

04-09-2003



102414318

...ed original documents or copy thereof.

1. Name of conveying part(ies):  
CANADIAN IMPERIAL BANK OF COMMERCE

4-4-03

2. Name and address of receiving party(ies)

Name: SEATTLE'S BEST COFFEE, LLC  
Street Address: 1321 Second Avenue  
Suite 200  
Seattle, Washington 98101

- Individual(s)
- General Partnership
- Corporation-State
- Other: Administrative Agent
- Association
- Limited Partnership

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

OFFICE OF PUBLIC RECORDS  
2003 APR -4 AM 9:28  
FINANCE SECTION

Additional name(s) of conveying party(ies) attached  YES  NO

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  No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other: RELEASE
- Merger
- Change of Name

Execution Date: May 23, 2002

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

A. Trademark application No.(s)

B. Trademark Registration No.(s) 2,106,718; 1,923,926; 2,127,370; 2,067,576; 1,557,057  
1,910,161; 1,719,558; 1,726,713; 1,620,224; 1,596,702; 2,190,146;  
1,855,887; 1,710,273; 1,724,302; 1,640,970; 2,152,995; 2,190,146; 1,716,205;  
2,296,622; 2,181,496; 2,152,996; 2,126,728; 2,143,275

Additional numbers attached?  YES  NO

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

**James W. Kayden**  
Thomas, Kayden, Horstemeyer & Risley, L.L.P.  
100 Galleria Parkway, Suite 1750  
Atlanta, Georgia 30339

6. Total number of applications/registrations involved: [ 23 ]

7. Total fee (37 CFR 3.41) \$ 590.00

- To be charged to Credit Card Account (See attachment)
- Authorized to be charged to deposit account

8. Deposit Account Number:

20-0778  
(Attach duplicate copy of this page if paying by Deposit Account)

04/09/2003 LMUELLER 00000103 2106718

01 FC:8521  
02 FC:8522

40.00 00  
550.00 00

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.

James W. Kayden

4-Apr 2003  
Date

Typed Name  
Docket #: 80120-9020

Total number of pages including cover sheet, attachments, and document: [ 34 ]

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

TRADEMARK  
REEL: 002708 FRAME: 0414

May 23, 2002

AFC Enterprises, Inc.  
Six Concourse Parkway, Suite 1700  
Atlanta, Georgia 30328

Re: Payoff of Loan to AFC Enterprises, Inc. ("Borrower")

Ladies and Gentlemen:

Reference is made to that Amended and Restated Credit Agreement dated as of October, 15 1998, (as amended, the "Credit Agreement") among Borrower and Goldman Sachs Credit Partners L.P., as Lead Arranger and Canadian Imperial Bank of Commerce, as Agent for the Lenders party thereto (the "Agent"). Capitalized terms used herein and not otherwise defined herein shall have the same meanings as set forth in the Credit Agreement.

The Agent hereby waives notice of prepayment, termination or any other notice required of prepayment, termination or any other notice required pursuant to the Loan Documents and acknowledges receipt of the Payoff Amount, as defined and set forth in more detail on Schedule I hereto. The Agent hereby confirms that the obligations of AFC Enterprises, Inc., AFC Properties, Inc., AFC of Louisiana, LLC, Church's Texas Holdings, LLC, AFC Holdings of Texas, LLC, Seattle Coffee Company, Cinnabon International, Inc., CT Restaurants, L.P., Seattle's Best Coffee, LLC, Torrefazione Italia LLC, Cinnabon, Inc., and any other Subsidiary Guarantor (collectively, the "Credit Parties") to the Agent are hereby satisfied in full, and agrees mutually with AFC Enterprises, Inc. that the Loan Documents are terminated.

The Agent hereby further agrees that all liens, security interests and all right, title and interest in and to the assets, business, properties and rights of the Credit Parties granted and pledged to Agent pursuant to the Loan Documents (such interest hereinafter referred to as "Agent Liens") are hereby released, terminated and of no further force and effect. The Agent also further represents that it has not authorized, and hereby agrees that it will not authorize, the filing of any continuations in connection with the Agent Liens.

The Agent hereby delivers to Borrower: (i) UCC termination statements, which the Agent hereby authorizes for filing, with respect to each of the financing

statements identified on Schedule II hereto, which are the only financing statements filed by Agent in respect of the assets of the Credit Parties, (ii) originally executed and notarized releases for each of the other liens as identified on Schedule III hereto, including, without limitation, mortgage satisfactions and discharges, United States Copyright, Trademark and Patent releases and reassignments, and notices of release of interest to landlords, warehousemen and co-packers, (iii) possessory collateral in the possession of Agent as identified on Schedule IV hereto, including, without limitation, stock certificates, bonds or notes or other collateral pledged by the Credit Parties and entrusted to the care of Agent and (iv) any promissory notes evidencing the Loan, marked "paid in full", which promissory notes are identified on Schedule V hereto.

At the expense of the Credit Parties, the Agent also agrees to authorize, execute and deliver such other releases, instruments, documents and agreements as the Credit Parties may reasonably request from time to time for the purpose of effectuating the intent of this Release.

This Release shall be construed in accordance with and governed by the laws of the State of New York.

Very truly yours,

Canadian Imperial Bank of Commerce

By: *Katherine Bass*  
 Name: Katherine Bass  
 Title: Executive Director  
 CIBC World Markets Corp. As Agent

Acknowledged, Accepted and Agreed to by:

AFC Enterprises, Inc.

AFC Properties, Inc.

