

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
HDN Development Corporation		04/01/2005	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	Wells Fargo Foothill, Inc. as First Lien Collateral Agent
Street Address:	2450 Colarado Avenue, Suite 3000 West
Internal Address:	Attention: Specialty Finance Credit Officer
City:	Santa Monica
State/Country:	CALIFORNIA
Postal Code:	90404
Entity Type:	CORPORATION: CALIFORNIA

PROPERTY NUMBERS Total: 55

Property Type	Number	Word Mark
Registration Number:	2263243	AMERICA'S FAVORITE
Registration Number:	2821349	BREWBOX
Registration Number:	1366921	EARLY MORN
Registration Number:	1454537	EARLY MORN
Registration Number:	2780560	FRESH. HOT. NOW.
Registration Number:	2832807	FRESH. HOT. NOW.
Registration Number:	2003275	HOT DOUGHNUTS NOW
Registration Number:	1973398	HOT DOUGHNUTS NOW
Registration Number:	2034447	HOT DOUGHNUTS NOW
Registration Number:	2632712	HOT DOUGHNUTS NOW
Registration Number:	2671005	HOT DOUGHNUTS NOW
Registration Number:	2580896	HOT DOUGHNUTS NOW
Registration Number:	2833672	HOT DOUGHNUTS NOW

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Registration Number:	1719628	HOT DOUGHNUTS NOW
Registration Number:	2725647	HOT KRISPY KREME ORIGINAL GLAZED NOW
Registration Number:	2748338	HOT KRISPY KREME ORIGINAL GLAZED NOW
Registration Number:	2821347	JOIN THE GLAZE CRAZE
Serial Number:	76233996	KAFFE KREME
Registration Number:	2231252	KAY & KAY'S
Registration Number:	2235443	KAY & KAY'S BAKERY COMPANY
Registration Number:	945871	KING OF AMERICA'S DOUGHNUTS
Registration Number:	2725646	KK
Registration Number:	2003276	KK
Registration Number:	967682	K K
Registration Number:	622399	KK
Registration Number:	939105	KK
Registration Number:	1066864	KK KRISPY KREME
Registration Number:	1894237	KRISPY CRULLERS
Serial Number:	76243380	KRISPY DIPPERS
Registration Number:	1776001	KRISPY JUNIORS
Registration Number:	1663032	KRISPY KNIBBLES
Registration Number:	961976	KRISPY KREME
Registration Number:	995291	KRISPY KREME
Registration Number:	2003277	KRISPY KREME
Registration Number:	2004522	KRISPY KREME
Serial Number:	78236823	KRISPY KREME
Registration Number:	967684	KRISPY KREME
Registration Number:	2127405	KRISPY KREME
Registration Number:	938245	KRISPY KREME
Registration Number:	961975	KRISPY KREME
Registration Number:	1001792	KRISPY KREME
Registration Number:	2725645	KRISPY KREME
Registration Number:	967683	KRISPY KREME
Registration Number:	539165	KRISPY KREME
Registration Number:	939106	KRISPY KREME
Registration Number:	1907245	KRISPY KREME
Registration Number:	1068228	KRISPY KREME
Registration Number:	2725644	KRISPY KREME DOUGHNUTS

Registration Number:	2003278	KRISPY KREME DOUGHNUTS
Registration Number:	1683112	KRISPY KREME DOUGHNUTS
Registration Number:	2470390	KRISPY SKREMES
Registration Number:	2181993	
Registration Number:	2181996	
Registration Number:	2452758	ORIGINAL GLAZED
Registration Number:	2768384	ORIGINAL KREME

CORRESPONDENCE DATA

Fax Number: (212)822-5423
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 212-530-5423
Email: jnici@milbank.com
Correspondent Name: Milbank, Tweed, Hadley & McCloy LLP
Address Line 1: One Chase Manhattan Plaza
Address Line 2: Rm. 4680
Address Line 4: New York, NEW YORK 10005-1413

NAME OF SUBMITTER:	Janis Nici
Signature:	/janis nici/
Date:	04/05/2005

Total Attachments: 84

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FIRST LIEN SECURITY AGREEMENT

FIRST LIEN SECURITY AGREEMENT ("Security Agreement") dated as of April 1, 2005, among KRISPY KREME DOUGHNUT CORPORATION, a corporation duly organized and validly existing under the laws of North Carolina (the "Borrower"), KRISPY KREME DOUGHNUTS, INC., a corporation duly organized and validly existing under the laws of North Carolina (the "Parent Guarantor"), the Subsidiary Guarantors listed on the signature pages hereto (the "Subsidiary Guarantors"; together with the Parent Guarantor, the "Guarantors"; the Guarantors, together with the Borrower, the "Obligors"), and WELLS FARGO FOOTHILL, INC., a California corporation, as collateral agent for the parties defined as "Administrative Agent" and "Lenders" under the Credit Agreement referred to below (in such capacity, together with its successors in such capacity, the "Collateral Agent").

The Obligors, such Lenders, the Collateral Agent, and the Administrative Agent are parties to a First Lien Credit Agreement dated as of April 1, 2005 (as modified and supplemented and in effect from time to time, the "Credit Agreement"), providing, subject to the terms and conditions thereof, for extensions of credit (by means of loans and letters of-credit) to be made by such Lenders to the Borrower.

To induce such Lenders to enter into the Credit Agreement and to extend credit thereunder, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Obligor has agreed to grant a security interest in the Collateral (as hereinafter defined) as security for the Secured Obligations (as so defined).

Accordingly, the parties hereto agree as follows:

Section 1. Definitions, Etc.

1.01 Terms Generally. Terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

1.02 Certain Uniform Commercial Code Terms. As used herein, the terms "Accession", "Account", "Chattel Paper", "Commodity Account", "Commodity Contract", "Deposit Account", "Document", "Electronic Chattel Paper", "Equipment", "Fixture", "General Intangible", "Goods", "Instrument", "Inventory", "Investment Property", "Letter-of-Credit Right", "Proceeds", "Promissory Note" and "Supporting Obligations" have the respective meanings set forth in Article 9 of the NYUCC, and the terms "Certificated Security", "Entitlement Holder", "Financial Asset", "Securities Account", "Security", "Security

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Entitlement” and “Uncertificated Security” have the respective meanings set forth in Article 8 of the NYUCC.

1.03 Additional Definitions. In addition, as used herein:

“Cash Dominion Notice” has the meaning assigned to such term in Section 5.04(d).

“Collateral” has the meaning assigned to such term in Section 3.

“Collateral Account” has the meaning assigned to such term in Section 4.01.

“Copyright Collateral” means all Copyrights of any Obligor, whether now owned or hereafter acquired by such Obligor, including each Copyright identified in Annex 4.

“Collateral Trigger Event” shall be deemed to have occurred and be continuing on any date that the aggregate amount of (i) all items of Investment Property of any Obligor with a value of less than \$250,000 not held by the Collateral Agent plus (ii) all Financial Assets with a value of less than \$250,000 not held by the Collateral Agent plus (iii) all Electronic Chattel Paper of any Obligor with a principal amount of less than \$250,000 not held by the Collateral Agent plus (iv) all Letter-of-Credit Rights of any Obligor with a face amount of less than \$250,000 not held by the Collateral Agent plus (v) all Chattel Paper having a principal amount of less than \$250,000 not held by the Collateral Agent is equal to or greater than \$2,000,000.

“Copyrights” means all copyrights, copyright registrations and applications for copyright registrations, including all renewals and extensions thereof, all rights to recover for past, present or future infringements thereof and all other rights whatsoever accruing thereunder or pertaining thereto.

“Excluded Account” shall mean (i) any Deposit Account of any Obligor that is used solely to make payroll or employee benefits payments the balance of which does not exceed \$4,500,000.00 at any time, (ii) any Deposit Account or Securities Account of any Obligor the balance of which is swept on each Business Day into a Deposit Account that is subject to the Collateral Agent’s control (as such term is defined in Section 9-104 of the NYUCC), (iii) Deposit Accounts in the name of Montana Mills or any of its subsidiaries with an aggregate balance of no more than \$100,000 and (iv) a Deposit Account in which cash posted as margin is deposited to secure obligations of the Parent Guarantor or any of its Included Subsidiaries under Hedging Agreements relating to commodities the aggregate balance of which does not exceed \$500,000 at any time.

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“Foreign Subsidiary” means any Subsidiary that is organized under the laws of a jurisdiction outside the United States of America.

“Initial Pledged Shares” means the Shares of each Issuer beneficially owned by any Obligor on the date hereof and identified in Annex 3 (Part A).

“Intellectual Property” means, collectively, all Copyright Collateral, all Patent Collateral and all Trademark Collateral, together with (a) all inventions, processes, production methods, proprietary information, know-how and trade secrets; (b) all licenses or user or other agreements granted to any Obligor with respect to any of the foregoing, in each case whether now or hereafter owned or used; (c) all information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, processing standards, performance standards, catalogs, computer and automatic machinery software and programs; (d) all field repair data, sales data and other information relating to sales or service of products now or hereafter manufactured; (e) all accounting information and all media in which or on which any information or knowledge or data or records may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data; (f) all licenses, consents, permits, variances, certifications and approvals of governmental agencies now or hereafter held by any Obligor; and (g) all causes of action, claims and warranties now or hereafter owned or acquired by any Obligor in respect of any of the items listed above.

“Intercreditor Agreement” means the Collateral Agency and Intercreditor Agreement dated as of April 1, 2005, among the Borrower, the Guarantors, Wells Fargo Foothill, Inc., as First Lien Collateral Agent, Credit Suisse First Boston, as Second Lien Collateral Agent, First Lien Administrative Agent and Second Lien Administrative Agent and certain other persons party or that may become party thereto from time to time, as amended restated, supplemented or otherwise modified from time to time.

“Issuers” means, collectively, (a) the respective Persons identified on Annex 3 (Part A) under the caption **“Issuer”** and (b) any other Person that shall at any time be a direct Subsidiary of any Obligor (other than any such Subsidiary that is also a Subsidiary of a Foreign Subsidiary).

“Mobile Store” means any Motor Vehicle of any Obligor that is outfitted as a retail store whether or not any sales are conducted therein.

“Montana Mills” means Montana Mills Bread Co., Inc.

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“Motor Vehicles” means motor vehicles, tractors, trailers and other like property, if the title thereto is governed by a certificate of title or ownership.

“NYUCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“Patent Collateral” means all Patents of any Obligor, whether now owned or hereafter acquired by such Obligor, including each Patent identified in Annex 5.

“Patents” means all patents and patent applications, including the inventions and improvements described and claimed therein together with the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, all damages and payments for past or future infringements thereof and rights to sue therefor, and all rights corresponding thereto throughout the world.

“Pledged Shares” means, collectively, (i) the Initial Pledged Shares and (ii) subject to the limitations set forth herein, all other Shares of any Issuer now or hereafter owned by any Obligor, together in each case with (a) all certificates representing the same, (b) all shares, securities, moneys or other property representing a dividend on or a distribution or return of capital on or in respect of the Pledged Shares, or resulting from a split-up, revision, reclassification or other like change of the Pledged Shares or otherwise received in exchange therefor, and any warrants, rights or options issued to the holders of, or otherwise in respect of, the Pledged Shares, and (c) without prejudice to any provision of any of the Loan Documents prohibiting any merger or consolidation by an Issuer, all Shares of any successor entity of any such merger or consolidation.

“Secured Creditors” means, collectively, the Lenders, the Administrative Agent, the Collateral Agent and the Issuing Lender, any other holder from time to time of any of the Secured Obligations and, in each case, their respective successors and assigns.

“Secured Obligations” means the First Lien Secured Obligations (as defined in the Credit Agreement).

“Shared Collateral” has the meaning assigned to such term in the Intercreditor Agreement.

“Shared Lien Collateral Agent” has the meaning assigned to such term in the Intercreditor Agreement.

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“Shares” means shares of capital stock of a corporation, limited liability company interests, partnership interests and other ownership or equity interests of any class in any Person.

“Short Form Security Agreement” has the meaning assigned to such term in Section 5.01(d).

“Trademark Collateral” means all Trademarks of any Obligor, whether now owned or hereafter acquired by such Obligor, including each Trademark identified in Annex 6, together, in each case, with the product lines and goodwill of the business connected with the use of, and symbolized by, each such trade name, trademark and service mark. Notwithstanding the foregoing, the Trademark Collateral does not and shall not include any Trademark that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as part of the Trademark Collateral.

“Trademarks” means all trade names, trademarks and service marks, logos, trademark and service mark registrations, and applications for trademark and service mark registrations, including all renewals of trademark and service mark registrations, all rights to recover for all past, present and future infringements thereof and all rights to sue therefor, and all rights corresponding thereto throughout the world.

Section 2. Representations and Warranties. Each Obligor represents and warrants to the Secured Creditors that:

2.01 Title. The Obligors are the sole beneficial owners of the Collateral and no Liens exist upon the Collateral (and no right or option to acquire the same exists in favor of any other Person) other than (a) the security interest created or provided for herein, which security interest constitutes a valid first and prior perfected Lien on the Collateral, and (b) the Liens expressly permitted by Section 7.02 of the Credit Agreement.

2.02 Names, Etc. The full and correct legal name, type of organization, jurisdiction of organization, organizational ID number (if applicable) and mailing address of each Obligor as of the date hereof are correctly set forth in Annex 1. Said Annex 1 correctly specifies as of the date hereof (i) the place of business of each Obligor or, if any Obligor has more than one place of business, the location of the chief executive office of such Obligor, (ii) each location where Goods of each Obligor are located (other than Motor Vehicles constituting Equipment and Goods in transit), and (iii) each location where to Obligors' knowledge any financing statement naming each Obligor as debtor is currently on file.

2.03 Changes in Circumstances. No Obligor has (i) within the period of four months prior to the date hereof, changed its location (as defined in Section 9-307 of the

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NYUCC), (ii) except as specified in Annex 1, within the period of five years prior to the date hereof, changed its name, or (iii) except as specified in Annex 2, within the period of five years prior to the date hereof, become a "new debtor" (as defined in Section 9-102(a)(56) of the NYUCC) with respect to a currently effective security agreement previously entered into by any other Person.

