

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

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U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

4-22-02

Iowa Turkey Growers Cooperative

- Individual(s)
- General Partnership
- Corporation-State
- Other cooperative association
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: April 16, 2002

2. Name and address of receiving party(ies)

Name: American National Bank and Trust Company of Chicago

Internal

Address: \_\_\_\_\_

Street Address: 120 South LaSalle Street

City: Chicago State: IL Zip: 60603

- Individual(s) citizenship
- Association national banking
- General Partnership
- Limited Partnership
- Corporation-State
- 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) & address(es) attached?  Yes  No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 78031708,  
78062330

B. Trademark Registration No.(s) \_\_\_\_\_

Additional number(s) attached  Yes  No

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

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41) \$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

9. Signature.

Michael A. Witt, Esq.

Name of Person Signing

*Michael A. Witt*  
Signature

4/16/02

Date

13

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

04/23/2002 DBYRNE 00000050 78031708

01 FC:481  
02 FC:482

40.00 MB  
25.00 DP

Documents to be recorded with required cover sheet information to:  
Commissioner of Patent & Trademarks, Box Assignments  
Washington, D.C. 20231

## TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement, made as of April 16, 2002 (this "Agreement"), is made by Iowa Turkey Growers Cooperative, an Iowa cooperative association ("Borrower") in favor of American National Bank and Trust Company of Chicago, a national banking association (the "Lender"). Capitalized terms used in this Agreement and not otherwise defined have the meanings assigned to such terms in the Loan Agreement referred to below.

### PRELIMINARY STATEMENTS:

WHEREAS, Borrower and the Lender are parties to the Loan and Security Agreement of even date herewith (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"); and

WHEREAS, the Lender has required Borrower to execute and deliver this Agreement in favor of the Lender (i) in order to secure complete payment of the Liabilities and performance of its obligations under the Loan Agreement and the other Financing Agreements and (ii) as a condition precedent to any extension of credit under the Loan Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Borrower and the Lender hereby agree as follows:

1. **Security Interest in Trademarks.** To secure the complete and timely payment, performance and satisfaction of the Liabilities and the Bond Liabilities, Borrower hereby grants, pledges, conveys, and transfers to the Lender a continuing security interest in, as and by way of a first security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Borrower's now owned or existing and hereafter acquired or arising:

(A) trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on the attached Schedule I and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of Borrower's business symbolized by the foregoing and connected therewith and (v) all of Borrower's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks, trademark applications, service marks, registered service marks and service

mark applications, together with the items described in clauses (i)-(v) above are referred to collectively as the "Trademarks"; and

(B) rights under or interests in any trademark license agreements or service mark license agreements with any other party, whether Borrower is licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on the attached Schedule II, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Borrower and now or hereafter covered by such licenses (all of the foregoing are referred to collectively as the "Licenses").

2. **Non-Contravention.** Borrower will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Lender under this Agreement or the rights associated with the Trademarks or Licenses.

3. **New Trademarks and Licenses.** Borrower represents and warrants that, from and after the date of this Agreement, (i) the Trademarks listed on Schedule I include all of the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications now owned or held by Borrower, (ii) the Licenses listed on Schedule II include all of the trademark license agreements and service mark license agreements under which Borrower is the licensee or licensor and (iii) no Liens, claims or encumbrances in such Trademarks and Licenses have been granted by Borrower to any Person or asserted by any Person against Borrower other than the Lender, except for Permitted Liens. If, prior to the termination of this Agreement, Borrower (a) obtains rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (b) becomes entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor or (c) enters into any new trademark license agreement or service mark license agreement, the provisions of Section 1 shall automatically apply thereto. Borrower will give to the Lender contemporaneous written notice of events described in clauses (a)-(c). Borrower authorizes the Lender to modify this Agreement unilaterally (x) by amending Schedule I to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and by amending Schedule II to include any future trademark license agreements and service mark license agreements, which are Trademarks or Licenses under Section 1 or under this Section 3 and (y) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule I or Schedule II thereto, as the case may be, such future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements.

4. **Royalties.** Borrower agrees that the use by the Lender of the Trademarks and Licenses as authorized under this Agreement in connection with the Lender's exercise of its rights and remedies under Section 12 hereof or under Section 10.3 of the Loan Agreement are coextensive with Borrower's rights thereunder and with respect thereto and without any liability to Borrower for royalties or other related charges, fees, expenses and costs from the Lender.

