

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		SECURITY INTEREST	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Griffin-Holder Co.		03/01/2009	CORPORATION:
RECEIVING PARTY DATA			
Name:	Elite Enterprises Ltd.		
Street Address:	PO Box 511		
City:	Rocky Ford		
State/Country:	COLORADO		
Postal Code:	81067		
Entity Type:	CORPORATION: COLORADO		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Serial Number:	77634297	SOMBRERO BRAND	
Serial Number:	76310139	CISCO KID	
Serial Number:	76237592	ROCKY MOUNTAIN MILD	
Serial Number:	72079481	SOLAR	
CORRESPONDENCE DATA			
Fax Number:	(719)384-5947		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Email:	mnicklos@centurytel.net		
Correspondent Name:	Elite Enterprises Ltd.		
Address Line 1:	PO Box 511		
Address Line 4:	Rocky Ford, COLORADO 81067		
NAME OF SUBMITTER:	Michael L. Nicklos		
Signature:	/Michael L. Nicklos/		
Date:	01/04/2010		

OP \$1115.00 77634297

**TRADEMARK**

**900151159**

**REEL: 004123 FRAME: 0846**

**Total Attachments: 6**

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**SECURITY AGREEMENT**  
**(Uniform Commercial Code – State of Colorado)**

1. **DATE.** The effective date of this agreement is March 1, 2009.

2. **PARTIES.** The parties to this agreement are as follows:

Debtor: FIRST CHOICE ONION PROPERTIES LLC., a North Carolina limited liability company d/b/a GRIFFIN-HOLDER CO., whose address is @L&M Companies, Inc., 2925 Huntleigh Drive, Suite 204, Raleigh, N.C. 27604.

Secured Party: ELITE ENTERPRISES LTD., whose address is PO Box 511, Rocky Ford, CO 81067.

3. **OBLIGATION.** This Security Agreement secures the following obligations (Obligation):

(a) A Promissory Note (Note) executed by Debtor and payable to the order of the Secured Party dated March 1, 2009, in the principal amount of \$4,754,089.00, and any extensions, renewals, modifications, or substitutions of the Note;

(b) Any guarantee or accommodation of Debtor; and

(c) The performance by Debtor of the terms of this agreement.

4. **COLLATERAL.** Debtor hereby grants to Secured Party a security interest in the collateral mentioned hereafter in order to secure the prompt payment of all amounts that may become due to the Secured Party as concerns the obligation. The collateral is the following trade names or marks registered with the United States Patent and Trademark Office:

Serial Number	Reg. Number	Word Mark
77634297		SOMBRERO BRAND
76310139	2741084	CISCO KID
76237592	2766138	ROCKY MOUNTAIN MILD
72079481	0708470	SOLAR

The referenced collateral includes, where applicable, all accessions, products, accessories, increases, renewals, additions, replacements, proceeds, now owned or hereafter acquired, together with all books and records pertaining to the collateral.

5. **LOCATION OF THE COLLATERAL.** The collateral will be utilized and kept in the State of Colorado, unless otherwise authorized by the Secured Party.

6. **USE OF THE COLLATERAL.** The collateral represents security for a purchase money transaction between the parties and will be used only for its intended purposes in Debtor's business as agreed between the parties and in accordance with applicable Colorado law.

7. **PURCHASE MONEY OBLIGATION.** The collateral is being purchased by Debtor from the Secured Party, and the obligation between Debtor and Secured Party is therefore a purchase money interest.

8. **OTHER CLAIMS.** Except for the security interest granted in this agreement, Debtor represents and warrants that Debtor is the owner of the collateral free from any liens, encumbrances, security interests, restrictions, setoffs, adverse claims, assessments, defaults, prepayments, defenses, and conditions precedent, except as disclosed on the collateral or in writing to Secured Party; and

(a) Debtor has the right to make this agreement.

(b) Debtor will defend the collateral against all claims of all persons claiming any interest in it.

