

Conveying Parties:

1. Seminis, Inc.
2901 N. Ventura Road
Suite 250
Oxnard, CA 94142-0007
2. Seminis Vegetable Seeds, Inc.
1905 Lirio Avenue
Saticoy, CA 93007

SCHEDULE A-1

TO SECURITY AGREEMENT
RE: INTELLECTUAL PROPERTY

U.S. PATENT NUMBERS

<u>U.S. PATENT NUMBER</u>	<u>TITLE OF PATENT</u>	<u>INVENTOR(S)</u>	<u>DATE ISSUED</u>	<u>EXPIRATION DATE</u>
5349128	- Cucumber Mosaic Virus Coat Protein Gene	H. Quemada	September 20, 1994	September 20, 2014
5162601	- Plant Potyvirus Expression Vector With a Gene for Protease	J. Slightom	November 10, 1992	November 10, 2009
5677157	- Somatic Embryogenesis and Transformation of Squash	P. Chee	October 14, 1997	October 14, 2014
5514570	- Transgenic Plants Expressing Squash Mosaic Virus Genes	D. Gonsalves	May 7, 1996	May 7, 2013
5623066	- Cucumber Mosaic Virus Strains V33 and V27 Coat Protein Gene	H. Quemada	April 22, 1997	April 22, 2014

SCHEDULE A-1
TO SECURITY AGREEMENT
RE: INTELLECTUAL PROPERTY
AND PENDING U.S. PATENT APPLICATION NUMBERS

<u>PENDING U.S. PATENT APPLICATIONS NUMBER</u>	<u>TITLE OF APPLICATION</u>	<u>INVENTOR(S)</u>	<u>FILING DATE</u>
08/543,608	- A Method for Visually Selecting Transformed Plant Cells or Tissues by Carotenoid Pigmentation	A. Trulson	October 16, 1997
08/543,609	- Cytoplasmic Male Sterile Brassica oleracea Plants which Contain the Polima CMS Cytoplasm and are Sterile at High and Low Temperatures	G. Mero	September 11, 1995
08/621,352	- Lycopersicon pimpinellifolium as a Source of Resistance to the Plant pathogen Phytophthora Infestans	B. Gabor	March 25, 1996
08/957,867	- Seedless Tomato and Method for Making the same	D. Heath	October 27, 1997
To be issued by PTO	- Melon Defective Endosperm		
	- Lactuca Sativa Cultivar Exhibiting Resistance to Downy Mildew and Corky Root Rot	B. Waycott	December 8, 1997
08/358,653	- Potyvirus Coat Protein Genes and Plants Transformed Therewith	H. Quemada	December 19, 1994
08/358,666	- Expression Cassette for Plants	J. Slightom	December 19, 1994
08/196,882	- Somatic Embryogenesis of Squash (Cucurbita Pepo): Tissues Regeneration and Transformation Methods	P. Chee	February 14, 1994
08/793,666	- Transgenic Plants Expressing ACC Oxidase Genes	M. Boeshore	February 28, 1997
08/591,468	- Lettuce Infectious Yellow Virus Genes	M. Boeshore	June 13, 1994
08/860,379	- Transgenic Plants Expressing DNA Constructs Containing a Plurality of Genes to Impact Virus Resistance	D. Tricoli	June 25, 1997
08/860,519	- Papaya Ringspot Virus Replicase Gene	J. McMaster	June 30, 1997
08/860,368	- Papaya Ringspot Virus Coat Protein Gene	J. McMaster	June 26, 1997
08/366,490	- Papaya Ringspot Virus Protease Gene	J. McMaster	December 30, 1995
08/860,483	- Papaya Ringspot Virus Protease Gene	J. McMaster	June 26, 1997
08/838,151	- Transgenic Plants Expressing Gemini Virus Genes	J. Stout	April 15, 1997
08/643,779	- Transgenic Plants Resistant to Gemini Virus Infection	C. Braun	May 6, 1997
08/417,618	- Carbon-Based Process for Selection of Transgenic Plant Cells	A. Trulson	April 6, 1995

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<u>PENDING U.S. PATENT APPLICATIONS NUMBER</u>	<u>TITLE OF APPLICATION</u>	<u>INVENTOR(S)</u>	<u>FILING DATE</u>
08/860,543	- Transgenic Plants Exhibiting Heterologous Virus Resistance	D. Tricoli	June 30, 1997
08/860,577	- Transgenic Plants Expressing ACC Synthase Gene	M. Boeshore	June 30, 1997
08/875,233	- Plants Resistant to C Strains of Cucurbit Mosaic Virus	M. Boeshore	June 26, 1997
60/015,517	- Transgenic Plants Resistant to Tomato Yellow Leaf Curl Virus	C. Braun	April 16, 1996
To be issued by PTO	A Starchless Variety of Pisum Sativum	D. Webster	December 8, 1997
60/042,658	- Sense and Antisense Coat Protein Gene Constructs Confer High Levels of Resistance to Tomato Ringspot Nepovirus in Transgenic Nicotiana Species	D. Gonsalves	April 4, 1997
08/643,779	- Genetic Factor Responsible for a Defective Endosperm Phenotype in Seeds, Plant Comprising said Factor and their Use in Hybridization Processes.	A. Sauton	July 19, 1997
08/930,186	- Based Process for Selection of Transgenic Plant Cells	A. Trulson	October 3, 1997

SEMINIS, INC.
SEMINIS VEGETABLE SEEDS, INC.