5. **Right to Inspect; Further Assignments and Security Interests.** The Lender, or any Person designated by the Lender in writing from time to time, may at all reasonable times and upon reasonable advance notice (and at any time and without advance notice when a Default or Event of Default exists) have access to examine, audit, make copies (at Borrower's expense) and extracts from and inspect Borrower's premises and examine Borrower's books, records and operations relating to the Trademarks and Licenses. From and after the occurrence of a Default or an Event of Default, Borrower agrees that the Lender, or any Person designated by the Lender in writing, has the right to establish such reasonable additional product quality controls as the Lender or such Person, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks and the Licenses or in connection with which such Trademarks and Licenses are used. Borrower agrees (i) not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Licenses without the prior written consent of the Lender, (ii) to maintain the quality of such products as of the date of this Agreement, and (iii) not to change the quality of such products in any respect without the Lender's prior written consent, if such action is reasonably likely to cause a Material Adverse Effect.

6. **Nature and Continuation of the Lender's Security Interest; Termination of the Lender's Security Interest.** This Agreement is made for collateral security purposes only. This Agreement creates a continuing security interest in the Trademarks and Licenses and terminates only when the Lender has no further obligation to make any Loans, the Liabilities have been indefeasibly paid and satisfied in full and the Loan Agreement has been terminated in accordance with its terms. When this Agreement has terminated, the Lender will promptly execute and deliver to Borrower, at Borrower's expense, all termination statements and other instruments as may be necessary or proper to terminate the Lender's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by the Lender under this Agreement or the Loan Agreement.

7. **Duties of Borrower.** Borrower has the duty, to the extent desirable in the normal conduct of Borrower's business, to: (i) prosecute diligently and in good faith any trademark application or service mark application that is part of the Trademarks pending as of the date of this Agreement or hereafter until the termination of this Agreement and (ii) make application for trademarks or service marks. Borrower will use its best efforts to maintain in full force and effect the Trademarks and the Licenses that are or will be necessary or economically desirable in the operation of Borrower's business, except for those which would have no reasonable likelihood of having a Material Adverse Effect. Any fees, costs, charges or expenses (including attorneys' fees and expenses) incurred in connection with the foregoing will be borne by Borrower. The Lender does not have any duty with respect to the Trademarks and Licenses,

except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, the Lender is not under any obligation to take any steps necessary to preserve rights in the Trademarks or Licenses against other parties, but may do so at its option from and after the occurrence and during the continuance of an Event of Default and all costs, charges, fees and expenses (including, without limitation, reasonable fees and expenses of attorneys for the Lender) incurred in connection therewith will be borne by Borrower.

8. **The Lender's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, the Lender has the right, but is not obligated, to bring suit in its own name to enforce the Trademarks and the Licenses and, if the Lender commences any such suit, Borrower will, at the request of the Lender, do any and all lawful acts and execute any and all proper documents required by the Lender in aid of such enforcement. Borrower will, upon demand, promptly reimburse the Lender for all costs, fees and expenses incurred by the Lender in the exercise of its rights under this Section 8 (including, without limitation, reasonable fees and expenses of attorneys for the Lender).

9. **Waivers.** The Lender's failure, at any time or times hereafter, to require strict performance by Borrower of any provision of this Agreement does not waive, affect or diminish any right of the Lender thereafter to demand strict compliance and performance therewith nor does any course of dealing between Borrower and the Lender have such effect. No single or partial exercise of any right under this Agreement precludes any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Borrower contained in this Agreement are deemed to have been suspended or waived by the Lender unless such suspension or waiver is in writing signed by an officer of the Lender and directed to Borrower specifying such suspension or waiver.

10. **Severability.** Whenever possible, each provision of this Agreement is interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision is held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability will affect only such clause or provision, or part of such clause or provision, in such jurisdiction, and does not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

11. **Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 3 or by a writing signed by Borrower and the Lender.