(c) The execution and delivery of this agreement will not violate any law or agreement governing Debtor or to which Debtor is a party.

(d) The collateral is genuine and complies with applicable law as concerns form, content, and manner of preparation and execution.

9. **TRANSFER OF COLLATERAL.** Debtor will not sell, offer to sell, or otherwise transfer or encumber the collateral or any interest in the collateral without the prior written consent of the Secured Party. Debtor will not permit the collateral to be the subject of any court order, in an action by any person other than the parties to this agreement, affecting Debtor's rights to the collateral.

10. **TAXES.** Debtor will pay when due all taxes and assessments which may be levied or assessed against the collateral, if any.

11. **VIOLATIONS OF LAW.** Debtor shall not use the collateral in violation of any applicable laws or regulations.

12. **NAME CHANGE.** Debtor will notify Secured Party in writing prior to any change in Debtor's name or, if an organization, any change in identity or structure.

13. **DEFAULT.** Debtor will be in default under this agreement upon the happening of any of the following:

(a) Default in the payment or performance of any of the obligation;

(b) Default in any of the terms of any instrument securing any of the obligations;

(c) The making or furnishing of any warranty, representation or statement to Secured Party by or on behalf of Debtor which proves to have been false in any material respect when made or furnished;

(d) Dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any so-signer, endorser, surety, guarantor for Debtor or owner, or co-owner of Debtor; or

(e) Loss, theft, damage or destruction, unauthorized sale or transfer, levy, seizure or attachment of any of the collateral.

(f) A good faith belief, at any time, by Secured Party that the prospect of any payment required by the obligation is impaired; such belief may be based on an act or failure to act of Debtor or any other party liable for the obligation.

**14. REMEDIES UPON DEFAULT.** Upon default, or at any time thereafter, or if Secured Party deems itself insecure, Secured Party may declare all or any part of the obligation immediately due and payable. Secured Party shall have all the remedies of a secured party under:

(a) Article 9 of the Colorado Uniform Commercial Code;

(b) All other applicable laws;

(c) This agreement;

(d) The instruments evidencing the obligation; and

(e) Any other applicable security, loan guaranty or surety agreements pertaining to the obligation.

All of these remedies on default shall be cumulative to the extent permitted by law.

The following expenses relating to default and collection shall be included as a part of the obligation:

(a) Expenses for retaking, holding, preparing for sale, selling or similar expenses;

(b) Reasonable attorney fees, costs and legal expenses, including, but not limited to, any such fees, costs, and expenses incurred in or related to any negotiations or legal proceedings, including, but not limited to, any bankruptcy proceedings or any actions in or related to any bankruptcy proceedings; and

(c) Advances made on behalf of Debtor as herein provided.

15. **WAIVER.** No waiver by Secured Party or any default shall operate as a waiver of any other default or of the same default on a future occasion. The execution of this agreement shall not impair any other security Secured Party may have or acquire in the future for the obligation. The taking of any other security or the releasing of any security for the obligation shall not impair this agreement. Secured Party may resort to any security it may have for the obligation in any order it may deem proper. Secured Party shall retain its right of setoff against Debtor regardless of any security it may have for the obligation.

16. **PROTECTION OF COLLATERAL.** Secured Party is hereby appointed as the attorney-in-fact for Debtor to do anything, at Secured Party's option, Secured Party deems reasonably necessary to perfect its security interest in and protect the collateral, including, but not limited to, the following:

(a) Pay and discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the collateral;

(b) Place and pay for insurance on the collateral where appropriate;

(c) Order and pay for the repair, maintenance and preservation of the collateral; or

(d) Pay for filing and recording fees pertaining to the collateral.

Secured Party has no obligation to do anything to protect the collateral except as provided by law. Debtor shall reimburse Secured Party on demand for any payment made or expense incurred by Secured Party pursuant to this authorization.

17. **DEFINITION OF TERMS.** Unless the context otherwise indicates, all terms used herein which are defined in the Colorado Uniform Commercial Code shall have the meaning therein stated.