SECURITY AGREEMENT RE: INTELLECTUAL PROPERTY

This Security Agreement Re: Intellectual Property (the "*Agreement*") is dated as of January 7, 1998, by and among Seminis, Inc., an Illinois corporation (the "*Company*"), and the other parties executing this Agreement under the heading "Debtors" (the Company and such other parties being hereinafter referred to collectively as the "*Debtors*" and individually as a "*Debtor*"), each with its mailing address as set forth on its signature page hereto, and Harris Trust and Savings Bank, an Illinois banking corporation ("*Harris*"), with its mailing address at 111 West Monroe Street, P.O. Box 755, Chicago, Illinois 60690, acting as agent hereunder for the Lenders hereinafter identified and defined (Harris acting as such agent and any successor or successors to Harris acting in such capacity being hereinafter referred to as the "*Agent*");

PRELIMINARY STATEMENTS

A. The Company, Seminis Vegetable Seeds, Inc., a California corporation ("*SVS*"), SVS Holland B.V., a private company with limited liability incorporated under the laws of The Netherlands ("*SVS Holland*" and, together with the Company and SVS, individually a "*Borrower*" and collectively the "*Borrowers*"), and Harris, individually and as agent, have entered into a Credit Agreement dated as of even date herewith (such Credit Agreement as the same may be amended, modified or restated from time to time being hereinafter referred to as the "*Credit Agreement*"), pursuant to which Harris and other lenders which are and from time to time become party to the Credit Agreement (Harris and such other lenders which are and from time to time hereafter become party to the Credit Agreement being hereinafter referred to collectively as the "*Lenders*" and individually as a "*Lender*") have agreed, subject to certain terms and conditions, to extend credit and make certain other financial accommodations available to the Borrowers.

B. The Borrowers may from time to time enter into one or more Interest Rate Protection Agreements with one or more of the Lenders party to the Credit Agreement for the purpose of hedging or otherwise protecting the Borrowers against changes in interest rates applicable to Term Loans under the Credit Agreement (the liability of the Borrowers in respect of such agreements with such Lenders being hereinafter referred to as the "*Hedging Liability*").

C. As a condition to extending credit to the Borrowers under the Credit Agreement, the Lenders have required, among other things, that each Debtor grant to the Agent a lien on and security interest in the personal property of such Debtor described herein subject to the terms and conditions hereof.

D. The Company owns, directly or indirectly, all or substantially all of the equity interests in each other Debtor and the Company provides each other Debtor with financial,

management, administrative, and technical support which enables such Debtor to conduct its business in an orderly and efficient manner in the ordinary course.

E. Each Debtor will benefit, directly or indirectly, from credit and other financial accommodations extended by the Lenders to the Borrowers.

NOW, THEREFORE, for and in consideration of the execution and delivery by the Lenders of the Credit Agreement, and other good and valuable consideration, receipt whereof is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. GRANT OF SECURITY INTEREST IN THE COLLATERAL; OBLIGATIONS SECURED.

(a) Each Debtor hereby grants, bargains, sells, transfers, conveys, assigns, mortgages and pledges to the Agent for the ratable benefit of the Lenders, and grants to the Agent for the ratable benefit of the Lenders a security interest in, and acknowledges and agrees that the Agent has and shall continue to have for the ratable benefit of the Lenders a continuing security interest in, any and all right, title and interest of each Debtor, whether now existing or hereafter acquired or arising, in and to the following:

(i) *Patents.* Patents, whether now owned or hereafter acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Patents*" means and includes (i) all letters patent of the United States of America or any other country or any political subdivision thereof, all registrations and recordings thereof, and all applications for letters patent of the United States of America or any other country or any political subdivision thereof, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States of America, any state thereof or any other country or any political subdivision thereof and (ii) all reissues, continuations, continuations-in-part or extensions thereof), including, without limitation, each Patent listed on Schedule A-1 hereto, and all of the inventions now or hereafter described and claimed in such Debtor's Patents;

(ii) *Patent Licenses.* Patent Licenses, whether now owned or hereafter acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Patent Licenses*" means and includes any written agreement granting to any person any right to exploit, use or practice any invention on which a Patent is owned by another person), including, without limitation, each Patent License listed on Schedule A-2 hereto, and all royalties and other sums due or to become due under or in respect of such Debtor's Patent Licenses, together with the right to sue for and collect all such royalties and other sums;

(iii) *Trademarks.* Trademarks and Trademark registrations, whether now owned or hereafter adopted or acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Trademarks*" means and includes (i) all trademarks, trade names, trade styles, service marks and logos, all prints and labels on

which said trademarks, trade names, trade styles, service marks and logos have appeared or appear and all designs and general intangibles of like nature, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States of America, any state thereof or any other country or any political subdivision thereof and (ii) all reissues, extensions or renewals thereof), including, without limitation, each Trademark registration listed on Schedule B-1 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark and Trademark registration and all customer lists and other records of such Debtor relating to the distribution of products bearing, or rendition of services otherwise relating to, a Trademark;

(iv) *Trademark Licenses.* Trademark Licenses, whether now owned or hereafter acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Trademark Licenses*" means and includes any written agreement granting to any person any right to use or exploit any Trademark or Trademark registration of another person), including, without limitation, the agreements described in Schedule B-2 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark licensed and all royalties and other sums due or to become due under or in respect of such Debtor's Trademark Licenses, together with the right to sue for and collect all such royalties and other sums;

(v) *Copyrights.* Copyrights and Copyright registrations, whether now owned or hereafter adopted or acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Copyrights*" means and includes (i) all copyrights, whether or not published or registered, and all works of authorship and other intellectual property and the rights therein, including, without limitation, copyrights for computer programs and data bases, copyrightable materials, and all tangible property embodying such copyrights or copyrightable materials, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States of America, any state thereof or any other country or any political subdivision thereof, and (ii) all renewals, derivative works, enhancements, modifications, new releases and other revisions thereof, and (iii) all accounts receivable, income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith, and (iv) all rights corresponding thereto throughout the world), including, without limitation, each Copyright registration listed on Schedule C-1 hereto;

