

FORM PTO-1594 (Rev. 6-93)

9-28-98

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10-08-1998

1 SHEET

U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94)



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Tab settings

To the Honorable Commissioner of

100849497

attached original documents or copy thereof.

1. Name of conveying party(ies):

Slomin's Inc.

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

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

3. Nature of conveyance:

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

Execution Date: August 4, 1998

2. Name and address of receiving party(ies)

Name: Fleet Bank, N.A. *CPA/Agent*

Internal Address:

Street Address: 300 Broad Hollow Road

City: Melville State: NY ZIP: 11747

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

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached?  Yes  No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

75/160966	75/160969
75/160967	75/160708
75/160968	75/160709

Additional numbers attached?  Yes  No

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

Name: Michael L. Dornbaum, Esq.

Internal Address:

Street Address: Cullen and Dykman

100 Quentin Roosevelt Blvd.

City: Garden City State: NY ZIP: 11530

6. Total number of applications and registrations involved: 6

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

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

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

Michael L. Dornbaum

Name of Person Signing

Signature

Date 9 9/22/98

Total number of pages including cover sheet, attachments, and document: 9

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

TRADEMARK REEL: 1796 FRAME: 0275

10/06/1998 01 FC:461 02 FC:462

TRADEMARK SECURITY AGREEMENT

THIS AGREEMENT dated as of the 4th day of August, 1998, by and between SLOMIN'S, INC. ("the Assignor") and Fleet Bank, N.A., as Agent (in such capacity, the "Assignee") for Fleet Bank, N.A. and The Bank of New York as lending banks and collectively as the Issuing Bank, and for any other lending institutions that may become parties to the Agreement (as hereinafter defined) (collectively, the "Banks").

WHEREAS, the Assignor has incurred and will incur Obligations (as defined below) to the Assignee and the Banks and the agreement of the Assignee and the Banks to extend credit to and incur Obligations from the Assignor is conditioned upon the execution and delivery by the Assignor of this Trademark Security Agreement; and

WHEREAS, the Assignor has executed and delivered a Security Agreement in favor of the Assignee, as agent for the Banks, dated the date hereof (the "Security Agreement"); and

WHEREAS, Assignor wishes to (i) grant further security and assurance to the Assignee, on behalf of the Banks, in order to secure the performance by Assignor of the Obligations (as hereinafter defined), and to that effect Assignor agrees to assign to Assignee certain trademark rights.

NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with Assignee as follows:

1. The following terms shall have the following meanings:

"Agreement" shall mean this Trademark Security Agreement, as amended or modified, and any and all other documents and instruments now or hereafter executed and delivered in conjunction herewith.

"Credit Agreement" shall mean the Loan Agreement dated as of the date hereof among the Company, the Agent, the Documentation Agent and the Banks, as it may be modified, amended or supplemented from time to time.

"Obligations" shall mean any and all liabilities and obligations of the Company to the Agent, the Documentation Agent and the Banks or any of the Banks of every kind whether arising under this Agreement, the Credit Agreement, any other agreement of the Company with the Agent, the Documentation Agent or any of the Banks, or otherwise, including any liability of the Company pursuant to any reimbursement agreement or any guarantee executed by the Company in favor of the Agent or any of the Banks, however evidenced and whether now existing or hereafter incurred,

originally contracted with the Agent or any of the Banks alone or with another or others, or as agent for another or others, secured or not secured, direct or indirect, matured or not matured, absolute or contingent, now due or hereafter to become due (including, without limitation, any and all reasonable costs and attorneys' fees incurred by the Agent, the Documentation Agent or any of the Banks in the collection, whether by suit or by any other means of any of the Obligations hereunder) and any amendment, modification, extension or renewal of any of the foregoing.

Capitalized terms used but not defined in this Agreement shall have the meanings given them in the Credit Agreement.

2. To secure the complete and timely satisfaction of all Obligations, Assignor hereby grants, assigns and conveys to Assignee the entire right, title and interest in and to the trademark applications and trademarks listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), all proceeds thereof (including but not limited to license royalties and proceeds of infringement suits thereon), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world, all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and all applications for trademarks and trademarks of Assignor hereafter filed or acquired, together with all good will associated with any and all of the foregoing and all proceeds of any and all of the foregoing (collectively called the "Trademarks").

3. Assignor represents, warrants and covenants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) To the best of Assignor's knowledge and belief after due inquiry, each of the Trademarks is valid and enforceable and, to the best of Assignor's knowledge, no material infringement or unauthorized use is presently being made of any Trademarks;

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by Assignor not to sue third persons;

(d) Assignor has the unqualified right to enter into this Agreement and perform its terms and has entered and will, if necessary, enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained; and

(e) Assignor's chief executive office is located at 125 Lauman Lane, Hicksville, New York 11801.

4. Assignor agrees that, until all of the Obligations shall have been irrevocably satisfied in full, and until the Total Commitment is terminated, it will not enter into any agreement which is inconsistent with Assignor's obligations under this Agreement, without Assignee's prior written consent.

5. If, before the Obligations shall have been irrevocably satisfied in full, and before the Total Commitment is terminated, Assignor shall become entitled to the benefit of any trademark application or trademark or any reissue, division, continuation, renewal, extension, or continuation-in-part of any trademark or any improvement on any trademark, the provisions of paragraph 2 shall automatically apply thereto and Assignor shall give to Assignee prompt notice thereof in writing.

