

**RECORDATION FORM COVER SHEET
PATENTS ONLY**
page 2 of 2

**CONTINUATION FROM #4B
PATENT NO.S.**

CONVEYING PARTY:

PACIFIC MARKET INTERNATIONAL LLC

RECEIVING PARTY:

**WELLS FARGO BUSINESS CREDIT, INC.
MAC P6101-144
1300 S.W. FIFTH AVENUE, 14TH FLOOR
PORTLAND, OR 97201**

4 B. PATENT NO.S CONTINUED

5,916,470	D418,374	D411,716	D415,395	D415,659
D425,374	6,147,337	D448,620S	D449,963S	D454,756
D450,583	D442,030S	D441,288S	D440,815	D437,185
D436,296S	D434,611	D434,275	D433,876	D431,969
D431,396	D430,769	D429,119	D429,118	D426,109
D425,758	D424,878	D422,842	D421,085	D418,013
D417,819	D416,757	D383,184	D349,743	D322,301

PATENT AND TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of ~~August~~ ^{23 October} 21, 2003, is made by and between Pacific Market International, LLC, a Washington limited liability company having a business location at the address set forth below next to its signature (the "Debtor"), and Wells Fargo Business Credit, Inc., a Minnesota corporation having a business location at the address set forth below next to its signature (the "Secured Party").

Recitals

The Debtor, Pacific Market, Inc., d/b/a Pacific Market International, a Washington corporation and the Secured Party are parties to a Credit and Security Agreement dated as of June 27, 2002 (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtor.

As a condition to extending credit to or for the account of the Debtor, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Credit Agreement) which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Credit Agreement).

"Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of the Debtor's right, title and interest in and to:
(i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each,
(ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present

and future infringement, dilution and damages therefor, (iv) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Credit Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a limited liability company duly organized, validly existing and in good standing under the laws of its state of incorporation, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Debtor.

(b) **Patents.** Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof, or to which the Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patents pertaining to the Patent as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall within 60 days provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.

(c) **Trademarks.** Exhibit B accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit B need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to the Debtor's or any Affiliate's business(es). If after the date hereof, the Debtor owns or controls any Trademarks not listed on Exhibit B (other than common law marks which are not material to the Debtor's or any Affiliate's business(es)), or if Exhibit B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit B, which upon acceptance by the Secured Party shall become part of this Agreement.

(d) **Affiliates.** As of the date hereof, no Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by the Debtor, constitute Patents or Trademarks. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then the Debtor shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to the Debtor; or (ii) notify the Secured Party of such item(s) and cause such Affiliate to execute and deliver to the Secured Party a patent and trademark security agreement substantially in the form of this Agreement.

(e) **Title.** The Debtor has absolute title to each Patent and each Trademark listed on Exhibits A and B, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** Except as permitted in the Credit Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.

(g) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(h) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of

the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.

(k) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (i) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

4. **Debtor's Use of the Patents and Trademarks.** The Debtor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. **Events of Default.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Credit Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Washington without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

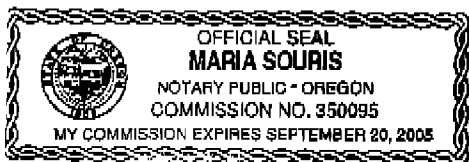
THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

State of ~~Washington~~)
 OREGON) ss.
County of ~~King~~)
 MULTNOMAH)

I certify that I know or have satisfactory evidence that JACK BOTHWELL is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Vice President of Wells Fargo Business Credit, Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

~~OCTOBER~~
Dated: August 21, 2003



Maria Souris
Notary Public in and for the State of
~~Washington~~ OREGON

MARIA SOURIS
(Name legibly printed or stamped)

My appointment expires on 9/20/2005.

EXHIBIT A

UNITED STATES ISSUED PATENTS

<u>Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
Food Storage Cooler	D317,240	6/4/1991
Vacuum Insulated Panel & Method of Forming a Vacuum Insulated Panel	5,252,408	10/12/1993
Container	D357,161	4/11/1995
Container	D353,521	12/20/1994
Microwaveable Heat Retentive Receptacle	5,916,470	6/29/1999
Heat Retentive Bottle	Pending: 29/089/264	6/29/1999
Insulated Beverage Bottle and Cup(s)	D418,374	6/4/2000
Thermal Bottle and Cups	D411,716	6/29/1999
Wide Mouth Food Bottle	D415,395	10/19/1999
Wide Mouth Food Bottle	D415,659	10/26/1999
Vacuum Bottle	D425,374	5/23/2000
Microwaveable Heat Retentive Receptacle	6,147,337	11/14/2000
Magical Tumbler	D448,620 S	10/2/2001
Wave Tumbler	D449,963 S	11/6/2001
Ranger Traveler Mug	D454,756	03-26-02
Drink through lid	D450,583	11-20-01
Beverage Container without Handle	D442,030 S	05-15-01
Twist Lid	D441,288 S	05-01-01
Cup Handle	D440,815	04-24-01
Ethel Beverage Container	D437,185	02-06-01
Beverage Container with Band	D436,296 S	01-16-01
Thermal Bottle	D434,611	12-05-00
Travel Mug	D434,275	11-28-00
Teardrop Beverage Container with Band	D433,876	11-21-00
Thermal Beverage Bottle	D431,969	10-17-00
Umbrella Point of Purchase Display	D431,396	10-03-00
Personal Carafe Beverage Bottle	D430,769	09-12-00
Thermal Beverage Bottle	D429,119	08-08-00
Thermal Beverage Bottle	D429,118	08-08-00
Beverage Container	D426,109	06-06-00
Beverage Container	D425,758	05-30-00
Beverage Container	D424,878	05-16-00
Beverage Container	D422,842	04-18-00
Fun Float	D421,085	02-22-00
Classic Mug Beverage Container	D418,013	12-28-99
Tapered Beverage Tumbler	D417,819	12-21-99
Banded Tumbler	D416,757	11-23-99

