



To the Honorable Commissioner

101964534

ached original documents or copy thereof.

1. Name of conveying party(ies):
Mann's Bait Company, Inc.

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

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

2. Name and address of receiving party(ies)

Name: Capital Business Credit, Inc. a division of
Capital Factors, Inc.

Internal Address: Suite 195
Street _____
Address: 500 TownPark Lane
City: Kennesaw State GA Zip 30144

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: *10-29-01*

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: October 2, 2001

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

A. Trademark Application No.(s)
76215801; 76076405

B. Trademark Registration No.(s)
2455482; 2092259; 2082529; 1959045; 1930327; 1777324;
1754563; 1525933; 1524696; 1511905; 1449893; 1396970;
1324750; 1294646; 1210713; 1174392; 949267; 940438;
937475; 881640; 848964

Additional number(s) attached Yes No

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

Name: Daniele E. Bourgeois
 Internal Address: TROUTMAN SANDERS LLP
 Suite 5200
 Street Address: 600 Peachtree Street NE
 City: Atlanta 00000307 76215801 GA Zip: 30308

6. Total number of applications and registrations involved:..... 23

7. Total fee (37 CFR 3.41)..... \$ 590.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
20-1507
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Daniele E. Bourgeois
Name of Person Signing

Daniele E Bourgeois
Signature

October 29, 2001
Date

Total number of pages including cover sheet, attachments, and document: 13

CONDITIONAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT

THIS CONDITIONAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT (the "Agreement") is made as of the 2nd day of October, 2001, by **Mann's Bait Company, Inc.**, a Georgia corporation ("Mann's") and by **Eufaula Manufacturing Co., Inc.**, a Georgia corporation ("EMC"; Mann's and EMC are collectively referred to as the "Borrowers"), in favor of **Capital Business Credit, Inc. a division of Capital Factors, Inc.** (the "Secured Party").

WHEREAS, the Borrowers and the Secured Party have entered into a Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement), pursuant to which the Secured Party has agreed to make certain loans and other financial accommodations available to the Borrowers (the "Loans"); and

WHEREAS, in order to induce the Secured Party to enter into the Loan Agreement and to make the Loans, each Borrower has agreed to assign to the Secured Party certain trademark rights as described herein.

NOW, THEREFORE, in consideration of the premises, each Borrower hereby agrees with the Secured Party as follows:

1. Grant of Security Interest.

To secure the complete and timely payment and performance of all Obligations, each Borrower hereby grants, assigns and conveys to the Secured Party a security interest in such Borrower's entire world-wide right, title and interest in and to the trademarks and its respective registrations and applications for registration listed in Schedule A attached hereto and by reference made a part hereof, together with the goodwill of the business symbolized by the trademarks, all licenses relating thereto, and all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements (all of which trademarks, trademark registrations, applications for registration, goodwill, licenses, proceeds, and other rights are collectively called the "Trademarks").

2. Representations and Warranties.

Each Borrower represents and warrants that with respect to each such of the Trademarks:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, in the United States of America (the "U.S.") or in any of the respective states thereof;

(b) The Trademarks listed on **Schedule A** constitute all of the trademark applications and registrations owned by such Borrower;

(c) Each of the Trademarks is valid and enforceable in the U.S. and the respective states thereof and all claims by others to rights in the Trademarks of which such Borrower is aware, including, without limitation, licenses, are noted on **Schedule B** attached hereto and by reference made a part hereof;

(d) Except as noted on **Schedule B**, such Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to such Trademarks, free and clear of any liens, charges, encumbrances, mortgages, hypothecations, pledges, liens, security interests or claims of any kind, including, without limitation, covenants by such Borrower not to sue third persons and licensees;

(e) Such Borrower has made all necessary applications, filings and recordations to protect and maintain its interest in the Trademarks listed on **Schedule A**, including, without limitation, all necessary filings and recordations in the U.S. Patent and Trademark Office; and

(f) Such Borrower has the unqualified right, power and authority to execute, deliver and perform this Agreement.

