

11/18/03

11-18-2003

Form PTO-1595

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(Rev. 10/02)

OMB No. 0651-0027 (exp. 6/30/2005)



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

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

1. Name of conveying party(ies):

EASY GARDENER PRODUCTS, LTD., a Texas
limited partnershipAdditional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Other _____

Execution Date: 10/29/2003

2. Name and address of receiving party(ies)

Name: WELLS FARGO FOOTHILL, INC.

Internal Address: Suite 1450

Street Address: 1000 Abernathy Road

City: Atlanta State: GA Zip: 30328

Additional name(s) & address(es) attached? ☐ Yes ☒ No

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

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s) _____

Please see attached Exhibit A

B. Patent No.(s) _____

Please see attached Exhibit A

Additional numbers attached? ☒ Yes ☐ No

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

Name: FEDERAL RESEARCH CO., LLC

Internal Address: Attn: Penelope Agodoa

Suite 920

Street Address: 1030 15th Street, NW

City: Washington State: DC Zip: 20005

6. Total number of applications and patents involved: 30

7. Total fee (37 CFR 3.41).....\$ 1,200.00

☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Kimberley A. Lathrop

Name of Person Signing

Kimberley A. Lathrop
Signature

November 17, 2003

Date

Total number of pages including cover sheet, attachments, and documents: 11

11/19/2003 LMUELLER 00000078 5201154

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Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231PATENT
REEL: 014692 FRAME: 0267

EXHIBIT A

List of Patents

Patent No.			
Utility			
1.	Anchor Edge Landscape edging & Methods of Manufacturing & Using same	5,201,154	04/13/93
2.	Emerald Edge	5,456,045	10/17/95
3.	Forged Iron (Stackable LS Edging & Mfg methods)	09/766,087	06/27/03
4.	Disintegratable fertilizer table	4,055,974	11/01/77
5.	Extrusion die assembly	4,164,388	08/14/79
6.	Fertilizer briquette adapted to be hammered into the ground (outdoor manufacturing process)	4,348,218	09/07/82
7.	Fertilizer product and process for making/using it (indoor extruder manufacturing process)	4,474,595	10/02/84
8.	Nozzle structure for a Root Feeding device	4,705,218	11/10/87
9.	RPG Edging "Euro Edge Short"	29/111,817	10/06/99
10.	Root Feeder	5,322,085	06/21/94
11.	Pourable granular Paper Mulch Composition	6,021,598	02/08/00
Design			
12.	Root Feeder Head Assembly	D357,971	05/02/95
13.	TerraCotta Tile	D407,507	03/30/99
14.	Adirondak border edge (from Filtertek)	D363,801	10/31/95
15.	Log Edging (from Filtertek)	D276,494	11/27/84
16.	Flat brick border (from Filtertek)	D310,421	09/04/90
17.	Lawn Edging from Euro United (small solid fence-like)	D430,683	09/05/00
18.	Lawn Edging from Euro United (pound-in like EE)	D430,682	09/05/00
19.	Villa Garden Tiles – English Stone Finial (Design)	D456,529	04/30/02
20.	Whimsical Butterfly	D456,912	05/07/02
21.	Whimsical Arch	D457,251	05/14/02
22.	Whimsical Loop	D457,653	05/21/02
23.	DecoTILE Border	D457,256	05/14/02
24.	Villa Garden Tiles – Adobe	D457,663	05/21/02
25.	Villa Garden Tiles – Roma	D457,662	05/21/02
26.	Villa Garden Tiles – English Stone	D457,973	05/28/02
27.	Garden Braid	D458,393	06/04/02
28.	Whimsical Butterfly – Plain	D463,582	09/23/02
Applications Filed			
	Garden Braid	Design	Filed 08/07/01

#	Patent Title	Patent No.	Issued Date
	Whimsical Arch	Design	Filed 08/07/01
29.	Whimsical Loop	2003-0024158	Published 02/06/03
	Whimsical Butterfly (w/o butterfly)	Design	Filed 08/07/01
30.	Garden Braid – connection	10/039,633	Filed 08/07/01
	Whimsical family – bent insertion	Utility	Filed 08/07/01

**COLLATERAL ASSIGNMENT OF PATENTS
(SECURITY AGREEMENT)**

THIS COLLATERAL ASSIGNMENT OF PATENTS (SECURITY AGREEMENT) (this "Security Agreement") dated October 29, 2003, is made between EASY GARDENER PRODUCTS, LTD., a Texas limited partnership with an office at 3022 Franklin Avenue, Waco, Texas 76710 ("Pledgor"), and WELLS FARGO FOOTHILL, INC. a California corporation with an office at 1000 Abernathy Road, Suite 1450, Atlanta, Georgia 30328 ("Pledgee"), as Agent for the Lenders (as defined below).