2.04 Pledged Shares. The Initial Pledged Shares constitute (a) 100% of the issued and outstanding Shares of each Issuer (other than a Foreign Subsidiary) directly owned by each Obligor on the date hereof (other than any Shares held in a Securities Account referred to in Annex 7), whether or not registered in the name of such Obligor and (b) in the case of each Issuer that is a Foreign Subsidiary, (i) 65% (or such lesser percentage that constitutes all of the voting stock of such Issuer owned by such Obligor) of the issued and outstanding shares of voting stock of such Issuer and (ii) 100% of all other issued and outstanding shares of capital stock of whatever class of such Issuer directly owned by each Obligor on the date hereof, in each case whether or not registered in the name of such Obligor. Annex 3 (Part A) correctly identifies, as at the date hereof, the respective Issuers of the Initial Pledged Shares and (in the case of any corporate Issuer) the respective class and par value of such Shares and the respective number of such Shares (and registered owner thereof) represented by each such certificate.

The Initial Pledged Shares are, and all other Pledged Shares in which each Obligor shall hereafter grant a security interest pursuant to Section 3 will be, (i) duly authorized, validly existing, fully paid and non-assessable (in the case of any Shares issued by a corporation) and (ii) duly issued and outstanding (in the case of any equity interest in any other entity), and none of such Pledged Shares are or will be subject to any contractual restriction, or any restriction under the charter, by-laws, partnership agreement or other organizational instrument of the respective Issuer thereof, upon the transfer of such Pledged Shares (except for any such restriction contained herein or in the Loan Documents, or under such organizational instruments).

None of the Initial Pledged Shares constitute Uncertificated Securities. No partnership agreement, limited liability agreement nor any other agreement of any Issuer that is not a corporation provides that any of the Initial Pledged Shares of such Issuer are securities governed by Article 8 of the NYUCC.

As of the execution date hereof, each Obligor shall have delivered to the Collateral Agent all certificates evidencing any of the Initial Pledged Shares, accompanied by undated stock or other powers duly executed in blank.

2.05 Promissory Notes. Annex 3 (Part B) sets forth a complete and correct list of each Promissory Note (other than any held in a Securities Account referred to in Annex 7)

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held by each Obligor on the date hereof having an aggregate outstanding principal amount equal to or in excess of \$250,000.

As of the execution date hereof, each Obligor shall have delivered to the Collateral Agent all Promissory Notes listed on Annex 3 (Part B); provided that (i) the Promissory Notes identified as (x) item 11 on Annex 3 (Part B) shall be delivered to the Collateral Agent no later than 15 Business Days following the date hereof and (y) items 7, 8, 9, 10 and 15 on Annex 3 (Part B) shall not, solely by reason of this sentence, be required to be delivered to the Collateral Agent and (ii) the transfer powers duly executed in blank for the Promissory Notes identified as items 13 and 14 on Annex 3 (Part B) shall be delivered to the Collateral Agent promptly after the date of this Security Agreement .

2.06 Intellectual Property. Annexes 4, 5 and 6, respectively, set forth a complete and correct list of all copyright registrations, patents, patent applications, trademark registrations and trademark applications owned by each Obligor on the date hereof (or, in the case of any supplement to said Annexes 4, 5 and 6, effecting a pledge thereof, as of the date of such supplement).

As of the date hereof, except pursuant to licenses and other user agreements entered into by the Obligors in the ordinary course of business that are listed in said Annexes 4, 5 and 6 (including as supplemented by any supplement effecting a pledge thereof), no Obligor has done anything to authorize or enable any other Person to use any Copyright, Patent or Trademark listed in said Annexes 4, 5 and 6 (as so supplemented), and all registrations listed in said Annexes 4, 5 and 6 (as so supplemented) are, except as noted therein, in full force and effect.

As of the date hereof, to each Obligor's knowledge, (i) except as set forth in said Annexes 4, 5 and 6 (as supplemented by any supplement effecting a pledge thereof), there is no violation by others of any right of such Obligor with respect to any Copyright, Patent or Trademark listed in said Annexes 4, 5 and 6 (as so supplemented), respectively, and (ii) such Obligor is not infringing in any respect upon any Copyright, Patent or Trademark of any other Person; and no proceedings alleging such infringement have been instituted or are pending against such Obligor and no written claim against such Obligor has been received by such Obligor, alleging any such violation, except as may be set forth in said Annexes 4, 5 and 6 (as so supplemented).

No Obligor on the date hereof owns any Trademarks registered in the United States of America to which the last sentence of the definition of Trademark Collateral applies.

2.07 Deposit Accounts and Securities Accounts. Annex 7 sets forth a complete and correct list of all Deposit Accounts, Securities Accounts and Commodity Accounts of each Obligor on the date hereof.

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2.08 Commercial Tort Claims. Annex 8 sets forth a complete and correct list of all commercial tort claims of each Obligor in existence on the date hereof.

2.09 Fair Labor Standards Act. Any goods now or hereafter produced by any Obligor or any of their Subsidiaries included in the Collateral have been and will be produced in compliance with the requirements of the Fair Labor Standards Act, as amended.

Section 3. Collateral. As collateral security for the payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations owing by such Obligor, each Obligor hereby pledges and grants to the Collateral Agent for the benefit of the Secured Creditors and, with respect to Shared Collateral, to the Shared Lien Collateral Agent for the benefit of the Secured Creditors as hereinafter provided a security interest in all of such Obligor's right, title and interest in, to and under the following property, in each case whether tangible or intangible, wherever located, and whether now owned by such Obligor or hereafter acquired and whether now existing or hereafter coming into existence (all of the property described in this Section 3 being collectively referred to herein as "Collateral"):

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Deposit Accounts;
- (d) all Documents;
- (e) all Equipment;
- (f) all Fixtures;
- (g) all General Intangibles;
- (h) all Goods not covered by the other clauses of this Section 3;
- (i) the Pledged Shares;
- (j) all Instruments, including all Promissory Notes;
- (k) all Intellectual Property;
- (l) all Inventory;

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- (m) all Investment Property not covered by other clauses of this Section 3, including all Securities, all Securities Accounts and all Security Entitlements with respect thereto and Financial Assets carried therein, and all Commodity Accounts and Commodity Contracts;
- (n) all Letter-of-Credit Rights;
- (o) all commercial tort claims, as defined in Section 9-102(a)(13) of the NYUCC, arising out of the events described in Annex 8;
- (p) all other tangible and intangible personal property whatsoever of such Obligor; and
- (q) all Proceeds of any of the Collateral, all Accessions to and substitutions and replacements for, any of the Collateral, all Supporting Obligations with respect to any of the Collateral and all offspring, rents, profits and products of any of the Collateral, and, to the extent related to any Collateral, all books, correspondence, credit files, records, invoices and other papers (including all tapes, cards, computer runs and other papers and documents in the possession or under the control of such Obligor or any computer bureau or service company from time to time acting for such Obligor),

IT BEING UNDERSTOOD, HOWEVER, that (A) in the case of any of the foregoing that consists of general or limited partnership interests in a general or limited partnership or any Shares in a Joint Venture, the security interest hereunder shall be deemed to be created only to the maximum extent permitted under the applicable organizational instrument or joint venture agreement pursuant to which such entity is formed or governed, (B) in no event shall the security interest granted under this Section 3 attach to (1) any lease, license, contract, property rights or agreement to which such Obligor is a party (or to any of its rights or interests thereunder) if the grant of such security interest therein would constitute or result in either (i) the abandonment, invalidation or unenforceability of any right, title or interest of such Obligor therein or (ii) in a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective by Section 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code as in effect in the relevant jurisdiction), (2) any Equipment owned by any Obligor on the date hereof or hereafter acquired that is subject to a Lien securing Indebtedness permitted to be incurred pursuant to Section 7.01(f) of the Credit Agreement if the contract or other agreement in which such Lien is granted (or the documentation providing for such Indebtedness) validly prohibits the creation of any other Lien on such Equipment and (3) any Fixtures located on premises leased by the Obligors to the extent the pledge thereof or grant of a security interest therein (x) is prohibited by the lease governing such premises or (y) would result in the forfeiture

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of any Obligor's right, title or interest therein under applicable law, (C) the security interest created hereby in Shares constituting voting stock of any Issuer that is a Foreign Subsidiary shall be limited to that portion of such voting stock that does not exceed 65% of the aggregate issued and outstanding voting stock of such Issuer and (D) for the avoidance of doubt, the security interest created hereby is not a conditional or an absolute assignment of any of the Trademark Collateral or any other Collateral.

Section 4. Cash Proceeds of Collateral.

4.01 Collateral Account. The Collateral Agent will cause to be established at a banking institution to be selected by the Collateral Agent a cash collateral account (the "Collateral Account"), that

(i) to the extent of all Investment Property or Financial Assets (other than cash) credited thereto shall be a Securities Account in respect of which the Collateral Agent shall be the Entitlement Holder, and

(ii) to the extent of any cash credited thereto shall be a Deposit Account in respect of which the Collateral Agent shall be the depository bank's customer, and

into which each Obligor agrees to deposit from time to time the cash proceeds of any of the Collateral (including proceeds of insurance thereon) required to be delivered to the Collateral Agent pursuant to any of the Loan Documents, or pursuant hereto, and into which any Obligor may from time to time deposit any additional amounts that it wishes to provide as additional collateral security hereunder. The Collateral Account, and any money or other property from time to time therein, shall constitute part of the Collateral hereunder and shall not constitute payment of the Secured Obligations until applied as hereinafter provided.

4.02 [Intentionally deleted.]

4.03 Withdrawals. The balance from time to time in the Collateral Account shall be subject to withdrawal only as provided in this Section 4.03. The Collateral Agent shall (except as otherwise provided in the last sentence of this Section 4.03) remit the collected balance outstanding to the credit of the Collateral Account to or upon the order of the Obligors as the Obligors shall from time to time instruct, provided that at any time following the occurrence and during the continuance of an Event of Default, the Collateral Agent may (and, if instructed by the Lenders as provided in the Credit Agreement, shall) in its (or their) discretion apply or cause to be applied (subject to collection) the balance from time to time outstanding to the credit of the Collateral Account (regardless of the origin thereof) to the prepayment of the principal of the Loans (and/or to provide cover for LC Exposure) in the manner specified in Section 2.17(b) of the Credit Agreement.

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4.04 [Intentionally deleted.]

4.05 Investment of Balance in Collateral Account. The cash balance standing to the credit of the Collateral Account shall be invested from time to time in such Permitted Investments as the Obligors (or, after the occurrence and during the continuance of an Event of Default, the Collateral Agent) shall determine, which Permitted Investments shall be held in the name and be under the control of the Collateral Agent (and credited to the Collateral Account), provided that at any time after the occurrence and during the continuance of an Event of Default, the Collateral Agent may (and, if instructed by the Lenders as provided in the Credit Agreement, shall) in its (or their) discretion at any time and from time to time elect to liquidate any such Permitted Investments and to apply or cause to be applied the proceeds thereof to the payment of the Secured Obligations then due and payable in the manner specified in Section 5.09.

4.06 Cover for LC Exposure. Amounts deposited into the Collateral Account as cover for LC Exposure under the Credit Agreement as contemplated by Section 2.05(k) thereof shall be held by the Collateral Agent in a separate sub-account (designated "LC Exposure Sub-Account") and all amounts held in such sub-account shall constitute collateral security first for the LC Exposure outstanding from time to time and second as collateral security for the other Secured Obligations hereunder.

Section 5. Further Assurances; Remedies. In furtherance of the grant of the security interest pursuant to Section 3, each Obligor hereby agrees with the Collateral Agent for the benefit of the Secured Creditors as follows:

5.01 Delivery and Other Perfection. Subject to the limitations specifically set forth below, each Obligor shall promptly from time to time give, execute, deliver, file, record, authorize or obtain all such financing statements, continuation statements, notices, instruments, documents, agreements or consents or other papers as may be necessary or desirable in the reasonable judgment of the Collateral Agent to create, preserve, perfect, maintain the perfection of or validate the security interest granted pursuant hereto or to enable the Collateral Agent to exercise and enforce its rights hereunder with respect to such security interest, and without limiting the foregoing, shall:

- (a) subject to Section 5.01(h) hereto, if any of the Pledged Shares, or any Investment Property or Financial Assets with an individual value equal to or in excess of \$250,000, constituting part of the Collateral are received by such Obligor, forthwith (x) deliver to the Collateral Agent the certificates or instruments, if any, representing or evidencing the same, duly endorsed in blank or accompanied by such instruments of assignment and transfer in such form and substance as the Collateral Agent may reasonably request, all of which thereafter shall be held by the Collateral Agent, pursuant

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to the terms of this Agreement, as part of the Collateral and (y) take such other action as the Collateral Agent may deem necessary or appropriate in its reasonable judgment to duly record or otherwise perfect the security interest created hereunder in such Collateral;

(b) promptly from time to time deliver to the Collateral Agent any and all Instruments constituting part of the Collateral, endorsed and/or accompanied by such instruments of assignment and transfer in such form and substance as the Collateral Agent may reasonably request; provided that (other than in the case of the Promissory Notes delivered to the Collateral Agent pursuant to Section 2.05 hereto) so long as no Event of Default shall have occurred and be continuing, such Obligor may retain for collection in the ordinary course any Instruments received by such Obligor in the ordinary course of business and the Collateral Agent shall, promptly upon request of such Obligor, make appropriate arrangements for making any Instrument delivered by such Obligor available to such Obligor for purposes of presentation, collection or renewal (any such arrangement to be effected, to the extent requested by the Collateral Agent, against trust receipt or like document);

(c) subject to Section 5.01(h) hereto, promptly from time to time enter into such control agreements, each in form and substance reasonably acceptable to the Collateral Agent, as may be required to perfect the security interest created hereby in any and all Deposit Accounts (other than any Excluded Accounts), Investment Property with an individual value equal to or in excess of \$250,000, Electronic Chattel Paper having an individual principal amount equal to or in excess of \$250,000 and Letter-of-Credit Rights having an individual face amount equal to or in excess of \$250,000, and will promptly furnish to the Collateral Agent true copies thereof; provided that with respect to any Letter-of-Credit Right, the Obligors shall be required only to use their commercially reasonable efforts to obtain control of such Letter-of-Credit Rights;

(d) promptly from time to time upon the request of the Collateral Agent, execute and deliver such short-form security agreements as the Collateral Agent may deem necessary or desirable in its reasonable judgment to protect the interests of the Collateral Agent in respect of that portion of the Collateral consisting of Intellectual Property (each, a "Short Form Security Agreement");

(e) promptly upon request of the Collateral Agent and if the net book value of Motor Vehicles (other than Mobile Stores) exceeds \$1,000,000 in the aggregate, cause the Collateral Agent to be listed as the lienholder on any certificate of title or ownership covering any Motor Vehicle (other than Motor Vehicles constituting Inventory) that is not included in the calculation of the \$1,000,000 and within 120 days of such request deliver evidence of the same to the Collateral Agent; provided, however that promptly

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upon request of the Collateral Agent, each Obligor shall cause the Collateral Agent to be listed as the lienholder on any certificate of title or ownership covering any Mobile Store and within 120 days of such request deliver evidence of the same to the Collateral Agent; provided further that the Collateral Agent hereby notifies the Obligors that they shall list the Collateral Agent as the lienholder on any certificate of title or ownership which covers any Mobile Store owned by any Obligor as of the date hereof and that such Obligor shall deliver evidence of the same to the Collateral Agent within 120 days of the date of this Agreement;

(f) keep full and accurate books and records relating to the Collateral, and, to the extent required to perfect the Collateral Agent's security interest in the Collateral pursuant to the NYUCC, stamp or otherwise mark such books and records in such manner as the Collateral Agent may require in order to reflect the security interests granted by this Agreement;

(g) permit representatives of the Collateral Agent, upon reasonable notice, at any time during normal business hours to inspect and make abstracts from its books and records pertaining to the Collateral, and permit representatives of the Collateral Agent to be present at such Obligor's place of business to receive copies of communications and remittances relating to the Collateral, and upon request of the Collateral Agent, forward copies of any notices or communications received by such Obligor with respect to the Collateral, all in such manner as the Collateral Agent may reasonably require; and

(h) Notwithstanding anything to the contrary in this Agreement, if a Collateral Trigger Event occurs and is continuing, deliver to the Collateral Agent Investment Property, Financial Assets, Electronic Chattel Paper, Letter-of-Credit Rights and/or Chattel Paper (or control thereof as contemplated in this Agreement) in sufficient aggregate value, principal amount or face amount such that a Collateral Trigger Event would no longer be continuing.

