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FEDERAL RESEARCH

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FORM PTO-1594 (Rev. 8-93) REC'D 10-14-1998 ET U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

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

Tab settings ▼

To the Honorable Commissioner of Patents 100848916 original documents or copy thereof.

1. Name of conveying party(ies): Capital Returns, Inc
10-9-98

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Wisconsin
 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: 200 Glastonbury Blvd.
 Street Address: Glastonbury
 City: _____ State: CT ZIP: 06033

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: September 28 1998

4. Application number(s) or patent number(s):
 A. Trademark Application No.(s) _____
 B. Trademark Registration No.(s) 1769460

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Robert Rubin Esq.
Return To 82821
National Corporate Research, LTD.
225 W. 34th St., Suite 910
New York, N.Y. 10122
(800) 221-0102 (212) 947-7200

City: NY State: NY ZIP: 10177

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41)..... \$ 40⁰⁰
 Enclosed
 Authorized to be charged to deposit account

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

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 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.

Lyn Shirber Name of Person Signing
[Signature] Signature
10/6/98 Date

Total number of pages including cover sheet, attachments, and document: 11

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

THIS TRADEMARK SECURITY AGREEMENT ("Trademark Security Agreement") is made and entered into as of September 28, 1998 by and between **CAPITAL RETURNS, INC.**, a Wisconsin corporation (the "Borrower"), in favor of **FLEET CAPITAL CORPORATION** (the "Lender").

WITNESSETH:

WHEREAS, concurrently herewith, the Lender and the Borrower are entering into a Loan and Security Agreement, dated as of September 28, 1998 (as the same may be hereafter amended, modified, supplemented or restated from time to time, the "Loan Agreement"; terms which are capitalized herein and not otherwise defined shall have the meanings ascribed to them in the Loan Agreement);

WHEREAS, the Lender has required as a condition precedent to the effectiveness of the Loan Agreement, that, among other things (i) the Borrower grant the Lender a security interest in, among other things, the Trademarks and Trademark Licenses (as such terms are hereinafter defined) and (ii) the Borrower execute and deliver this Trademark Security Agreement in order to secure the payment and performance by the Borrower of the Obligations.

1. Defined Terms

(a) The words "hereof", "herein", and hereunder and words of like import when used in this Trademark Security Agreement shall refer to this Trademark Security Agreement as a whole and not to any particular provision of this Trademark Security Agreement, and paragraph references are to this Trademark Security Agreement unless otherwise specified.

(b) All terms defined in this Trademark Security Agreement in the singular shall have comparable meanings when used in the plural and vice versa, unless otherwise specified.

2. Incorporation of Recitals. The recitals above are incorporated into this Trademark Security Agreement by this reference thereto and are made a part hereof.

3. Security Interest in Trademarks and Trademark Licenses, etc. To secure the complete and timely payment and performance when due of all of the Obligations, the Borrower hereby grants to the Lender a first priority and perfected security interest, with power of sale to the extent permitted by applicable law, in all of the Borrower's now owned or existing and hereafter acquired or arising:

(a) trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks, service mark applications, corporate names, company names, business names, fictitious business names, trade styles, certification marks, logos, other source of business identifiers and prints and labels on which any of the foregoing have appeared or appear, each of which is listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and 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, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of the Borrower's business symbolized by the foregoing and connected therewith, and (v) all of the Borrower's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, trade names, and service marks, registered service marks and service mark applications, together with the items described in clauses (i)-(v) in this paragraph 3(a), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(b) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether the Borrower is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all assets now or hereafter owned by the Borrower and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

Notwithstanding the foregoing, the Borrower makes no representation or warranty to the Lender that any security interest granted to the Lender in any (i) trademark, registered trademark, trademark application, trade name, service mark, registered service mark or service mark application issued pursuant to, or governed by the laws of, any jurisdiction other than (A) the United States or any of its territories or possessions, (B) any of the 50 states comprising the United States or (C) the District of Columbia ("foreign law") or (ii) license agreement with respect to any trademark or service mark governed by any foreign law, is either perfected or has a first priority.

4. Restrictions on Future Agreements. The Borrower will not, without the Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Trademark Security Agreement, and the Borrower further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Lender under this Trademark Security Agreement or the rights associated with the Trademarks or Trademark Licenses.