3. Conditional Grant of Security Interest in Additional Trademarks.

If, before the Obligations shall have been satisfied in full and the Secured Party's commitment to lend under the Loan Agreement shall have been terminated, any Borrower shall have or obtain ownership of any trademark, including any registration or application therefor, with respect to goods sold (the "Goods") and services rendered (the "Services") in such Borrower's business, the provisions of Paragraph 1 shall automatically apply thereto, and also to any composite marks or other marks of such Borrower which are confusingly similar to such mark, and such Borrower shall give to the Secured Party as soon as practicable written notice thereof. This Paragraph 3 shall not apply to trademarks which are owned by others and licensed to the Borrowers. Each Borrower shall perform all acts and execute all documents reasonably requested (including any amendments hereto) by the Secured Party at any time and from time to time to evidence, perfect, maintain, record and enforce the Secured Party's security interest in the Trademarks, including, without limitation, any trademarks falling under this Paragraph 3.

4. Modification of Agreement.

Each Borrower authorizes the Secured Party to modify this Agreement by amending **Schedule A** to include any additional trademarks, registrations and applications for registration thereof which are Trademarks under Paragraph 1 or Paragraph 3 hereof, and to have this

Agreement, as amended, or any other document evidencing the security interest granted therein, recorded in the U.S. Patent and Trademark Office at the expense of the Borrowers. The representations and warranties of each Borrower shall be deemed to be remade and restated by each Borrower as of the date of the amendment of **Schedule A** with respect to all Trademarks listed on the amended **Schedule A** at that time.

5. **Covenants of Borrowers.**

(a) Each Borrower covenants as follows: (i) it will maintain the high standard of quality which has become associated with the Trademarks consistent with commercially reasonable business practices; (ii) the Secured Party from time to time and upon reasonable request shall have the right to inspect samples of the Goods, the procedures and facilities used to provide Services, the premises at which the Goods are produced and at which the Services are performed and records relating to the Trademarks at the premises where such records are kept; and (iii) the Secured Party shall have the right to prevent use of the Trademarks on Goods and Services which are not of high quality, all so as to preserve the goodwill symbolized by the Trademarks.

(b) Each Borrower further agrees that: (i) it will use and not abandon or do any act or omit to do any act that may cause or contribute to the abandonment of any Trademark, or permit the expiration of any registration of any Trademark listed on **Schedule A**, **provided, however,** such Borrower may cease to use, abandon, or permit the expiration of any registration of any such Trademark that is not material to its business with the prior written consent of the Secured Party (which consent shall not be unreasonably withheld); (ii) it shall give the Secured Party written notice, and a complete copy, of any sublicense of any Trademark (but the failure to do so shall not constitute a default hereunder); and (iii) all uses of the Trademarks by it or its permitted sublicensees will include such notices of registration as are required or authorized from time to time under applicable law.

(c) With respect to each Trademark listed on **Schedule A**, each Borrower agrees to take all necessary steps, including, without limitation, in the U.S. Patent and Trademark Office or in any court, to (i) maintain each such Trademark, and (ii) pursue each such application for trademark registration, now or hereafter included in the Trademarks under this Agreement, including, without limitation, the filing of responses to office actions issued by the U.S. Patent and Trademark Office, the filing of applications for renewal, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, the participation in opposition, cancellation and infringement and misappropriation proceedings and the payment of fees and taxes incurred in connection therewith. Notwithstanding the foregoing, if any Borrower determines that any such Trademark is not material to such Borrower's business, such Borrower may, with the prior written consent of the Secured Party, elect not to pursue any such infringement action. Each Borrower agrees to take corresponding steps with respect to each such new or acquired trademark, trademark registration, or application therefor covered by Paragraph 3 hereof. Any expenses incurred in connection with such activities shall be borne by the Borrowers, and each Borrower agrees to as soon as practicable provide the Secured Party with written notice of any such actions or proceedings.

(d) Each Borrower shall perform all acts and execute all documents reasonably requested by the Secured Party at any time and from time to time to evidence, perfect, maintain, record and enforce the Secured Party's security interest in the Trademarks, including, without limitation, any trademarks falling under Paragraph 3.

(e) Until all of the Obligations shall have been satisfied in full and the Secured Party's commitment to lend under the Loan Agreement shall have been terminated, no Borrower shall enter into any agreement which is inconsistent with such Borrower's obligations under this Agreement without the Secured Party's prior written consent.

