

08-03-1999



101106535

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

7-30-99

☒ New

☐ Resubmission (Non-Recordation)

Document ID #

☐ Correction of PTO Error

Reel #

Frame #

☐ Corrective Document

Reel #

Frame #

Conveyance Type

☐ Assignment

☐ License

☒ Security Agreement

☐ Nunc Pro Tunc Assignment

☐ Merger

☐ Change of Name

☐ Other

Effective Date
Month Day Year

Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name M&L INTERNATIONAL GROUP, LLC

06-30-99

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☒ Other Limited Liability Company

☒ Citizenship/State of Incorporation/Organization Delaware

Receiving Party

☐ Mark if additional names of receiving parties attached

Name KEYBANK NATIONAL ASSOCIATION

DBA/AKA/TA

Composed of

Address (line 1) Mailcode WA-31-10-4871

Address (line 2) Post Office Box 90

Address (line 3) Seattle

City

WA

State/Country

98111-0090

Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☒ Other National Banking Association

☐ Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

08/02/1999 DNGUYEN 00000267 730123

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

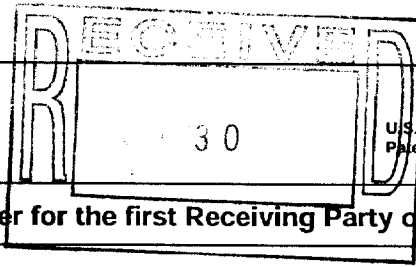
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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

REEL: 001937 FRAME: 0364



Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

☒ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Registration Number(s)

<input type="text" value="730,123"/>	<input type="text" value="1,562,284"/>	<input type="text" value="2,128,671"/>
<input type="text" value="1,561,092"/>	<input type="text" value="1,197,990"/>	<input type="text" value="1,773,699"/>
<input type="text" value="1,060,825"/>	<input type="text" value="1,419,300"/>	<input type="text" value="2,088,371"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed ☒

Deposit Account ☐

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes ☐

No ☐

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.

David C Kelly
Name of Person Signing

David C Kelly
Signature

7/30/99
Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☐ Other

☐ Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☐ Other

☐ Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

1,294,492		
1,949,265		
1,836,878		
75-600,192		

TRADEMARK SECURITY AGREEMENT

Borrower:

AMEREX (USA) INC.
350 Fifth Avenue, 14th Floor
New York, NY 10118

Lender:

KEYBANK NATIONAL ASSOCIATION
Mailcode WA-31-10-4871
700 Fifth Avenue, 48th Floor
Post Office Box 90
Seattle, WA 98111-0090

Grantor:

M&L INTERNATIONAL GROUP, LLC
1333 North Kingsley Street
Chicago, IL 60622

THIS TRADEMARK SECURITY AGREEMENT (this "Trademark Agreement") is entered into between M&L INTERNATIONAL GROUP, LLC (referred to below as "Grantor"); and KEYBANK NATIONAL ASSOCIATION (referred to below as "Lender"). Grantor has entered into a Guaranty Agreement of even date herewith (the "Guaranty Agreement") pursuant to which Grantor has guaranteed all obligations of AMEREX (USA) INC. ("Borrower") to Lender, including obligations arising under or in connection with the Note as defined below. Grantor entered into the Guaranty Agreement as an inducement to Lender to advance funds to Borrower under the Note. As a further inducement to Lender to advance funds to Borrower under the terms of the Note, and to provide such other financial accommodations to Borrower as may be agreed to by Lender and Borrower, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants to Lender a security interest in the Trademark Collateral described below to secure the Secured Obligations as defined below. Grantor agrees that Lender shall have the rights stated in this Trademark Agreement with respect to the Trademark Collateral, in addition to all other rights which Lender may have by law.

1. **DEFINITIONS.** The following words shall have the following meanings when used in this Trademark Agreement. Terms not otherwise defined in this Trademark Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

1.1. **"Event of Default"** means and includes without limitation any of the Events of Default set forth below in the section titled "Events of Default."

1.2. **"Grantor"** means M&L INTERNATIONAL GROUP, LLC its successors and assigns.

1.3. **"Guarantor"** means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the obligations of Borrower to Lender, including without limitation obligations arising under or in connection with the Note.

