

04-27-1999

TRADEMARK
Docket No. 3662-4000



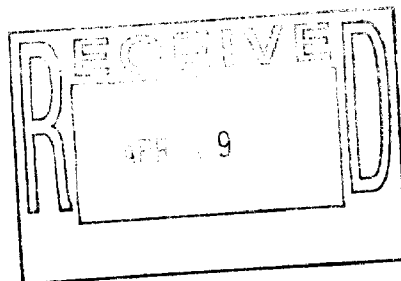
IN THE UNITED STATES
TRADEMARK

101021333
REGISTRATION COVER SHEET

MARK OFFICE

med
4-19-99

HON. COMMISSIONER OF PATENTS AND TRADEMARKS
BOX ASSIGNMENTS
Washington, D.C. 20231



Sir:

Please record the attached original documents or copies thereof.

1. Submission Type:

- New
- Resubmission (Non-Recordation) - Document ID# _____
- Correction of PTO Error: Reel # _____ Frame # _____
- Corrective Document: Reel # _____ Frame # _____

2. Name Of Conveying Party(ies):

Name: Hock, Inc.

Formerly _____

Execution Date (Month/Day/Year): February 1, 1999

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

Citizenship/State of Incorporation Delaware

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

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

Name: State Bank of Long Island

DBA/AKA/TA: _____

Address: 699 Hillside Avenue

City New Hyde Park State NY ZIP 11040

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

Citizenship/State of Incorporation: New York

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134500
0000057
04/27/1999 NGUYEN
40.00 CH
25.00 CH

TRADEMARK
REEL: 1888 FRAME: 0555

If assignee is not domiciled in the U.S., a domestic representative designation is attached: Yes No
(Designation must be a separate document from Assignment).

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

4. Conveyance Type:

- | | |
|--|---|
| <input type="checkbox"/> Assignment | <input type="checkbox"/> Merger |
| <input checked="" type="checkbox"/> Security Agreement | <input type="checkbox"/> Change of Name |
| <input type="checkbox"/> License | <input type="checkbox"/> Nunc Pro Tunc Assignment |
| <input type="checkbox"/> Other | |

Effective Date: _____ (if nunc pro tunc assignment)

5. Application Number(s) or Registration Number(s):

Trademark Application No.(s) _____

Trademark registration No.(s) 1,986,467 800,431 _____

Additional numbers attached? Yes No

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

Name: Scott Greenberg, Esq. c/o Morgan & Finnegan

Internal Address: _____

Street Address: 345 Park Avenue

City New York State NY ZIP 10154

Area Code and Telephone Number (212) 415-8543

7. Total number of applications and registrations involved: 2

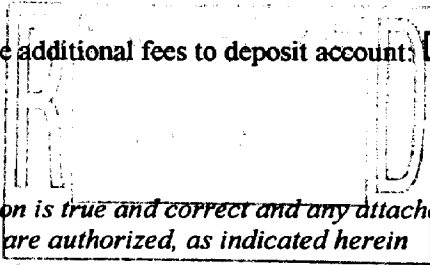
8. Total fee (37 CFR 3.41):.....\$ 65.00

- Enclosed
 Authorized to be charged to deposit account

9. Deposit Account Number: 13-4500. Authorization to charge additional fees to deposit account: Yes No

10. 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. Charges to deposit account are authorized, as indicated herein



Scott Greenberg [Signature] 4/15/99
Name of Person Signing Signature Date

Total amount of pages in cover sheet: 3

FORM: REC-TM.NY
Rev. 10/04/94

EXHIBIT 1

TRADEMARKS, TRADEMARK REGISTRATIONS,
AND TRADEMARK APPLICATIONS
AND ASSOCIATED GOODWILL

TRADEMARK

REGISTRATION NO. AND DATE

KNITMAKERS

1,986,467 7/16/96

ALBEROY

800,431 12/14/65

MEGAKNITS

(Unregistered)

This Trademark Security Agreement ("Security Agreement") entered into as of February 1, 1999 by and between STATE BANK OF LONG ISLAND, a banking corporation organized and existing under the laws of the State of New York, having its principal office at 699 Hillside Avenue, New Hyde Park, NY 11040 (the "Bank") and HOCK, INC., a Delaware Corporation, with a place at 44 Cherry Valley Avenue, West Hempstead, NY 11552 (the "Grantor").

WHEREAS, the Bank has agreed to loan money to the Grantor, and the Grantor has agreed to grant a security interest in certain of its business assets to the Bank to secure that loan; and

WHEREAS, the Grantor represents and warrants that it now possesses the sole and complete ownership rights to the business assets to be secured by this Security Agreement; that it has not granted a security interest or otherwise pledged, mortgaged, transferred, assigned or licensed any part of its rights in said business assets to any party other than the Bank; that the execution and delivery of this instrument will not conflict with or contravene any contractual restriction binding on the Grantor, including any license agreement relating to said business assets or any part thereof; and that, except as heretofore disclosed to the Bank in writing, there are no legal actions or administrative proceedings pending or threatened before any court or administrative agency involving said business assets, or any part thereof.

