

08-05-1998



100784743

original documents or copy thereof.

MRD 8-3-98

To the Honorable Commissioner of Patents and Trademarks

1. Name of conveying party(ies): MW 8-3-98  
The Langston Corporation

Individual(s)                       Association  
 General Partnership               Limited Liability (Michigan)  
 Corporation - Delaware  
 Other \_\_\_\_\_

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

2. Name and address of receiving party(ies):

Name: Fleet Capital Corporation  
Internal Address: 20800 Swensn Drive, Suite 350  
City: Waukesha State: WI ZIP: 53186

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Rhode Island  
 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:

Assignment                       Merger  
 Security Agreement               Change of Name  
 Other \_\_\_\_\_

Execution Date: July 10, 1998

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

A. Trademark Application No.(s)  
SCHEDULE C

B. Trademark registration No.(s)  
SCHEDULE A

Additional numbers attached?  Yes  No

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

Name: VEDDER,PRICE, KAUFMAN & KAMMHOLZ  
Attention: Tammy S. Settle  
Internal Address: \_\_\_\_\_

Street Address: 222 North LaSalle Street  
Suite 2600

City: Chicago State: IL ZIP: 60601

6. Total number of applications and registrations involved: 11

7. Total Fee (37 CFR 3.41) ..... \$ 290.00

Enclosed  
 Authorized to be charged to deposit account (Any Deficiencies)

8. Deposit account number: 22-0259  
(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.*

Tammy S. Settle                      Tammy S. Settle                      July 31, 1998  
Name of Person Signing                      Signature                      Date

08/03/1998 DNGUYEN 00000284 723074

Total number of pages including cover sheet, attachments, and document: 12

01 FC:481  
02 FC:482

40.00 DP  
290.00 DP

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, D.C. 20231

TRADEMARK  
REEL: 1763 FRAME: 0005

**TRADEMARK AND LICENSE SECURITY AGREEMENT  
THE LANGSTON CORPORATION  
TRADEMARK REGISTRATIONS  
SCHEDULE A**

<b>TRADEMARK REGISTRATIONS</b>
723,074
779,420
798,505
890,638
903,481
2,010,989
1,258,287
1,258,288
1,243,407

**TRADEMARK AND LICENSE SECURITY AGREEMENT  
THE LANGSTON CORPORATION  
TRADEMARK APPLICATIONS  
SCHEDULE C**

<b>TRADEMARK APPLICATIONS</b>
<b>75/112,508</b>
<b>75/371,167</b>

## **TRADEMARK AND LICENSE SECURITY AGREEMENT**

TRADEMARK AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of July 10, 1998, made by THE LANGSTON CORPORATION ("Borrower"), a Delaware corporation, having its chief executive office and principal place of business at 111 Woodcrest Road, Cherry Hill, New Jersey 08034, in favor of Fleet Capital Corporation, a Rhode Island corporation ("Lender").

### W I T N E S S E T H:

WHEREAS, Lender and Borrower have entered into that certain Loan and Security Agreement of even date herewith (as the same may hereafter be amended or otherwise modified from time to time, the "Loan Agreement"), pursuant to which Lender has, subject to certain conditions precedent, agreed to make loans, advances and other financial accommodations (collectively, the "Loans") to Borrower; and

WHEREAS, Lender has required as a condition, among others, to the making of the Loans to Borrower, in order to secure the prompt and complete payment, observance and performance of all of Borrower's obligations and liabilities under the Loan Agreement, and under all of the other instruments, documents and agreements executed and delivered by Borrower to Lender in connection with the Loan Agreement (all such obligations and liabilities being hereinafter referred to collectively as the "Obligations"), that Borrower execute and deliver this Agreement to Lender;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. **Defined Terms.**

- (i) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Loan Agreement shall have the meanings specified in the Loan Agreement.
- (ii) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.
- (iii) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Borrower hereby grants to Lender a first priority security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of Borrower's now owned or existing and filed and hereafter acquired or arising and filed:

- (i) trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications including, without limitation, the registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule A attached hereto, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, and (d) all of Borrower's rights corresponding thereto throughout the world (all of the foregoing registered trademarks, trademark applications, registered service marks and service mark applications, together with the items described in clauses (a)-(d) in this paragraph 2(i), being sometimes hereinafter individually and/or collectively referred to as the "Trademarks");
- (ii) the goodwill of Borrower's business connected with and symbolized by the Trademarks; and
- (iii) license agreements with any other party in connection with any Trademarks or such other party's trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications, whether Borrower is a licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B attached hereto, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Lender's rights under the Loan Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses").

Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include any license agreement which by its terms prohibits assignments or the grant of the security interest contemplated by this Agreement and Trademarks shall not include any Trademark which by its terms prohibits assignments or the grant of the security interest contemplated by this Agreement. The Trademarks and Licenses not subject to the security interest granted hereunder are referred to herein as the "Restricted Trademarks and Licenses", and the use of the terms "Trademarks" and "Licenses" in this Agreement shall be deemed not to include the Restricted Trademarks and Licenses.

3. **Restrictions on Future Agreements.** Borrower will not, without the prior written consent of Lender (which consent will not be unreasonably withheld), enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Borrower further agrees that it will not take any action, and will use its commercially reasonable best efforts not to permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would in any material respect adversely affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with those Trademarks which are necessary or desirable in the operation of Borrower's business.

4. **New Trademarks.** Borrower represents and warrants that the Trademarks and Licenses listed on Schedules A and B, respectively, include all of the trademarks, trademark registrations, trademark applications, trade names (used within the last three years), service marks, service mark registrations, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications now owned or held by Borrower. If, prior to the termination of this Agreement, Borrower shall (i) obtain rights to any new trademarks, trademark registrations, trademark applications, trade names, service marks, service mark registrations, service mark applications or license agreements in connection with trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks or service mark applications or (ii) become entitled to the benefit of any trademark, trademark registration, trademark application, trade name, service mark, service mark registration or service mark application, the provisions of Section 2 shall automatically apply thereto and Borrower shall give to Lender prompt written notice thereof. Borrower hereby authorizes Lender to modify this Agreement by (a) amending Schedules A or B, as the case may be, to include any future trademarks, trademark registrations, trademark applications, trade names, service marks, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, service marks, service mark registrations, service mark applications and trade names that are Trademarks or Licenses under Section 2, or under this Section 4, and (b) filing, in addition to and not in substitution for, this Agreement, a duplicate original of this Agreement containing on Schedules A or B thereto, as the case may be, such future trademarks, trademark applications, trade names, service marks, service mark applications and license agreements in connection with trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and trade names which are Trademarks or Licenses under Section 2 or this Section 4.

5. **Royalties.** To the extent Borrower is permitted to do so by the terms of the relevant Trademarks and Licenses, Borrower hereby agrees that the use by Lender of the Trademarks and Licenses as authorized hereunder shall be, to the extent permitted by applicable law, co-extensive with Borrower's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Borrower.

6. **Nature and Continuation of Lender's Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall remain in full force and effect until the Obligations have been paid

in full and the Loan Agreement terminated. At such time, the rights granted to Lender hereunder shall also terminate.

7. Right to Inspect; Further Assignments and Security Interests. Lender shall have the right, at any reasonable time and from time to time, to inspect Borrower's Premises and to examine Borrower's books, records and operations relating to the Trademarks and the Licenses, including, without limitation, Borrower's quality control processes; provided, that in conducting such inspections and examinations, Lender shall use its best efforts not to disturb unnecessarily the conduct of Borrower's ordinary business operations and that such inspections and examinations shall be subject to the provisions of the Loan Agreement. From and after the occurrence of an Event of Default, and subject to the terms of the Loan Agreement, Borrower agrees that Lender shall have the right to establish such reasonable additional product quality controls as Lender, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks. Borrower agrees (i) not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Licenses without the prior written consent of Lender, (ii) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with Borrower's commercially reasonable judgment, and (iii) not to change the quality of such products in any materially adverse respect without the prior written consent of Lender.

8. Duties of Borrower. Borrower shall have the duty, to the extent desirable in the normal conduct of Borrower's business and consistent with Borrower's commercially reasonable business practices and to the extent required in Borrower's reasonable business judgment (i) to prosecute diligently any trademark applications or service mark applications that are part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, (ii) to make applications for trademarks and service marks as Borrower deems appropriate, and (iii) to take reasonable steps to preserve and maintain all of Borrower's rights in the trademark applications, service mark applications and trademark and service mark registrations that are part of the Trademarks. Any expenses incurred in connection with the foregoing shall be borne by Borrower. Borrower shall not abandon any material trademark or service mark which is the subject of a registered trademark, service mark or application therefor and which is or shall be, in Borrower's reasonable judgment, necessary or economically desirable in the operation of the Borrower's business. Except as otherwise provided by law, Lender shall not have any duty with respect to the Trademarks. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks and Licenses against any other parties, but may do so at its option during the continuance of an Event of Default, and all reasonable expenses incurred in connection therewith shall be for the sole account of Borrower and added to the Obligations secured hereby.