6. Remedies Upon Default; Power of Attorney.

(a) In addition to the grant of the security interest contained in Paragraphs 1 and 3 hereof, if any Event of Default under the Loan Agreement shall have occurred and be continuing, or if any Borrower fails to perform any agreement or to meet any of its obligations hereunder, which failure shall continue for a period of thirty (30) days after written notice thereof has been given to such Borrower by the Secured Party, upon the election of the Secured Party, all right, title and interest in and to such Trademarks shall be automatically granted, assigned, conveyed and delivered to the Secured Party or its designee. Each Borrower hereby irrevocably constitutes and appoints the Secured Party and any officer, agent or employee thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Borrower and in the name of such Borrower or the Secured Party's own name or the name of the Secured Party's designee, all acts of said attorney being hereby ratified and confirmed, upon the occurrence and during the continuance of an Event of Default: (i) to complete, date, execute and file, or cause to be filed, the Assignment attached hereto as **Exhibit A** and incorporated hereby by reference (the "Assignment") in the U.S. Patent and Trademark Office and in all other applicable offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment, including, without limitation, the right (but not the obligation) to prosecute applications in the name of such Borrower or the Secured Party, and to take any other actions deemed necessary by the Secured Party to maintain such registrations in effect; (ii) to collect proceeds from the Trademarks (including, by way of example, license royalties and proceeds of infringement suits); (iii) to convey in any transaction authorized by the Loan Agreement, any Goods covered by the registrations applicable to the Trademarks to any purchaser thereof; and (iv) to make payment or to discharge taxes or liens levied or placed upon or threatened against any goods covered by the Trademarks, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Secured Party in its sole discretion, and such payments made by the Secured Party to become the obligations of such Borrower to the Secured Party, due and payable immediately without demand. Such power, being coupled with an interest, is irrevocable until the Obligations have been paid in full.

(b) The Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be enforceable, and, without limiting the generality of the foregoing, the Secured Party may, if any Event of Default under the Loan Agreement shall have occurred and be continuing,

immediately, without demand or performance and without other notice (except as set forth below) or demand whatsoever to the Borrowers, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, the Trademarks, together with the goodwill of the business symbolized by the Trademarks, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds in accordance with the terms of the Loan Agreement. Notice of any sale or other disposition of the Trademarks shall be given to the Borrowers at least five (5) business days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which each Borrower hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Secured Party or any Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of any Borrower, which right is hereby waived and released. Each Borrower hereby agrees to execute any documents reasonably requested by the Secured Party in connection with any disposition hereunder.

(c) Upon the occurrence of the conditional assignment provided for herein, the Borrowers shall have no right, title, or interest in or to any of the Trademarks and the Borrowers shall cease and desist in the use of the Trademarks and of any colorable imitation thereof, and shall, upon written demand of the Secured Party, or pursuant to the terms of the Loan Agreement, deliver to the Secured Party all Goods bearing the Trademarks.

7. Termination of Agreement.

At such time as the Borrower shall completely satisfy all of the Obligations and the Secured Party's commitment to lend under the Loan Agreement shall have been terminated, the Secured Party shall execute and deliver to the Borrowers all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Borrowers title to the Trademarks and the goodwill of the business symbolized by the Trademarks, subject to any disposition thereof which may have been made by the Secured Party pursuant hereto.

8. Limitation of Liability and Indemnification.

Each Borrower hereby releases the Secured Party and the Lenders from, and agrees to hold the Secured Party and the Lenders free and harmless from and against, any claims arising out of any action taken or omitted to be taken with respect to the Trademarks (except to the extent of the Secured Party's gross negligence or willful misconduct), and such Borrower agrees to indemnify the Secured Party and the Lenders from and against any and all claims, demands, suits, losses, damages or other expenses (including reasonable attorneys' fees) arising from or in any way related to the Trademarks and any trademark infringement claim.

9. Waiver and Amendment.

(a) No course of dealing between the Borrowers and the Secured Party nor any failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right,

power or privilege hereunder or thereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) This Agreement is subject to modification only by a writing signed by the parties hereto.

10. Cumulative Rights.

All of the Secured Party's rights and remedies with respect to the Trademarks, whether established hereby or under the Loan Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

11. Severability.

The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

12. Survival.

The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

13. Counterparts.

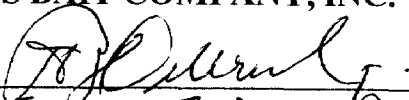
This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

14. Choice of Law.

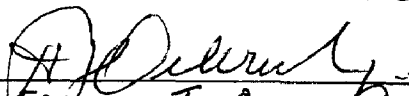
The validity, construction and enforcement of this Agreement, and the determination of the rights and duties of the parties hereto shall be governed by the laws of the State of Georgia regardless of any choice of law or other provision that would result in the application of the laws of any other jurisdiction.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

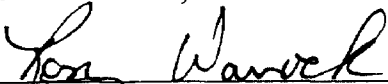
MANN'S BAIT COMPANY, INC.

