

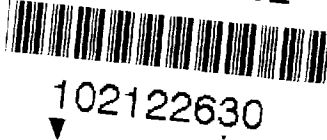


06-14-2002

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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies): 6.10.02 Fresh Foods Properties, LLC
[ ] Individual(s) [ ] Association
[ ] General Partnership [ ] Limited Partnership
[ ] Corporation-State
[X] Other Limited Liability Company
Additional name(s) of conveying party(ies) attached? [ ] Yes [X] No

2. Name and address of receiving party(ies)
Name: Foothill Capital Corporation
Internal Address: 18th Floor
Street Address: One Boston Place
City: Boston State: MA Zip: 02108
[ ] Individual(s) citizenship
[ ] Association
[ ] General Partnership
[ ] Limited Partnership
[X] Corporation-State
[ ] Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: [ ] Yes [ ] No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? [ ] Yes [X] No

3. Nature of conveyance:
[ ] Assignment [ ] Merger
[X] Security Agreement [ ] Change of Name
[ ] Other
Execution Date: May 29, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
B. Trademark Registration No.(s)
1,272,996
Additional number(s) attached [X] Yes [ ] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Niki Wolfe
Internal Address: Choate, Hall & Stewart
Street Address: Exchange Place
53 State Street
City: Boston State: MA Zip: 02109

6. Total number of applications and registrations involved: 7
7. Total fee (37 CFR 3.41).....\$ 190.00
[X] Enclosed
[ ] Authorized to be charged to deposit account
8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
Jessica McCaul
Name of Person Signing
Signature
6/6/2002
Date

Total number of pages including cover sheet, attachments, and document: 8

06/13/2002 LHWELLER 00000297 1272996

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

Q1 FC:481 40.00 OP
Q2 FC:482 150.00 OP

1,065,988  
1,071,065  
1,341,236  
1,335,749  
1,341,238  
1,095,364



EXECUTION

GUARANTY AND  
TRADEMARK SECURITY AGREEMENT

This GUARANTY AND TRADEMARK SECURITY AGREEMENT (this "Agreement") is made as of May 29, 2002 by and between FRESH FOODS PROPERTIES, LLC, a North Carolina limited liability company (the "Guarantor"), and FOOTHILL CAPITAL CORPORATION, as agent for each of the Lenders referred to below (in such capacity, the "Agent").

WITNESSETH:

WHEREAS, Pierre Foods, Inc., a North Carolina corporation (the "Borrower"), has entered into a Loan and Security Agreement dated as of the date hereof (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Loan Agreement") with the Agent and the financial institutions from time to time party thereto as lenders (the "Lenders" and, collectively with the Agent, the "Secured Parties") pursuant to which the Lenders have agreed, subject to the terms and conditions set forth therein, to make certain revolving loans, term loans and capex loans and provide other financial accommodations to the Borrower (collectively, the "Loans"); and

WHEREAS, the Borrower is the sole member and owns all of the issued and outstanding equity interests of the Guarantor; and

WHEREAS, the obligations of the Secured Parties to enter into the Loan Agreement, and the obligations of the Lenders to make the Loans, are subject to the condition, among others, that the Guarantor executes and delivers this Agreement; and

WHEREAS, the Guarantor has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, in consideration of the willingness of the Lenders to make the Loans to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement or the context otherwise requires, terms for which meanings are provided in the Uniform Commercial Code as in effect from time to time in Massachusetts are used in this Agreement with such meanings.

SECTION 2. Guaranteed Obligations. The Guarantor does hereby irrevocably and unconditionally guarantee, as primary obligor and not merely as surety, the due and punctual payment and performance by the Borrower of the following obligations to the Secured Parties (individually, a "Guaranteed Obligation" and collectively the "Guaranteed Obligations");

(a) principal of and premium, if any, and interest on the Loans (including, without limitation, the payment of interest and other amounts that would accrue and become due but for the filing of a petition in bankruptcy or the operation of the automatic stay under Section 362(a) of Title 11 of the United States Code, as amended (the “Bankruptcy Code”));

(b) any and all other Obligations, and any and all other obligations of the Borrower to the Secured Parties under the Loan Agreement or the other Loan Documents, all as amended from time to time and whether executed on or after the date hereof, whether for principal, interest, fees, premiums, expenses, indemnification or otherwise; and

(c) any and all other indebtedness or obligations (including, without limitation, the Indemnified Liabilities) of the Borrower to the Secured Parties, whether direct or indirect, absolute or contingent, due or to become due or now existing or hereafter arising.

SECTION 3. Limitation. Notwithstanding any contrary provision herein or any other Loan Document, the Guarantor’s maximum liability hereunder shall not exceed the lesser of: (a) the total amount of the Guaranteed Obligations; and (b) the maximum amount for which the Guarantor may be liable under this Agreement without such amount and the Guarantor’s obligations under this Agreement with respect to such amount being deemed a fraudulent transfer or conveyance, as determined by a court of competent jurisdiction.

