by law, all agreements in respect of Trademarks owned by third parties, including, without limitation, the Trademarks specifically described on Schedule I attached hereto, as the same may be amended or replaced from time to time;

(b) All now existing and hereafter arising registrations and applications for registration relating to any of the foregoing, all renewals and extensions thereof throughout the

world in perpetuity, and all rights to make such applications and to renew and extend the same;

(c) All now existing and hereafter arising rights and licenses to make, have made, use and/or sell the inventions disclosed and claimed by any of the foregoing;

(d) All now existing and hereafter arising right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation;

(e) All now existing and hereafter arising rights, claims and interests under licensing or other contracts pertaining to any of the foregoing;

(h) All now existing and hereafter arising goodwill symbolized by or associated with any of the foregoing;

(i) All now existing and hereafter arising right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Collateral Agent for past, present and future infringements of any of the foregoing; and

(j) All products and proceeds of any of the foregoing.

The foregoing notwithstanding, the Trademark Collateral shall not include accounts arising from the sale or other disposition of inventory bearing any of the Trademarks or any such inventory.

2. Additional Representation and Warranty and Covenant. In addition to all representations and warranties, covenants and agreements set forth in the Note Purchase Agreement, the Deeds of Trust, and any other documents, the Debtor hereby:

(a) Represents and warrants that, except as otherwise permitted by the Note Purchase Agreement, Schedule I attached hereto sets forth an accurate and complete list of all trademarks owned by the Debtor which are registered with the United States Patent and Trademark Office; and

(b) Agrees, except as otherwise permitted by the Note Purchase Agreement, promptly to notify the Collateral Agent in writing of any additional Trademarks of which the Debtor becomes the owner, and to deliver to the Collateral Agent an amended Schedule I reflecting such additional Trademarks. The Collateral Agent is hereby authorized to cause such amended Schedule I to be filed and recorded in an amendment of this Trademark Security Agreement.

3. No Present Assignment. Neither the Note Purchase Agreement, this Trademark Security Agreement, the Deeds of Trust nor any other document, instrument or agreement creates or is intended to create a present assignment of the Trademark Collateral. Subject to the rights of the Collateral Agent and the Holders under the Note Purchase Agreement, the Deeds of Trust, and related documents and this Trademark Security Agreement, it is the intention of the Debtor and the Collateral Agent that the Debtor continue to own the Trademark Collateral.

4. Relationship to Other Documents. The Trademark Collateral shall constitute

Collateral for all purposes of the Note Purchase Agreement, the Deeds of Trust and the other documents executed in connection therewith and the Collateral Agent shall have all rights, powers and remedies with respect to the Trademark Collateral to the same extent as it has with respect to other Collateral.

5. Miscellaneous.

(a) All covenants and other agreements contained in this Trademark Security Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent Holder whether so expressed or not).

(b) Any provision of this Trademark Security 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 provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

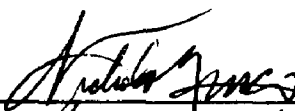
(c) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any person, or which such person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such person.

(d) This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by the Debtor.

(e) This Trademark Security Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of California excluding choice-of-law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

IN WITNESS WHEREOF, the Debtor has caused this Trademark Security Agreement to be executed on and as of the day and year first above written.

MUSCO OLIVE PRODUCTS, INC., as Debtor

By: 
Name: NICHOLAS MUSCO
Title: PRESIDENT

SCHEDULE I

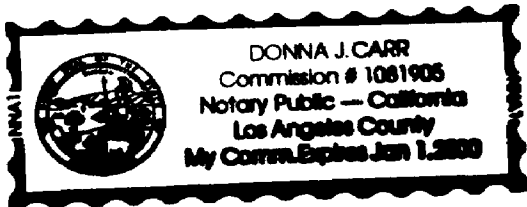
TO TRADEMARK SECURITY AGREEMENT

<u>Territory</u>	<u>Mark</u>	<u>Registrant</u>	<u>Registration/ Application No.</u>	<u>Registration/ Application Date</u>
United States	Senor & Design 2	American Rice, Inc.	1,964,875	02 April 1996
United States	Senor	American Rice, Inc.	1,964,874	02 April 1996
United States	Early California	American Rice, Inc.	791,108	15 Jun 1965
United States	Early California	American Rice, Inc.	396,011	23 Jun 1942
United States	Early California	American Rice, Inc.	1,034,420	24 Feb. 1976
United States	Early California Foods, Inc. & Design	American Rice, Inc.	805,298	08 Mar 1966
United States	Franciscan & Design 1	American Rice, Inc.	834,856	05 Sep 1967
United States	Grandee (Stylized 1)	American Rice, Inc.	160,576	18 Jan 1983
United States	Franciscan (Stylized 1)	America Rice, Inc.	772,449	30 Jun 1964
United States	Black Pearls	Musco Olive Products, Inc.	1,808,568	30 Nov 1993
United States	Just Ripe	Musco Olive Products, Inc.	1,887,996	4 April 1995
United States	Miscellaneous Design	Musco Olive Products, Inc.	75,368542	6 Oct 1997
United States	Axis	Musco Olive Products, Inc.	2,086,183	5 Aug 1997
United States	Deli Olives	Musco Olive Products, Inc.	1,558,255	26 Sep 1989
United States	Musco	Musco Olive Products, Inc.	874,806	12 Aug 1969

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.

On OCT. 27, 1998, before me, the undersigned notary public in and for said County and State, personally appeared NICHOLAS J. MUSCO, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies) and that, by his/~~her/their~~ signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.



[Signature]
My commission expires on 1-1-00

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
Title(s) _____
- PARTNER(S)
___ Limited ___ General
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document

Signer(s) Other Than Named Above

Date of Document: _____

Number of Pages: _____

SIGNER IS REPRESENTING:

