

12-10-1998

Form PTO-1594 (Rev. 6-93)  
OMB No. 0651-0011 (exp. 4/94)



COVER SHEET  
ONLY

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

100915813

To the Honorable Commissioner of

the attached original documents or copy thereof.

1. Name of conveying party(ies):  
Barley's Best, Inc. *MKD 12-7-98*

Individual(s)                       Association  
 General Partnership             Limited Partnership  
 Corporation-State Minnesota  
 Other \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):  
Name: Miller Brewing Company  
Internal Address: \_\_\_\_\_  
\_\_\_\_\_  
Street Address: 3939 West Highland Boulevard  
\_\_\_\_\_  
City: Milwaukee State: WI Zip: 53208

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporate-State Wisconsin  
 Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
 (Designations must be a separate document from assignment)  
 Additional name(s) & addresses; attached?  Yes  No

3. Nature of conveyance:

Assignment                       Merger  
 Security Agreement             Change of Name  
 Other \_\_\_\_\_

Execution Date: February 20, 1998

4. Application number(s) or registration number(s):  
A. Trademark Application No.(s)  
B. Trademark Registration No.(s)  
1,417,947

Additional numbers attached?  Yes  No

6. Total number of applications and registrations involved: 1

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Marta S. Levine  
Internal Address: \_\_\_\_\_  
\_\_\_\_\_  
Street Address: Quarles & Brady LLP  
411 East Wisconsin Avenue  
City: Milwaukee State: Wisconsin Zip: 53202

7. Total Fee (37 CFR 3.41) ..... \$ 40.00  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number  
17-0055

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.*

Marta S. Levine                      *Marta Levine*                      December 1, 1998  
Name of person signing                      Signature                      Date

Total number of pages including cover sheet, attachments, and document: 3

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents and Trademarks, Box Assignments  
Washington, D.C. 20231

12/10/1998 SBURNS 00000037 170055 1417947

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SELECTIVE BUSINESS SECURITY AGREEMENT

1. SECURITY INTEREST

Dated FEBRUARY 20 1998

The undersigned ("Debtor", whether one or more) grants Miller Brewing Company ("Lender") a security interest in property, wherever located, checked in Section 2 ("Collateral") to secure all debts, obligations and liabilities of any Debtor to Lender arising out of credit previously granted, credit contemporaneously granted and credit granted in the future by Lender to any Debtor, to any Debtor and another, or to another guaranteed or indorsed by any Debtor ("Obligations").

2. DESCRIPTION OF COLLATERAL

One or more boxes must be checked.

- (a)  **All Collateral.** If checked here, all equipment, fixtures, inventory (including all goods held for sale, lease or demonstration or to be furnished under contracts of service, goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in Debtor's business), documents relating to inventory, general intangibles, accounts, contract rights, chattel paper and instruments, now owned or hereafter acquired by Debtor (or by Debtor with spouse);
- (b)  **Scheduled Collateral.** If checked here, all inventory, accounts, contract rights, equipment, general intangibles, instruments, documents of title and chattel paper described in the attached schedule and any additional schedules delivered by Debtor to Lender from time to time;
- (c)  **Specific Collateral.** If checked here, the following described property now owned or hereafter acquired by Debtor (or by Debtor with spouse):  
\_\_\_\_\_
- (d)  **All Inventory.** If checked here, all inventory and documents relating to inventory now owned or hereafter acquired by Debtor (or by Debtor with spouse), including all goods held for sale, lease or demonstration or to be furnished under contracts of service, goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in Debtor's business;
- (e)  **All Receivables.** If checked here, all accounts, contract rights, chattel paper and instruments now owned or hereafter acquired by Debtor (or by Debtor with spouse);
- (f)  **All Equipment.** If checked here, all equipment and fixtures now owned or hereafter acquired by Debtor (or by Debtor with spouse);
- (g)  **All General Intangibles.** If checked here, all general intangibles now owned or hereafter acquired by Debtor (or by Debtor with spouse);

and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, all returned or repossessed goods the sale of which gave rise to, and all proceeds and products of the foregoing.