AFC of Louisiana, LLC

Church's Texas Holdings, LLC

AFC Holdings of Texas, LLC

Seattle Coffee Company

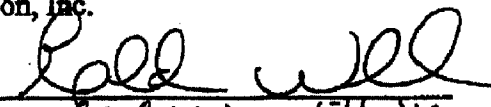
Cinnabon International, Inc.

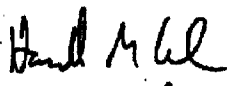
CT Restaurants, L.P.

Seattle's Best Coffee LLC

Torreazione Italia LLC

Cinnabon, Inc.

By:   
Name: GERALD WILKINS  
Title: CFO

By:   
Name: Harold M Chen  
Title: Assistant Secretary

RELEASE

(Trademarks)

This RELEASE (Trademarks) is given this \_\_\_ day of May, 2002 by Canadian Imperial Bank of Commerce ("Assignor") to Seattle's Best Coffee, LLC, a Washington limited liability company ("Assignee"), as follows:

WHEREAS, Assignee and Assignor entered into a Subsidiary Trademark Collateral Security Agreement dated March 17, 1998 ("Security Agreement");

WHEREAS, pursuant to said Security Agreement, Assignee assigned unto Assignor and granted to Assignor a security interest in all of Assignee's right, title and interest in certain collateral, including the trademarks listed on Schedule A hereto (the "Trademarks");

WHEREAS, the Security Agreement was recorded with the United States Patent and Trademark Office on April 16, 1998, at Reel 1720, Frame 0467; and

WHEREAS, Assignee has fully paid, performed, discharged and observed all its obligations to Assignor under the Security Agreement as necessary for Assignor to grant this Release (Trademarks).

NOW, THEREFORE, Assignor hereby releases all security interest, liens, encumbrances and any other right, title and interest in or to the collateral including, but not limited to, the Trademarks, and reassigns all its right, title, and interest in such Trademarks to Assignee.

IN WITNESS WHEREOF, Assignor has caused this Release  
(Trademarks) to be duly executed by its duly authorized officer as of this \_\_\_ day of  
May, 2002.

CANADIAN IMPERIAL BANK OF  
COMMERCE

By: Katherine Bass

Name: Katherine Bass

Title: Authorized Signatory

STATE OF NEW YORK  
COUNTY OF NEW YORK

On this, the \_\_\_\_\_ day of May, 2002, before me  
the undersigned officer, personally  
appeared Katherine Bass, who acknowledged  
himself/herself/themselves to be the \_\_\_\_\_ of  
Canadian Imperial Bank of Commerce, a Canadian chartered bank acting through its New  
York Agency, as Administrative Agent, and that he/she/they as such  
\_\_\_\_\_ being authorized to do so, executed the foregoing instrument for  
the purposes therein contained by signing the name of the corporation by himself as  
\_\_\_\_\_.

In witness whereof, I hereunto set my hand and official seal.

Joselyn Chico  
Notary Public

Joselyn Chico  
Printed Name

My Commission Expires:

9/4/05

2

JOSELYN CHICO  
NOTARY PUBLIC, State of New York  
No. 01CH8063808  
Qualified in New York County  
Commission Expires Sept. 4, 2005

TRADEMARK  
REEL: 002708 FRAME: 0419

**SCHEDULE A to RELEASE (Trademarks)**

**(see attached)**

SCHEDULE A  
TO  
TRADEMARK COLLATERAL  
SECURITY AGREEMENT

Seattle's Best Coffee, LLC Registrations

Trademark	App. No.	Reg. Date	Class(es)	Country/State
TT'S POURING IN SEATTLE	1,638,403	3/19/91	18 & 25	U. S.
TT'S POURING IN SEATTLE	1,898,702	6/16/90	30	U. S.
TT'S POURING IN SEATTLE	1,557,057	9/19/89	30 & 42	U. S.
SBC & Design	1,620,224	10/30/90	30	U. S.
ZOOMO'S	1,719,558	9/22/92	30	U. S.
EMERALD CITY BLEND	2,109,718	10/21/97	30	U. S.
HENRY'S BLEND	400931	7/24/92	30	Canada
TT'S POURING IN SEATTLE	1,728,713	10/20/92	30	U. S.
LATTE COOLER	429,847	7/1/94	30	Canada
LATTE COOLER	2676179	9/30/93	30	Japan
MOCHA COOLER	020898	11/15/91	35	Washington
SBC & DESIGN	405986	12/4/92	18, 25, 30, 39 & 42	Canada
SBC & Design	1516327	10/16/92	42	United Kingdom
SBC & Design	1514799	3/10/92	30	United Kingdom
SBC & Design	2368428	12/25/91	30	Japan
SBC & Design	10512180700	11/7/89	30	Korea
SBC & Design	421839	4/11/90	30	Taiwan



Seattle's Best Coffee, LLC Registrations

Trademark	App. No.	Reg. Date	Class(es)	Country/State
SBC & Design (new oval design)	2,067,578	6/3/97	30, 42	U.S.
SBC (word mark)	1,923,928	10/3/95	30	U.S.
SBC SEATTLE'S BEST COFFEE COFFEE COFFEE SBC & Design	1,855,887	9/27/94	30	U.S.
SEATTLE'S BEST BLEND	1,840,870	4/9/91	30	U.S.
SEATTLE'S BEST COFFEE	1,910,161	6/8/95	25, 30 & 42	U.S.
SEATTLE'S BEST COFFEE	1,839,432	3/26/91	30	U.S.
STEWART BROTHERS COFFEE	10511	11/7/89	30	Korea
TERRA MADRE	020872	11/6/91	30	Washington
TERRA MADRE (translated "Mother Earth")	1,718,205	9/15/92	30	U.S.
VIPCO	1,724,302	10/13/92	40	U.S.
WORKING IN HARMONY WITH THE EARTH	1,710,273	8/25/92	30	U.S.