1.4. **"Secured Obligations"** means all obligations of Grantor to Lender, including all obligations arising under or in connection with the Guaranty Agreement. In addition, the term "Secured Obligations" includes all other debts and liabilities, plus interest thereon, of Grantor to Lender, as well as all claims by Lender against Grantor whether heretofore or hereafter existing, whether they are voluntary or involuntary, due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated; whether Grantor may be liable individually or jointly with others; whether Grantor may be obligated as guarantor, surety, accommodation party or otherwise; whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations; and whether such indebtedness may be or hereafter may become otherwise unenforceable.

1.5. **"Lender"** means KEYBANK NATIONAL ASSOCIATION, its successors and assigns.

1.6. **"Note"** means the note dated June 30, 1999, in the principal amount of \$20,000,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for the note or credit agreement.

1.7. **"Related Documents"** mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

1.8. **"Trademark Agreement"** means this Trademark Security Agreement, as this Trademark Security Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Trademark Security Agreement from time to time.

1.9. **"Trademark Collateral"** means the following:

(a) all trademarks, service marks (including any common law marks), trademark and service mark registrations, interests in any trademarks or service marks under any and all license agreements, and trade names and trademark or service mark applications for which registrations have been issued or applied for in the United States Patent and Trademark Office, all whether used in the United States or any state, territory or possession thereof, or throughout the world; including, without limitation, the trademarks, service marks, applications and registrations listed on Annex A attached hereto and made a part hereof (excluding each application to register any trademark, service mark or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark) and the license agreements (both as licensee or licensor) listed on Annex B attached hereto and made a part hereof and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or 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 thereof but excluding attorneys' fees and court costs payable to Grantor in respect thereto, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world

(b) the goodwill of Grantor's business connected with the Trademarks.

(c) All records and data relating to any of the property described in this Trademark Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

1.10. "**Trademarks**" means all of the trademarks, trademark registrations, and interests under license agreements, trade names and applications described in subparagraph (a) of Section 1.9, together with the items described in clauses (i) through (iv) of said subparagraph (a).

2. **Restrictions on Future Agreements.** Grantor shall not, without Lender's prior written consent, abandon any Trademark or enter into any agreement, including, without limitation, any license agreement, which is inconsistent with Grantor's obligations under this Trademark Agreement, in each case if such actions could reasonably be expected to materially impair the value of the Trademark Collateral or the benefits of this Trademark Agreement granted to Lender, including, without limitation, the priority or perfection of the security interest granted herein or the remedies of Lender hereunder, and Grantor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which could reasonably be expected to affect the validity or

enforcement of the rights transferred to Lender under this Trademark Agreement and any such agreement or action if it shall take place shall be null and void and of no effect whatsoever.

3. ***New Trademarks.*** Grantor represents and warrants that the Trademarks listed on Annex A and the license agreements listed on Annex B constitute all of the Trademarks and applications now owned by or licensed to or by Grantor for which registrations have been issued or applied for in the United States Patent and Trademark Office and throughout the world. If Grantor shall obtain rights to any new trademarks, trademark registrations or applications or trade names used in the United States or any state, territory or possession thereof, or anywhere the world, or (ii) Grantor shall become entitled to the benefit of any trademark application, trademark, trademark registration or trade name used in the United States or any state, territory or possession thereof, or anywhere in the world, then the provisions of this Trademark Agreement shall automatically apply thereto and Grantor shall give to Lender prompt written notice thereof. Grantor hereby authorizes Lender to modify this Trademark Agreement by amending Annex A and Annex B to include any future trademarks, trademark registrations, trademark applications, trade names and license agreements which are Trademarks, and to amend any UCC financing statement or similar instrument in order to give notice of such modification, and to file and/or record the same.

4. ***ADDITIONAL OBLIGATIONS, REPRESENTATIONS AND WARRANTIES OF GRANTOR.*** Grantor agrees, warrants and covenants to Lender as follows:

4.1. ***Perfection of Security Interest.*** Grantor agrees that from time to time, at the expense of Grantor, Grantor shall promptly execute and deliver all further instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that Lender may reasonably request, in order to perfect and protect any security interest granted hereby or to enable Lender to exercise and enforce its rights and remedies hereunder with respect to any Trademark Collateral. Grantor hereby appoints Lender as its irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect or to continue the security interest granted in this Trademark Agreement. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Trademark Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Trademark Collateral. Grantor promptly will notify Lender before any change in Grantor's name including any change to the assumed business names of Grantor. **This is a continuing Trademark Security Agreement and will continue in effect even though all or any part of the Indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.**

4.2. ***No Violation.*** The execution and delivery of this Trademark Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party,

and its certificate, operating agreement or articles of incorporation and bylaws do not prohibit any term or condition of this Trademark Agreement.