12. **Cumulative Remedies; Power of Attorney; Financing Statements.** (A) Borrower irrevocably designates, constitutes and appoints the Lender (and all Persons designated by the Lender) as Borrower's true and lawful attorney-in-fact, and authorizes the Lender and any of the Lender's designees, in Borrower's or the Lender's name, to take any action and execute any instrument to the extent necessary to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence and during the continuance of an Event of Default, to (i) endorse Borrower's name on all applications, documents, papers and instruments

necessary or desirable for the Lender in the use of the Trademarks or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Licenses to anyone, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Licenses, to anyone and (iv) take any other actions with respect to the Trademarks or the Licenses as the Lender deems necessary to protect its interests under this Agreement. Borrower ratifies all that such attorney-in-fact lawfully does or causes to be done by virtue of the provisions of this Section 12. This power of attorney is coupled with an interest and is irrevocable until the Lender has no further obligation to make any Loans, the Liabilities have been indefeasibly paid and satisfied in full in cash and the Loan Agreement has been terminated in accordance with its terms. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Lender under the Loan Agreement or any of the Financing Agreements, but rather is intended to facilitate the exercise of such rights and remedies.

(B) The Lender has, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Code. Upon the occurrence and during the continuance of an Event of Default and the election by the Lender to exercise any of its remedies under the Code with respect to the Trademarks and Licenses, Borrower agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Lender or any transferee of the Lender and to execute and deliver to the Lender or any such transferee all such agreements, documents and instruments as may be necessary, in the Lender's sole and absolute discretion, to effect such assignment, conveyance and transfer. All of the Lender's rights and remedies with respect to the Trademarks and the Licenses, whether established by this Agreement, by the Loan Agreement, by any other agreements or by law, are cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth in this Agreement to the contrary, it is expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement and any of the other Financing Agreements.

(C) The Lender may at any time and from time to time file financing statements, "in-lieu" initial financing statements, continuation statements and amendments thereto that describe the Trademarks and the Licenses, and which contain any other information required by the Code for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether Borrower is an organization, the type of organization and any organization identification number issued to Borrower. Borrower agrees to furnish any such information to the Lender promptly upon request. Any such financing statements, continuation statements or amendments may be signed by the Lender and may be filed with or without signature at any time and in any jurisdiction as reasonably determined by the Lender. The Lender agrees to use its reasonable efforts to notify Borrower of the Lender taking any such action provided in this Section; provided, however, Borrower agrees that the failure of the Lender to so notify Borrower for any reason shall not in any way invalidate the actions taken by the Lender pursuant to this Section.

13. **Indemnification.** The Borrower agrees to defend, protect, indemnify and hold harmless the Lender and each and all of its officers, directors, employees, attorneys and agents ("Indemnified Parties") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, the fees and disbursements of counsel for the Indemnified Parties in connection with any investigative, administrative or judicial proceeding, whether or not the Indemnified Parties shall be designated by a party thereto), which may be imposed on, incurred by, or asserted against any Indemnified Party (whether direct, indirect or consequential and whether based on any federal or state laws or other statutory regulations, including, without limitation, commercial laws and regulations, under common law or at equitable cause, or on contract or otherwise) in any manner as a result of any misrepresentation, breach or failure to perform any agreement or covenant contained in this Agreement, as well as any trademark infringement claim that may be brought against any Indemnified Party in connection with this Agreement; provided, that the Borrower shall not have any obligation to any Indemnified Party hereunder with respect to matters caused by or resulting from the willful misconduct or gross negligence of such Indemnified Party. Any liability, obligation, loss, damage, penalty, cost or expense incurred by the Indemnified Parties shall be paid to the Indemnified Parties on demand, together with interest thereon at the Default Rate from the date incurred by the Indemnified Parties until paid by the Borrower, be added to the Liabilities, and be secured by the Collateral. The provisions of and undertakings and indemnifications set out in this Section 13 shall survive the satisfaction and payment of the Liabilities of the Borrower and the termination of the Loan Agreement and this Agreement in accordance with their respective terms.

14. **Successors and Assigns.** This Agreement is binding upon Borrower and its successors and permitted assigns, and inures to the benefit of the Lender and its successors and assigns. Borrower's successors and assigns include, without limitation, a receiver, trustee or debtor-in-possession of or for Borrower; provided, however, that Borrower will not voluntarily assign or transfer its rights or obligations under this Agreement without the Lender's prior written consent.