Tow Harness for Inflatable Tube	D383,184	09-02-97
Towable Watercraft	D349,743	08-16-94
Inflatable Watercraft	D322,301	12-10-91

UNITED STATES PATENT APPLICATIONS

<u>Title</u>	<u>Serial Number</u>	<u>Filing Date</u>
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NONE

FOREIGN ISSUED PATENTS

<u>Title</u>	<u>Country</u>	<u>Patent Number</u>	<u>Issue Date</u>
STANLEY	Austria	98315	
STANLEY	Benelux	6039	
ALADDIN	Canada	UCA 020809	3/3/1945
PUMP-A-DRINK	Canada	TMA 244555	5/9/1980
EXPLORER	Canada	TMA 448459	9/29/1995
TEMPRESERVE	Canada	TMA 461034	8/9/1996
ALADDIN	China	719136	
STANLEY	Denmark	VA 1999 01633	5/20/1999
STANLEY	European Community	206763	11/24/1999
STANLEY	Finland	53365	10/21/1968
STANLEY	Germany	822497	
STANLEY	Hong Kong	B905/72	1/17/1970
ALADDIN	Hong Kong	669/64	
ALADDIN	Hong Kong	11041/99/99	3/29/1993
ALADDIN	Indonesia	337910	
STANLEY	Italy	387918	
STANLEY	Japan	876677	10/20/1970
ALADDIN	Japan	559,247	10/15/1962
ALADDIN	Japan	609,752	4/22/1963
ALADDIN	Japan	630,993	12/5/1963
ALADDIN	Japan	1,727,589	11/27/1984
ALADDIN	Japan	4,067,309	10/9/1997
STANLEY	Korea	0080229	1/12/1982
ALADDIN	Korea	473009	7/5/2000
STANLEY	Kuwait	3665	
ALADDIN	Malaysia	M/45952	

ALADDIN	Philippines	62956	5/21/1996
ALADDIN	Philippines	61332	8/1/1996
STANLEY	Portugal	209743M	
ALADDIN	Singapore	40586	
WILLIAM STANLEY	South Africa	69/2917	
STANLEY	Sweden	340212	7/29/1983
ALADDIN	Taiwan	886298	3/16/2000
ALADDIN	Taiwan	886345	3/16/2000
ALADDIN	Thailand	231882/Kor4136	

EXHIBIT B

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKSREGISTRATIONS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
STANLEY	643096	3/26/1957
ALADDIN	501,130	7/27/1948
ALADDIN	765,290	2/25/1964
ALADDIN	986,686	6/25/1974
ALADDIN MICROMAGIC	2,251,742	6/8/1999
ALADDIN MAGICHEAT	2,237,408	4/6/1999
ALADDIN OUTDOORS	2,395,629	10/17/2000
ALADDIN OUTDOORS	2,435,956	3/13/2001
DURA-DINER	763,734	1/28/1964
LOX-ON	771,238	6/9/1964
DURA GARD	789,526	5/18/1965
PUMP-A-DRINK	1,842,981	7/5/1994
TEMPRESERVE	1,786,787	8/10/1993
POUR-THRU	1,972,715	5/7/1996
POP TOP	1,985,208	7/9/1996
ENVOY	2,042,211	3/4/1997
TEMPRESERVE COOK & GO	2,122,460	12/16/1997
MAGICHEAT	2,250,134	6/1/1999
BEST BUY	76/153,485	10/25/2000
DESIGN ONLY	R2280901	09-28-99
DESIGN ONLY	R2310560	01-25-00
MIGO	R2521168	12-18-01
NORTH RANGE	R2013848	11-05-96
PIKE SPORT	R2035303	02-04-97
RIVER & PIKE	R2013849	11-05-96
CLIP GRIP	R2328878	03-14-00
PIKE THERMAL	R2025452	12-24-96
MIGO	75-589,999	05-05-01
BLAST	76-048,273	05-12-00
H	76-214,971	02-23-01
DESIGN ONLY	75-373,723	10-13-97
DESIGN ONLY	75-440,486	02-25-98
DESIGN ONLY	75-440,494	02-25-98
DESIGN ONLY	75-441,971	02-27-98

Patent
10-12-03

APPLICATIONS

NONE

COLLECTIVE MEMBERSHIP MARKS

NONE

UNREGISTERED MARKS

NONE