W I T N E S S E T H:

WHEREAS, Pledgee, the lenders from time to time party thereto (the "Lenders") and Pledgor, Weatherly Consumer Products Group, Inc., a Delaware corporation, and Weatherly Consumer Products, Inc., a Delaware corporation (collectively referred to herein as the "Borrower"), have entered into that certain Amended and Restated Loan and Security Agreement, dated as of the date hereof (the "Loan Agreement" and together with all documents in connection therewith, "Loan Documents") (capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Loan Documents), pursuant to which the Lenders will provide certain financial accommodations to Borrower;

WHEREAS, Pledgor owns all right, title, and interest in and to, among other things, all the United States and foreign patents, registrations and applications for the protection of inventions or designs set forth on Exhibit A hereto (the "Patents"); and

WHEREAS, in order to secure Pledgor's obligations to the Lenders under the Loan Agreement, Pledgor has granted to Pledgee a security interest in the Patents and certain other patents, inventions and assets with respect to the Patents as further set forth herein and in the Loan Documents, and Pledgee has requested Pledgor to enter into this Security Agreement to evidence further such security interest.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration received and to be received, as security for the full payment and performance of Pledgor's obligations under the Loan Agreement, and to induce the Lenders to make loans and advances to Borrower, Pledgor hereby grants to Pledgee, for the benefit of Pledgee, the Lenders, and any provider of a Bank Product, a continuing security interest in:

- (a) the Patents;
- (b) all patents, registrations and applications for the protection of inventions and designs hereafter acquired by, granted to, or filed by Pledgor, whether based upon, derived from or variations of any invention or designs disclosed in the Patents or otherwise (the "Future Patents");
- (c) all extensions, renewals, and continuations, re-issues, divisions, and continuations-in-part of the Patents and Future Patents;

(d) all rights to sue for past, present and future infringements of the Patents and Future Patents;

(e) all proceeds, including without limitation, license royalties and proceeds of infringement suits, based on the Patents and Future Patents;

(f) all licenses and other agreements and all fees, rents, royalties, proceeds or monies thereunder, relating to the Patents and Future Patents and the use thereof; and

(g) all trademarks, trademark registrations, trademark registration applications, formulae, processes, compounds, methods, know-how, and trade secrets relating to the manufacture of Pledgor's products under, utilizing, or in connection with the Patents and Future Patents and all goodwill connected with, symbolized by or related to the foregoing.

All of the foregoing items set forth in clauses (a) through (g) are hereinafter referred to collectively as the "Collateral."

AND Pledgor hereby covenants with Pledgee as follows:

1. Pledgor's Obligations. Pledgor agrees that, notwithstanding this Security Agreement, it will perform and discharge and remain liable for all its covenants, duties, and obligations arising in connection with the Collateral and any licenses and agreements related thereto. Neither Pledgee nor any Lender shall have any obligation or liability in connection with the Collateral or any licenses or agreements relating thereto by reason of this Security Agreement or any payment received by Pledgee or any Lender relating to the Collateral, nor shall Pledgee or any Lender be required to perform any covenant, duty or obligation of Pledgor arising in connection with the Collateral or any license or agreement related thereto or to take any other action regarding the Collateral or any such licenses or agreement.

2. Representations and Warranties. Pledgor represents and warrants to Pledgee that:

(a) Pledgor is the registered owner of, and no adverse claims are currently outstanding with respect to its title to or the validity of, the Collateral;

(b) such title is indefeasible for the duration of each such Patent; the Patents are subsisting and no part thereof has been adjudicated invalid or unenforceable, in whole or in part; each Patent is, to its best knowledge, valid and, if granted and registered, enforceable;

(c) the Patents are the only patents in which Pledgor has any or all ownership right, title and interest; none of the Collateral is subject to any mortgage, pledge, lien, security interest, lease, charge, license (by Pledgor as licensor) or encumbrance, except Pledgee's security interest and Permitted Liens; and

(d) when this Security Agreement is filed in the United States Patent and Trademark Office and Pledgee has taken the other actions contemplated in this Security Agreement and by the other Loan Documents, this Security Agreement will create a legal

and valid perfected and continuing lien on and security interest in the Collateral in favor of Pledgee, enforceable against Pledgor and all third parties, subject to no other mortgage, lien, charge, encumbrance, or security or other interest other than Permitted Liens.