5.02 Other Financing Statements or Control. Except as otherwise permitted under Section 7.02 of the Credit Agreement, no Obligor shall (a) file or knowingly suffer to be on file for a period of more than 30 days from the date that such Obligor obtained knowledge thereof, or authorize or affirmatively permit to be filed or to be on file, in any jurisdiction, any financing statement or like instrument with respect to any of the Collateral in which the Collateral Agent is not named as the sole Collateral Agent for the benefit of the Secured Creditors, or (b) cause or permit any Person other than the Collateral Agent to have "control" (as defined in Section 9-104, 9-105, 9-106 or 9-107 of the NYUCC) of any Deposit Account, Electronic Chattel Paper, Investment Property or Letter-of-Credit Right constituting part of the Collateral.

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5.03 Preservation of Rights. The Collateral Agent shall not be required to take steps necessary to preserve any rights against prior parties to any of the Collateral.

5.04 Special Provisions Relating to Certain Collateral.

(a) Pledged Shares.

(i) Except as may be permitted otherwise by the Credit Agreement, each Obligor will cause the Pledged Shares to constitute at all times (1) 100% of the total number of Shares of each Issuer other than a Foreign Subsidiary then outstanding owned directly by such Obligor and (2) in the case of any Issuer that is a Foreign Subsidiary, 65% (or such lesser percentage that constitutes all of the voting stock of such Issuer owned by such Obligor) of the total number of shares of voting stock of such Issuer and 100% of the total number of shares of all other classes of capital stock of such Issuer then issued and outstanding owned by such Obligor.

(ii) Subject to the last sentence of this Section 5.04(a)(ii), each Obligor shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Pledged Shares for all purposes not inconsistent with the terms of this Agreement, the Loan Documents or any other instrument or agreement referred to herein or therein, provided that such Obligor agrees that it will not vote the Pledged Shares in any manner that is inconsistent with the terms of this Agreement or the Credit Agreement; and the Collateral Agent shall execute and deliver to such Obligor or cause to be executed and delivered to such Obligor all such proxies, powers of attorney, dividend and other orders, and all such instruments, without recourse, as such Obligor may request for the purpose of enabling such Obligor to exercise the rights and powers that it is entitled to exercise pursuant to this Section 5.04(a)(ii). Notwithstanding anything to the contrary herein, the rights of the Obligors under this Section 5.04(a)(ii) shall terminate immediately upon (x) the occurrence and continuation of an Event of Default and (y) the delivery of a written notice from the Collateral Agent of its intent to exercise its rights under this Section 5.04(a) (unless the Collateral Agent is prohibited by law to give such notice in which case such written notice shall not be required for termination of the Obligors' rights hereunder).

(iii) Subject to the last sentence of this Section 5.04(a)(iii), each Obligor shall be entitled to receive and retain any dividends, distributions or proceeds on the Pledged Shares paid in cash out of earned surplus. Notwithstanding anything to the contrary herein, the rights of the Obligors under this Section 5.04(a)(iii) shall terminate immediately upon (x) the occurrence and continuation of an Event of Default and (y) the delivery of a written notice from the Collateral Agent of its intent to exercise its rights under this Section 5.04(a) (unless the Collateral Agent is prohibited by law to give such

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notice in which case such written notice shall not be required for termination of the Obligor's rights hereunder).

(iv) Upon (x) the occurrence and continuation of an Event of Default and (y) the delivery of a written notice from the Collateral Agent of its intent to exercise its rights under this Section 5.04(a) (unless the Collateral Agent is prohibited by law to give such notice in which case such written notice shall not be required), whether or not the Secured Creditors or any of them exercise any available right to declare any Secured Obligations due and payable or seek or pursue any other relief or remedy available to them under applicable law or under this Agreement, the Loan Documents or any other agreement relating to such Secured Obligation, all dividends and other distributions on the Pledged Shares shall be paid directly to the Collateral Agent and retained by it in the Collateral Account as part of the Collateral, subject to the terms of this Agreement, and, if the Collateral Agent shall so request in writing, each Obligor agrees to execute and deliver to the Collateral Agent appropriate additional dividend, distribution and other orders and documents to that end, provided that if such Event of Default is cured, any such dividend or distribution theretofore paid to the Collateral Agent shall, upon request of any Obligor (except to the extent theretofore applied to the Secured Obligations), be returned by the Collateral Agent to such Obligor.

(v) Either: (i) no partnership agreement, limited liability agreement nor any other agreement of any Issuer that is not a corporation shall provide that any of the Pledged Shares of such Issuer are securities governed by Article 8 of the NYUCC or (ii) if any of such Pledged Shares are securities governed by Article 8 of the NYUCC, then such Pledged Shares shall be certificated.

(b) Intellectual Property.

(i) For the purpose of enabling the Collateral Agent to exercise rights and remedies under Section 5.05 at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, and for no other purpose, each Obligor hereby grants to the Collateral Agent, to the extent assignable, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to such Obligor) to use or sublicense any of the Intellectual Property now owned or hereafter acquired by such Obligor, wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof, subject to any licenses granted by any Obligor in compliance with the provisions of this Agreement prior to the occurrence of an Event of Default; provided, however that the Collateral Agent agrees that it shall provide prior written notice of its intent to exercise its rights pursuant to this Section 5.04(b) (unless the Collateral Agent is prohibited by law to

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give such notice in which case such written notice shall not be required for the Collateral Agent to exercise its rights hereunder).

(ii) Notwithstanding Section 5.04(b)(i) and subject to the provisions of Section 7.03 of the Credit Agreement that limit the rights of any Obligor to dispose of its property, each Obligor will be permitted to exploit, use, enjoy, protect, license, sublicense, assign, sell, dispose of or take other actions with respect to the Intellectual Property in the ordinary course of the business of such Obligor; provided, however, that notwithstanding anything to the contrary herein, the rights of the Obligors under this Section 5.04(b)(ii) shall terminate immediately upon (x) the occurrence and continuation of an Event of Default and (y) the delivery of a written notice from the Collateral Agent of its intent to exercise its rights under this Section 5.04(b) (unless the Collateral Agent is prohibited by law to give such notice in which case such written notice shall not be required for termination of the Obligors' rights hereunder). In furtherance of the foregoing, so long as no Event of Default shall have occurred and be continuing and the Obligors' rights under this Section 5.04(b)(ii) have not been terminated, the Collateral Agent shall from time to time, upon the request of any Obligor, execute and deliver any instruments, certificates or other documents, in the form so requested, that such Obligor shall have certified are appropriate in its judgment to allow it to take any action permitted above (including relinquishment of the license provided pursuant to clause (i) immediately above as to any specific Intellectual Property). Further, upon the payment in full of all of the Secured Obligations and cancellation or termination of the Commitments and LC Exposure or earlier expiration of this Agreement or release of the Collateral, the Collateral Agent shall grant back to the Obligors the license granted pursuant to clause (i) immediately above. The exercise of rights and remedies under Section 5.05 by the Collateral Agent shall not terminate the rights of the holders of any licenses or sublicenses theretofore granted by the Obligors in accordance with the first sentence of this clause (ii).

(c) Chattel Paper. Subject to Section 5.01(h), each Obligor will (1) deliver to the Collateral Agent each original of each item of Chattel Paper having an individual principal amount equal to or in excess of \$250,000 at any time constituting part of the Collateral, and (2) cause each such original and each copy thereof to bear a conspicuous legend, in form and substance reasonably satisfactory to the Collateral Agent, indicating that such Chattel Paper is subject to the security interest granted hereby and that purchase of such Chattel Paper by a Person other than the Collateral Agent without the consent of the Collateral Agent would violate the rights of the Collateral Agent.

(d) Deposit Accounts and Securities Accounts. Pursuant to the terms of a control agreement governing any Deposit Account or Securities Account, each Obligor may authorize and direct a depository bank or securities intermediary that is a party to

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such control agreement to act upon the instructions of its officers, agents or other representatives concerning such Deposit Account or Securities Account or as to any other matters relating to such Deposit Account or Securities Account unless and until such depository bank or securities intermediary receives notice from the Collateral Agent to the contrary; provided, however, that the Collateral Agent shall not deliver any instructions to such depository bank or securities intermediary with respect to such Deposit Account or Securities Account ("Cash Dominion Notice") except upon the occurrence and during the continuation of an Event of Default; provided, further, however that (i) if the Collateral Agent has delivered a Cash Dominion Notice upon the occurrence of an Event of Default caused by the Borrower's breach of Section 2.10(b)(iii) of the Credit Agreement and the Borrower has thereafter maintained Net Liquidity greater than \$20,000,000 for at least 30 consecutive days, the Collateral Agent shall rescind such Cash Dominion Notice upon the request of the Borrower or (ii) if the Collateral Agent has delivered a Cash Dominion Notice upon the occurrence of an Event of Default, other than a breach by the Borrower of Section 2.10(b)(iii) of the Credit Agreement, and if such Event of Default has been remedied and no other Event of Default has occurred or been continuing for at least 90 consecutive days thereafter, the Collateral Agent shall rescind such Cash Dominion Notice upon the request of the Borrower.

5.05 Remedies.

(a) Rights and Remedies Generally upon Default. If an Event of Default shall have occurred and is continuing, the Collateral Agent shall have all of the rights and remedies with respect to the Collateral of a collateral agent under the NYUCC (whether or not the Uniform Commercial Code is in effect in the jurisdiction where the rights and remedies are asserted) and such additional rights and remedies to which the Collateral Agent is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted, including the right, to the fullest extent permitted by law, to exercise all voting, consensual and other powers of ownership pertaining to the Collateral as if the Collateral Agent were the sole and absolute owner thereof (and each Obligor agrees to take all such action as may be appropriate to give effect to such right); and without limiting the foregoing:

(i) the Collateral Agent in its discretion may, in its name or in the name of any Obligor or otherwise, demand, sue for, collect or receive any money or other property at any time payable or receivable on account of or in exchange for any of the Collateral, but shall be under no obligation to do so;

(ii) the Collateral Agent may make any reasonable compromise or settlement deemed desirable with respect to any of the Collateral and may extend the time of

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payment, arrange for payment in installments, or otherwise modify the terms of, any of the Collateral;

(iii) the Collateral Agent may require each Obligor to notify (and each Obligor hereby authorizes the Collateral Agent, upon prior written notice to such Obligor, provided that if Collateral Agent is prevented from giving such notice by law no such notice shall be necessary, so to notify) each account debtor in respect of any Account, Chattel Paper or General Intangible, and each obligor on any Instrument, constituting part of the Collateral that such Collateral has been assigned to the Collateral Agent hereunder, and to instruct that any payments due or to become due in respect of such Collateral shall be made directly to the Collateral Agent or as it may direct (and if any such payments, or any other Proceeds of Collateral, are received by any Obligor they shall be held in trust by such Obligor for the Collateral Agent and as promptly as possible remitted or delivered to the Collateral Agent for application as provided herein);

(iv) the Collateral Agent may require any Obligor to assemble the Collateral at such place or places, reasonably convenient to the Collateral Agent and such Obligor, as the Collateral Agent may direct;

(v) the Collateral Agent may apply the Collateral Account and any money or other property therein to payment of the Secured Obligations;

(vi) the Collateral Agent may require any Obligor to cause the Pledged Shares to be transferred of record into the name of the Collateral Agent or its nominee (and the Collateral Agent agrees that if any of such Pledged Shares is transferred into its name or the name of its nominee, the Collateral Agent will thereafter promptly give to such Obligor copies of any notices and communications received by it with respect to such Pledged Shares); and

(vii) the Collateral Agent may sell, lease, assign or otherwise dispose of all or any part of such Collateral, at such place or places as the Collateral Agent deems best, and for cash or for credit or for future delivery (without thereby assuming any credit risk), at public or private sale, without demand of performance or notice of intention to effect any such disposition or of the time or place thereof (except such notice as is required above or by applicable statute and cannot be waived), and the Collateral Agent or any other Secured Creditor or anyone else may be the purchaser, lessee, assignee or recipient of any or all of the Collateral so disposed of at any public sale (or, to the extent permitted by law, at any private sale) and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any right or equity of redemption (statutory or otherwise), of any Obligor, any such demand, notice and right or equity being hereby expressly waived and released. In the event of any sale, assignment, or

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other disposition of any of the Trademark Collateral, the goodwill connected with and symbolized by the Trademark Collateral subject to such disposition shall be included. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the sale may be so adjourned.