3. DEBTOR'S WARRANTIES

Debtor warrants that while any of the Obligations are unpaid:

- (a) **Ownership.** Debtor owns (or with spouse owns) the Collateral free of all encumbrances and security interests (except Lender's security interest). Chattel paper constituting Collateral evidences a perfected security interest in the goods covered by it, free from all other encumbrances and security interests, and no financing statement (other than Lender's) is on file covering the Collateral or any of it. Debtor, acting alone, may grant a security interest in the Collateral.
- (b) **Sale of goods or services rendered.** Each account and chattel paper constituting Collateral as of this date arose from the performance of services by Debtor or from a bona fide sale or lease of goods, which have been delivered or shipped to the account debtor and for which Debtor has genuine invoices, shipping documents or receipts.
- (c) **Enforceability.** Each account, contract right and chattel paper constituting Collateral as of this date is genuine and enforceable against the account debtor according to its terms. It and the transaction out of which it arose comply with all applicable laws and regulations. The amount represented by Debtor to Lender as owing by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment, except discount for prompt payment, nor has any account debtor returned the goods or disputed liability.
- (d) **Due date.** No payment on any account or chattel paper constituting Collateral is as of this date more than \_\_\_\_\_ days overdue, there has been no default according to the terms of any such Collateral and no step has been taken to foreclose the security interest it evidences or otherwise enforce its payment.
- (e) **Financial condition of account debtor.** As of this date Debtor has no notice or knowledge of anything which might impair the credit standing of any account debtor and Debtor will advise Lender upon receipt of any such notice or knowledge affecting Collateral.
- (f) **Valid organization.** If a corporation, limited liability company or partnership, Debtor is duly organized, validly existing and in good standing under the laws of the state of organization and is authorized to do business in Wisconsin.
- (g) **Other agreements.** Debtor is not in default under any agreement for the payment of money.
- (h) **Authority to contract.** The execution and delivery of this Agreement and any instruments evidencing Obligations will not violate or constitute a breach of Debtor's articles of incorporation or organization, by-laws, partnership agreement, operating agreement or any other agreement or restriction to which Debtor is a party or is subject.
- (i) **Accuracy of information.** All information, certificates or statements given to Lender pursuant to this Agreement shall be true and complete when given.
- (j) **Addresses.** The address of Debtor's residence, or if a corporation, partnership or limited liability company, the address of Debtor's place of business, or if Debtor has more than one place of business, then the address of Debtor's chief executive office, is shown opposite Debtor's signature. The address where the Collateral will be kept, if different from that appearing opposite Debtor's signature, is Associated Warehouse, Champaign, Illinois.

Such locations shall not be changed without prior written consent of Lender, but the parties intend that the Collateral, wherever located, is covered by this Agreement.

- (k) **Change of name or address.** Debtor shall immediately advise Lender in writing of any change in name or address.
- (l) **Environmental laws.** (i) No substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about any real estate now or at any time owned or occupied by Debtor ("Property") during the period of Debtor's ownership or use of the Property in a form, quantity or manner which is known to be present on, under, in or about the Property would require clean-up, removal or some other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (ii) Debtor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner or person using the Property; (iii) without limiting the generality of the foregoing, Debtor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components (PCBs) or underground storage tanks; (iv) there are no conditions existing currently or likely to exist during the term of this Agreement which would subject Debtor to any damages, penalties, injunctive relief or cleanup costs in any governmental or regulatory action or third-party claim relating to any Hazardous Substance; (v) Debtor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance; and (vi) Debtor in the past has been, at the present is, and in the future will remain in compliance with all Environmental Laws. Debtor shall indemnify and hold harmless Lender, its directors, officers, employees and agents from all loss, cost (including reasonable attorneys' fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of, or based (1) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (2) the violation or alleged violating of any Environmental Law, permit, judgment or license relating to the presence, use storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (3) the imposition of any governmental lien or the recovery of environmental clean-up costs expended under any Environmental Law. Debtor shall immediately notify Lender in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance described above on, in, under or about the Property.
- (m) **Fixtures.** If any of the Collateral is affixed to real estate, the legal description of the real estate set forth in the UCC Financing Statement signed by Debtor is true and correct.

4. SHIPPERS

Shippers authorized to draw drafts on Lender under section 8(c) are:

5. PERSONS BOUND AND OTHER PROVISIONS

The obligations hereunder of all Debtors are joint and several. This Agreement benefits Lender, its successors and assigns, and binds Debtor(s) and their respective heirs, personal representatives, successors and assigns. THIS AGREEMENT INCLUDES ADDITIONAL PROVISIONS ON REVERSE SIDE.

BARLEY'S BEST, INC. (SEAL)

a Minnesota corporation  
TYPE OF ORGANIZATION

By: \_\_\_\_\_

VICE-PRESIDENT  
(TITLE)

GEORGE O. WILSON

\*Type or print name above.

By: \_\_\_\_\_

\_\_\_\_\_  
(TITLE)

Address: 25675 Smithtown Road  
See Section 9(j)

Shorewood MN 55331

(County) Hennepin

TRADEMARK