6. Assignor authorizes Assignee to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are Trademarks under paragraph 2 or paragraph 5 hereof.

7. Unless and until there shall have occurred and be continuing an "Event of Default" pursuant to either of (i) the Credit Agreement, or (ii) any instrument, document or agreement evidencing or securing any of the Obligations, Assignee hereby grants to Assignor the exclusive, nontransferable right and license under the Trademarks to make, have made for it and use the Trademarks and to use all such marks for Assignor's own benefit and account and for none other. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 7, without the prior written consent of Assignee, which will not be unreasonably withheld or delay.

8. If any "Event of Default" shall have occurred and be continuing pursuant to either of (i) the Credit Agreement, or (ii) any instrument, document or agreement evidencing or securing any of the Obligations, Assignor's license under the Trademarks as set forth in paragraph 7, shall terminate forthwith, and the Assignee shall have, in addition to all other rights and remedies given it by this Agreement or the Security 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 located and, without limiting the generality of the foregoing, the Assignee may immediately, without demand of performance and without other notice or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement but on at least twenty (20) days notice to Assignor, sell at public or private sale or otherwise realize upon, the whole or from time to time any part of the Trademarks, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all reasonable expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations in such order as the Assignee

and the Banks may agree. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor.

9. If any "Event of Default" pursuant to either of (i) the Credit Agreement, or (ii) any instrument, document or agreement evidencing or securing any of the Obligations shall have occurred and be continuing, Assignor hereby authorizes and empowers Assignee to make, constitute and appoint any officer or agent of Assignee, as Assignee may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Assignee to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof unless same constitutes gross negligence or willful misconduct. This power of attorney shall be irrevocable for the life of this Agreement. Assignee agrees to give prompt notice to Assignor of any exercise of the power of attorney, but any failure to give such notice shall not invalidate such exercise.

10. At such time as Assignor shall completely and irrevocably satisfy all of the Obligations and the Total Commitment shall have been terminated, this Agreement shall terminate and Assignee shall execute and deliver to Assignor (at Assignor's expense) all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Trademarks, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by Assignee, the Documentation Agent or any of the Banks in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Assignor on demand by Assignee.

12. Assignor shall have the duty, through counsel acceptable to Assignee, to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been irrevocably paid in full and the Total Commitment terminated, to file and prosecute any and all continuations, continuations-in-part, application for reissue, applications for certificate of correction and like matters, and to preserve and maintain all rights in the Trademarks, including without limitation the payment of all maintenance fees when due. Any expenses incurred in connection with such an

application shall be born by Assignor. The Assignor shall not abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of the Assignee, which consent shall not be unreasonably withheld or delayed.

13. Assignor shall use all reasonable efforts to detect any infringers of rights described herein and shall advise the Assignee in writing of any material infringements detected. Assignor shall have the right, with the consent of Assignee, which shall not be unreasonably withheld or delayed, to bring suit in its own name, and to join Assignee, if necessary, as a party to such suit so long as Assignee, the Documentation Agent is satisfied that such joinder will not subject it to any risk of liability, to enforce the Trademarks and any licenses thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Assignee and each of the Banks for all damages, reasonable costs and expenses, including legal fees, incurred by Assignee pursuant to this paragraph 13. Notwithstanding the foregoing, the Assignee shall have no duties with respect to the Trademarks, other than the duties expressly set forth herein and, without limiting the generality of the foregoing, shall have no duty to prosecute any action for trademark infringement in any person.

14. Assignor hereby grants to Assignee and its employees and agents the right, upon reasonable notice, to visit Assignor's plants and facilities which manufacture, inspect or store products sold under any of the trademarks included in the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. The Assignee agrees to comply in all respect with applicable governmental security regulations in connection herewith.

15. No course of dealing between Assignor and Assignee, or between Assignor, the Documentation Agent and any of the Banks, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, the Documentation Agent or any of the Banks, any right, power or privilege hereunder or under the Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

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

17. 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 clause or provision of this Agreement in any jurisdiction.

18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6.

19. 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.

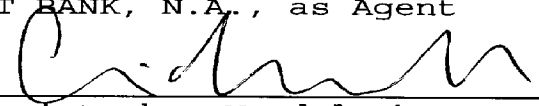
20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of New York applicable to agreements made and to be wholly performed in the State of New York.

IN WITNESS WHEREOF, the execution hereof under seal as of the day and year first above written.

SLOMIN'S, INC.

By:   
David McKenney  
Secretary/Treasurer

FLEET BANK, N.A., as Agent

By:   
Christopher Mendelsohn  
Vice President

SCHEDULE A

TRADEMARKS

<u>Application or Registration No.</u>	<u>Issue or Filing Date</u>	<u>Title</u>
75/160966	8/30/96	1-800-ALARM ME
75/160967	8/30/96	1-800-ALARM ME
75/160968	8/30/96	The Slomin's Shield
75/160969	8/30/96	The Slomin's Shield
75/160708	9/3/96	The Slomin's Shield Home Security System 1-800-ALARM ME
75/160709	9/3/96	The Slomin's Shield Home Security System 1-800-ALARM ME