(vi) *Copyright Licenses.* Copyright Licenses, whether now owned or hereafter acquired, or in which such Debtor now has or hereafter acquires any rights (the term "*Copyright Licenses*" means and includes any written agreement granting to any person the right to use or exploit any Copyright or Copyright registration of another person, including, without limitation, the right to use the foregoing to prepare

for sale or distribution and sell or distribute any and all inventory now or hereafter owned by such Debtor and now or hereafter covered by such licenses), including, without limitation, the license and subscription agreements listed on Schedule C-2 hereto, and all royalties and other sums due or to become due under or in respect of such Debtor's Copyright Licenses, together with the right to sue for and collect all such royalties and other sums;

(vii) *Know-How and Trade Secret Collateral.* All know-how, inventions, processes, methods, information, data, plans, blueprints, specifications, designs, drawings, engineering reports, test reports, material standards, processing standards and performance standards, to the extent that the foregoing pertain to manufacturing, production or processing operations of such Debtor and constitute trade secrets of such Debtor, and all licenses or other similar agreements granted to or by such Debtor with respect to any of the foregoing;

(viii) *General Intangibles and Records and Cabinets.* General intangibles relating to any of the above-described property and supporting evidence and documents relating to any of the above-described property, including, without limitation, written applications, correspondence, delivery receipts and notes, together with all books of account, ledgers and cabinets in which the same are reflected or maintained, all whether now existing or hereafter arising;

(ix) *Accessions and Additions.* All accessions and additions to, and substitutions and replacements of, any and all of the foregoing, whether now existing or hereafter arising; and

(x) *Proceeds and Products.* All proceeds and products of the foregoing and all insurance of the foregoing and proceeds thereof, whether now existing or hereafter arising, including, without limitation, (i) any claim of such Debtor against third parties for damages by reason of past, present or future infringement of any Patent or any Patent licensed under any Patent License, (ii) any claim by such Debtor against third parties for damages by reason of past, present or future infringement or dilution of any Trademark or Trademark registration or of any Trademark licensed under any Trademark License, or for injury to the goodwill of the business connected with the use of, or symbolized by, any Trademark or Trademark registration or of any Trademark licensed under any Trademark License, (iii) any claim of such Debtor against third parties for damages by reason of past, present or future infringements of any Copyright or Copyright registration or of any Copyright licensed under any Copyright License, and (iv) any claim by such Debtor against third parties for damages by reason of past, present or future misappropriation or wrongful use or disclosure of any trade secret or other property or right described above or of any such trade secret or other property or right licensed under any license agreement described above, and together with the right to sue for and collect the damages described in the immediately preceding clauses (i), (ii), (iii) and (iv);

all of the foregoing being herein sometimes referred to as the "*Collateral*"; provided that the Collateral shall not include any license agreement under which any Debtor is licensee which, by its terms, prohibits the security interest contemplated by this Agreement. All terms which are used herein which are defined in the Uniform Commercial Code of the State of Illinois ("*UCC*") shall have the same meanings herein as such terms are defined in the UCC, unless this Agreement shall otherwise specifically provide

(b) This Agreement is made and given to secure, and shall secure, the prompt payment and performance of (i) any and all indebtedness, obligations and liabilities of the Debtors, and of any of them individually, to the Agent and the Lenders, and to any of them individually, under or in connection with or evidenced by the Credit Agreement, the Notes of the Borrowers heretofore or hereafter issued under the Credit Agreement and the obligations of the Borrowers to reimburse the Agent and the Lenders for the amount of all drawings on all L/Cs issued for the account of the Borrowers pursuant to the Credit Agreement, and all other obligations of the Borrowers under any and all applications for L/Cs, and any and all liability of the Debtors, and of any of them individually, arising under or in connection with or otherwise evidenced by agreements with any one or more of the Lenders with respect to any Hedging Liability, and any and all liability of the Debtors, and of any of them individually, arising under any guaranty issued by it relating to the foregoing or any part thereof, in each case whether now existing or hereafter arising (and whether arising before or after the filing of a petition in bankruptcy), due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired and (ii) subject to the provisions of Section 12.8 of the Credit Agreement, any and all expenses and charges, legal or otherwise, suffered or incurred by the Agent and the Lenders, and any of them, in collecting or enforcing any of such indebtedness, obligations and liabilities or in realizing on or protecting or preserving any security therefor, including, without limitation, the lien and security interest granted hereby (all of the indebtedness, obligations, liabilities, expenses and charges described above being hereinafter referred to as the "*Secured Obligations*"). Notwithstanding anything in this Agreement to the contrary, the right of recovery against any Debtor (other than the Company to which this limitation shall not apply) under this Agreement shall not exceed \$1.00 less than the amount which would render such Debtor's obligations under this Agreement void or voidable under applicable law, including fraudulent conveyance law.

SECTION 2. TERMS DEFINED IN CREDIT AGREEMENT.

All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement. The term "Debtor" and "Debtors" as used herein shall mean and include the Debtors collectively and also each individually, with all grants, representations, warranties and covenants of and by the Debtors, or any of them, herein contained to constitute joint and several grants, representations, warranties and covenants of and by the Debtors; *provided, however*, that unless the context in which the same is used shall otherwise require, any grant, representation, warranty or covenant contained herein related to the Collateral shall be made by each Debtor only with respect to the Collateral owned by it or represented by such Debtor as owned by it.

SECTION 3. NO RELEASE.

