

10/2/03 RE T

10-02-2003



102546878

Original documents or copy thereof.

1. Name of conveying party(ies):

Hines Nurseries, Inc.

- Assignment Association General Partnership Limited Partnership Corporation-(a California corporation) Other

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other Grant of Trademark Security Interest

Execution Date: September 30, 2003

2. Name and address of receiving party(ies)

Name: Deutsche Bank Trust Company Americas, as Agent

Internal Address:

Street Address: 31 West 52nd Street

City: New York State: NY Zip: 10019

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

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

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

A. Trademark Application No.(s) 76/068,854; 76/073,986; 76/359,913; 76/359,915; 76/359,916; and 76/394,158

B. Trademark No.(s) none.

Additional numbers attached? Yes No

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

Name: Gina Durham, Esq.

Internal Address: c/o O'Melveny & Myers LLP

Street Address: 400 South Hope Street, Room 1919

City: Los Angeles State: CA Zip: 90071

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41).....\$ 285.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number

DO NOT USE THIS SPACE

9. Signature.

Gina Durham Name of Person Signing

Gina Durham Signature

October 1, 2003 Date

10/03/2003 FCIDPER 0000001A 7606A054 Total number of pages including cover sheet, attachments, and documents: 5

01 FC:8521 02 FC:8522 03 FC:8523

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231 40.00 OP 125.00 OP 120.00 OP

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, HINES NURSERIES, INC., a California corporation ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Hines Nurseries, Inc., a California corporation ("**Company**"), Enviro-Safe Laboratories, Inc., a Florida corporation, ("**Enviro-Safe**") and Hines SGUS Inc., a Nevada corporation ("**SGUS**"), as borrowers (the "**Borrowers**") have entered into a Credit Agreement dated as of September 30, 2003 (said Credit Agreement, as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, being the "**Credit Agreement**") with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the "**Lenders**"), Wells Fargo Bank, N.A. and Fleet Bank, as Co-Syndication Agents, and Deutsche Bank Trust Company Americas, as Agent for the Lenders (in such capacity, "**Secured Party**") pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Borrowers; and

WHEREAS, Borrowers may from time to time enter, or may from time to time have entered, into one or more swap agreements (collectively, the "**Derivative Contracts**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Derivative Contracts are entered into (in such capacity, collectively, "**Derivative Counterparties**"); and

WHEREAS, pursuant to the terms of a Security Agreement dated as of September 30, 2003 (said Security Agreement, as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, being the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has created in favor of Secured Party a security interest in, and Secured Party has become a secured creditor with respect to, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, to evidence further the security interest granted by Grantor to Secured Party pursuant to the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks set forth on Schedule A annexed hereto) (collectively, the "**Trademarks**"), all registrations that have been or may hereafter be issued or applied

for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications set forth on Schedule A annexed hereto), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries, and all goodwill of such Grantor's business symbolized by the Trademarks and associated therewith; and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term "**proceeds**" includes whatever is receivable or received when Trademark Collateral or proceeds are sold, licensed, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 30th day of September, 2003.

HINES NURSERIES, INC.

By: 

Name: Claudia M. Pieropan

Title: Chief Financial Officer, Secretary
and Treasurer

**SCHEDULE A
TO
GRANT OF TRADEMARK SECURITY INTEREST**

U.S. Trademarks Pending:

<u>Applicant</u>	<u>Trademark Description</u>	<u>Application Number</u>	<u>Application Date</u>
Hines Nurseries, Inc.	Patio Petites - A Collection of Topiary	76068854	06/12/00
Hines Nurseries, Inc.	Veggie-Tropics	76073986	06/21/00
Hines Nurseries, Inc.	Premier Hydrangeas	76359913	01/16/02
Hines Nurseries, Inc.	Halo Hydrangeas	76359915	01/16/02
Hines Nurseries, Inc.	Fern Creek	76359916	01/16/02
Hines Nurseries, Inc.	Hot Tropics	76394158	04/10/02