By: 
Name: FRANCIS J. DELERICH, JR.
Title: PRESIDENT

EUFAULA MANUFACTURING CO., INC.

By: 
Name: FRANCIS J. DELERICH, JR.
Title: PRESIDENT

**CAPITAL BUSINESS CREDIT, a division
of Capital Factors, Inc.**

By: 
Name: Ron Warnock
Title: Vice President

SCHEDULE A

LISTING OF TRADEMARK REGISTRATIONS AND APPLICATIONS

| <u>Trademark</u> | <u>Trademark No.</u> | <u>Issue Date</u> |
|-------------------------|-----------------------------|--------------------------|
| DRAGIN' | 76/215801 | 06/23/2000 (filed) |
| STONE JIG | 76/076405 | 06/23/2000 (filed) |
| DISCO DAWG | 2,455,482 | 05/29/2001 |
| WINGER | 2,092,259 | 08/26/1997 |
| TWO-FER | 2,082,529 | 07/22/1997 |
| PERMASHINE | 1,959,045 | 02/27/1996 |
| Design Only | 1,930,327 | |
| AGITATOR | 1,777,324 | 06/15/1993 |
| LOUDMOUTH | 1,754,563 | 02/23/1993 |
| GEORGE-N-SHAD | 1,525,933 | 02/21/1989 |
| 1-MINUS | 1,524,696 | 02/14/1989 |
| MANNIPULATOR | 1,511,905 | 11/08/1988 |
| 15+ DEEP PIG | 1,449,893 | 07/28/1987 |
| SWIMMIN' GRUB | 1,396,970 | 06/10/1986 |
| ELECTRIC GRAPE | 1,324,750 | 03/12/1985 |
| AUGERTAIL | 1,294,646 | 09/11/1984 |
| THE LEROY BROWN SPECIAL | 1,210,713 | 09/28/1982 |
| FINN MANN | 1,174,392 | 10/20/1981 |
| MANN'S | 949,267 | 12/26/1972 |
| RAZORBACK | 940,438 | 08/08/1972 |
| BLACKBERRY | 937,475 | 07/11/1972 |
| JELLY WORM | 881,640 | 12/02/1969 |
| LITTLE GEORGE | 848,964 | 05/14/1968 |

SCHEDULE B

LIENS AND CLAIMS OF THIRD PARTIES

None

EXHIBIT A

ASSIGNMENT OF TRADEMARKS AND GOODWILL

THIS ASSIGNMENT dated the ___ day of _____, ____, from _____, a _____ corporation (the "Assignor"), to **Capital Business Credit, a division of Capital Factors, Inc.** (the "Assignee"), recites and provides:

WHEREAS, the Assignor is the owner of certain trademarks and service marks and the registrations and applications to register therefor listed in **Schedule A** hereto (the "Trademarks"); and

WHEREAS, the Assignee desires to obtain, pursuant to the September ____, 2001, Loan and Security Agreement between the Assignor, _____ and the Assignee, all of the Assignor's right, title and interest in all such Trademarks.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Assignor hereby grants, assigns and conveys to the Assignee, its successors and assigns, the entire right, title and interest of the Assignor in and to the Trademarks, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements, together with the goodwill of the business symbolized by the Trademarks. The Assignor acknowledges that it has granted the Assignee the right to secure the assets of the Assignor associated with the business symbolized by the Trademarks under separate agreement.

The Assignor further agrees to execute such further instruments and documents and perform such further acts as the Assignee may deem necessary to secure to the Assignee the rights herein conveyed.

The Assignor warrants and represents that it is the sole owner of the interest conveyed hereunder and that such interest is not the subject of any prior transfer, assignment, lien, mortgage or other transaction which would affect the Assignor's ability to transfer such interest.

The Assignor further agrees to indemnify the Assignee for any breach of the above warranty.

IN WITNESS WHEREOF, the Assignor has executed this Assignment as of the day and year first above written.

By: _____
Name: _____
Title: _____

SCHEDULE A

LISTING OF TRADEMARK REGISTRATIONS AND APPLICATIONS

**Reg./File
Mark**

**Reg./Serial
Status**

Date

Number

0780565.01
Trademark Security Agreement

RECORDED: 10/29/2001

**TRADEMARK
REEL: 2432 FRAME: 0667**