Nothing set forth in this Agreement shall relieve any Debtor from the performance of any term, covenant, condition or agreement on such Debtor's part to be performed or observed under or in respect of any of the Collateral or from any liability to any party under or in respect of any of the Collateral or impose any obligation on the Agent or any Lender to perform or observe any such term, covenant, condition or agreement on such Debtor's part to be so performed or observed or impose any liability on the Agent or any Lender for any act or omission on the part of such Debtor relative thereto or for any breach of any representation or warranty on the part of any Debtor contained in this Agreement or under or in respect of the Collateral or made in connection herewith or therewith.

SECTION 4. USE OF COLLATERAL.

Notwithstanding anything to the contrary contained in this Agreement, until an Event of Default hereunder has occurred and is continuing and thereafter until otherwise notified by the Agent, each Debtor may continue to exploit, license, use, enjoy and protect the Collateral throughout the world and the Agent shall from time to time execute and deliver, upon written request of each Debtor, any and all instruments, certificates or other documents, in the form so requested, necessary or appropriate in the reasonable judgment of such Debtor to enable such Debtor to continue to exploit, license, use, enjoy and protect the Collateral throughout the world.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE DEBTORS.

Each Debtor hereby represents and warrants to the Agent and the Lenders as follows:

(a) Each Debtor is, and, as to the Collateral acquired by it from time to time after the date hereof, each Debtor will be, the owner or, as applicable, licensee of all the Collateral. Each Debtor's rights in the Collateral are and shall remain free and clear of any lien, pledge, security interest, encumbrance, license, assignment, collateral assignment or charge of any kind, including, without limitation, any filing of or agreement to file a financing statement as debtor under the Uniform Commercial Code or any similar statute, except for the lien and security interest created by this Agreement and except as permitted by Schedule D attached hereto and Sections 7.10(a), (e), (f) and (k) of the Credit Agreement (collectively, the "*Permitted Encumbrances*"). Each Debtor has made no previous assignment, conveyance, transfer or agreement in conflict herewith. Each Debtor further represents and warrants to the Agent and each Lender that Schedules A-1, A-2, B-1, B-2, C-1 and C-2 hereto, respectively, are true and correct lists of all Patents, Patent Licenses, Trademarks, Trademark Licenses, Copyrights and Copyright Licenses registered in the United States owned or used by such Debtor as of the date of this Agreement and that Schedules A-1, A-2, B-1, B-2, C-1 and C-2 are true and correct with respect to the matters set forth therein as of the date of this Agreement.

(b) Each Debtor has full corporate power to pledge and grant a security interest in all the Collateral pursuant to this Agreement.

(c) No authorization, consent, approval, license, qualification or exemption from, nor any filing, declaration or registration with, any court, governmental agency or regulatory authority, or with any securities exchange or any other party, is required in connection with (i) each Debtor's execution, delivery or performance of this Agreement, (ii) each Debtor's grant of a security interest (including the priority thereof when the appropriate filings have been made and accepted) in the Collateral in the manner and for the purpose contemplated by this Agreement or (iii) the rights of the Agent and Lenders created hereby, except those that have already been obtained or made and those referred to in paragraph (f) of this *Section 5*.

(d) Each Debtor has made all filings and recordations consistent with such Debtor's current practice to protect its interests in the Collateral.

(e) Each Debtor owns directly or has rights to use all the Collateral necessary for or of importance to the business of such Debtor in the ordinary course as presently conducted. The use of the Collateral by each Debtor does not, to the best of such Debtor's knowledge after due inquiry, infringe on the rights of any party, nor has any claim of such infringement been made.

(f) Upon filings and the acceptance thereof in the appropriate offices under the Uniform Commercial Code and in the United States Patent and Trademark Office and the United States Copyright Office, this Agreement will create a valid and duly perfected first priority lien and security interest in the Collateral located in the United States of America subject to no prior liens or encumbrances other than Permitted Encumbrances.

(g) To the best of each Debtor's knowledge after due inquiry, no claim has been made and remains outstanding that any Debtor's use of any of the Collateral does or may violate the rights of any third person which violation could reasonably be expected to have a material adverse effect on the financial condition or results of operations of the Company and its Subsidiaries taken as a whole.

SECTION 6. COVENANTS AND AGREEMENTS OF THE DEBTORS.

Each Debtor hereby covenants and agrees with the Agent and the Lenders as follows:

(a) On a continuing basis, each Debtor will, at the expense of such Debtor, subject to any prior licenses, encumbrances and restrictions and prospective licenses, encumbrances and restrictions permitted hereunder, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places within the United States of America, all such instruments, including, without limitation, appropriate financing and continuation statements and collateral agreements, and take all such action, as may reasonably be deemed necessary or advisable by the Agent

(i) to carry out the intent and purposes of this Agreement, (ii) to assure and confirm to the Agent the grant and perfection of a first priority security interest in the Collateral for the benefit of the Lenders or (iii) to enable the Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