5. New Trademarks and Trademark Licenses. The Borrower represents and warrants that, from and after the date hereof, (a) the Trademarks listed on Schedule A include all of the trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications now owned or held by the Borrower, (b) the Trademark Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which the Borrower is the licensee or licensor, and (c) no liens, claims or security interests in such Trademarks and Trademark Licenses have been granted by the Borrower to any Person other than the Lender. If, prior to the termination of this Trademark Security Agreement, the Borrower shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, tradenames, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trade names, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals, whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of paragraph 3 above shall automatically apply thereto. The Borrower shall give to the Lender written notice of each event described in clause (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on an annual basis. The Borrower hereby authorizes the Lender to modify this Trademark Security Agreement unilaterally (i) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications and by amending Schedule B to include any future trademark license agreement and service mark license agreements, which are Trademarks or Trademark Licenses under paragraph 3 above or under this paragraph 5, and (ii) by filing, in addition to and not in substitution for this Trademark Security Agreement, a duplicate original of this Trademark Security Agreement containing on Schedule A or B thereto, as the case may be, such future trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements.

6. Royalties. The Borrower hereby agrees that the Lender's rights to use the Trademarks and Trademark Licenses as authorized hereunder in connection with the Lender's exercise of its rights and remedies under paragraph 14 hereof or under the Loan Agreement shall be coextensive with the Borrower's rights with respect thereto and except as may be expressly agreed to by the Lender, the Lender shall not have any liability to Borrower for royalties or other related charges on account of any such use in connection with the Lender's exercise of its rights or remedies under paragraph 14 hereof, or under the Loan Agreement.

7. Right to Inspect; Further Assignments and Security Interests. The Lender may at all reasonable times (and at any time after the occurrence and during the continuation of an Event of Default) (as used herein the term "Event of Default" shall have the meanings ascribed to such term in the Loan Agreement) have access to, examine, audit, make copies, at the Borrower's expense, and extracts from and inspect the Borrower's premises and examine the Borrower's books, records and operations relating to the Trademarks and Trademark Licenses; provided, however, that in conducting such inspections and examinations, the Lender shall use reasonable efforts not to disturb unnecessarily the conduct of the Borrower's ordinary business operations. From and after the date the Lender shall declare the Obligations to be due and payable, the Borrower agrees that the Lender, or a conservator appointed by the Lender, shall have the right to establish such reasonable additional product quality controls as the Lender or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold or services rendered by the Borrower under the Trademarks and the Trademark Licenses or in connection with which such Trademarks and Trademark Licenses are used. The Borrower agrees (a) not to sell or assign its respective interests in any Trademarks or Trademark Licenses without the prior and express written consent of the Lender and (b) to maintain the quality of such products as of the date hereof.

8. Nature and Continuation of the Lender's Security Interest; Termination of the Lender's Security Interest. This Trademark Security Agreement is made for collateral security purposes only. This Trademark Security Agreement shall create a continuing security interest in the Trademarks and Trademark Licenses and shall terminate only when the Obligations have been paid in full in cash and the Loan Agreement have been terminated. When this Trademark Security Agreement has terminated, the Lender shall promptly execute and deliver to the Borrower, at the Borrower's expense, all termination statements and other instruments as may be necessary or proper to terminate the Lender's security interest in the Trademarks and the Trademark Licenses, subject to any disposition thereof which may have been made by the Lender pursuant to this Trademark Security Agreement, or the Loan Agreement.

9. Duties of the Borrower. The Borrower shall have the duty to: (a) prosecute diligently, in accordance with sound business judgment and practice, any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Trademark Security Agreement, and (b) make application for material trademarks or material service marks. The Borrower further agrees (a) not to abandon any material Trademark or material Trademark License which is used in its business without the prior written consent of the Lender, and (b) to use its reasonable efforts to maintain in full force and effect the Trademarks and Trademark Licenses that are used in the operation of the Borrower's business. Any expenses incurred in connection with the foregoing shall be borne by the Borrower. The Lender shall not have any duty with respect to the Trademarks and Trademark Licenses. Without limiting the generality of the foregoing, the Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks or Trademark Licenses against any other parties, but the Lender may do so at its option after the occurrence and during the continuance of an Event of Default, and all reasonable expenses incurred in connection therewith shall be for the sole account of the Borrower and shall be added to the Obligations secured hereby.

10. The Lender's Right to Sue. From and after the occurrence and during the continuation of an Event of Default, the Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Trademark Licenses, and, if the Lender shall commence any such suit, the Borrower shall, at the reasonable request of the Lender, do any and all lawful acts and execute any and all proper documents required by the Lender in aid of such enforcement. The Borrower shall, upon demand, promptly reimburse the Lender for all reasonable costs and expenses incurred by it in the exercise of its rights under this paragraph 10 (including, without limitation, reasonable fees and expenses of attorneys for the Lender). In the event the Lender shall commence any such enforcement action, the Lender shall use its reasonable efforts to provide the Borrower with ten (10) days prior written notice thereof, and shall provide the Borrower with an opportunity to participate in any such action, at the Borrower's expense.