The Proceeds of each collection, sale or other disposition under this Section 5.05, including by virtue of the exercise of any license granted to the Collateral Agent in Section 5.04(b), shall be applied in accordance with Section 5.09.

(b) Certain Securities Act Limitations. Each Obligor recognizes that, by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws, the Collateral Agent may be compelled, with respect to any sale of all or any part of the Collateral, to limit purchasers to those who will agree, among other things, to acquire the Collateral for their own account, for investment and not with a view to the distribution or resale thereof. Each Obligor acknowledges that any such private sales may be at prices and on terms less favorable to the Collateral Agent than those obtainable through a public sale without such restrictions, and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner and that the Collateral Agent shall have no obligation to engage in public sales and no obligation to delay the sale of any Collateral for the period of time necessary to permit the issuer thereof to register it for public sale.

(c) Notice. Each Obligor agrees that to the extent the Collateral Agent is required by applicable law to give reasonable prior notice of any sale or other disposition of any Collateral, ten Business Days' notice shall be deemed to constitute reasonable prior notice.

5.06 Deficiency. If the proceeds of sale, collection or other realization of or upon the Collateral pursuant to Section 5.05 are insufficient to cover the costs and expenses of such realization and the payment in full of the Secured Obligations, the Obligors, jointly and severally, shall remain liable for any deficiency.

5.07 Locations; Names. Without at least 7 days' prior written notice to the Collateral Agent, no Obligor shall (i) change its location (as defined in Section 9-307 of the NYUCC), (ii) change its name from the name shown as its current legal name on Annex 1 or (iii) agree to or authorize any modification of the terms of any item of Collateral that would result in a change thereof from one Uniform Commercial Code category to another such category (such as from a General Intangible to Investment Property) if such resulting change would invalidate the Collateral Agent's perfection of its security interest in such item of Collateral.

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5.08 Private Sale. The Secured Creditors shall incur no liability as a result of the sale of the Collateral, or any part thereof, at any private sale pursuant to Section 5.05 conducted in a commercially reasonable manner. Each Obligor hereby waives any claims against the Secured Creditors arising by reason of the fact that the price at which the Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale or was less than the aggregate amount of the Secured Obligations, even if the Collateral Agent accepts the first offer received and does not offer the Collateral to more than one offeree.

5.09 Application of Proceeds. Subject to the terms of the Intercreditor Agreement, except as otherwise herein expressly provided and except as provided below in this Section 5.09, the Proceeds of any collection, sale or other realization of all or any part of the Collateral pursuant hereto, and any other cash at the time held by the Collateral Agent under Section 4 or this Section 5, shall be applied by the Collateral Agent:

First, to the payment of the costs and expenses of such collection, sale or other realization, including out-of-pocket costs and expenses of the Collateral Agent and the fees and expenses of its agents and counsel, and all expenses incurred and advances made by the Collateral Agent in connection therewith;

Next, to the payment in full of the Secured Obligations, in each case equally and ratably in accordance with the respective amounts thereof then due and owing or as the Lenders or any other holders of the Other Pari Passu Obligations holding the same may otherwise agree; and

Finally, to the payment to the Obligors, or their successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining.

Notwithstanding the foregoing, the proceeds of any cash or other amounts held in the "LC Exposure Sub-Account" of the Collateral Account pursuant to Section 4.06 shall be applied **first** to the LC Exposure outstanding from time to time and **second** to the other Secured Obligations in the manner provided above in this Section 5.09.

5.10 Attorney-in-Fact. Without limiting any rights or powers granted by this Agreement to the Collateral Agent while no Event of Default has occurred and is continuing, upon the occurrence and during the continuance of any Event of Default the Collateral Agent is hereby appointed the attorney-in-fact of the Obligors for the purpose of carrying out the provisions of this Section 5 and taking any action and executing any instruments that the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, so long as the Collateral Agent shall be entitled under this Section 5

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to make collections in respect of the Collateral, the Collateral Agent shall have the right and power to receive, endorse and collect all checks made payable to the order of any Obligor representing any dividend, payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

5.11 Perfection and Recordation. Prior to or concurrently with the execution and delivery of this Agreement, each Obligor shall:

- (a) file such financing statements and other documents in such offices as the Collateral Agent may request to perfect the security interests granted by Section 3 of this Agreement,
- (b) deliver to the Collateral Agent all certificates evidencing any of the Pledged Shares, accompanied by undated stock or other powers duly executed in blank,
- (c) deliver the originals of any of the promissory notes referred to in Section 3,
- (d) cause each Issuer (other than an Issuer the ownership interests in which are evidenced by certificates) to agree that it will comply with instructions regarding perfection and recordation originated by the Collateral Agent,
- (e) execute, deliver and record such short form security agreements relating to Collateral consisting of the Intellectual Property as the Collateral Agent may reasonably request, and
- (f) enter into such account control agreements (and obtain the written agreement with respect thereto from the applicable financial institution where each Deposit Account, Securities Account or Commodity Account is located) as may be necessary to perfect the security interests granted by Section 3 of this Agreement with respect to all Deposit Accounts (other than Excluded Accounts) and Securities Accounts.

Each Obligor authorizes the Collateral Agent to file Uniform Commercial Code financing statements describing the Collateral as "all assets" or "all personal property and fixtures" of such Obligor (provided that no such description shall be deemed to modify the description of Collateral set forth in Section 3).

5.12 Termination. When all Secured Obligations shall have been paid in full and the Commitments of the Lenders under the Credit Agreement and all LC Exposure shall have expired or been terminated or cash collateralized pursuant to a written agreement reasonably acceptable to the Collateral Agent, this Agreement and the Lien and security interest

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created hereunder shall automatically terminate, and the Collateral Agent shall forthwith cause to be assigned, transferred and delivered, against receipt but without any recourse, warranty or representation whatsoever, any remaining Collateral and money received in respect thereof, to or on the order of any Obligor and to be released and canceled all licenses and rights referred to in Section 5.04(b). The Lien and security interest created hereunder shall automatically terminate and be released with respect to any Collateral or any Obligor that is sold as part of or in connection with any disposition permitted under Section 7.03 of the Credit Agreement. The Collateral Agent shall also, at the expense of the Obligors, execute and deliver to the Obligors upon such termination such Uniform Commercial Code termination statements, certificates for terminating the Liens on the Motor Vehicles and such other documentation as shall be reasonably requested by the Obligors to effect the termination and release of the Liens on the Collateral as required by this Section 5.12.

5.13 Further Assurances. Each Obligor agrees that, from time to time upon the written request of the Collateral Agent, such Obligor will execute and deliver such further documents and do such other acts and things as the Collateral Agent may reasonably request in order fully to effect the purposes of this Agreement. The Collateral Agent shall release any Lien covering any asset that has been disposed of in a transaction not prohibited by the Credit Agreement or that has been disposed of with the consent of the Required Lenders under the Credit Agreement.

Section 6. Miscellaneous.

6.01 Notices. All notices, requests, consents and demands hereunder shall be in writing and telecopied or delivered to the intended recipient at its "Address for Notices" specified pursuant to Section 10.01 of the Credit Agreement and shall be deemed to have been given at the times specified in said Section 10.01.

6.02 No Waiver. No failure on the part of any Secured Creditor to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by any Secured Creditor of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein are cumulative and are not exclusive of any remedies provided by law.

6.03 Amendments, Etc. The terms of this Agreement may be waived, altered or amended only by an instrument in writing duly executed by the Obligors and the Collateral Agent (with the consent of the Lenders or Required Lenders as specified in Article X of the Credit Agreement). Any such amendment or waiver shall be binding upon the Secured Creditors and the Obligors.

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6.04 Expenses. The Obligors, jointly and severally, agree to reimburse each of the Secured Creditors for all out-of-pocket costs and expenses incurred by them (including the reasonable fees and expenses of legal counsel) in connection with (i) any Event of Default and any enforcement or collection proceeding resulting therefrom, including all manner of participation in or other involvement with (w) performance by the Collateral Agent of any obligations of any Obligor in respect of the Collateral that such Obligor has failed or refused to perform, (x) bankruptcy, insolvency, receivership, foreclosure, winding up or liquidation proceedings, or any actual or attempted sale, or any exchange, enforcement, collection, compromise or settlement in respect of any of the Collateral, and for the care of the Collateral and defending or asserting rights and claims of the Collateral Agent in respect thereof, by litigation or otherwise, including expenses of insurance, (y) judicial or regulatory proceedings and (z) workout, restructuring or other negotiations or proceedings (whether or not the workout, restructuring or transaction contemplated thereby is consummated) and (ii) the enforcement of this Section 6.04, and all such costs and expenses shall be Secured Obligations entitled to the benefits of the collateral security provided pursuant to Section 3.

6.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Obligors and the Secured Creditors (provided that, except in connection with a transaction permitted by Section 10.04(a) of the Credit Agreement, no Obligor shall assign or transfer its rights or obligations hereunder without the prior written consent of the Collateral Agent).

6.06 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

6.07 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

6.08 Captions. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

6.09 Agents and Attorneys-in-Fact. The Collateral Agent may employ agents and attorneys-in-fact in connection herewith and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith.

6.10 Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the

First Lien Security Agreement

LA1:#6299586

Secured Creditors in order to carry out the intentions of the parties hereto as nearly as may be possible and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this First Lien Security Agreement to be duly executed and delivered as of the day and year first above written.

[Signature pages follow.]

First Lien Security Agreement

LA1:#6299586

WELLS FARGO FOOTHILL, INC.,
as Collateral Agent

By 
Name: KAD BROOKS
Title: VICE PRESIDENT

FILING DETAILS

ANNEX I

FILING DETAILS	Type of Entity	Jurisdiction	Organizational ID	Mailing Address	Place of Business / Location of Chief Executive Office	Location of Goods	Location of Filing Statements
Krispy Kreme Doughnut Corporation	Corporation	North Carolina	0081920	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103; 1814 Ivy Avenue, Winston-Salem, NC 27105; 740 E. 27th Street, Winston-Salem, NC 27105; 3190 Centre Park Blvd., Winston-Salem, NC 27107; 10846 Commerce Way, Fontana, CA 92337; 1200 Stevens Avenue, Effingham, IL 62401; See also Exhibit A attached.	North Carolina SOS; North Carolina – Forsyth County; Indiana SOS; Illinois – Effingham County; California SOS; Georgia – Fulton County
Krispy Kreme Doughnuts, Inc.	Corporation	North Carolina	0513436	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	North Carolina SOS; Illinois SOS; Tennessee – Knox Circuit Court
Krispy Kreme Distributing Company, Incorporated	Corporation	North Carolina	0192800	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	None	None
Krispy Kreme Mobile Store Company	Corporation	North Carolina	0640143	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	8118 Reynolds Road, Pfafftown, NC 27040	None
Krispy Kreme Canada, Inc.	Corporation	North Carolina	0673632	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	None	None

Annex I to Security Agreement

FILING DETAILS

FILING DETAILS	Type of Entity	Jurisdiction	Organizational ID	Mailing Address	Place of Business / Location of Chief Executive Office	Location of Goods	Location of Filing Statements
Legal Name HD Capital Corporation	Corporation	Delaware	2609405	103 Foulk Rd. Suite 206 Wilmington, DE 19803	103 Foulk Rd. Suite 206 Wilmington, DE 19803	None	None
HDN Development Corporation	Corporation	Kentucky	0415293	7303 Turf Way Rd. Florence, KY 41042	7303 Turf Way Rd. Florence, KY 41042	7303 Turfway Road, Florence, KY 41042	None
Krispy Kreme Coffee Company, LLC	Limited Liability Company	North Carolina	0579336	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	1814 Ivy Avenue, Winston-Salem, NC 27105	None

Annex I to Security Agreement

FILING DETAILS

FILING DETAILS	Legal Name	Type of Entity	Jurisdiction	Organizational ID	Mailing Address	Place of Business / Location of Chief Executive Office	Location of Goods	Location of Filing Statements
	Golden Gate Doughnuts, LLC	Limited Liability Company	North Carolina	0471796	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	3409 Arden Way, Sacramento, CA 95864; 32450 Dyer Street, Union City, CA 94587; 2146 Leghorn Street, Mountain View, CA 94043; 2060 Business Lane, Chico, CA 95928; 1441 Fitzgerald Drive, Pinole, CA 94564; 2020 West Briggsmore Avenue, Modesto, CA 95350; 10317 Fairway Drive; Roseville, CA 95678; 8040 North Blackstone Avenue, Fresno, CA 93720; 1575 Sullivan Avenue, Daly City, CA 94015; 4444 Century Boulevard, Pittsburg, CA 94565; 1991 Diamond Blvd., Concord, CA 94520; 7901 Greenback Lane, Citrus Heights, CA 95610; 2809 West March Lane, Stockton, CA 95219; 2688 Santa Rosa Avenue, Santa Rosa, CA 95407; 8430 Bond Road, Elk Grove, CA 95624	North Carolina SOS; North Carolina – Forsyth County; California – Alameda County; California – Contra Costa County; California – Sacramento County; California - Santa Clara County

Annex I to Security Agreement

FILING DETAILS

FILING DETAILS	Type of Entity	Jurisdiction	Organizational ID	Mailing Address	Place of Business / Location of Chief Executive Office	Location of Goods	Location of Filing Statements
Legal Name Parhande Doughnuts, LLC	Limited Liability Company	North Carolina	0637931	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	None	None
Freedom Rings, LLC	Limited Liability Company	Delaware	3365177	900 Carpenters Crossing, Building 31, Folcroft, PA 19032	900 Carpenters Crossing, Building 31, Folcroft, PA 19032	1101 Quintillo Dr. Bear, DE 19701; 3601 Concord Pike Wilmington, DE 19803; 709 Route 70 Brick, NJ 08723; 331 Tilton Rd. Northfield, NJ 08225; 2327 Cottman Avenue Philadelphia, PA 19149; 805 Baltimore Pike Springfield, PA 19064; 931 Bethlehem Pike Montgomeryville, PA 18936; 2424 E. Lincoln Highway Langhorne, PA 19047; 8500 Essington Ave. Philadelphia, PA 19153; 1980 Greenfield Road, Lancaster, PA	Delaware SOS