TRADEMARK  
REEL: 1720 FRAME: 0489

TRADEMARK  
REEL: 002708 FRAME: 0422

\*Incontestable Registration

Seattle's Best Coffee, LLC Applications

Trademark	App. No.	Filing Date	Class(es)	Country/State
BISTRO BLEND	75/394,018	11/21/97	30	U.S.
BISTRO BLEND	75/394,073	11/21/97	40	U.S.
BISTRO BLEND	75/394,506	11/21/97	42	U.S.
BISTRO BLEND	75/083,592	4/4/98	30	U.S.
EXPRESSO CHILL	75/124,911	8/25/96	30	U.S.
GRAND CENTRAL BLEND	75/407,187	12/17/97	21	U.S.
GRANDE SUPREMO	820161	9/2/97	42	CTM
HENRY S	75/359,907	9/19/97	29, 30	U.S.
JAVANILLA	75/416,341	1/8/98	30	U.S.
PERFECT MEASURES	75/125,203	8/25/96	30	U.S.
PORTSIDE BLEND	620187	9/2/97	25, 30 & 42	CTM
POST ALLEY	76/124,893	8/25/96	30	U.S.
POST ALLEY BLEND	75/124,892	8/25/96	30	U.S.
SATURDAY'S BLEND	540401	5/22/97	21, 30 & 42	CTM
SBC	116769/1987	5/15/97	30, 42	U.S.
SBC & Design (current design)	75/233,799	1/30/97	30, 42	U.S.

Seattle's Best Coffee, LLC Applications

TRADEMARK  
REEL: 1720 FRAME: 0490

TRADEMARK  
REEL: 002708 FRAME: 0423

Trademark	App. No.	Filing Date	Class(es)	Country/State
SEATTLE'S BEST BLEND	620229	9/2/97	25, 30, 42	CTM
SEATTLE'S BEST COFFEE	748,541	3/1/94	30	Canada
SEATTLE'S BEST COFFEE	540336	5/22/97	21, 30 & 42	CTM
SEATTLE'S BEST COFFEE		10/30/06		Japan
SEATTLE'S BEST COFFEE & Design	28044/1997	8/17/97	30	Japan
SEATTLE'S BEST COFFEE & Design	128659/1997	9/17/97	42	Japan
SEATTLE'S BEST COFFEE BOLD FLAVOR - SMOOTH TASTE	640302	5/22/97	21, 30 & 42	CTM
SEATTLE'S BEST COFFEE HOUSE SWEETS	75251, 804	3/4/97	30	U. S.
TAZZA D'ORO (translated "Cup of Gold")	747220, 905	11/8/01	30	U. S.

RECORDED: 04/16/1998

TRADEMARK  
REEL: 1720 FRAME: 0491

TRADEMARK  
REEL: 002708 FRAME: 0424

RELEASE

(Trademarks)

This RELEASE (Trademarks) is given this \_\_\_ day of May, 2002 by Canadian Imperial Bank of Commerce ("Assignor") to Torrefazione Italia, LLC, a Washington limited liability company ("Assignee"), as follows:

WHEREAS, Assignee and Assignor entered into a Subsidiary Trademark Collateral Security Agreement dated March 17, 1998 ("Security Agreement");

WHEREAS, pursuant to said Security Agreement, Assignee assigned unto Assignor and granted to Assignor a security interest in all of Assignee's right, title and interest in certain collateral, including the trademarks listed on Schedule A hereto (the "Trademarks");

WHEREAS, the Security Agreement was recorded with the United States Patent and Trademark Office on April 16, 1998, at Reel 1720, Frame 0319; and

WHEREAS, Assignee has fully paid, performed, discharged and observed all its obligations to Assignor under the Security Agreement as necessary for Assignor to grant this Release (Trademarks).

NOW, THEREFORE, Assignor hereby releases all security interest, liens, encumbrances and any other right, title and interest in or to the collateral including, but not limited to, the Trademarks, and reassigns all its right, title, and interest in such Trademarks to Assignee.

IN WITNESS WHEREOF, Assignor has caused this Release  
(Trademarks) to be duly executed by its duly authorized officer as of this \_\_\_ day of  
May, 2002.

CANADIAN IMPERIAL BANK OF  
COMMERCE

By: Rachum Bass

Name: Katherine Bass

Title: Authorized Signatory

STATE OF NEW YORK  
COUNTY OF NEW YORK

On this, the \_\_\_\_\_ day of May, 2002, before me  
\_\_\_\_\_ the undersigned officer, personally  
appeared Katherine Bass, who acknowledged  
himself/herself/themselves to be the \_\_\_\_\_ of  
Canadian Imperial Bank of Commerce, a Canadian chartered bank acting through its New  
York Agency, as Administrative Agent, and that he/she/they as such  
\_\_\_\_\_ being authorized to do so, executed the foregoing instrument for  
the purposes therein contained by signing the name of the corporation by himself as  
\_\_\_\_\_.

In witness whereof, I hereunto set my hand and official seal.