11. Waivers. The Lender's failure, at any time or times hereafter, to require strict performance by the Borrower of any provisions of this Trademark Security Agreement shall not waive, affect or diminish any right of the Lender thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Borrower and the Lender have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Borrower contained in this Trademark Security Agreement shall be deemed to have been suspended or waived by the Lender unless such suspension or waiver is in writing signed by an officer of the Lender and directed to the Borrower specifying such suspension or waiver.

12. Severability. Whenever possible, each provision of this Trademark Security Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Trademark Security 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 Trademark Security Agreement in any jurisdiction.

13. Modification. This Trademark Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraphs 3 and 5 hereof or by a writing signed by the parties hereto.

14. Power of Attorney; Cumulative Remedies. (a) The Borrower hereby irrevocably designates, constitutes and appoints the Lender as the Borrower's true and lawful attorney-in-fact, and authorizes the Lender, in the Borrower's or the Lender's name, from and after the occurrence and during the continuance of an Event of Default, to (i) endorse the Borrower's name on all applications, documents, papers and instruments necessary or desirable for the Lender in the use of the Trademarks or the Trademark Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Trademark Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or,

to the extent permitted, under the Trademark Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks or the Trademark Licenses as the Lender reasonably deems in its own best interest to preserve and protect the Trademarks, the Trademark Licenses or the Collateral. The Borrower acknowledges that the Lender may appoint or designate other Persons to act on the Lender's behalf in taking the actions referred to herein. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations shall have been paid in full and the Loan Agreement shall have been terminated. The Borrower acknowledges and agrees that this Trademark Security Agreement is not intended to limit or restrict in any way the rights and remedies of the Lender under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies. The Lender agrees that the proceeds received by Lender as a result of the exercise of any of its remedies specified herein shall be immediately used to pay down the Obligations.

(b) The Lender shall have, in addition to all other rights and remedies given it by the terms of this Trademark Security 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 or the Trademark Licenses may be located or deemed located. Upon the occurrence and during the continuation of an Event of Default, the Borrower agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Trademark Licenses to the Lender or any transferee of the Lender and to execute and deliver to the Lender or any such transferee all such agreements, documents and instruments as may be necessary, in the exercise of the Lender's commercially reasonable judgment, to effect such assignment, conveyance and transfer. All of the Lender's rights and remedies with respect to the Trademarks and the Trademark Licenses, whether established hereby, by the Loan Agreement, any other Related Documents by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently.

15. Successors and Assigns. This Trademark Security Agreement shall be binding upon the Borrower and its successors and assigns, and shall inure to the benefit of the Lender, the Lenders and their respective nominees, successors and assigns. The Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for the Borrower; provided, however, that the Borrower shall not voluntarily assign or transfer its rights or obligations hereunder without the Lender's prior written consent.

16. Governing Law. THIS TRADEMARK SECURITY AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS AND DECISIONS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICT OF LAWS, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

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

18. Paragraph Titles. The paragraph titles 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 Trademark Security 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. Recordation of Agreement. The Lender intends to record this Trademark Security Agreement with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, the Borrower has duly executed this Trademark Security Agreement as of the day and year first above written.

CAPITAL RETURNS, INC.

By: Charlotte A. Smith
Name: CHARLOTTE A. SMITH
Title: PRESIDENT

STATE OF WISCONSIN)
) ss.:
COUNTY OF MILWAUKEE)

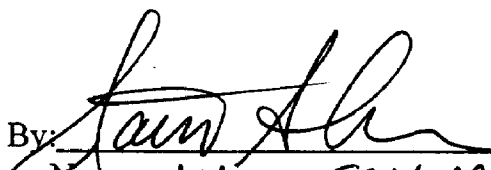
On the 30th day of September __, 1998, before me personally came Charlotte A. Smith, to me known, who being by me duly sworn, did depose and say that ~~he~~ she is ~~the~~ the President of Capital Returns, Inc., the corporation described in and which accepted and agreed to the foregoing instrument; and that ~~he~~ she signed ~~his~~ her name thereto by authority of the board of directors of said corporation.



Notary Public

By its acceptance hereof as of the day and year first above written, the Lender agrees to be bound by the provisions hereof.

FLEET CAPITAL CORPORATION

By: 

Name: WALTER SCHUPPE
Title: VP

**Schedule A
to
Trademark Security Agreement**

<u>Trademark</u>	<u>Owner</u>	<u>Status in Trademark Office</u>	<u>Federal Registration Number</u>	<u>Registration Date</u>
"Capital Returns"	Capital Returns, Inc.	Registered	1,769,460	5/4/93

DSN:28875.1

RECORDED: 10/09/1998

TRADEMARK
REEL: 1799 FRAME: 0010