NOW, THEREFORE, in consideration of the premises set forth in this Security Agreement, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Bank and the Grantor agree as follows:

Section 1.01. Grant of Security Interest. In order to secure the complete and timely satisfaction of all of the duties and obligations owing from the Grantor to the Bank, the Grantor hereby pledges, mortgages and grants a first-priority security interest to the Bank in and to the following:

All trademarks, trademark registrations and trademark applications and goodwill of the business symbolized by those trademarks of the Grantor, including but not limited to those set forth in Exhibit 1 and (a) any similar marks or amendments, modifications and renewals thereof and the goodwill represented by those trademarks thereon and any legal equivalent in a foreign country for the full term or terms for which the same may be granted; (b) all rights to income, royalties, profits, damages, or other rights relating to said trademarks including the right to sue for past, present or future infringement; and (c) any other rights and benefits relating to trademarks including any rights as a licensor or licensee of a trademark ("Trademarks").

Section 2.01. No Liens, etc. The Grantor agrees that it will not, without the prior written consent of the Bank, assign or


transfer, pledge, mortgage, license or allow a security interest or lien to be taken by anyone other than the Bank in said Trademarks or take any other acts which are contrary to or inconsistent with the rights granted to the Bank in this Security Agreement and will not cease the use of any Trademark or take any action or fail to take any action which will result in the cancellation or expiration of any of the Trademark registrations covered by this Security Agreement without the prior written agreement of the Bank.

Section 3.01. Grantor's Obligation to Maintain and Enforce Rights. The Grantor further agrees that it has the obligation, at its own cost, unless otherwise consented to in writing by the Bank:

(1) To take all actions necessary to properly maintain and renew all registrations for Trademarks which are or may become subject to the Security Agreement for the full term or terms allowed by law including but not limited to the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to maintain and renew said registrations for Trademarks (including the filing of a declaration of incontestability under §15 of the United States Trademark Act where possible) which may be necessary or appropriate under applicable law.

(2) To file new applications to register and protect under applicable law all Trademarks acquired by the Grantor but for which applications have not previously been filed, or to take all other actions necessary to cause registrations for Trademarks to be issued as a result of said applications.

(3) To protect such Trademarks from infringement, unfair competition or dilution or damage by all appropriate actions including the commencement of legal action to prevent and recover damages for said infringement and to defend such Trademarks from claims or infringement, unfair competition or damage including the defense of any legal actions making such claims.

 **Section 4.01. Reporting Requirements.** The Grantor agrees, to provide written semiannual reports to the Bank informing it of: (a) the status of all Trademarks subject to this Security Agreement including any trademark registrations, trademark applications or related licenses; and (b) any actions taken by the Grantor pursuant to Section 3.01 of this Security Agreement.

that, if any material change occurs, or if the Bank so request

Section 5.01. After Acquired Property. If the Grantor shall obtain rights to or become entitled to the benefit of any new trademarks, registered trademarks, trademark applications or licenses before its obligations to the Bank as set forth in this Security Agreement have been satisfied in full, the provisions of this Security Agreement shall automatically apply thereto and the Grantor hereby authorizes the Bank to modify or update this Security Agreement accordingly.

Section 6.01. Events of Default. The failure by the Grantor to perform any of the terms or conditions of this Security Agreement or the terms and conditions of any agreement with the Bank shall constitute a material default. Upon the occurrence of such a default and upon the receipt by the Grantor of appropriate written notice from the Bank, the Grantor hereby authorizes and grants an irrevocable power of attorney to the Bank to take any action as may be deemed to be necessary with respect to said Trademarks including but not limited to the assignment of all said Trademarks from the Grantor to the Bank. This right may be exercised in addition to any other rights and remedies which may be available under applicable law.

Section 7.01. No Waiver. The failure by the Bank to exercise any right under this Security Agreement shall not operate as a waiver thereof and shall not bar the Bank from continuing to exercise said rights in the future.

Section 8.01. Governing Law. The Security Agreement is to be governed by the law of the State of New York and is binding on the parties and their successors and assigns. The Grantor may not assign nor transfer any part of its obligations under this Security Agreement either expressly or by operation of law without the written consent of the Bank.

Section 9.01. Severability. The terms of this Security Agreement are severable. If any terms shall be found to be invalid or unenforceable, it shall not affect the validity of the remaining terms.

Section 10.01. Further Actions. The Grantor agrees to execute any other documents and take any further action upon the request of the Bank as may be deemed necessary to effectuate the terms of this Security Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement as of the 1st day of February, 1999.

HOCK, INC.

By: *J. Hock, pres.*

STATE BANK OF LONG ISLAND

By: *[Signature]*

Vice President

C:\SBLI\AGREE\TRADEMRK.SEC