Joselyn Chico  
Notary Public

Joselyn Chico  
Printed Name

My Commission Expires:

9/4/05

2

JOSELYN CHICO  
NOTARY PUBLIC, State of New York  
No. 01CH0063668  
Qualified in New York County  
Commission Expires Sept. 4, 2005

TRADEMARK  
REEL: 002708 FRAME: 0426

SCHEDULE A to RELEASE (Trademarks)

(see attached)

SCHEDULE A  
TO  
TRADEMARK COLLATERAL  
SECURITY AGREEMENT

Torrefazione Italia, LLC Registrations

Trademark	Reg. No.	Reg. Date	Class(es)	Country/State
*Design Only	1,699,769	6/6/90	30	U. S.
*TORREFAZIONE ITALIA	1,604,660	7/3/90	30	U. S.
MILANO	20229	11/27/90	30	Washington
MONTECATINI	20233	11/27/90	30	Washington
NAPOLI	20234	11/27/90	30	Washington
PALERMO	20231	11/27/90	30	Washington
PERUGIA	20230	11/27/90	30	Washington
ROMA	20226	11/27/90	30	Washington
TORREFAZIONE ITALIA & Design	2,051,810	4/15/97	42	U. S.
TORREFAZIONE ITALIA (translated "Roasting Italy")	2,018,671	11/26/96	42	U. S.
VENEZIA (translated "Venice")	20232	11/27/90	30	Washington

Incontestable Registration

TRADEMARK

Torrefazione Italia, LLC Applications

Trademark	App. No.	Filing Date	Class(es)	Country/State
SARDEGNA	75/128,810	02/27/86	30	U. S.
TORREFAZIONE ITALIA & Design	784,392	08/09/95	42	Canada
TORREFAZIONE ITALIA & Design	540389	5/22/97	21, 30, 42	CTM
TORREFAZIONE ITALIA & Design	627/1997	1/7/97	30	Japan
TORREFAZIONE ITALIA & Design	628/1997	1/7/97	42	Japan
TORREFAZIONE ITALIA & Design			30, 42	Taiwan

TRADEMARK  
REEL: 1720 FRAME: 0321

TRADEMARK  
REEL: 002708 FRAME: 0429



RELEASE

(Trademarks)

This RELEASE (Trademarks) is given this \_\_\_ day of May, 2002 by Canadian Imperial Bank of Commerce ("Assignor") to Seattle Coffee Company, a Georgia corporation ("Assignee"), as follows:

WHEREAS, Assignee and Assignor entered into a Subsidiary Trademark Collateral Security Agreement dated March 17, 1998 ("Security Agreement");

WHEREAS, pursuant to said Security Agreement, Assignee assigned unto Assignor and granted to Assignor a security interest in all of Assignee's right, title and interest in certain collateral, including the trademarks listed on Schedule A hereto (the "Trademarks");

WHEREAS, the Security Agreement was recorded with the United States Patent and Trademark Office on April 16, 1998, at Reel 1729, Frame 0093; and

WHEREAS, Assignee has fully paid, performed, discharged and observed all its obligations to Assignor under the Security Agreement as necessary for Assignor to grant this Release (Trademarks).

NOW, THEREFORE, Assignor hereby releases all security interest, liens, encumbrances and any other right, title and interest in or to the collateral including, but not limited to, the Trademarks, and reassigns all its right, title, and interest in such Trademarks to Assignee.

IN WITNESS WHEREOF, Assignor has caused this Release (Trademarks) to be duly executed by its duly authorized officer as of this \_\_\_ day of May, 2002.

CANADIAN IMPERIAL BANK OF COMMERCE

By: Katherine Bass

Name: Katherine Bass

Title: Authorized Signatory

STATE OF NEW YORK  
COUNTY OF NEW YORK

On this, the \_\_\_\_\_ day of May, 2002, before me \_\_\_\_\_, the undersigned officer, personally appeared Katherine Bass, who acknowledged himself/herself/themselves to be the \_\_\_\_\_ of Canadian Imperial Bank of Commerce, a Canadian chartered bank acting through its New York Agency, as Administrative Agent, and that he/she/they as such \_\_\_\_\_ being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as \_\_\_\_\_.

In witness whereof, I hereunto set my hand and official seal.

JOSELYN CHICO  
NOTARY PUBLIC, State of New York  
No. 01CH8083688  
Qualified In New York County  
Commission Expires Sept. 4, 2005

Joselyn Chico  
Notary Public  
Joselyn Chico  
Printed Name

My Commission Expires:

9/4/05

**SCHEDULE A to RELEASE (Trademarks)**

**(see attached)**

SCHEDULE A  
TO  
TRADEMARK COLLATERAL  
SECURITY AGREEMENT

Seattle's Coffee Company Applications

Trademark	App. No.	Filing Date	Class(es)	Country/State
SEATTLE COFFEE COMPANY	75286123	9/28/97	42	U. S.
SEATTLE COFFEE COMPANY	75286119	9/28/97	42	U. S.
SEATTLE COFFEE COMPANY	75286121	9/28/97	35	U. S.
SEATTLE COFFEE COMPANY	75286120	9/26/97	30	U. S.