(b) Without limiting the generality of the foregoing paragraph (a) of this Section 6, each Debtor (i) will not enter into any agreement that would impair or conflict with such Debtor's obligations hereunder, (ii) will, promptly following its becoming aware thereof, notify the Agent of (x) any material final adverse determination in any proceeding in the United States Patent and Trademark Office or United States Copyright Office with respect to any of the Collateral or (y) any material final adverse determination in any federal, state, local or foreign court or administrative bodies regarding such Debtor's claim of ownership in or right to use any of the Collateral, its right to register any such Collateral or its right to keep and maintain such registration; (iii) will properly maintain and care for the Collateral to the extent necessary for the conduct of the business of such Debtor in the ordinary course as presently conducted and consistent with such Debtor's current practice; (iv) will not grant or permit to exist any lien or encumbrance upon or with respect to the Collateral or any portion thereof except the Permitted Encumbrances and will not execute any security agreement or financing statement covering any of the Collateral except in the name of the Agent; (v) will not permit to lapse or become abandoned, settle or compromise any pending or future material litigation or material administrative proceeding with respect to any Collateral without the prior written consent of the Agent or, subject to Section 7.12 of the Credit Agreement, contract for sale or otherwise sell, convey, assign or dispose of, or grant any option with respect to, the Collateral or any material portion thereof; (vi) upon any responsible officer of such Debtor obtaining knowledge thereof, will promptly notify the Agent in writing of any event which may reasonably be expected to materially and adversely affect the value of the Collateral, the ability of such Debtor or the Agent to dispose of the Collateral or the rights and remedies of the Agent in relation thereto, including, without limitation, a levy or threat of levy or any legal process against the Collateral; (vii) will diligently keep reasonable records respecting the Collateral; (viii) hereby authorizes the Agent, in its sole discretion, to file one or more financing or continuation statements relative to all or any part of the Collateral without the signature of such Debtor where permitted by law (and the Agent shall provide copies of such financing or continuation statements to the applicable Debtor after filing the same, but the Agent's failure to give such copies shall not affect the solidity or enforceability of the relevant filing); (ix) during the existence of an Event of Default will furnish to the Agent from time to time statements and schedules further identifying and describing the Collateral and such other materials evidencing or reports pertaining to the Collateral as the Agent may reasonably request, all in reasonable detail; (x) will pay when due any and all material taxes, levies, maintenance fees, charges, assessments, licenses fees and similar taxes or impositions payable in respect of the Collateral except to the extent being contested in good faith by appropriate proceedings which preclude interference with the operation of the

business of such Debtor in the ordinary course; and (xi) comply in all material respects with all laws, rules and regulations applicable to the Collateral.

(c) If any Debtor shall (i) obtain any rights to any new invention (whether or not patentable), know-how, trade secret, design, process, procedure, formula, diagnostic test, service mark, trademark, trademark registration, trade name, copyright, copyright registration, or license or (ii) become entitled to the benefit of any patent, patent application, service mark, trademark, trademark application, trademark registration, copyright, copyright application, copyright registration, license renewal or copyright renewal or extension, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and the same shall automatically constitute Collateral and be and become subject to the assignment, lien and security interest created hereby without further action by any party, all to the same extent and with the same force and effect as if the same had originally been Collateral hereunder. If any Debtor so obtains or becomes entitled to any of the foregoing rights described in clauses (i) and (ii) above, such Debtor shall give written notice thereof to the Agent on a quarterly basis. Each Debtor agrees, promptly following written request therefor by the Agent, to confirm the attachment of the lien and security interest created hereby to any such rights described in clauses (i) and (ii) above by execution of an instrument in form and substance reasonably acceptable to the Agent.

(d) Each Debtor shall, consistent with such Debtor's current practice, prosecute diligently applications for the Patents, Trademarks and Copyrights now or hereafter pending that in such Debtor's reasonable judgment would be materially beneficial to the business of such Debtor in the ordinary course, make application on unpatented but patentable inventions and registrable but unregistered Trademarks and Copyrights that in such Debtor's reasonable judgment would be materially beneficial to the business of such Debtor in the ordinary course, file and prosecute opposition and cancellation proceedings and do all acts necessary to preserve and maintain all its material rights in the Collateral, unless as to any Patent, Trademark or Copyright, in the reasonable judgment of such Debtor, such Patent, Trademark or Copyright is no longer necessary or useful to the business of such Debtor. Any expenses incurred in connection with such actions shall be borne by such Debtor.

SECTION 7. GRANT OF LICENSE TO PATENTS, TRADEMARKS, COPYRIGHTS, ETC.

Without in any way limiting the scope of the lien and security interest created hereby, each Debtor hereby grants to the Agent for the ratable benefit of the Lenders an irrevocable, nonexclusive license and right to use all of such Debtor's Patents, Patent applications, Patent Licenses, Trademarks, Trademark registrations, Trademark Licenses, trade names, trade styles, Copyrights, Copyright registrations, Copyright Licenses and similar intangibles in the processing, production, marketing, distribution or sale by the Agent of all or any part of its collateral for the Secured Obligations in connection with and solely in connection with any foreclosure or other realization on such collateral to the extent permitted by law and any

applicable license or other intellectual property agreement. The license and rights granted the Agent hereby shall be exercisable without the payment of any royalty, fee, charge or any other compensation to such Debtor or any other party. Such license and rights shall include reasonable access to all records in which any of the licensed items may be recorded or stored. Such license and rights shall be absolute and unconditional to the extent used for the purpose stated above.

SECTION 8. SUPPLEMENTS; FURTHER ASSURANCES.

Each Debtor (i) agrees that it will join with the Agent in executing and, at such Debtor's own expense, file and refile, or permit the Agent to file and refile, such financing statements, continuation statements and other instruments and documents (including without limitation this Agreement) in such offices (including, without limitation, the United States Patent and Trademark Office and the United States Copyright Office) as the Agent may reasonably deem necessary or appropriate in order to perfect and preserve the rights and interests granted to the Agent hereunder, and the Agent shall provide copies of such filings to the applicable Debtor after such filing is made, but the Agent's failure to provide such copies shall not affect the validity or enforceability of the relevant filing, and (ii) hereby authorizes the Agent to file and refile such instruments and documents and any other instruments or documents related thereto without the signature of such Debtor where permitted by law and (iii) agrees to do such further acts and things, and to execute and deliver to the Agent such additional instruments and documents, as the Agent may reasonably require to carry into effect the purposes of this Agreement or to better assure and confirm unto the Agent its respective rights, powers and remedies hereunder. All of the foregoing are to be at the sole cost of each Debtor. Any costs of the foregoing incurred by the Agent shall be payable in accordance with Section 12.8 of the Credit Agreement and shall constitute additional Secured Obligations hereunder.