3. Covenants. Pledgor will maintain and renew all items of Collateral, and will defend the Collateral against the claims of all persons; provided, however, that Pledgor will not be required to maintain any Collateral which no longer has any material economic value and is not related to any Inventory. Without limiting the generality of the foregoing, so long as any Patent or Future Patent has any material economic value or relates to any Inventory, Pledgor shall not permit the expiration of any registration of or termination of any application for any such Patent and Future Patent without the prior written consent of Pledgee. If, before the Pledgor's obligations under the Loan Agreement have been satisfied in full and the Loan Documents have been terminated, Pledgor shall obtain rights to or be licensed to use any new patentable inventions, or become entitled to the benefit of any patent application 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 Section 1 hereof shall automatically apply thereto and Pledgor shall give Pledgee prompt notice thereof in writing.

4. Use Prior to Default. Effective until Pledgee's exercise of its rights and remedies upon an Event of Default under and as defined in the Loan Documents (an "Event of Default"), Pledgor shall be entitled to use the Collateral in the ordinary course of its business, subject to the terms and covenants of the Loan Documents and this Security Agreement.

5. Remedies Upon Default. Whenever any Event of Default shall occur and be continuing, Pledgee shall have all the rights and remedies granted to it in such event by the Loan Agreement, which rights and remedies are specifically incorporated herein by reference and made a part hereof, and any and all rights and remedies of law available to Pledgee or any Lender. Pledgee in such event may collect directly any payments due to Pledgor in respect of the Collateral and may sell, license, lease, assign, or otherwise dispose of the Collateral in the manner set forth in the Loan Agreement. Pledgor agrees that, in the event of any disposition of the Collateral upon any such Event of Default, it will duly execute, acknowledge and deliver all documents necessary or advisable to record title to the Collateral in any transferee or transferees thereof, including, without limitation, valid, recordable assignments of the Patents and Future Patents. In the event Pledgor fails or refuses to execute and deliver such documents, Pledgor hereby irrevocably appoints Pledgee as its attorney-in-fact, with power of substitution, to execute, deliver, and record any such documents on Pledgor's behalf. Notwithstanding any provision hereof to the contrary, during the continuation of an Event of Default, Pledgor may sell any merchandise incorporating or utilizing the Patents and Future Patents in the ordinary course of its business and in a manner consistent with its past practices until it receives written notice from Pledgee to the contrary. The preceding sentence shall not limit any right or remedy granted to Pledgee with respect to Pledgor's inventory under the Loan Documents or any other agreement now or hereafter in effect.

6. Cumulative Remedies. The rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies provided by law. The rights and remedies provided herein are intended to be in addition to and not in substitution of the rights and

remedies provided by the Loan Documents or any other agreement or instrument delivered in connection therewith.

7. Amendments and Waivers. This Security Agreement may not be modified, supplemented or amended, or any of its provisions waived, without the prior written consent of Pledgee. Pledgor hereby authorizes Pledgee to modify this Security Agreement by amending Exhibit A hereto to include any Future Patents or additional licenses.

8. Waiver of Rights. No course of dealing between the parties to this Security Agreement or any failure or delay on the part of any such party in exercising any rights or remedies hereunder shall operate as a waiver of any rights or remedies of such party or any other party and no single or partial exercise of any rights or remedies by one party hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies of such party or any other party. No waiver by Pledgee or any Lender of any breach or default by Pledgor shall be deemed a waiver of any other previous breach or default or of any breach or default occurring thereafter.

9. Assignment. The provisions of this Security Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that no interest herein or in or to the Collateral may be assigned by Pledgor without the prior written consent of Pledgee; and provided, further, that Pledgee may assign the rights and benefits hereof to any party acquiring any interest in the Obligations or any part thereof in accordance with the Loan Agreement.

10. Further Acts. Until all of the obligations of Borrower to the Lenders shall have been paid in full, Pledgor shall have the duty to prosecute diligently any applications for the Patents and Future Patents pending as of the date of this Security Agreement or thereafter, until the Obligations shall have been paid in full, to make applications on material unpatented or unregistered but patentable or registrable inventions, in any location where Pledgor does business, and to preserve and maintain all rights in the Patents. Any expenses incurred in connection with such applications or actions shall be borne by Pledgor. Pledgor shall not abandon any right to file a patent application or registration for any invention, nor abandon any such pending patent application or registration, without the consent of Pledgee, except to the extent that the invention covered thereby has no material economic value and is not related to any Inventory.