TRADEMARK  
REEL: 1729 FRAME: 0094

TRADEMARK  
REEL: 002708 FRAME: 0433

**COHEN POLLOCK MERLIN  
AXELROD & SMALL, P.C.**

3350 RIVERWOOD PARKWAY, SUITE 1600  
ATLANTA, GEORGIA 30339  
TELEPHONE: 770.858.1288  
DIRECT PHONE: 770.857.4772  
DIRECT FAX: 770.857.4773  
E-MAIL: JRACHEL@CPMAS.COM

**FAX TRANSMISSION**

**TO:** Corey Limbaugh  
**COMPANY:** U.S. Bank  
**FAX NUMBER:** 206-344-2887  
**PHONE NUMBER:** 206-344-3640  
**BILLING NUMBER:**

**FROM:** Julie A. Rachel, Corporate Paralegal  
**DATE:** May 21, 2002  
**TOTAL NO. OF PAGES INCLUDING COVER:** 13  
**RE:** AFC/Seattle Coffee Company  
Release of Liens  
**FILE NUMBER:** 18035

THIS FACSIMILE MAY CONTAIN CONFIDENTIAL OR PRIVILEGED INFORMATION AND IS INTENDED ONLY FOR THE ABOVE NAMED RECIPIENT. RECEIPT OF THIS TRANSMISSION BY ANY PERSON OTHER THAN THE INTENDED RECIPIENT DOES NOT CONSTITUTE PERMISSION TO EXAMINE, COPY OR DISTRIBUTE THIS FACSIMILE OR THE ACCOMPANYING MATERIAL. IF YOU RECEIVE THIS FACSIMILE IN ERROR, PLEASE NOTIFY THE SENDER BY TELEPHONE AND RETURN THE ORIGINAL TO US BY MAIL.

**NOTES/COMMENTS:**

Corey:

Pursuant to our telephone conversation, attached please find the list of liens which have not yet been released by U.S. Bank, and a copy of the pay-off letter we received from Cathryn Schalkle.

As we discussed, we would appreciate (i) your getting the liens released and (ii) your providing a letter indicating that your company is actively working on the release of each of the liens. Please address the letter to the following:

Jeffrey Fuhrman  
Skadden, Arps, Slate, Meagher & Flom LLP  
4 Times Square, Rm. 43-110  
New York, NY 10036

Please call me if you have any questions.  
Thanks so much for your help!

123935

**TRADEMARK**  
**REEL: 002708 FRAME: 0434**

**U.S. Bank of Washington liens**

ASSIGNEE(S): U.S. BANK OF WASHINGTON, NATIONAL ASSOCIATION  
(National banking association), 1420 FIFTH AVENUE, SEATTLE, WA  
(Washington), 98101, USA (United States of America)  
Assignor(s): SEATTLE'S BEST COFFEE, INC. (Washington  
Corporation)  
Reel/Frame: 1571/0848  
Recorded: April 7, 1997  
Brief: SECURITY INTEREST

ASSIGNEE(S): U.S. BANK OF WASHINGTON, NATIONAL ASSOCIATION  
(National banking association), 1420 FIFTH AVENUE, SEATTLE, WA  
(Washington), 98101, USA (United States of America)  
Assignor(s): TORREFAZIONE ITALIA, INC. (Washington  
Corporation)  
Reel/Frame: 1571/0001  
Recorded: April 7, 1997  
Brief: SECURITY AGREEMENT

ASSIGNEE(S): U. S. BANK OF WASHINGTON NATIONAL ASSOCIATION  
(National banking association), 1420 FIFTH AVENUE SEATTLE, WA  
98101  
Assignor(s): SEATTLE'S BEST COFFEE, INC. (Washington  
Corporation)  
Reel/Frame: 1161/0165  
Recorded: May 31, 1994  
Brief: SECURITY INTEREST

ASSIGNEE(S): U.S. BANK OF WASHINGTON, NATIONAL ASSOCIATION  
(National association), 1420 FIFTH AVENUE, 11TH FLOOR, SEATTLE,  
WA (Washington), 98101, USA (United States of America)  
Assignor(s): CINNABON, INC. (Corporation)  
Reel/Frame: 1536/0951  
Recorded: December 9, 1996

**AFC lien on Ultrafryer (trademarks)**

ASSIGNEE(S): AFC ENTERPRISES, INC. (Minnesota Corporation),  
SIX CONCOURSE PARKWAY, SUITE 1700, ATLANTA, GA (Georgia),  
30328-535, USA (United States of America)  
Assignor(s): ULTRAFRYER SYSTEMS, INC. (Georgia Corporation)  
Reel/Frame: 2191/0656  
Recorded: February 9, 2001  
Brief: SECURITY AGREEMENT PREVIOUSLY RECORDED AT REEL 2124  
FRAME 0605. RE-RECORDED TO CORRECT CONVEYING AND RECEIVING  
PARTIES

ASSIGNEE(S): AFC ENTERPRISES, INC. (Minnesota Corporation),  
SIX CONCOURSE PARKWAY, SUITE 1700, ATLANTA, GA (Georgia),  
30328-535, USA (United States of America)  
Assignor(s): ULTRAFRYER SYSTEMS, INC. (Georgia Corporation)  
Reel/Frame: 2192/0350  
Recorded: February 9, 2001  
Brief: SECURITY AGREEMENT. PREVIOUSLY RECORDED AT REEL 2118,  
FRAME 0410. RE-RECORDED TO CORRECT CONVEYING AND RECEIVING  
PARTIES

**Liens on (ultrafryer's )Patents**

ASSIGNEE(s): CANADIAN IMPERIAL BANK OF COMMERCE, AS ADMINISTRATIVE AGENT  
425 LEXINGTON AVENUE NEW YORK, NEW YORK 10017  
Assignor(s): AFC ENTERPRISES, INC. -- signed: 05/21/1997  
Recorded: May 30, 1997 (19970530)  
Reel/Frame: 008545/0745  
Brief: PATENT AND COPYRIGHT SECURITY INTEREST  
Rep.: O'MELVENY & MYERS LLP JOHN HALPIN CIT