18. **SUCCESSORS.** This agreement shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties.

19. **RELEASES BY SECURED PARTY.** Secured Party may:

(a) Release any security interest for the obligation; or

(b) Release any of the collateral; or

(c) Release any party to the obligation or this agreement, without releasing any of the obligations of any of the remaining parties.

**20. IF UNENFORCEABLE.** If any provision of this agreement be ruled unlawful or unenforceable by a court having jurisdiction over the parties or the subject matter, such provision shall be separable from the other provisions of this agreement, and all remaining provisions shall be fully enforceable.

**21. GOVERNING LAW.** This agreement shall be governed by the laws of Colorado, which state shall also be deemed the place where this agreement was entered into and the place of performance and transaction of business of the parties. In the event of litigation pertaining to this agreement, the exclusive forum, venue and place of jurisdiction shall also be Colorado unless otherwise designated in writing by Secured Party.

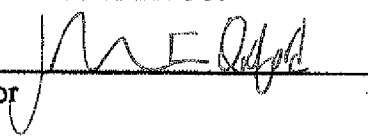
**22. COUNTERPARTS AND FACSIMILE.**

Counterparts. This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart.

Facsimile Signatures. Facsimile transmission of any signed original document, and the retransmission of any signed facsimile transmission, shall be the same as delivery of the original signed document. At the request of any party, a party shall confirm documents with a facsimile transmitted signature by signing an original document.

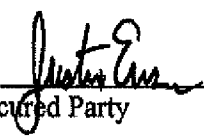
FIRST CHOICE ONION  
PROPERTIES, LLC d/b/a  
GRIFFIN-HOLDER CO.

BY: \_\_\_\_\_  
Debtor



ELITE ENTERPRISES LTD.

BY: \_\_\_\_\_  
Secured Party



# COLORADO UCC FINANCING STATEMENT

Filing Fee: \$18

Follow Instructions Carefully

A. NAME & PHONE OF CONTACT (optional)
B. SEND ACKNOWLEDGMENT TO: (Name and Address)
[ Elite Enterprises Ltd. PO Box 511 Rocky Ford, CO 81067 ]
[ ]

ABOVE SPACE FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

OR	1a. ORGANIZATION'S NAME First Choice Onion Properties, LLC, a North Carolina limited liability company				
OR	1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS					
@L&M Companies, Inc., 2925 Huntleigh Drive, Suite 204		CITY Raleigh	STATE NC	POSTAL CODE 27604	COUNTRY United States
	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION LLC	1f. JURISDICTION OF ORGANIZATION North Carolina		1g. ORGANIZATIONAL ID #, if any 1082570 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

OR	2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS					
		CITY	STATE	POSTAL CODE	COUNTRY
	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION		2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME Elite Enterprises Ltd.				
OR	3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS					
PO Box 511		CITY Rocky Ford	STATE CO	POSTAL CODE 81067	COUNTRY United States

4. This FINANCING STATEMENT covers the following collateral:

The collateral is the following trade names or marks registered with the United States Patent and Trademark Office:

Serial Number	Reg. Number	Word Mark
77634297		SOMBRERO BRAND
76310139	2741084	CISCO KID
76237592	2766138	ROCKY MOUNTAIN MILD
72079481	0708470	SOLAR

The referenced collateral includes, where applicable, all accessions, products, accessories, increases, renewals, additions, replacements, proceeds, now owned or hereafter acquired, together with all books and records pertaining to the collateral.

5. ALTERNATIVE DESIGNATION (if applicable):  LESSEE/LESSOR  CONSIGNEE/CONSIGNOR  BAILEE/BAILOR  SELLER/BUYER  AG LIEN  NON-UCC FILING

6.  This FINANCING STATEMENT is to be filed (for record) in the REAL ESTATE RECORDS

8. OPTIONAL FILER REFERENCE DATA