15. **GOVERNING LAW.** THIS AGREEMENT SHALL BE CONSTRUED IN ALL RESPECTS IN ACCORDANCE WITH, AND ENFORCED AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO ITS CONFLICT OF LAW PRINCIPLES.

16. **Notices.** All notices or other communications under this Agreement will be given in the manner and to the addresses set forth in the Loan Agreement.

17. **Section Titles.** The section and paragraph titles of this Agreement are for convenience of reference only, and do not affect in any way the interpretation of any of the provisions of this Agreement.

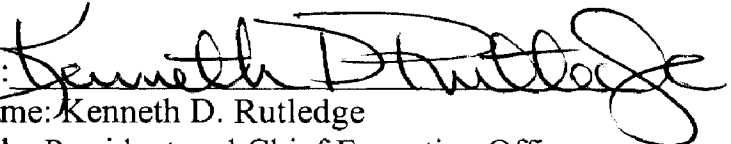
18. **Execution in Counterparts; Facsimile.** This Agreement may be executed in any number of counterparts and by different parties to this Agreement in separate counterparts, each

of which when so executed will be deemed to be an original and all of which taken together constitute one and the same agreement. The parties agree that any signature which may appear only on a facsimile copy shall be deemed an original signature to this Agreement.



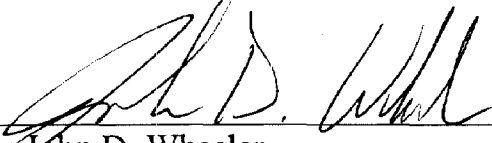
IN WITNESS WHEREOF, this Trademark Security Agreement has been executed as of the date first above written.

**IOWA TURKEY GROWERS COOPERATIVE**

By:   
Name: Kenneth D. Rutledge  
Title: President and Chief Executive Officer

Accepted and agreed to as of the day and year first above written.

**AMERICAN NATIONAL BANK  
AND TRUST COMPANY OF CHICAGO**

By:   
Name: John D. Wheeler  
Title: Assistant Vice President

# SCHEDULE I

## Trademarks

Word Mark: "BACK TO NATURE"  
Goods and Services: IC 029. US 046. G & S: Meat  
Mark Drawing Code: (1) TYPED DRAWING  
Serial Number: 78031708  
Filing Date: October 20, 2000

Word Mark: "PARADISE VALLEY SANDWICH SELECT"  
Goods and Services: IC 029. US 046. G & S: Luncheon meat  
Mark Drawing Code: (1) TYPED DRAWING  
Serial Number: 78062330  
Filing Date: May 7, 2001

**SCHEDULE II**

**Licenses**

None.

STATE OF: IA )  
COUNTY OF: Muscatine )

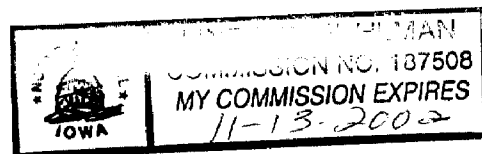
I, Linda G. Fuhlman, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Kenneth D. Rutledge, personally known to me to be the President and Chief Executive Officer of Iowa Turkey Growers Cooperative, an Iowa cooperative association, and the same person whose name is subscribed to the foregoing Trademark Security Agreement, appeared before me this day in person and acknowledged that he has signed and delivered the foregoing Trademark Security Agreement as his free and voluntary act as aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16<sup>th</sup> day of April, 2002.

Linda G. Fuhlman

Notary Public

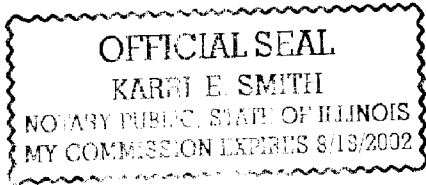
My commission expires: \_\_\_\_\_



STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK     )

I, Karri Smith, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John D. Wheeler, personally known to me to be an Assistant Vice President of American National Bank and Trust Company, a national banking association, and the same person whose name is subscribed to the foregoing Trademark Security Agreement, appeared before me this day in person and acknowledged that he has signed and delivered the foregoing Trademark Security Agreement as his free and voluntary act as aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16<sup>th</sup> day of April, 2002.



Karri E. Smith  
Notary Public

My commission expires: 8/19/02