Annex J to Security Agreement

FILING DETAILS

FILING DETAILS	Type of Entity	Jurisdiction	Organizational ID	Mailing Address	Place of Business / Location of Chief Executive Office	Location of Goods	Location of Filing Statements
North Texas Doughnuts, L.P.	Limited Partnership	Texas	800216395	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	370 Knollwood Street, Suite 500, Winston-Salem, NC 27103	3605 Ira E. Woods Avenue, Grapevine, TX 76051; 2600 South Cooper Street, Arlington, TX 76015; 1350 West Parkway, Euless, TX 76040; 5118 Greenville Avenue, Dallas, TX 75206; 3551 Preston Road, Frisco, TX 75034; 5745 South Hulen Street, Fort Worth, TX 76132; 7955 N. MacArthur Blvd., Irving, TX 75063; 3521 Central Expressway, Plano, TX 75023	None

Annex I to Security Agreement

Exhibit A

110 COX CREEK PARKWAY, SOUTH	FLORENCE	AL	35630
1218 N. MEMORIAL PARKWAY	HUNTSVILLE	AL	35801-5929
5474 ATLANTA HIGHWAY	MONTGOMERY	AL	36109
10846 COMMERCE WAY	FONTANA	CA	92335
1350 CONNECTICUT AVE, NW	WASHINGTON	DC	20036
795 HIGHWAY 98 E/P.O. Box 5020	DESTIN	FL	32540/32541
11117 SAN JOSE BLVD	JACKSONVILLE	FL	32223
12973 ATLANTIC BOULEVARD	JACKSONVILLE	FL	32225
810 CASSAT AVENUE	JACKSONVILLE	FL	32205-4804
1855 CASSAT CENTER	JACKSONVILLE	FL	32210
289 BLANDING BLVD	ORANGE PARK	FL	32073
980 NORTH NINTH AVENUE	PENSACOLA	FL	32501
1412 WEST FAIRFIELD DRIVE, UNIT 18	PENSACOLA	FL	
295 PONCE DE LEON AVENUE	ATLANTA	GA	30308-1993
3387 BUFORD DRIVE	BUFORD	GA	30519
1550 PLEASANT HILL RD, STE 101	DULUTH	GA	30096
4129 HIGHWAY 78	LILBURN	GA	30047
299 COBB PARK WAY, SOUTH	MARIETTA	GA	30060
4320 INTERNATIONAL BLVD, NW	NORCROSS	GA	30093
6689 HIGHWAY SR-85	RIVERDALE	GA	30274
791 ATLANTA STREET	ROSWELL	GA	30075
2749 SKIDAWAY ROAD	SAVANNAH	GA	31404
11506 ABERCORN STREET	SAVANNAH	GA	31419
1200 STEVENS AVENUE	EFFINGHAM	IL	62401
727 N. BURKHARDT ROAD	EVANSVILLE	IN	47715
5412 COLDWATER ROAD	FORT WAYNE	IN	46802
156 EAST COLLINS DRIVE	FORT WAYNE	IN	46825
1310 ILLINOIS STREET	FT. WAYNE	IN	46804
1729 U.S. 31, SUITE F	GREENWOOD	IN	46143
8707 US HWY. 31 SOUTH	INDIANAPOLIS	IN	46227
1940 EXECUTIVE DRIVE	INDIANAPOLIS	IN	46241
4030 STATE ROAD 26 EAST	LAFAYETTE	IN	47905
5500 BLOCK MAIN STREET	MISHAWAKA	IN	46544

Exhibit A to Security Agreement

1905 EAST 17TH STREET	HUTCHINSON	KS	67501
8805 SHAWNEE MISSION PKWY.	MERRIAM	KS	66202
10390 METCALF AVENUE	OVERLAND PARK	KS	66212
7777 EAST CENTRAL	WICHITA	KS	67206
8448 WEST CENTRAL AVENUE	WICHITA	KS	67212
2893 RICHMOND ROAD	LEXINGTON	KY	40509
3000 BARDSTOWN ROAD	LOUISVILLE	KY	40205-3020
3920 SEVENTH ST. ROAD	LOUISVILLE	KY	40216-4193
7251 YOUREE DRIVE	SHREVEPORT	LA	71105
8010 BEL AIR ROAD	BALTIMORE	MD	21236
2505 LORD BALTIMORE DRIVE STE K	BALTIMORE	MD	21244
2505 LORD BALTIMORE DRIVE	BALTIMORE	MD	21244
1325 POLICY DRIVE	BELCAMP	MD	21017
8630 SNOWDEN RIVER PKWY; COLUMBIA CROSSING	COLUMBIA	MD	21045
6604 RITCHIE HIGHWAY	GLEN BURNIE	MD	21061
10021 REISTERTOWN ROAD	OWINGS MILLS	MD	21117
FALLS GROVE VILLAGE CTR/4919 SHADY GROVE RD	ROCKVILLE	MD	20850
2129 YORK ROAD	TIMONIUM	MD	21093
15050 SOUTHFIELD ROAD	ALLEN PARK	MI	48101
4415 CORUNNA ROAD	FLINT TOWNSHIP	MI	48532
2700 EAST BELTLINE ROAD	GRAND RAPIDS	MI	49546
2129 LAKE LANSING ROAD	LANSING TOWNSHIP	MI	48912
32985 SCHOOL CRAFT ROAD	LIVONIA	MI	48150
27695 GRAND RIVER AVENUE	LIVONIA	MI	48152
6278 SOUTH WESTNEDGE AVENUE	PORTAGE	MI	49024
28835 GRATIOT	ROSEVILLE	MI	48066
208 WEST 14 MILE ROAD	TROY	MI	48083
150 TANGER BLVD	BRANSON	MO	65616
4242 S. NOLAND ROAD	INDEPENDENCE	MO	64055
10760 N. CONGRESS AVE., BLDG J; AIR WORLD CTR	KANSAS CITY	MO	64153
720 NORTH GLENSTONE AVENUE	SPRINGFIELD	MO	65802
3860 SOUTH CAMPBELL	SPRINGFIELD	MO	65807
1100 E. COUNTY LINE ROAD	RIDGELAND	MS	39157

Exhibit A to Security Agreement

200 W. WOODLAWN AVE., STE B	CHARLOTTE	NC	28217
315 WILSHIRE AVENUE, SW	CONCORD	NC	28025
3250 BRAGG BLVD	FAYETTEVILLE	NC	28303-3957
2990 E. FRANKLIN SQUARE	GASTONIA	NC	28052
3704 HIGH POINT ROAD	GREENSBORO	NC	27407
2401 BATTLEGROUND AVENUE	GREENSBORO	NC	27408
917 N. MAIN STREET	HIGH POINT	NC	27262-3923
1187 SHIELDS ROAD, STE 7-9	KERNERSVILLE	NC	27284
9301 EAST INDEPENDENCE BLVD	MATTHEWS	NC	28105-4501
549 N. PERSON STREET	RALEIGH	NC	27604-1299
1428 W. INNES STREET	SALISBURY	NC	28144-2502
259 S. STRATFORD ROAD	WINSTON-SALEM	NC	27103-1817
370 KNOLLWOOD, SUITES 340 & 400	WINSTON-SALEM	NC	
380 KNOLLWOOD, SUITES D, M, & G, 710, 730, 210, 460, & 340	WINSTON-SALEM	NC	
17TH STREET WAREHOUSE	WINSTON-SALEM	NC	
354 S. MAPLE STREET	AKRON	OH	44302
796 BOARDMAN-POLAND ROAD	BOARDMAN	OH	44512
2557 WESTBELT DRIVE, Suite 2557	COLUMBUS	OH	43228
3690 WEST DUBLIN-GRANVILLE ROAD	COLUMBUS	OH	43235
1021 POLARIS PARK WAY	COLUMBUS	OH	43240
2001 EAST DOROTHY LANE	KETERING	OH	45420
6907 PEARL ROAD	MIDDLEBURG HGTS	OH	44130
351 LAWTON AVENUE	MONROE	OH	45050
3348 SECOR ROAD	TOLEDO	OH	43606
3434 SECOR ROAD	TOLEDO	OH	43606
1200 KNOX ABBOTT DRIVE	CAYCE	SC	29033
1491 SAVANNAH HIGHWAY	CHARLESTON	SC	29407
302 N. PLEASANTBURG DRIVE	GREENVILLE	SC	29607-2126
1733 MALLORY LANE	BRENTWOOD	TN	37027
5609 BRAINERD ROAD	CHATTANOOGA	TN	37411-5391
4842 NORTH BROADWAY	KNOXVILLE	TN	37918
6201 KINGSTON PIKE	KNOXVILLE	TN	37919-4072

Exhibit A to Security Agreement

1901 GALLATIN PIKE	MADISON	TN	37115
6255 WINCHESTER ROAD	MEMPHIS	TN	38115
4244 ELVIS PRESLEY BLVD	MEMPHIS	TN	38116-6437
125 SOUTH MAIN STREET	MEMPHIS	TN	38103
2103 ELLISTON PLACE	NASHVILLE	TN	37203
505 MAPLELEAF DRIVE	NASHVILLE	TN	37210
408 THOMPSON LANE	NASHVILLE	TN	37211-2213
7955 NORTH MACARTHUR BOULEVARD	IRVING	TX	75063
3521 CENTRAL EXPRESSWAY	PLANO	TX	75023
6332 RICHMOND HIGHWAY	ALEXANDRIA	VA	22306
120 SYLVIA ROAD	ASHLAND	VA	23005
1891 CARL D. SILVER PARKWAY	FREDRICKSBURG	VA	22401
3400 W. MERCURY BLVD	HAMPTON	VA	23666-3779
10400 FURNACE RD; GUNSTON COMMERCE CTR	LORTON	VA	22079
4910 WEST BROAD STREET	RICHMOND	VA	23230-3110
4141 MELROSE AVENUE	ROANOKE	VA	24017-5899
2230 CROYDEN LANE	STAUNTON	VA	24401
4901 VIRGINIA BEACH BLVD	VIRGINIA BEACH	VA	23462-2697
541 CENTRAL AVENUE	VIRGINIA BEACH	VA	23454
42 RIVERWALK PLAZA, McCORKLE AVE	SO. CHARLESTON	WV	25303
1319 DUNBAR AVENUE	DUNBAR	WV	25068

Exhibit A to Security Agreement

None.

NEW DEBTOR EVENTS

ANNEX 2

Annex 2 to Security Agreement

PLEGGED SHARES AND PROMISSORY NOTES

Part A - Pledged Shares

Obligor	Issuer	% of Obligor's Ownership of Issuer	Class (If Corporate Issuer)	Par Value (If Corporate Issuer)	Number of Shares (If Corporate Issuer)
Krispy Kreme Doughnuts, Inc.	Krispy Kreme Doughnut Corporation	100%	Capital Stock	\$10.00	One (1)
Krispy Kreme Doughnut Corporation	Krispy Kreme Distributing Company, Incorporated	100%	Capital Stock	\$1.00	Ninety Thousand (90,000)
Krispy Kreme Doughnut Corporation	Krispy Kreme Mobile Store Company	100%	Common Stock	None	One Hundred (100)
Krispy Kreme Doughnut Corporation	Krispy Kreme Canada, Inc.	100%	Common Stock	None	One Hundred (100)
Krispy Kreme Doughnut Corporation	HD Capital Corporation	100%	Capital Stock	\$.01	One Hundred (100)
HD Capital Corporation	HDN Development Corporation	100%	Shares	\$.01	One Hundred (100)
Krispy Kreme Doughnut Corporation*	Krispy Kreme International Ltd.	100%	Common Shares	CHF 1'000.00	Five Thousand Six Hundred Fifty-Five (5,655)
Krispy Kreme Doughnut Corporation	Krispy Kreme Coffee Company, LLC	100%			
Krispy Kreme Doughnut Corporation	Golden Gate Doughnuts, LLC	100%			
Krispy Kreme Doughnut Corporation	Panhandle Doughnuts, LLC	100%			
Krispy Kreme Doughnut Corporation	Freedom Rings, LLC	70%			
Panhandle Doughnuts, LLC	North Texas Doughnuts, L.P.	99%			
Krispy Kreme Doughnut Corporation	North Texas Doughnuts, L.P.	1%			

* Krispy Kreme Doughnut Corporation is pledging 65% of its ownership interest in Krispy Kreme International Ltd.

Part B - Promissory Notes Held By Each Obligor (aggregate outstanding principal amounts equal to or in excess of \$250,000)

Title	Borrower	Lender	Date	Original Principal Amount	Amount Outstanding as of 1/30/2005
1 Amended and Restated Promissory Note (1/31/05)	Krispy Kreme Doughnut Corporation	HD Capital Corporation	2/4/02	\$175,000,000	\$139,039,508
2 Amended and Restated Promissory Note	HD Capital Corporation	HDN Development Corporation	1/31/05	\$8,000,000	\$890,000
3 Amended and Restated Line of Credit Promissory Note	Freedom Rings, LLC	Krispy Kreme Doughnut Corporation	10/15/04	\$22,500,000	\$21,427,970
4 12.0% Series A Senior Subordinated Note Assignment of Note (8/22/02)	Glazed Investments, LLC	Krispy Kreme Doughnut Corporation (pursuant to assignment from JZ Equity Partners, PLC)	7/25/00	\$3,015,000	\$3,015,000
5 12.0% Series B Senior Subordinated Note	Glazed Investments, LLC	Krispy Kreme Doughnut Corporation	7/25/00	\$1,007,800	\$1,007,800
6 Amended and Restated Line of Credit Promissory Note	Glazed Investments, LLC	Krispy Kreme Doughnut Corporation	10/15/04	\$10,000,000	\$7,515,179
7 Promissory Note (Auto extruders)	New England Dough, LLC	Krispy Kreme Doughnut Corporation	1/30/04	\$368,678.56	\$250,659
8 Promissory Note	Restaurant Associates Corp.	Krispy Kreme Doughnut Corporation	4/17/00	\$1,000,000	\$1,000,000
9 Promissory Note (Auto extruders)	Krispy Kreme of South Florida LLC	Krispy Kreme Doughnut Corporation	4/15/04	\$314,250	\$314,250
10 Promissory Note (Auto extruders)	Krispy Kreme Australia Pty Limited	Krispy Kreme Doughnut Corporation	6/30/04	\$286,373	\$286,373
11 Promissory Note	Krispy Kreme Australia Pty Limited	Krispy Kreme Doughnut Corporation	5/28/04	AUD 1,000,000	\$774,900
12 Promissory Note	M&M Doughnuts, Inc. W. V. McAfee, Jr.	Krispy Kreme Doughnut Corporation	11/7/03	\$439,000	\$413,217
13 Promissory Note (Auto extruders)	Glazing Saddles Ltd.	Krispy Kreme Doughnut Corporation	4/30/04	\$350,000	\$350,000