**CATHERYN S. SCHALKLE**

*Vice President*  
NW WASHINGTON CORPORATE BANKING

1420 Fifth Avenue 11th Floor  
Post Office Box 720 WWH 395  
Seattle, Washington 98111-0720  
206344-7845  
206344-2887/FAX

March 18, 1998

Seattle Coffee Company  
Seattle's Best Coffee LLC  
Torrefazione Italia LLC  
1321 Second Avenue Suite 200  
Seattle, Washington 98101

AFC Enterprises, Inc.  
6 Concourse Parkway Suite 1700  
Atlanta, Georgia 30328

Canadian Imperial Bank of Commerce  
Agency Services  
425 Lexington Avenue  
New York, New York 10017

Ladies and Gentlemen:

We understand that AFC Enterprises, Inc. ("Company") anticipates repaying in full all outstanding obligations of Seattle Coffee Company, Seattle's Best Coffee, Inc. and Torrefazione Italia, Inc. (collectively, the "Subsidiaries") under that certain amended and restated credit agreement dated as of March 31, 1997 (as amended, supplemented or otherwise modified to the date hereof, the "Existing Credit Agreement"), by and among the Subsidiaries and U.S. Bank of Washington National Association, as predecessor in interest to U.S. Bank National Association ("Existing Lender") and related documents (collectively, the "Existing Loan Documents"). We understand that the Company will not pay off,



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however, those certain obligations of Subsidiaries that are evidenced by a master lease agreement dated as of September 26, 1995, among Subsidiaries and Existing Lender's affiliate U.S. Bancorp Leasing & Financial ("Lease Agreement"), governing Subsidiaries' lease of certain equipment identified on Exhibit A attached to this letter agreement ("Lease Collateral"). It is our understanding that all obligations, other than those under the Lease Agreement ("Lease Obligations"), will be repaid with the proceeds of certain loans to Company. We understand that such loans to Company will be made under that certain Credit Agreement dated as of May 21, 1997 as amended by that certain First Amendment to Credit Agreement date as of June 30, 1997 by and among Company, the financial institutions listed on the signature pages thereof (collectively, the "New Lenders"), Goldman Sachs Credit Partners L.P., as arranging agent and syndication agent, and Canadian Imperial Bank of Commerce, as administrative agent (in such capacity, "New Agent"). For the purposes of this letter agreement, the term "Subsidiaries" shall include Seattle's Best Coffee LLC and Torrefazione Italia LLC.

Existing Lender, New Agent (on behalf of New Lenders), Subsidiaries and Company hereby acknowledge and agree that, effective upon our receipt of (1) an original or facsimile transmission, promptly followed by an original of this letter agreement, duly countersigned by Company, the Subsidiaries and the New Agent and (2) the sum of \$16,516,529.42 in immediately available funds on March 18, 1998 (the "Pay-Off Amount"):

(a) except for the Lease Obligations, all of the Subsidiaries' outstanding debts, liabilities and obligations to Existing Lender under the Existing Loan Documents shall be satisfied in full and all persons obligated therefor, whether by guaranty or otherwise, shall hereby be released from all liability therefor, and that Company and its subsidiaries shall be hereby released and discharged from any and all obligations, covenants and agreements under the Existing Loan Documents, including Subsidiaries' obligations under Existing Lender's letter of credit number S100625, in the amount of \$30,600.00 which has been canceled and returned to Existing Lender;

(b) except for Existing Lender's security interests in the Lease Collateral, ~~all liens, security interests and any other similar interests, all of any kind, nature, or description, whenever and however arising, which Existing Lender or any of its agents may then have in any of the assets property, real or personal, tangible or intangible, of Company and any of the Subsidiaries granted in favor of Existing Lender or any of its agents pursuant to the Existing Loan Documents, shall terminate and be satisfied and released; and~~

(c) Warrant No. W-1 to Purchase Common Stock of Seattle Coffee Company, granted to Existing Lender and dated March 31, 1997, to acquire 3% of

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the common stock of Seattle Coffee Company (the "Warrant"), shall be canceled and terminated without exercise, and Existing Lender shall have no rights to acquire common stock of or any ownership interest in any of the Subsidiaries. The Pay-Off Amount includes the redemption price of the Warrant.

The Pay-Off Amount is valid until 5:00pm, Seattle time, on March 18, 1998. For each additional day, interest at a per diem rate of \$4,331.83 will accrue and will be payable.

Without limiting the generality of the foregoing, except with respect to the Lease Collateral, Existing Lender agrees to sign and to deliver to Company any and all documents confirming or evidencing all releases, terminations, cancellations or other rights of the Subsidiaries pursuant hereto which could be reasonably requested by Company, the Subsidiaries or New Agent, including all documents necessary or useful to discharge or to effect the cancellation or termination of any financing statement, mortgage, deed of trust, security deed, or other filing with respect to any security interest granted to Existing Lender or any of its agents under the terms and conditions of the Existing Loan Documents or in relation thereto.

Existing Lender's receipt of the Pay-Off Amount shall be evidenced by its receipt of a wire transfer number confirming that the Pay-Off Amount has been transmitted to Existing Lender at:

ABA No. 125 000 105  
Western Washington Loan Processing  
For the Account of: Seattle Coffee  
Account #792 657 8880  
Facsimile No.: (206) 344-2887, upon arrival  
Attention: Cathy Schalkle and Richard Harrison

Immediately upon Existing Lender's receipt of the Pay-Off Amount, Existing Lender and its agents shall deliver all collateral pledged under the Existing Loan Documents in the possession of Existing Lender or its agents (including but not limited to stock certificates representing shares of Seattle's Best Coffee, Inc. and Torrefazione Italia, Inc.) directly into the possession of the New Agent, and shall deliver the canceled Warrant to Seattle Coffee Company.