SECTION 4. Payment Under Guaranty. Upon failure by the Borrower punctually to pay or perform any Guaranteed Obligation when due (whether at maturity, at a date fixed for any payment or prepayment thereof or upon acceleration or otherwise), the Secured Parties (acting through the Agent) may make written demand upon the Guarantors for the payment and/or performance of the Guaranteed Obligations, and the Guarantor binds and obliges itself to make such payment or performance forthwith upon such demand.

THE GUARANTOR ACKNOWLEDGES THAT ALL GUARANTEED OBLIGATIONS SHALL, TO THE FULLEST EXTENT PERMISSIBLE UNDER ANY LAW NOW OR HEREAFTER APPLICABLE HERETO, BE CONCLUSIVELY PRESUMED TO HAVE BEEN CREATED IN RELIANCE UPON THIS AGREEMENT.

SECTION 5. Grant of Security Interest. To secure the prompt performance of the Guaranteed Obligations, the Guarantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, and hereby grants to the Secured Party, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by each Guarantor (the “Trademark Collateral”):

(a) (i) all of its trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Schedule I attached hereto, whether currently in use or not,

all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (each, a "Trademark"); and

(b) all proceeds of, and rights associated with, the foregoing, including any claim by the Guarantor against third parties for past, present or future infringement or dilution of any Trademark.

SECTION 6. Continuing Security Interest. This Agreement shall create a continuing security interest in the Trademark Collateral and shall (a) remain in full force and effect until the date on which all of the Obligations have been fully paid in cash and the obligations of the Agent and the other Lenders to make Loans has been terminated, (b) be binding upon the Guarantor, its successors, transferees and assigns, and (c) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and each other Secured Party.

SECTION 7. Representations and Warranties.

(a) Ownership, No Liens, etc. The Guarantor owns the Trademark Collateral free and clear of any Lien. No effective financing statement or other filing similar in effect covering any of the Trademark Collateral, is on file in any recording office, except those filed in favor of the Agent relating to this Agreement.

(b) This Agreement constitutes the legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforceability of creditors' rights generally.

SECTION 8. Loan Agreement; Rights and Remedies. All of the provisions of the Loan Agreement with respect to the Trademark Collateral thereunder and the rights and remedies of the Secured Parties with respect thereto are incorporated herein by reference as if fully set forth herein and as though such provisions applied, and such provisions are hereby deemed to apply, to the Guarantor and the Trademark Collateral, respectively.

SECTION 9. Release of Liens. Upon (i) the disposition of Trademark Collateral in accordance with the Loan Agreement or (ii) the final payment in full of all of the Obligations and the termination of the obligation of the Secured Parties to make the Loans, the security interests granted herein shall automatically terminate with respect to (A) such Trademark Collateral (in the case of clause (i)) or (B) all Trademark Collateral (in the case of clause (ii)). Upon any such disposition or termination, the Guarantor will, at the Guarantor's sole expense, deliver to the Guarantor, without any representations, warranties or recourse of any kind whatsoever, all Trademark Collateral held by the Secured Party hereunder, and execute and deliver to the Guarantor such documents as the Guarantor shall reasonably request to evidence such termination.

SECTION 10. Loan Document. This Agreement is a Loan Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof.

SECTION 11. Governing Law. The execution, delivery and performance of this Agreement shall be governed by and construed in accordance with the internal laws of The Commonwealth of Massachusetts.

SECTION 12. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[Signatures appear on next page.]

SCHEDULE I  
to Guaranty and Trademark Security Agreement

Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
U.S.A.	FLUFFY and Design	1,272,996	04/03/1984
U.S.A.	MOM 'N' POP'S	1,065,988	05/17/1977
U.S.A.	MOM 'N' POP'S	1,071,065	08/09/1977
U.S.A.	MOM 'N' POP'S	1,341,236	06/11/1985
U.S.A.	MOM 'N' POP'S and Design	1,335,749	05/14/1985
U.S.A.	MOM 'N' POP'S and Design	1,341,238	06/11/1985
U.S.A.	MOM 'N' POP'S and Design	1,095,364	07/04/1978

Pending Trademark Applications

None.

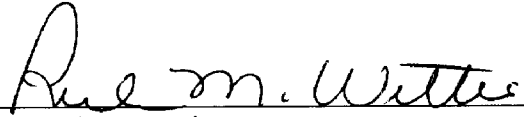
Trademark Applications in Preparation

None.

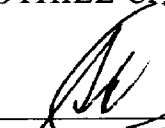
IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

FRESH FOODS PROPERTIES, LLC

By: PIERRE FOODS, INC.  
its sole Member

By:   
Pamela M. Witters,  
Chief Financial Officer

FOOTHILL CAPITAL CORPORATION, as Agent

By:   
Stephen J. Carll,  
Vice President

Commonwealth of Massachusetts

County of Suffolk, ss:

May ~~29~~, 2002

Then personally appeared the above named Pamela M. Witters as Chief Financial Officer of Fresh Foods Properties, LLC, and acknowledged the foregoing instrument to be her free act and deed as Chief Financial Officer of Fresh Foods Properties, LLC, before me,



Notary Public

My commission expires: 7/31/02