11. Enforcement. Upon Pledgor's failure to do so after Pledgee's demand, or during the existence of an Event of Default, Pledgee shall have the right but shall in no way be obligated to bring suit in its own name (as agent for the Lenders) to enforce the Patents and Future Patents and any license thereunder, in which event Pledgor shall at the request of Pledgee do any and all lawful acts and execute any and all proper documents required by Pledgee in aid of such enforcement and Pledgor shall promptly, upon demand, reimburse and indemnify Pledgee, each Lender and their respective agents for all costs and expenses incurred by such person in the exercise of their rights under this Section 11.

12. Release. At such time as Pledgor shall finally pay in full in cash and satisfy all of the Obligations (as defined by the Loan Documents), and the Loan Documents (and the

Commitments) have been terminated, other than upon enforcement of Pledgee's remedies under the Loan Documents during the existence an Event of Default, Pledgee, as agent for the Lenders, will execute and deliver to Pledgor a release or other instrument as may be necessary or proper to release Pledgor's lien in the Collateral, subject to any dispositions thereof which may have been made by Pledgee pursuant hereto.

13. Severability. If any clause or provision of this Security Agreement shall be held invalid or unenforceable, in whole or in part, in any jurisdiction, such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such or any other clause or provision in any other jurisdiction.

14. Notices. All notices, requests and demands to or upon Pledgor or Pledgee under this Security Agreement shall be given in the manner prescribed by the Loan Documents.

15. Governing Law. This Security Agreement shall be governed by and construed, applied, and enforced in accordance with the federal laws of the United States of America applicable to patents and the laws of the State of New York, except that no doctrine of choice of law shall be used to apply the laws of any other State or jurisdiction. The parties agree that all actions or proceedings arising in connection with this Security Agreement shall be tried and litigated only in the state and federal courts located in the Borough of Manhattan, County of New York, State of New York, whichever Pledgee may elect (except that Pledgee shall have the right to bring any action or proceeding against Pledgor or its property in the courts of any other jurisdiction which Pledgee deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Pledgor or its property). PLEDGOR AND PLEDGEE EACH WAIVES THE RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING UNDER THIS SECURITY AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND ANY RIGHT EITHER MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS, LACK OF PERSONAL JURISDICTION, OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 15.

16. Counterparts, etc. This Security Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Security Agreement by telefacsimile shall have the same force and effect as the delivery of an original executed counterpart of this Security Agreement. Any party delivering an executed counterpart of this Security Agreement by telefacsimile shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of this Security Agreement.

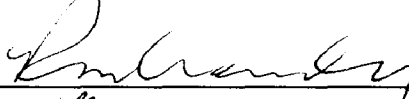
17. Supplement. This Security Agreement is a supplement to, and is hereby incorporated into, the Loan Documents and made a part thereof.

IN WITNESS WHEREOF, the parties have entered into this Security Agreement as of the date first above written.

PLEDGOR

EASY GARDENER PRODUCTS, LTD.,
a Texas limited partnership

By: E G Product Management, L.L.C.,
its General Partner

By: 
Title: Manager

PLEDGEE

WELLS FARGO FOOTHILL, INC.,
a California corporation, as Agent

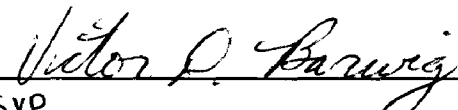
By: 
Title: SVP

EXHIBIT A

List of Patents

Patent Information			
Utility			
1.	Anchor Edge Landscape edging & Methods of Manufacturing & Using same	5,201,154	04/13/93
2.	Emerald Edge	5,456,045	10/17/95
3.	Forged Iron (Stackable LS Edging & Mfg methods)	09/766,087	06/27/03
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20.	Whimsical Butterfly	D456,912	05/07/02
21.	Whimsical Arch	D457,251	05/14/02
22.	Whimsical Loop	D457,653	05/21/02
23.	DecoTILE Border	D457,256	05/14/02
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26.	Villa Garden Tiles – English Stone	D457,973	05/28/02
27.	Garden Braid	D458,393	06/04/02
28.	Whimsical Butterfly – Plain	D463,582	09/23/02
Applications Filed			
	Garden Braid	Design	Filed 08/07/01

	Patent	Patent No.	Issue Date
	Whimsical Arch	Design	Filed 08/07/01
29.	Whimsical Loop	2003-0024158	Published 02/06/03
	Whimsical Butterfly (w/o butterfly)	Design	Filed 08/07/01
30.	Garden Braid – connection	10/039,633	Filed 08/07/01
	Whimsical family – bent insertion	Utility	Filed 08/07/01

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RECORDED: 11/18/2003

PATENT
REEL: 014692 FRAME: 0277