If, after our receipt of the Pay-Off Amount, we come into possession of any property other than the Lease Collateral of Company or any subsidiary of Company or of any proceeds thereof on account of the obligations evidenced by the Existing Credit Agreement, then, except as set forth below, we shall, in the form received, immediately deliver such property and proceeds to the New Agent or as the New Agent shall direct, *provided* that we shall be permitted to deduct any out-of-pocket costs and expenses in connection therewith.

March 18, 1998

Notwithstanding anything to the contrary in this letter agreement, Subsidiaries acknowledge and agree that Existing Lender reserves the right to revise the Pay-Off Amount in the event that (1) there has been a manifest error in compiling the Pay-Off Amount, including without limitation, mathematical errors or ministerial clerical errors, or (2) the calculations were based on information which Subsidiaries knew or should have known to be incorrect, including without limitation, imputed knowledge of interim advances, payments, or payments drawn on accounts with insufficient funds. Subsidiaries agree and acknowledge that obligations under the Existing Loan Documents will not have been satisfied in full until such time as the revised Pay-Off Amount is received by Existing Lender. Accordingly, to the extent Lender has not already released collateral when the need to revise the Pay-Off Amount is discovered Existing Lender will not be obligated to release any collateral until such payment is received by Existing Lender. Existing Lender, in turn, will promptly refund to Subsidiaries any overpayment that may have been made in the event the revised Pay-Off Amount is less than the amount received by Existing Lender.

This letter agreement shall be governed by, and shall be construed and enforced in accordance with, the internal laws of the State of Washington, without regard to conflict of laws principles. This letter agreement may be executed in any number of counterparts and the signature pages from such counterparts may be attached to a single copy hereof and such assembled copy shall be considered an original.

Sincerely,

U.S. Bank National Association

By:

  
 Cathryn S. Schalkle, Vice President

March 18, 1998

Accepted and Agreed:

AFC Enterprises, Inc.

By: *[Signature]*  
 Name: Kenneth S. Klug  
 Title: Vice President & Ass't General Counsel

Seattle Coffee Company

By: *[Signature]*  
 Name: LARRY McDONALD  
 Title: PRESIDENT & CEO

Seattle's Best Coffee LLC,  
as successor, by merger, to  
Seattle's Best Coffee, Inc.

By: *[Signature]*  
 Name: LARRY McDONALD  
 Title: \_\_\_\_\_

Torrefazione Italia LLC,  
as successor, by merger, to  
Torrefazione Italia, Inc.

By: *[Signature]*  
 Name: LARRY McDONALD  
 Title: \_\_\_\_\_

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**Canadian Imperial Bank of Commerce**

By:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SCOTT  
File: 8327-333  
ID: 2500802

1A

**EXHIBIT A**  
**to March 18, 1998, Pay-Off Letter Agreement**



Note/Schedule Number 10766.001

Reference is made to that certain Master Lease Agreement and Schedule to Master Lease Agreement (the "Agreements") dated September 24, 1995 wherein U.S. BANCORP LEASING & FINANCIAL is the Lessor and Seattle Coffee Holdings, Inc., Seattle's Best Coffee, Inc. & Torrefazione Italia, Inc. is the Lessee.

The "Property" and/or "Collateral" (as defined and used in the above Agreements and any and all related documents) includes the following:

One (1) Fully Integrated coffee roasting and packaging facility more fully described herein:

**Roasting Equipment:**

One (1) COMARK s.r.l. Roasting Machine "Victoria" VT 120 with 1000/1200 pound capacity, s/n 2143.

One (1) COMARK s.r.l. Roasting Machine "Victoria" VT 240 with 2000/2400 pound capacity, s/n 2144.

One (1) COMARK s.r.l. Smoke Denser For Cooling Cart VT 240 with 6000.000 BTU capacity, s/n 4119997.

One (1) COMARK s.r.l. Smoke Burner for Cooling Cart VT 120 with 3200.000 BTU capacity, s/n 4139999.

Two (2) COMARK s.r.l. Control Panel Dumping Station.

Three (3) COMARK s.r.l. Model SLC50 Electric Power Panels for Green Coffee Section, s/n: 1084, 1451, 1558.

Three (3) COMARK s.r.l. Model SLC50 Electric Power Panels for Roasted Coffee Section, s/n: 1722, 2419, 1454.

One (1) COMARK s.r.l. Pneumatic Transport with Horizontal and Vertical Screens.

Four (4) COMARK s.r.l. Grinded Coffee Silos with 7400 Kg capacity each, with Vertical and Horizontal Screens.

Two (2) COMARK s.r.l. Hoppers.

One (1) COMARK s.r.l. Grinded Coffee Silos weighing system with scale.

One (1) COMARK s.r.l. Control Panel.

One (1) COMARK s.r.l. Grinder "Victoria" MTR 207 with 1000 kilos work hour capacity, s/n 2144.