SECTION 9. THE AGENT MAY PERFORM.

During any time that any Debtor fails to perform any agreement contained herein and the expiration of any applicable grace period under Section 8.1 of the Credit Agreement after receipt of a written request to do so from the Agent, the Agent may itself perform, or cause performance of, such agreement, and the expenses of the Agent, including the fees and expenses of its counsel, so incurred in connection therewith shall be payable by the Debtors under Section 12.8 of the Credit Agreement.

SECTION 10. REMEDIES UPON DEFAULT.

(a) The occurrence of any event or the existence of any condition which is specified as an "Event of Default" under the Credit Agreement shall constitute an "*Event of Default*" hereunder.

(b) Upon the occurrence and during the continuation of any Event of Default hereunder, (i) the Agent shall have, in addition to all other rights provided herein or by law,

the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Illinois and any successor statute(s) thereto (regardless of whether such Uniform Commercial Code is the law of the jurisdiction where the rights or remedies are asserted and regardless of whether such Uniform Commercial Code applies to the affected Collateral), and (ii) further the Agent may, without demand and without advertisement, notice, hearing or process of law, all of which each Debtor hereby waives, at any time or times, sell and deliver any or all of the Collateral at public or private sale, for cash, upon credit or otherwise, at such prices and upon such terms as the Agent deems advisable, in its sole discretion, subject to any restrictions contained in any applicable license or other intellectual property agreement. Any requirement of reasonable notice shall be met if such notice is personally served on or mailed, postage prepaid, to each Debtor in accordance with Section 17(b) hereof at least ten (10) days before the time of sale or other event giving rise to the requirement of such notice; *however*, no notification need be given to any Debtor if such Debtor has signed, after an Event of Default hereunder has occurred, a statement renouncing any right to notification of sale or other intended disposition. The Agent shall not be obligated to make any sale or other disposition of the Collateral regardless of notice having been given. The Agent or any Lender may be the purchaser at any such sale. Each Debtor hereby waives all of its rights of redemption from any such sale. Subject to the provisions of applicable law, the Agent may postpone or cause the postponement of the sale of all or any portion of the Collateral by announcement at the time and place of such sale, and such sale may, without further notice, be made at the time and place to which the sale was postponed or the Agent may further postpone such sale by announcement made at such time and place.

(c) Without in any way limiting the foregoing, upon the occurrence and during the continuation of any Event of Default hereunder, the Agent may, to the full extent permitted by applicable law, with ten (10) days' prior notice to each Debtor, and without advertisement, notice, hearing or process of law of any other kind, all of which each Debtor hereby waives, (i) exercise any and all rights as beneficial and legal owner of the Collateral, including, without limitation, any and all consensual rights and powers with respect to the Collateral and (ii) sell or assign or grant a license to use, or cause to be sold or assigned or granted a license to use, any or all of the Collateral or any part hereof, in each case free of all rights and claims of any Debtor therein and thereto. In that connection, the Agent shall have the right to cause any or all of the Collateral to be transferred of record into the name of the Agent or its nominee as well as the right to impose (i) such limitations and restrictions on the sale or assignment of the Collateral as the Agent may deem to be necessary or appropriate to comply with any law, rule or regulation, whether federal, state or local, having applicability to the sale or assignment and (ii) requirements for any necessary governmental approvals.

(d) In the event the Agent shall have instituted any proceeding to enforce any right, power or remedy under this Agreement by foreclosure, sale, entry or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Agent, then and in every such case each Debtor, the Agent and each Lender shall be restored to their respective former positions and rights hereunder with

respect to the Collateral, and all rights, remedies and powers of the Agent and the Lenders shall continue as if no such proceeding had been instituted.

(e) Failure by the Agent to exercise any right, remedy or option under this Agreement or any other agreement between any Debtor and the Agent or provided by law, or delay by the Agent in exercising the same, shall not operate as a waiver; no waiver shall be effective unless it is in writing, signed by the party against whom such waiver is sought to be enforced and then only to the extent specifically stated. For purposes of this Agreement, an Event of Default shall be construed as continuing after its occurrence until the same is cured or waived in writing by the Lenders or the Required Banks, as the case may be, in accordance with the terms of the Credit Agreement. Neither the Agent, nor any Lender, nor any party acting as attorney for the Agent or any Lender, shall be liable hereunder for any acts or omissions or for any error of judgment or mistake of fact or law other than their gross negligence or willful misconduct. The rights and remedies of the Agent under this Agreement shall be cumulative and not exclusive of any other right or remedy which the Agent or the Lenders may have.

SECTION 11. THE AGENT APPOINTED ATTORNEY-IN-FACT.

Each Debtor hereby irrevocably appoints the Agent, its nominee, or any other person whom the Agent may designate as such Debtor's attorney-in-fact, with full authority in the place and stead of such Debtor and in the name of such Debtor, the Agent or otherwise, upon the occurrence and during the continuation of any Event of Default hereunder, from time to time in the Agent's discretion, to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to prosecute diligently any patent, trademark or copyright or any application for Patents, Trademarks or Copyrights pending as of the date of this Agreement or thereafter until this Agreement has terminated in accordance with Section 14 hereof, to make application on unpatented but patentable inventions and registrable but unregistered Trademarks and Copyrights, to file and prosecute opposition and cancellation proceedings, to do all other acts necessary or desirable to preserve all rights in Collateral and otherwise to file any claims or take any action or institute any proceedings which the Agent may deem necessary or desirable to enforce the rights of the Agent and the Lenders with respect to any of the Collateral. Each Debtor hereby ratifies and approves all acts of any such attorney and agrees that neither the Agent nor any such attorney will be liable for any acts or omissions nor for any error of judgment or mistake of fact or law other than their gross negligence or willful misconduct. The foregoing power of attorney, being coupled with an interest, is irrevocable until this Agreement has terminated in accordance with Section 14 hereof.