9. Lender's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, and subject to the terms of the Loan Agreement, Lender shall have the right, but shall not be obligated, to bring suit to enforce the Trademarks and the Licenses and, if Lender shall commence any such suit, Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Borrower shall,

upon demand, promptly reimburse and indemnify Lender for all costs and reasonable expenses incurred by Lender in the exercise of its rights under this Section 9 (including, without limitation, all attorneys' and paralegals' fees). If, for any reason whatsoever, Lender is not reimbursed with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Obligations secured hereby.

10. Waivers. No course of dealing between Borrower and Lender, and no failure to exercise or delay in exercising on the part of Lender any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver of any of Lender's rights, powers or privileges. No single or partial exercise of any right, power or privilege hereunder or under the Loan Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. Lender's Exercise of Rights and Remedies Upon Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement, or any other agreement executed in connection therewith. Without limiting the generality of the foregoing, Borrower acknowledges and agrees that (i) the Trademarks and the Licenses comprise a portion of the Collateral and Lender shall have the right to exercise its rights under the Loan Agreement with respect to the Trademarks and the Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the occurrence and during the continuance of an Event of Default, Lender or its nominee may use the Trademarks and the Licenses to complete the manufacture of, assemble, package, distribute, prepare for sale and sell the Inventory, or otherwise in connection with the conduct of Borrower's business.

12. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or 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.

13. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Sections 2 and 4 hereof or by a writing signed by the parties hereto.

14. Cumulative Remedies; Power of Attorney. All of Lender's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower or otherwise to carry out the acts described below. Subject to the terms of the Loan Agreement, upon the occurrence and during the continuance of an Event of Default and the giving by Lender of prior written notice to Borrower of Lender's intention to enforce its rights and claims against Borrower, Borrower hereby authorizes Lender to (to the extent Borrower is able to authorize Lender under the relevant Licenses and Trademarks), in its sole



discretion (i) endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks and the Licenses, (ii) take any other commercially reasonable actions with respect to the Trademarks and the Licenses as Lender deems is in its best interest, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone on commercially reasonable terms, and (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone on commercially reasonable terms. Lender shall take no action pursuant to subsection (i), (ii), (iii) or (iv) of this Section 15 without taking like action with respect to the entire goodwill of Borrower's business connected with the use of, and symbolized by, such Trademarks. Borrower hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof, if done in a commercially reasonable manner in accordance with the provisions hereof and the other Loan Documents. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies 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 located or deemed located.

15. Binding Effect; Benefits. This Agreement shall be binding upon Borrower and its successors and assigns, and shall, subject to the provisions of Section 10.3 of the Loan Agreement, inure to the benefit of Lender and its nominees, successors and assigns. Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Borrower; provided, however that Borrower shall not voluntarily assign its obligations hereunder without the prior written consent of Lender.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws (as distinguished from the conflicts of law provisions) and decisions of the State of Illinois.

17. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

18. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

19. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

20. Right of Recordal of Security Interest and Termination. Lender shall have the right, but not the obligation, at the expense of Borrower, to record this Agreement in the United States

Trademark Office and with such other recording authorities deemed reasonable and proper by Lender, and Lender shall advise Borrower of such recordals. Upon satisfaction in full of the Obligations which are liquidated amounts and termination of the Loan Agreement, Borrower shall have the right to effect recordal of such satisfaction or termination at the expense of Borrower in the United States Trademark Office and with such other recording authorities deemed reasonable and proper by Borrower. Lender and Borrower shall cooperate to effect all such recordals hereunder.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

THE LANGSTON CORPORATION, a  
Delaware corporation

By: E. R. Savage  
Name: E. R. SAVAGE  
Title: V. P. FINANCE.

accepted and agreed to as of this 10th day of  
July, 1998.

FLEET CAPITAL CORPORATION, a Rhode  
Island corporation

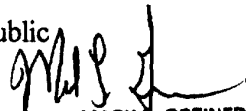
By: Ira J. Kvetit  
Name: Ira J. Kvetit  
Title: Senior Vice President

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK )

The foregoing TRADEMARK AND LICENSE SECURITY AGREEMENT was executed and acknowledged before me this 10<sup>th</sup> day of JULY, 1998, by ER SAUVE, personally known to me to be the VIC PRESIDENT of THE LANGSTON CORPORATION, a Delaware corporation, on behalf of such corporation.

Notary Public

My commission expires:

  
MARK L. GREINER  
Notary Public, State of New York  
No. 01GR6004361  
Qualified in Dutchess County  
Certificate Filed in New York County  
Commission Expires March 23, 2000

**SCHEDULE B**  
to Trademark and License Security Agreement

**LICENSES**

Borrower has the following licenses:

VPCHI01/#349491.2 6/23/98

RECORDED: 08/03/1998

TRADEMARK  
REEL: 1763 FRAME: 0016