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ADDRESS FOR ALL NOTICES  
 c/o N.E. McMahon, Suite 800  
 Portland, OR 97221

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Exhibit "A"

Seattle Coffee Holdings, Inc., Seattle's Best Coffee, Inc. and Torrefazione Italia, Inc. as Lessee  
U.S. Finance Leasing & Financial as Lessor

**Silo and Conveyor System**

OFFICINE COSTARELLI Silos and Conveyor Lines for the storage and transport of green and roasted coffee detailed as follows:

- One (1) OFFICINE COSTARELLI elevator for green coffee pallet with hydraulic motor, and 4,000 lbs capacity.
  - One (1) OFFICINE COSTARELLI scale (capacity 100 kilos) for loading green coffee in green coffee silos with pneumatic system for transport and electric system for weight keeping.
  - One (1) OFFICINE COSTARELLI cyclone and air filter for dust removal (H.P. 3) from green coffee.
  - One (1) OFFICINE COSTARELLI polygonal silo in stainless steel with twenty (20) cells for green coffee stock. Total capacity 200 tons.
  - Twenty (20) OFFICINE COSTARELLI Electropneumatic exits for unloading green coffee silos.
  - One (1) OFFICINE COSTARELLI scale (300 kilos) for loading green coffee in roasters.
  - One (1) OFFICINE COSTARELLI pneumatic transport with electroventilator with 3.5 HP.
  - One (7) OFFICINE COSTARELLI elevators for distribution of roasted coffee in silos (1 to 20) with 1.5 HP motor.
  - Nine (9) OFFICINE COSTARELLI transport belts for distribution of roasted coffee in silos (1 to 20) with 3 HP motor.
  - One (1) OFFICINE COSTARELLI group of sixteen (16) silos for roasted coffee. Total capacity weight of 30 tons.
  - One (1) OFFICINE COSTARELLI group of four (4) silos for roasted coffee packaging machines. Total capacity weight 10 tons.
- All electrical engines have rotation of 240/480/60 Hz.

**Packaging System**

Four (4) T.M.E. s.r.l. Packaging Machines for coffee bags further described as follows:

One (1) T.M.E. s.r.l. Packaging Machine for 1200 and 3000 bags, s/n 1420

The machine consists of five (5) major pieces:

- 1) The packaging line (VA 15) which protects, fills and closes each bag automatically.
- 2) Two (2) scales (T60A) for weighing the coffee.
- 3) One (1) vacuum chamber.
- 4) One (1) trimmer (T-P1) for trimming bags at the end of the line.
- 5) One (1) labelling machine.

MMJ/M

ADDRESS FOR ALL NOTICES  
225 N.J. Meadowlands, Suite 200  
Fairfield, NJ 07004

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Exhibit "A"

Seattle Coffee Holdings, Inc., Seattle's First Coffee, Inc. and Totes/Supreme Italia, Inc. as Lessee  
U.S. Rentshop Leasing & Financial as Lessor

One (1) T.M.E. s.r.l Packaging Machine for 1.75 oz and 8oz bags, s/n 1426

The machine consists of five (5) major pieces:

- 1) The packaging line (VA 15) which produces, fills and closes each bag automatically.
- 2) Two (2) scales (PMA) for weighing the coffee.
- 3) One (1) vacuum chamber.
- 4) One (1) trimmer (T.P.L.) for trimming bags at the end of the line.
- 5) One (1) labeling machine.

One (1) T.M.E. s.r.l Packaging Machine for five (5) pound bags, s/n 1435

The machine consists of five (5) major pieces:

- 1) The packaging line (VA 15) which produces, fills and closes each bag automatically.
- 2) Two (2) scales (PMA) for weighing the coffee.
- 3) One (1) vacuum chamber.
- 4) One (1) trimmer (T.P.L.) for trimming bags at the end of the line.
- 5) One (1) labeling machine.

Two (2) T.M.E. s.r.l Packaging Machine for two (2) pound bags and five (5) pound bags, s/n 1433

The machine consists of five (5) major pieces:

- 1) The packaging line (VA 15) which produces, fills and closes each bag automatically.
- 2) Two (2) scales (PMA) for weighing the coffee.
- 3) One (1) vacuum chamber.
- 4) One (1) trimmer (T.P.L.) for trimming bags at the end of the line.
- One (1) labeling machine.

For Accounts to the Rentshop Facility include:

- (1) Marlex 236M Shelf Stock Machine, with s/n: 952053, 952054, 952055, 952056.
- (1) Quincy Northwest Rotary Screw Air Compressor with 25hp, 100 psi, s/n 9504760.
- (3) NW Communications CCTV Monitoring System including (3) CCTV camera & monitors.
- (2) DPE Computer Printers.
- (2) 17" VGA Monitor, s/n 530054DA, 530055DA.
- (1) 21" VGA Monitor, s/n 490056CD.
- (3) Keyboards and Trackballs.
- (1) Canon Typing Machine S1720PT.
- (3) Riton VHP Rulers, with proplars and bolsters s/n: 73843, 74057, 74156.

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ADDRESS FOR ALL NOTICES:  
225 N.E. 4th Avenue, Suite 100  
Portland, OR 97232



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Exhibit "A"

Seattle Coffee Holdings, Inc., Seattle's Best Coffee, Inc. and Torrefazione Italia, Inc. as Lessee  
U.S. Bancorp Leasing & Financial as Lessor

Each of the above items are complete as equipped including, but not limited to, all attachments, accessories & replacements relating thereto.

Seattle Coffee Holdings, Inc.  
[Lessee]

By: Larry McDonald  
Larry McDonald  
President/CEO

Seattle's Best Coffee, Inc.  
[Lessee]

By: Larry McDonald  
Larry McDonald  
President/CEO

Torrefazione Italia, Inc.  
[Lessee]

By: Larry McDonald  
Larry McDonald  
President/CEO

U.S. BANCORP LEASING & FINANCIAL  
[Lessor]

By: [Signature]  
An authorized officer thereof

448234

ADDRESSES FOR ALL NOTICES:  
824 N.W. Metropolitan Blvd. 200  
Portland, OR 97227

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