SECTION 12. APPLICATION OF PROCEEDS.

The proceeds and avails of the Collateral at any time received by the Agent upon the occurrence and during the continuation of any Event of Default shall, when received by the Agent in cash or its equivalent, be applied by the Agent in accordance with Section 3.5 of

the Credit Agreement. The Debtors shall remain liable to the Agent and the Lenders for any deficiency. Any surplus remaining after the termination of this Agreement in accordance with Section 14 hereof shall be returned to the Company, as agent for the Debtors, or to whomsoever the Agent reasonably determines is lawfully entitled thereto.

SECTION 13. INDEMNIFICATION; LITIGATION.

(a) Each Debtor shall have the right to commence and prosecute in its own name, as real party in interest, for its own benefit and at its own expense, such applications for protection of the Collateral, suits, proceedings or other actions for infringement, unfair competition, dilution or other damage as are in its reasonable business judgment necessary to protect the Collateral. The Agent and the Lenders shall provide all reasonable and necessary cooperation in connection with any such suit, proceeding or action, including, without limitation, joining as a necessary party, at the Debtor's expense.

(b) Upon the occurrence and during the continuation of any Event of Default hereunder, the Agent shall have the right, but shall in no way be obligated, to file applications for protection of the Collateral or bring suit in the name of the Debtors, the Agent or the Lenders to enforce the Collateral. In the event of such suit, each Debtor shall, at the request of the Agent, do any and all lawful acts and execute any and all documents required by the Agent in aid of such enforcement.

SECTION 14. TERMINATION AND RELEASE.

This Agreement is made for collateral purposes only. This Agreement shall be a continuing agreement in every respect and shall remain in full force and effect until (a) the commitments of the Lenders to extend credit to or for the account of the Borrowers under the Credit Agreement shall have terminated and all of the Secured Obligations, both for principal and interest, then due and payable have been fully paid and satisfied, or (b) the liens and security interest have been terminated pursuant to Section 1.8(b) of the Credit Agreement. Upon such termination of this Agreement, the Agent shall, upon the request and at the expense of the Debtors, forthwith assign, transfer and deliver, against receipt and without recourse to the Agent, such of the Collateral as may then be in the possession of the Agent and as shall not have been sold or otherwise applied pursuant to the terms hereof to or on the order of each Debtor. Said assignment, transfer and delivery shall include an instrument in form recordable in the United States Patent and Trademark Office or the United States Copyright Office, as the case may be, by which the Agent shall terminate, release and, without representation, recourse or warranty, reassign to each Debtor all rights in each Patent, Patent License, Trademark, Trademark License, Copyright and Copyright License, including each registration thereof and application therefor, conveyed and transferred to the Agent pursuant to this Agreement.

SECTION 15. THE AGENT.

In acting under or by virtue of this Agreement, the Agent shall be entitled to all the rights, authority, privileges and immunities provided in Section 10 of the Credit Agreement, all of which provisions of said Section 10 are incorporated by reference herein with the same force and effect as if set forth herein in their entirety. The Agent hereby disclaims any representation or warranty to the Lenders or any other holders of the Obligations concerning the perfection of the liens and security interests granted hereunder or in the value of any of the Collateral.

SECTION 16. MISCELLANEOUS.

(a) This Agreement cannot be changed or terminated orally. This Agreement shall create a continuing lien on and security interest in the Collateral and shall be binding upon each Debtor, its successors and assigns and shall inure, together with the rights and remedies of the Agent and the Lenders hereunder, to the benefit of the Agent, the Lenders and their successors and permitted assigns; *provided, however*, that each party hereto may assign its rights or delegate its duties hereunder only in accordance with Sections 10.13, 12.10, 12.16 and 12.17 of the Credit Agreement. Without limiting the generality of the foregoing, and subject to the provisions of the Credit Agreement, any Lender may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other person, and such other person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise.

(b) All communications provided for herein shall be in writing, except as otherwise specifically provided for hereinabove, and shall be deemed to have been given or made, if to any Debtor when given to such Debtor in accordance with Section 11.9 of the Credit Agreement, or if to the Agent or any Lender, when given to such party in accordance with Section 11.9 of the Credit Agreement.

(c) No Lender shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure or other realization upon any Collateral subject to this Agreement or for the execution of any trust or power hereof or for the appointment of a receiver, or for the enforcement of any other remedy under or upon this Agreement; it being understood and intended that no one or more of the Lenders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien and security interest of this Agreement by its or their action or to enforce any right hereunder, and that all proceedings at law or in equity shall be instituted, had and maintained by the Agent in the manner herein provided for the benefit of the Lenders.

(d) In the event that any provision hereof shall be deemed to be invalid or unenforceable by reason of the operation of any law or by reason of the interpretation placed thereon by any court, this Agreement shall be construed as not containing such provision, but only as to such jurisdictions where such law or interpretation is operative, and the invalidity or unenforceability of such provision shall not affect the validity of any remaining provisions hereof, and any and all other provisions hereof which are otherwise

lawful and valid shall remain in full force and effect. Without limiting the generality of the foregoing, in the event that this Agreement shall be deemed to be invalid or otherwise unenforceable with respect to any Debtor, such invalidity or unenforceability shall not affect the validity of this Agreement with respect to the other Debtors.