Annex 3 to Security Agreement

	Title	Borrower	Lender	Date	Original Principal Amount	Amount Outstanding as of 1/30/2005
14	Promissory Note (Auto extruders)	Rigel Corporation	Krispy Kreme Doughnut Corporation	11/1/03	\$454,307.73	\$284,069
15	Promissory Note (Auto extruders)	Dynamic Doughnuts, Inc.	Krispy Kreme Doughnut Corporation	4/30/04	\$420,000	\$420,000

Annex 3 to Security Agreement

LIST OF COPYRIGHTS, COPYRIGHT REGISTRATIONS AND
APPLICATIONS FOR COPYRIGHT REGISTRATIONS

Copyrights

All Owned by Krispy Kreme Doughnut Corporation

<u>COUNTRY</u>	<u>COPYRIGHT TITLE</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
United States	Krispy Kreme Automated Route Sales	TXu 207-986	08/19/1985
United States	Krispy Kreme Automated Route Sales	TXu 207-987	08/19/1985
United States	Krispy Kreme Automated Route Sales Handbook	TXu 208-351	08/20/1985
United States	Krispy Kreme Doughnut Corporation Shop System Training and Reference Guide (additions, editing and updating; previous reg. TXu 208-351)	TXu 260-264	11/13/1986
United States	Krispy Kreme Doughnut Corporation Shop System (revised program text; previous reg. TXu 207-298 and TXu 207-987)	TXu 286-505	06/24/1987
United States	Krispy Kreme Doughnut Corporation Shop System Training and Reference Guide (some new and some revised; previous reg. TXu 260-264)	TXu 286-644	06/24/1987
United States	Krispy Kreme Doughnut Corporation Shop System (revised program text; previous reg. TXu 286-505)	TXu 359-092	02/23/1989
United States	Krispy Kreme Doughnut Corporation Shop System Training and Reference Guide (some new and some revised; previous reg. TXu 286-644)	TXu 359-093	02/23/1989

Annex 4 to Security Agreement

LIST OF PATENTS AND PATENT APPLICATIONS

Patents
All Owned by HDN Development Corporation

COUNTRY	TITLE OF INVENTION	REGISTRATION (APPLICATION) NUMBER	ISSUE (FILING) DATE
Australia	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	2001263415	05/23/2001
Austria	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
Belgium	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
Canada	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	2,408,690	05/23/2001
Denmark	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
Europe	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	EP 1 286 595 B1	05/23/2001
Finland	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
France	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
Germany	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	601 07 083.6-08 (Validation of EP 1 286 595 B1)	Validation Completed
Greece	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
International	Methods and Apparatus for Applying Glaze or Other Coatings to Food Products	PCT/US04/027985	08/27/2004
Ireland	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation Completed
Italy	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1 286 595 B1	Validation in Progress
Japan	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	2001-585559	05/23/2001

Annex 5 to Security Agreement

TRADEMARK

REEL: 003059 FRAME: 0844








COUNTRY	TITLE OF INVENTION	REGISTRATION (APPLICATION) NUMBER	ISSUE (FILING) DATE
Korea (South)	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	10-2002-7015948	05/23/2001
Mexico	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	PA/a/2002/011637	05/23/2001
The Netherlands	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation in Progress
Portugal	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation Completed
Spain	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation in Progress
Sweden	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation in Progress
Switzerland	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation Completed
Turkey	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation in Progress
United Kingdom	Methods and Systems for Automatically Extruding and Cutting Dough-based Products Having Pre-selected Weights	Validation of EP 1,286,595 B1	Validation in Progress
United States	Systems for Controlling Mixing Processes	6,827,476	12/07/2004
United States	Method for Controlling Mixing Processes	6,656,515	12/02/2003
United States	Methods and Systems for Automatically Extruding and Cutting Dough-Based Products Having Pre-Selected Weights	6,511,689	01/28/2003
United States	Modular Tray System	6,010,016	01/04/2000
United States	Methods and Apparatus for Applying Glaze or Other Coatings to Food Products	10/651,694	08/29/2003
United States	Methods And Systems For Automatically Extruding And Cutting Dough-Based Products Having Pre-Selected Weights	10/351,820	01/27/2003
United States	System and Process For Continuously Filtering Shortening, Oil and the Like	09/949,446	09/07/2001

Annex 5 to Security Agreement
















LIST OF TRADE NAMES, TRADEMARKS, SERVICES MARKS,
TRADEMARK AND SERVICE MARK REGISTRATIONS AND
APPLICATIONS FOR TRADEMARK AND SERVICE MARK REGISTRATIONS

Trademarks
All Owned by HDN Development Corporation




* Denotes a pending application in the United States of America that currently seeks registration under Trademark Act Section 1(b). These will not be included in any filings in the United States Patent and Trademark Office in connection with recording the Security Agreement. As of the date hereof, there are only three (3) such U.S. pending applications.











COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Australia	DOUGHNUT THEATER	939327	05/09/2003
Australia	FRESH. HOT. NOW.	941803	09/20/2004
Australia		893843	05/29/2003
Australia		888135	04/18/2002
Australia	KRISPY DIPPERS	(918885)	(07/04/2002)
Australia	KRISPY JUNIORS	918883	02/19/2003
Australia	KRISPY KREME	888131	05/29/2003
Australia	KRISPY KREME	918894	06/05/2003
Australia		888134	05/29/2003
Australia		918893	06/05/2003
Australia		667633	02/03/1997
Australia		918892	06/05/2003
Australia		888132	05/29/2003



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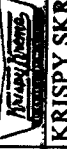







COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Australia		864681	10/10/2001
Australia		918895	06/05/2003
Australia	KRISPY SKREMES	918886	02/24/2003
Australia	ORIGINAL GLAZED	918887	05/06/2003
Austria		152 017	04/11/1994
Austria		196 211	05/16/2001
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas	KAFFE KREME	(N/A)	(01/21/2005)
Bahamas	KING OF AMERICA'S DOUGHNUTS	(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)










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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Bahamas		(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)
Bahamas	KRISPY CRULLERS	(N/A)	(01/21/2005)
Bahamas	KRISPY DIPPERS	(N/A)	(01/21/2005)
Bahamas	KRISPY JUNIORS	(N/A)	(01/21/2005)
Bahamas	KRISPY KNIBBLES	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	KRISPY KREME	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas	<i>Krispy Kreme</i>	(N/A)	(01/21/2005)
Bahamas		(N/A)	(01/21/2005)


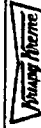









COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Bahrain		32384	06/21/2004
Bahrain		s5310	08/10/2004
Bahrain		32385	06/21/2004
Bahrain		s5311	08/10/2004
Benelux	KRISPY KREME	538038	10/13/1993
Benelux	KRISPY KREME	681326	02/01/2001
Brazil	KRISPY KREME	(822028247)	(09/17/1999)
Brazil		(822028239)	(09/17/1999)
Brazil		(822145332)	(10/14/1999)
Canada	CAFES SIGNATURES	TMA612,558	06/10/2004
Canada	CLASSIC DOZEN	TMA601,777	02/10/2004
Canada	DOUGHNUT THEATER	(1,163,912)	(01/06/2003)
Canada	FRESH. HOT. NOW.	(1,166,325)	(01/30/2003)
Canada	HOT DOUGHNUT FACTORY	TMA602,409	02/17/2004
Canada	HOT DOUGHNUTS NOW	TMA555,092	12/06/2001
Canada		TMA555,093	12/06/2001
Canada		TMA608,337	04/22/2004
Canada		TMA576,269	02/24/2003
Canada	KAFFE KREME	(1,103,423)	(05/18/2001)
Canada	KING OF AMERICA'S DOUGHNUTS	TMA555,091	12/06/2001
Canada		TMA605,240	03/15/2004









COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Canada		TMA548,110	07/13/2001
Canada	KRISPY CRULLERS	TMA561,092	04/30/2002
Canada	KRISPY DIPPERS	TMA561,349	05/03/2002
Canada	KRISPY DIPPERS	(1,103,421)	(05/18/2001)
Canada	KRISPY JUNIORS	TMA561,174	05/01/2002
Canada	KRISPY KNIBBLES	TMA561,093	04/30/2002
Canada	KRISPY KREME	TMA569,845	10/29/2002
Canada	KRISPY KREME	TMA568,695	10/08/2002
Canada	KRISPY KREME	TMA569,918	10/30/2002
Canada	KRISPY KREME	TMA552,687	10/19/2001
Canada	KRISPY KREME	TMA448,289	09/29/1995
Canada	KRISPY KREME	TMA576,067	02/20/2003
Canada	KRISPY KREME	TMA576,066	02/20/2003
Canada	KRISPY KREME	TMA576,013	02/20/2003
Canada	KRISPY KREME	TMA569,178	10/21/2002
Canada	KRISPY KREME	TMA571,365	11/27/2002
Canada	KRISPY KREME	TMA576,068	02/20/2003
Canada	KRISPY KREME	TMA569,903	10/29/2002
Canada	<i>Krispy Kremes</i>	TMA569,846	10/29/2002
Canada	<i>Krispy Kremes</i>	TMA604,721	03/10/2004
Canada	<i>Krispy Kremes</i>	TMA574,909	01/31/2003
Canada	<i>Krispy Kremes</i>	TMA576,062	02/20/2003
Canada	<i>Krispy Kremes</i>	TMA569,119	10/18/2002
Canada	<i>Krispy Kremes</i>	TMA576,065	02/20/2003
Canada		TMA569,847	10/29/2002









COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Canada		TMA 574,854	01/31/2003
Canada		TMA 574,856	01/31/2003
Canada		TMA 605,238	03/15/2004
Canada		TMA 569,904	10/29/2002
Canada		TMA 574,852	01/31/2003
Canada	KRISPY SKREMES	TMA 576,101	02/20/2003
Canada		TMA 548,106	07/13/2001
Canada		TMA 548,103	07/13/2001
Canada	ORIGINAL GLAZED	TMA 572,733	12/20/2002
Canada	READY-2-GO	TMA 602,020	02/11/2004
Canada	SIGNATURE COFFEES	TMA 612,436	06/09/2004
Canada	SIMPLY HEAVEN	TMA 548,107	07/13/2001
Canada	THORNTONS	(1,075,030)	(09/14/2000)
China		3012540	05/07/2003
China		3012539	01/28/2003
China		1990285	01/07/2003
China		2010631	12/21/2002
China	KRISPY KREME	1990296	01/07/2003
China	KRISPY KREME	2010907	12/21/2002











COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
China		1990290	01/07/2003
China		2010910	12/21/2002
China		1990282	02/07/2003
China		2010634	01/14/2003
Costa Rica	KRISPY KREME	N/A	(09/24/2001)
Costa Rica	KRISPY KREME	N/A	(09/24/2001)
Costa Rica	KRISPY KREME	N/A	(09/24/2001)
Czech Republic		246105	07/29/2002
Denmark	KRISPY KREME	VR 199803772	11/17/1998
Denmark	KRISPY KREME	VR 200101772	04/23/2001
European Union	DOUGHNUT THEATER	(003000866)	(01/09/2003)
European Union	FRESH. HOT. NOW.	(003031135)	(01/31/2003)
European Union		(001944115)	(11/08/2000)
European Union		002475101	08/18/2004
European Union	KAFFE KREME	(002760049)	(07/03/2002)
European Union		002760114	02/11/2004
European Union	KRISPY CRULLERS	002760288	12/16/2003
European Union	KRISPY DIPPERS	002760254	12/18/2003
European Union	KRISPY JUNIORS	(002760080)	(07/03/2002)
European Union	KRISPY KNIBBLES	002760064	12/16/2003
European Union	KRISPY KREME	002760148	02/04/2004
European Union	KRISPY KREME	(001298660)	(06/09/1999)
European Union		002760106	10/30/2003










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<u>COUNTRY</u>	<u>TRADEMARK</u>	<u>REGISTRATION (APPLICATION) NUMBER</u>	<u>DATE OF REGISTRATION (FILING)</u>
European Union		(002760098)	(07/03/2002)
European Union		(001298785)	(06/09/1999)
European Union	KRISPY SKREMES	002760163	12/05/2003
European Union	SIMPLY HEAVEN	002760239	12/16/2003
France		02 3 159 606	09/20/2002
France		02 3 159 608	09/20/2002
France	KRISPY KREME	93 489 817	10/15/1995
France	KRISPY KREME	01 3 080 898	05/03/2002
France	<i>Krispy Kreme</i>	02 3 159 609	09/20/2002
France		02 3 159 694	09/20/2002
Germany		302 19 992	09/19/2002
Germany		302 19 991	09/19/2002
Germany	<i>Krispy Kreme</i>	302 19 989	09/19/2002
Germany		301 09 356	07/05/2001
Germany		302 19 988	09/19/2002
Germany		395 15 768	01/24/1996
Hong Kong		300027828	10/29/2004


















COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Hong Kong		B01251/2004	02/04/2004
Hong Kong		B01179/2004	02/03/2004
Hong Kong		B15950/2002	12/13/2002
Hong Kong		B15951/2002	12/13/2002
Hong Kong	KRISPY KREME	B14760/2003	12/04/2003
Hong Kong	KRISPY KREME	B15078/2003	12/09/2003
Hong Kong	<i>Krispy Kreme</i>	B14759/2003	12/04/2003
Hong Kong	<i>Krispy Kreme</i>	B15250/2003	12/11/2003
Hong Kong		B15248/2003	12/11/2003
Hong Kong		B15249/2003	12/11/2003
Hungary	KRISPY KREME	(M01 04576)	(08/23/2001)
Ireland, Republic of	KRISPY KREME	158,578	10/14/1993
Ireland, Republic of	KRISPY KREME	222626	11/01/2002
Israel	KRISPY KREME	89311	10/18/1993
Israel		146308	12/04/2001
Italy	KRISPY KREME	662474	11/09/1995
Italy	KRISPY KREME	(RM2001001285)	(02/26/2001)
Jamaica	DOUGHNUT THEATER	(44479)	(10/23/2003)
Jamaica		(44480)	(10/23/2003)












COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Jamaica		(44484)	(10/23/2003)
Jamaica	KAFFE KREME	(44482)	(10/23/2003)
Jamaica	KING OF AMERICA'S DOUGHNUTS	(44477)	(10/23/2003)
Jamaica		(44486)	(10/23/2003)
Jamaica	KRISPY CRULLERS	(44472)	(10/23/2003)
Jamaica	KRISPY DIPPERS	(44475)	(10/23/2003)
Jamaica	KRISPY JUNIORS	(44474)	(10/23/2003)
Jamaica	KRISPY KIBBLES	(44476)	(10/23/2003)
Jamaica	KRISPY KREME	(44488)	(10/23/2003)
Jamaica	<i>Krispy Kreme</i>	(44487)	(10/23/2003)
Jamaica		(44483)	(10/23/2003)
Jamaica		(44485)	(10/23/2003)
Jamaica	KRISPY SKREMES	(44473)	(10/23/2003)
Jamaica	ORIGINAL GLAZED	(44478)	(10/23/2003)
Jamaica	ORIGINAL KREME	(44481)	(10/23/2003)
Japan	DOUGHNUT THEATER	4705289	08/29/2003
Japan		4761064	04/02/2004
Japan		4820593	11/26/2004
Japan	KAFFE KREME	4701271	08/15/2003
Japan		4684712	06/20/2003
Japan		4605547	09/20/2002










COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Japan	KRISPY CRULLERS	4659630	04/04/2003
Japan	KRISPY DIPPERS	4659631	04/04/2003
Japan	KRISPY JUNIORS	4666972	04/25/2003
Japan	KRISPY KNIBBLES	4659632	04/04/2003
Japan	KRISPY KREME	4717404	10/10/2003
Japan	KRISPY KREME	3251560	01/31/1997
Japan	KRISPY KREME	4675844	05/23/2003
Japan	KRISPY KREME (in Katakana)	4417817	09/14/2000
Japan		4717405	10/10/2003
Japan		4675845	05/23/2003
Japan		4675908	05/23/2003
Japan		4521347	11/09/2001
Japan		4761065	04/02/2004
Japan		4675846	05/23/2003
Japan	KRISPY SKREMES	4666973	04/25/2003
Korea (South)	DOUGHNUT THEATER	(41-2003-0000225)	(01/07/2003)
Korea (South)		0562552	10/13/2003
Korea (South)		0598456	11/05/2004
Korea (South)		(40-2004-0051208)	(11/12/2004)
Korea (South)		0549368	05/28/2003

COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Korea (South)		0097577	02/23/2004
Korea (South)	KAFFE KREME	0574082	02/09/2004
Korea (South)	KK (in Korean characters)	0164550	12/12/1988
Korea (South)		0562551	10/13/2003
Korea (South)		0562550	10/13/2003
Korea (South)		0549367	05/28/2003
Korea (South)		0093368	11/18/2003
Korea (South)	KRISPY CRULLERS	0562010	10/07/2003
Korea (South)	KRISPY DIPPERS	0574081	02/09/2004
Korea (South)	KRISPY JUNIORS	(40-2004-0051212)	(11/12/2004)
Korea (South)	KRISPY KREME	0574080	02/09/2004
Korea (South)	KRISPY KREME	0572601	01/27/2004
Korea (South)	KRISPY KREME	0562545	10/13/2003
Korea (South)	KRISPY KREME	0598459	11/05/2004
Korea (South)	KRISPY KREME	(40-2004-0051211)	(11/12/2004)
Korea (South)	KRISPY KREME	0562544	10/13/2003
Korea (South)	KRISPY KREME	0572600	01/27/2004
Korea (South)		0572603	01/27/2004
Korea (South)		0562549	10/13/2003
Korea (South)		0562548	10/13/2003
Korea (South)		0572602	01/27/2004














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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Korea (South)		0541641	02/18/2003
Korea (South)		0100788	05/13/2004
Korea (South)		377935	10/11/1997
Korea (South)		0562547	10/13/2003
Korea (South)		0598457	11/05/2004
Korea (South)		(40-2004-0051209)	(11/12/2004)
Korea (South)		0091575	10/07/2003
Korea (South)		0562546	10/13/2003
Korea (South)		0598458	11/05/2004
Korea (South)		(40-2004-005120)	(11/12/2004)
Korea (South)		0541640	02/18/2003
Korea (South)		0100787	05/13/2004
Korea (South)		0562011	10/07/2003
Korea (South)		(59215)	(4/27/2003)
Kuwait	KRISPY SKREMES	(59216)	(4/27/2003)
Kuwait			
Kuwait			
Kuwait	KRISPY KREME	(59211)	(4/27/2003)
Kuwait	KRISPY KREME	(59212)	(4/27/2003)
Kuwait		(59213)	(4/27/2003)










COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Kuwait		(59214)	(4/27/2003)
Lebanon		92229	11/14/2002
Lebanon		92230	11/14/2002
Lebanon	KRISPY KREME	92232	11/14/2002
Lebanon		92228	11/14/2002
Lebanon		92231	11/14/2002
Mexico	CALIENITAS AL INSTANTE	(24321)	(11/11/2003)
Mexico	CALIENITAS AL INSTANTE	(24323)	(11/11/2003)
Mexico	COFFEE WITH CHARACTER	790500	05/07/2003
Mexico	DISFRUTA LAS DONAS	(24320)	(11/11/2003)
Mexico	DISFRUTA LAS DONAS	(24322)	(11/11/2003)
Mexico	DOUGHNUT THEATER	790501	05/07/2003
Mexico		820813	02/16/2004
Mexico		818506	01/23/2004
Mexico		778622	02/14/2003
Mexico		775444	01/28/2003
Mexico		794103	05/30/2003
Mexico		763031	09/27/2002
Mexico	KING OF AMERICA'S	765962	10/30/2002

COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Mexico		779597	02/24/2003
Mexico		(565279)	(9/10/2002)
Mexico		774245	01/13/2003
Mexico		739044	03/25/2002
Mexico		825331	03/19/2004
Mexico	KRISPY CRULLERS	765961	10/30/2002
Mexico	KRISPY DIPPERS	(564888)	(09/06/2002)
Mexico	KRISPY KNIBBLES	765960	10/30/2002
Mexico	KRISPY KREME	767433	10/31/2002
Mexico	KRISPY KREME	775459	01/28/2003
Mexico	KRISPY KREME	791796	05/21/2003
Mexico	KRISPY KREME	769217	11/19/2002
Mexico	KRISPY KREME	767434	10/31/2002
Mexico	KRISPY KREME	767435	10/31/2002
Mexico	KRISPY KREME	737141	02/28/2002
Mexico	KRISPY KREME	737142	02/28/2002
Mexico		774774	01/21/2003
Mexico		801423	07/24/2003
Mexico		779254	02/20/2003
Mexico		772596	11/29/2002















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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Mexico		784410	03/24/2003
Mexico		739045	03/25/2002
Mexico		741364	03/27/2002
Mexico		458880	04/29/1994
Mexico		801956	08/01/2003
Mexico		779255	02/20/2003
Mexico		711194	08/14/2001
Mexico		779709	02/24/2003
Mexico		779264	02/20/2003
Mexico		773126	12/12/2002
Mexico		763030	09/27/2002
Mexico	KRISPY SKREMES	783249	03/18/2003
Mexico	ORIGINAL GLAZED	(587860)	(02/12/2003)
Mexico	TEATRO DE LAS DONAS	822329	02/26/2004
New Zealand	DOUGHNUT THEATER	671237	05/12/2003
New Zealand	FRESH. HOT. NOW.	672661	06/09/2003
New Zealand	FRESH. HOT. NOW.	672662	06/09/2003
New Zealand		644096	01/07/2003
New Zealand		644097	01/07/2003









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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
New Zealand		658978	12/19/2002
New Zealand		658963	12/19/2002
New Zealand		647964	05/13/2002
New Zealand		647965	05/13/2002
New Zealand	KING OF AMERICA'S DOUGHNUTS	B658964	09/08/2003
New Zealand		658979	12/19/2002
New Zealand		658965	12/19/2002
New Zealand		643973	05/13/2002
New Zealand		658966	12/19/2002
New Zealand		643974	05/13/2002
New Zealand	KRISPY CRULLERS	660015	01/07/2003
New Zealand	KRISPY DIPPERS	660016	03/31/2003
New Zealand	KRISPY JUNIORS	658967	12/19/2002
New Zealand	KRISPY KNIBBLES	660017	01/07/2003
New Zealand	KRISPY KREME	659283	12/24/2002
New Zealand	KRISPY KREME	659284	12/24/2002
New Zealand	KRISPY KREME	658968	12/19/2002
New Zealand	KRISPY KREME	658969	12/19/2002
New Zealand	KRISPY KREME	658970	12/19/2002

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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
New Zealand	KRISPY KREME	643967	05/13/2002
New Zealand	KRISPY KREME	643968	05/13/2002
New Zealand		659285	12/24/2002
New Zealand		659286	12/24/2002
New Zealand		658971	12/19/2002
New Zealand		658972	12/19/2002
New Zealand		643969	05/13/2002
New Zealand		643970	05/13/2002
New Zealand		658980	12/19/2002
New Zealand		658973	12/19/2002
New Zealand		658974	12/19/2002
New Zealand		658975	12/19/2002
New Zealand		658981	12/19/2002
New Zealand		658976	12/19/2002
New Zealand		643971	09/09/2002
New Zealand		643972	09/09/2002
New Zealand	KRISPY SKREMES	658977	12/19/2002
Nigeria	KRISPY KREME	(TP.68227)	(11/25/2002)
Nigeria	KRISPY KREME	(TP.68730)	(11/25/2002)
Nigeria	KRISPY KREME	(TP.69030)	(12/10/2002)

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










COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Nigeria	KRISPY KREME	(TP.68731)	(11/25/2002)
Nigeria	KRISPY KREME	(TP.68728)	(11/25/2002)
Nigeria	KRISPY KREME	(TP.68729)	(11/25/2002)
Nigeria	KRISPY KREME	(TP.68722)	(11/25/2002)
Nigeria	<i>Krispy Kreme</i>	(TP.68721)	(11/25/2002)
Nigeria	<i>Krispy Kreme</i>	(TP.68723)	(11/25/2002)
Nigeria	<i>Krispy Kreme</i>	(TP.68720)	(11/25/2002)
Nigeria		(TP.68725)	(11/25/2002)
Nigeria		(TP.68726)	(11/25/2002)
Nigeria		(TP.68719)	(11/25/2002)
Norway		212710	01/17/2002
Norway		175109	07/11/1996
Peru	KRISPY KREME	(206082)	(03/22/2004)
Philippines	KRISPY KREME	(4-2004-010019)	(10/25/2004)
Philippines		(4-2004-005776)	(06/30/2004)
Poland	KRISPY KREME	(Z-239946)	(08/22/2001)
Puerto Rico	AMERICA'S FAVORITE	(61779)	(06/22/2004)
Puerto Rico	DOUGHNUT THEATER	(61780)	(06/22/2004)
Puerto Rico	FRESH. HOT. NOW.	(61781)	(06/22/2004)
Puerto Rico	FRESH. HOT. NOW.	(61782)	(06/22/2004)
Puerto Rico		(61783)	(06/22/2004)
Puerto Rico		(61784)	(06/22/2004)















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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Puerto Rico		(61785)	(06/22/2004)
Puerto Rico		(61786)	(06/22/2004)
Puerto Rico	KING OF AMERICA'S DOUGHNUTS	(61787)	(06/22/2004)
Puerto Rico		(61789)	(06/22/2004)
Puerto Rico		(61877)	(06/22/2004)
Puerto Rico		(61876)	(06/22/2004)
Puerto Rico		(61875)	(06/22/2004)
Puerto Rico	KRISPY CRULLERS	(61871)	(06/22/2004)
Puerto Rico	KRISPY DIPPERS	(61870)	(06/22/2004)
Puerto Rico	KRISPY JUNIORS	(61869)	(06/22/2004)
Puerto Rico	KRISPY KNIBBLES	(61874)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61863)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61852)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61859)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61860)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61861)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61862)	(06/22/2004)
Puerto Rico	KRISPY KREME	(61846)	(06/22/2004)
Puerto Rico		(61847)	(06/22/2004)
Puerto Rico		(61848)	(06/22/2004)
Puerto Rico		(61849)	(06/22/2004)
Puerto Rico		(61850)	(06/22/2004)










COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Puerto Rico		(61851)	(06/22/2004)
Puerto Rico		(61864)	(06/22/2004)
Puerto Rico		(61865)	(06/22/2004)
Puerto Rico		(61844)	(06/22/2004)
Puerto Rico		(61845)	(06/22/2004)
Puerto Rico		(61867)	(06/22/2004)
Puerto Rico		(61866)	(06/22/2004)
Puerto Rico	KRISPY SKREMES	(61868)	(06/22/2004)
Puerto Rico	ORIGINAL GLAZED	(61873)	(06/22/2004)
Puerto Rico	ORIGINAL KREME	(61872)	(06/22/2004)
Qatar		(28833)	(12/17/2002)
Qatar		(28834)	(12/17/2002)
Qatar		(28835)	(12/17/2002)
Qatar		(28836)	(12/17/2002)
Qatar	KRISPY KREME	(28827)	(12/17/2002)
Qatar	KRISPY KREME	(28828)	(12/17/2002)
Qatar		(28829)	(12/17/2002)
Qatar		(28830)	(12/17/2002)








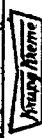

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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Qatar		(28831)	(12/17/2002)
Qatar		(28832)	(12/17/2002)
Saudi Arabia		(79788)	(11/06/2002)
Saudi Arabia		(79789)	(11/06/2002)
Saudi Arabia		706/8	12/06/2003
Saudi Arabia		706/9	12/06/2003
Saudi Arabia	KRISPY KREME	(79786)	(11/06/2002)
Saudi Arabia	KRISPY KREME	(79787)	(11/06/2002)
Saudi Arabia		729/67	05/24/2004
Saudi Arabia		(79795)	(11/06/2002)
Saudi Arabia		740/57	08/10/2004
Saudi Arabia		740/58	08/10/2004
Singapore		T01/17729D	11/13/2001
Singapore		T01/17730H	11/13/2001
Singapore		T01/13470F	08/23/2001
Singapore		T01/13471D	08/23/2001






COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Singapore	KRISPY KREME	T01/13464A	08/23/2001
Singapore	KRISPY KREME	T01/13465Z	08/23/2001
Singapore		T01/13468D	08/23/2001
Singapore		T01/13469B	08/23/2001
Singapore		T01/13466H	08/23/2001
Singapore		T01/13467F	08/23/2001
Spain	KRISPY KREME	1788797	11/11/1996
Spain	KRISPY KREME	2391651	10/05/2001
Sweden		266,235	06/09/1995
Switzerland		494586	02/12/2002
Switzerland		499040	05/29/2002
Switzerland		492778	12/12/2001
Switzerland	KRISPY KREME	492762	12/12/2001
Switzerland		417435	10/27/1993
Switzerland		492780	12/12/2001
Switzerland		487487	08/30/2001
Switzerland		492779	12/12/2001
Taiwan		1000173	05/16/2002
Taiwan		170272	09/16/2002

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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Taiwan		174016	12/01/2002
Taiwan		986516	02/16/2002
Taiwan		170970	10/01/2002
Taiwan	KRISPY KREME	1034394	02/16/2003
Taiwan	KRISPY KREME	171601	10/16/2002
Taiwan	<i>Krispy Kreme</i>	1034393	02/16/2003
Taiwan	<i>Krispy Kreme</i>	172421	11/01/2002
Taiwan		1032143	02/01/2003
Taiwan		172420	11/01/2002
United Arab Emirates		(50586)	(11/30/2002)
United Arab Emirates		41541	07/29/2003
United Arab Emirates		41111	06/29/2003
United Arab Emirates		41109	06/29/2003
United Arab Emirates	KRISPY KREME	(50580)	(11/30/2002)
United Arab Emirates	KRISPY KREME	41540	07/29/2003
United Arab Emirates	<i>Krispy Kreme</i>	(80582)	(11/30/2002)

COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
United Arab Emirates		41110	06/29/2003
United Arab Emirates		(50584)	(11/30/2002)
United Arab Emirates		41108	06/29/2003
United Kingdom		2298081	04/16/2002
United Kingdom		2298083	04/16/2002
United Kingdom		2298077	04/16/2002
United Kingdom		1551084	10/20/1993
United Kingdom		2260339	02/06/2001
United Kingdom		2298079	04/16/2002
United States	AMERICA'S FAVORITE	2,263,243	07/20/1999
United States	BREWBOX	2,821,349	03/09/2004
United States*	DOUGHNUT THEATER	(76/429,003)	(07/10/2002)
United States	EARLY MORN	1,366,921	10/22/1985
United States	EARLY MORN.	1,454,537	08/25/1987
United States*	FRESH. HOT. NOW.	(76/437,714)	(08/02/2002)
United States*	FRESH. HOT. NOW.	(76/437,713)	(08/02/2002)
United States	FRESH. HOT. NOW.	2,780,560	11/04/2003
United States	FRESH. HOT. NOW.	2,832,807	04/13/2004
United States	HOT DOUGHNUTS NOW	2,003,275	09/24/1996
United States	HOT DOUGHNUTS NOW	1,973,398	05/07/1996
United States	HOT DOUGHNUTS NOW	2,034,447	01/28/1997



COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
United States		2,632,712	10/08/2002
United States		2,671,005	01/07/2003
United States		2,580,896	06/18/2002
United States		2,833,672	04/20/2004
United States		1,719,628	09/22/1992
United States		2,725,647	06/10/2003
United States		2,748,338	08/05/2003
United States	JOIN THE GLAZE CRAZE	2,821,347	03/09/2004
United States	KAFFE KREME	(76/233,996)	(03/30/2001)
United States	KAY & KAY'S	2,231,252	03/09/1999
United States	KAY & KAY'S BAKERY COMPANY	2,235,443	03/23/1999
United States	KING OF AMERICA'S DOUGHNUTS	945,871	10/24/1972
United States		2,725,646	06/10/2003
United States		2,003,276	09/24/1996
United States		967,682	09/04/1973
United States		622,399	02/28/1956

COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
United States		939,105	07/25/1972
United States		1,066,864	05/31/1977
United States	KRISPY CRULLERS	1,894,237	05/16/1995
United States	KRISPY DIPPERS	(76/243,380)	(04/19/2001)
United States	KRISPY JUNIORS	1,776,001	06/08/1993
United States	KRISPY KNIBBLES	1,663,032	10/29/1991
United States	KRISPY KREME	961,976	06/26/1973
United States	KRISPY KREME	995,291	10/8/1974
United States	KRISPY KREME	2,003,277	09/24/1996
United States	KRISPY KREME	2,004,522	10/01/1996
United States	KRISPY KREME	(78/236,823)	(04/11/2003)
United States	KRISPY KREME	967,684	09/04/1973
United States	KRISPY KREME	2,127,405	01/06/1998
United States	KRISPY KREME	938,245	07/18/1972
United States	KRISPY KREME	961,975	06/26/1973
United States	<i>Krispy Kreme</i>	1,001,792	01/14/1975
United States	<i>Krispy Kreme</i>	2,725,645	06/10/2003
United States	<i>Krispy Kreme</i>		
United States	<i>Krispy Kreme</i>	967,683	09/04/1973
United States	<i>Krispy Kreme</i>	539,165	03/13/1951
United States	<i>Krispy Kreme</i>	939,106	07/25/1972
United States		1,907,245	07/25/1995
United States		1,068,228	06/21/1977
United States		2,725,644	06/10/2003

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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
United States		2,003,278	09/24/1996
United States		1,683,112	04/14/1992
United States	KRISPY SKREMES	2,470,390	07/17/2001
United States		2,181,993	08/18/1998
United States		2,181,996	08/18/1998
United States	ORIGINAL GLAZED	2,452,758	05/22/2001
United States	ORIGINAL KREME	2,768,384	09/23/2003
United States -	KRISPY KREME	T-677	03/15/1939
North Carolina		4039	11/05/1958
United States - Tennessee	EARLY MORN DOUGHNUTS	4430887	10/18/1983
United States - Tennessee	KRISPY KREME DOUGHNUTS	(17127-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17128-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17129-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17130-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17131-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17132-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17133-2002)	(10/31/2002)
Venezuela	KRISPY KREME	(17119-2002)	(10/31/2002)
Venezuela		(17120-2002)	(10/31/2002)
Venezuela		(17121-2002)	(10/31/2002)
Venezuela		(17122-2002)	(10/31/2002)
Venezuela		(17123-2002)	(10/31/2002)
Venezuela		(17124-2002)	(10/31/2002)

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COUNTRY	TRADEMARK	REGISTRATION (APPLICATION) NUMBER	DATE OF REGISTRATION (FILING)
Venezuela		(17125-2002)	(10/31/2002)
Venezuela		(17126-2002)	(10/31/2002)

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Pending Litigation Involving HDN Development Corporation's Trademarks

Plaintiff(s)	Defendant(s)	Court	Case No.	Filed
HDN Development Corporation	Maple Leaf Distillers Inc.	Federal Court of Canada, Ottawa, Ontario	T-1839-04	10/13/2004

**Oppositions Filed By Third Parties
Against Trademark Applications Owned by HDN Development Corporation**

Opposer(s)	Applicant	Country	No.	Filed
Unilever N.V.	HDN Development Corporation	European Community	B 629,719 against the KRISPY JUNIORS trademark application	07/28/03
Suministros y Servicios Café, S.A.	HDN Development Corporation	European Community	B 671,836 against the KAFFE KREME trademark application	01/12/04
Panrico, S.A.	HDN Development Corporation	European Community	B 303,992 against the KRISPY KREME DOUGHNUTS & Design trademark application	09/12/00
Panrico, S.A.	HDN Development Corporation	European Community	B 475,774 against the HOT DOUGHNUTS NOW & Design Trademark application	01/23/02

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Opposer(s)	Applicant	Country	No.	Filed
Panrico, S.A.	HDN Development Corporation	European Community	B 729,790 against the DOUGHNUT THEATER trademark application	09/16/04
The Kellogg Company	HDN Development Corporation	European Community	No. B 303,794 against the KRISPY KREME trademark application	09/11/00
The Kellogg Company	HDN Development Corporation	European Community	No. 305,831 against the KRISPY KREME DOUGHNUTS & Design trademark application	09/18/00
The Kellogg Company	HDN Development Corporation	European Community	No. B 641,425 against the KRISPY KREME & Design trademark application	09/24/03

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Opposer(s)	Applicant	Country	No.	Filed
The Kellogg Company and Kellogg North America Company	HDN Development Corporation	U.S.A.	No. 91160964 against the KRISPY KREME trademark application for "toy vehicles and toy banks"	06/21/04
The Kellogg Company and Kellogg North America Company	HDN Development Corporation	U.S.A.	No. 91162234 against the KRISPY DIPPERS trademark application for "bakery goods and pastries"	09/15/04

**Oppositions Filed by HDN Development Corporation Against
Third Party Trademark Applications/Registrations**

Opposer(s)	Applicant	Country	No.	Filed
HDN Development Corporation	Colabor Inc.	Canada	No. 1,199,708 for the mark MENU & Design	12/14/04
HDN Development Corporation	Saint Cinnamon Bakery Ltd.	Canada	No. 1,133,391 for the mark CRISPY CREPES	08/25/03
HDN Development Corporation	Melinos IV, S.A.	Costa Rica	No. 2001-2333 for the mark KRISPY KREME	09/24/01

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Opposer(s)	Applicant	Country	No.	Filed
HIDN Development Corporation	Erick Estuardo Arosta Garcia	Guatemala	No. 04004629 for the mark KRISPY KREME No. 04004628 for the mark KRISPY KREME No. 04004627 for the mark CRISPY CREAM No. 04004626 for the mark CRISPY CREAM	12/03/04
HIDN Development Corporation	Orient Vendeglato	Hungary	No. 162,261 for the mark KRISPY KREME DOUGHNUTS & Design	04/2003
HIDN Development Corporation	Triviyanti Widiyadi	Indonesia	No. H4.HC.01.12-811 for the mark KRISPY KREME	11/01/04
HIDN Development Corporation	A & P Foods Ltd.	Nigeria	No. 62203/2001 for the mark HAANSBRO KRISPY KREME No. 62208/2001 for the mark HAANSBRO KRISPY KREMES	09/2002

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**Trademark Licenses to Third Parties Involving
HDN Development Corporation's Trademarks**

- I. That certain Release dated as of March 4, 2004, by and between Krispy Kreme Doughnut Corporation and DreamWorks Animation LLC and that certain Promotion Agreement dated as of August 30, 2004, by and between Krispy Kreme Doughnut Corporation and DreamWorks Distribution L.L.C., both of which involve use of the KRISPY KREME DOUGHNUTS & Design trademark and the Bowtie Logo in the motion picture titled *Shark Tale*.
- II. That certain Release dated as of December 1, 2004, by and between Krispy Kreme Doughnut Corporation and DreamWorks Animation LLC, involving use of the KRISPY KREME trademark and the Bowtie Logo in the motion picture titled *Madagascar*.
- III. That certain License Agreement dated as of August 15, 2003, by and between DENSO International America, Inc., LA Laboratories, on behalf of itself and its affiliated corporations, and HDN Development Corporation involving use of the KRISPY KREME DOUGHNUTS Bowtie Logo trademark and the Bowtie Logo in car navigation software and databases and related car navigation equipment and services, and in related marketing and electronic and/or print advertising material for such goods and services.

LIST OF DEPOSIT ACCOUNTS, AND SECURITIES ACCOUNTS AND COMMODITY ACCOUNTS

Deposit Accounts

Krispy Kreme Doughnut Corporation

Bank	Account #	ABA #	Purpose
Branch Banking & Trust	5211859263	053101121	Shop depository
Branch Banking & Trust	5112917480	053101121	Credit Card depository
Bank of America	1000006242	063000047	Shop depository
Wachovia, Georgia	2000070005800	053000219	Shop depository
Fifth Third Bank	99939447	042000314	Shop depository
First Tennessee	97611095	084000026	Shop depository
Union Planters Bank	4450028511	065404913	Shop depository
Trustmark Bank	1001655521	065300279	Shop depository
AmSouth Bank	993026	062000019	Shop depository
Bank One, Indiana	715001241523	074000052	Shop depository
Bank One	639845635	074000010	Shop depository
Bank One	626046353	074000010	Shop depository
Forest Hill	1703834	055002286	Shop depository
Citizens Bank	80300241	062201559	Shop depository
U.S. Bank	14580334237	042100175	Shop depository
National City, KY	71102823	083000056	Shop depository
National City, IND	758370189	083000056	Shop depository
National City, IND	758097750	083000056	Shop depository
National City, OH	657753453	083000056	Shop depository
National City, OH	394998634	083000056	Shop depository
National City, OH	657239622	083000056	Shop depository
Wachovia	2000014820290	053000219	Concentration
Branch Banking & Trust	5118565578	053101121	Concentration

North Texas Doughnuts, L.P.

Bank	Account #	ABA #	Purpose
Bank of America	005502088000	063000047	Shop depository

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Golden Gate Doughnuts, LLC

Bank	Account #	ABA #	Purpose
Bank of America	005500507040	063000047	Shop depository
Branch Banking & Trust	5199249934	053101121	Concentration

Krispy Kreme Mobile Store Company

Bank	Account #	ABA #	Purpose
Wachovia	8736012180	053000219	Depository

Krispy Kreme International Ltd.

Bank	Account #	ABA #	Purpose
Credit Suisse	0823-118404-92-2		Depository and Checking

Hot Doughnuts Now International Ltd.

Bank	Account #	ABA #	Purpose
Credit Suisse	0823-444781-42		Depository and Checking

HD Capital Corporation

Bank	Account #	ABA #	Purpose
PNC Bank	5600293794	031100089	Depository

HDN Development Corporation

Bank	Account #	ABA #	Purpose

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Fifth Third Bank	72808631	042000314	Depository
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Montana Mills Bread Co., Inc.

Bank	Account #	ABA #	Purpose
Wachovia	2000027314243	053000219	Depository and Checking

Security Accounts

None.

Commodity Accounts

None.

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LIST OF COMMERCIAL TORT CLAIMS

None.

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Opposer(s)	Applicant	Country	No.	Filed
HDN Development Corporation	Bernardo Barac Struzberg	Peru	No. 198,524 for the mark KRISPY KREME	03/26/04
HDN Development Corporation	Abraham Andres Cohen Sultian	Venezuela	No. 22185-01 for the mark KRISPY KREME DOUGHNUTS & Design	10/30/02
HDN Development Corporation	Industrias Alimenticios Mogasi, C.A.	Venezuela	No. 10600-2003 for the mark KREMESS	03/23/04

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