(e) The lien and security interest herein created and provided for stand as direct and primary security for the Secured Obligations of the Borrowers arising under or otherwise relating to the Credit Agreement as well as for any of the other Secured Obligations. No application of any sums received by the Lenders in respect of the Collateral or any disposition thereof to the reduction of the Secured Obligations or any part thereof shall in any manner entitle any Debtor to any right, title or interest in or to the Secured Obligations or any collateral or security therefor, whether by subrogation or otherwise, unless and until this Agreement shall have terminated in accordance with Section 14 hereof. Each Debtor acknowledges that the lien and security interest hereby created and provided are absolute and unconditional and shall not in any manner be affected or impaired by any acts of omissions whatsoever of the Agent, any Lender or any other holder of any Secured Obligations, and without limiting the generality of the foregoing, the lien and security interest hereof shall not be impaired by any acceptance by the Lenders or any other holder of any Secured Obligations of any other security for or guarantors upon any of the Secured Obligations or by any failure, neglect or omission on the part of the Agent, any Lender or any other holder of any Secured Obligations to realize upon or protect any of the Secured Obligations or any collateral or security therefor. The lien and security interest hereof shall not in any manner be impaired or affected by any sale, pledge, surrender, compromise, settlement, release, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification or disposition of any of the Secured Obligations or of any collateral or security therefor, or of any guaranty thereof, or of any instrument or agreement setting forth the terms and conditions pertaining to any of the foregoing. The Lenders may at their discretion at any time grant credit to the Borrowers without notice to the other Debtors in such amounts and on such terms as the Lenders may elect (all of such to constitute additional Secured Obligations) without in any manner impairing the lien and security interest created and provided for herein. In order to realize hereon and to exercise the rights granted the Agent and the Lenders hereunder and under applicable law, there shall be no obligation on the part of the Agent, any Lender or any other holder of any Secured Obligations at any time to first resort for payment to the Borrowers or to any other Debtor or to any guaranty of the Secured Obligations or any portion thereof or to resort to any other collateral, security, property, liens or any other rights or remedies whatsoever, and the Agent and the Lenders shall have the right to enforce this Agreement against any Debtor or any of its Collateral irrespective of whether or not other proceedings or steps seeking resort to or realization upon or from any of the foregoing are pending.

(f) This Agreement shall be deemed to have been made in the State of Illinois and shall be governed by, and construed in accordance with, the laws of the State of Illinois. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

(g) Each Debtor hereby submits to the non-exclusive jurisdiction of the United States District Court for the Northern District of Illinois and of any Illinois state court sitting in the City of Chicago for purposes of all legal proceedings arising out of or relating to this Agreement, the other Loan Documents or the transactions contemplated hereby or thereby. Each Debtor irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient form. EACH DEBTOR, THE AGENT, AND EACH LENDER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.


(h) This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterpart signature pages, each constituting an original, but all together one and the same agreement.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each Debtor has caused this Agreement to be duly executed and delivered in Chicago, Illinois as of the date first above written.

"DEBTORS"

SEMINIS, INC.


By 
Its V.P./C.F.O.

Address:

2901 N. Ventura Road
Suite 250
Oxnard, California 94142-0007

Attention: _____

SEMINIS VEGETABLE SEEDS, INC.

By 
Its V.P./C.F.O.

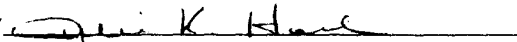
Address:

1905 Lirio Avenue
Saticoy, California 93007

Attention: _____

Accepted and agreed to in Chicago, Illinois as of the date first above written.

HARRIS TRUST AND SAVINGS BANK,
as Agent as aforesaid for the Lenders

By 
Its Vice President

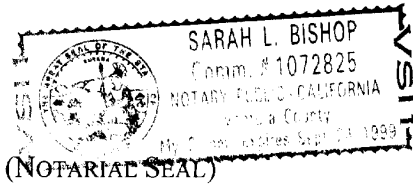
Address:

111 West Monroe Street
P.O. Box 755
Chicago, Illinois 60690
Attention: Agribusiness Division

STATE OF CALIFORNIA)
) SS
COUNTY OF VENTURA)

I, SARAH L. BISHOP, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JAMES M. LARKIN, VICE PRESIDENT of Seminis, Inc., an Illinois Corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such VICE PRESIDENT, appeared before me this day in person and acknowledged that ~~she~~ he signed and delivered the said instrument as ~~his~~ his own free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 12th day of MARCH, 1998.



Sarah L. Bishop
Notary Public

SARAH L. BISHOP
(Type or Print Name)

My Commission Expires:

SEPT. 24, 1999

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, LISA BRENZA, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Julie K. Hossack, Vice President of Harris Trust and Savings Bank, an Illinois banking corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her own free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 7th day of January, 1998.

Lisa Brenza
Notary Public

(NOTARIAL SEAL)

LISA BRENZA
(Type or Print Name)

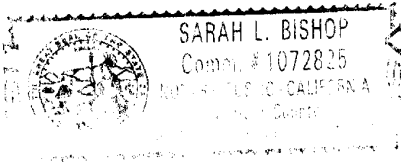
My Commission Expires:

OFFICIAL SEAL
LISA BRENZA
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. SEPT 16, 1999

STATE OF CALIFORNIA)
) SS
COUNTY OF VENTURA)

I, SARAH L. BISHOP, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JAMES M. LARKIN, VICE PRESIDENT of Seminis Vegetable Seeds, Inc., a California corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such VICE PRESIDENT, appeared before me this day in person and acknowledged that she/he signed and delivered the said instrument as her/his own free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 12th day of MARCH, 1998.



(NOTARIAL SEAL)

Sarah L. Bishop
Notary Public

SARAH L. BISHOP
(Type or Print Name)

My Commission Expires:

SEPT. 24, 1999

SCHEDULE A-2
TO SECURITY AGREEMENT
RE: INTELLECTUAL PROPERTY
PATENT LICENSES

U.S. PATENT NUMBER

DATE ISSUED

LICENSE AGREEMENT

NONE