4.3. *Title.* Except as otherwise provided herein, upon the delivery of this Trademark Agreement, Grantor is and will continue to be the owner of all right, title and interest in the Trademark Collateral so long as the Trademarks shall continue in force, free from any lien or security interest in favor of any Person except for the security interest granted to Lender and any liens as to which Lender has consented in writing.

4.4. *Authority.* Grantor has the full right and power to grant the security interest in the Trademark Collateral made hereby. This Trademark Agreement creates a valid and enforceable interest in the Trademark Collateral.

4.5. *Prior Assignments.* Grantor has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Trademark Collateral except for the security interest granted to Lender and any liens as to which Lender has consented in writing. No effective financing statement or other instrument similar in effect covering all or any part of the Trademark Collateral is on file in any recording office, except such as may have been filed in favor of Lender relating to this Trademark Agreement and those which in Lender's judgment are necessary to protect the rights of the beneficiaries of the those liens and encumbrances with respect to which Lender has consented in writing.

4.6. *Future Assignments.* Grantor shall not sell, grant any license under, lease, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Trademark Collateral, except in favor of Lender relating to this Trademark Agreement and except as may be consented to by Lender in writing.

4.7. *Accurate Information.* Subject to any limitation stated therein or in connection therewith, all information furnished to Lender concerning the Trademark Collateral and proceeds thereof, for the purpose of obtaining credit or an extension of credit, is, or will be at the time the same is furnished, accurate and correct in all material respects.

4.8. *No Infringement.* To the best of Grantor's knowledge and belief, no material infringement or unauthorized use is now being made of any of the Trademarks which could reasonably be expected to materially adversely affect the fair market value of the Trademark Collateral or the benefits of this Trademark Agreement granted to Lender, including, without limitation, the priority or perfection of the security interest granted herein or the remedies of Lender hereunder.

4.9. *Taxes, Assessments and Liens.* Grantor will pay when due all taxes, assessments and liens upon the Trademark Collateral, its use or operation, upon this

Trademark Agreement, upon any promissory note or notes evidencing the Indebtedness, or upon any of the other Related Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Trademark Collateral is not jeopardized in Lender's sole opinion. If the Trademark Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Trademark Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Trademark Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

4.10. ***Compliance With Governmental Requirements.*** Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Trademark Collateral. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Trademark Collateral, in Lender's opinion, is not jeopardized.

4.11. ***Make and Prosecute Applications, Maintain Trademarks..*** Grantor shall have the duty (i) to prosecute diligently any trademark application that is part of the Trademarks pending as of the date hereof or (ii) to make application for registration of Trademarks, as appropriate, and (iii) to preserve and maintain all rights in trademark applications, trademarks, trade names, interests under trademark license agreements and trademark registrations that are part of the Trademarks, unless the failure to do so could not reasonably be expected to materially adversely affect the fair market value of the Trademark Collateral or the benefits of this Trademark Agreement granted to Lender, including, without limitation, the priority or perfection of the security interest granted herein or the remedies of Lender hereunder. Any expenses incurred in connection with such applications shall be borne by Grantor. Grantor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings. Grantor shall not abandon any right to file a trademark application or any pending trademark application without the consent of Lender.

5. ***ROYALTIES.*** Grantor hereby agrees that any rights granted hereunder to Lender and its successors, transferees and assigns with respect to all Trademark Collateral as described above shall be worldwide and without any liability to Lender for royalties or other related charges.

6. **GRANTOR'S RIGHT TO POSSESSION AND TO COLLECT ACCOUNTS.**

Until default and except as otherwise provided below with respect to accounts, Grantor may have possession of the tangible personal property constituting Trademark Collateral and beneficial use of all the Trademark Collateral and may use it in any lawful manner not inconsistent with this Trademark Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Trademark Collateral where possession of the Trademark Collateral by Lender is required by law to perfect Lender's security interest in such Trademark Collateral. Unless otherwise notified by Lender, Grantor may collect any of the Trademark Collateral consisting of accounts. At any time and even though no Event of Default exists, Lender may exercise its rights to collect the accounts and to notify account debtors to make payments directly to Lender for application to the Indebtedness. If Lender at any time has possession of any Trademark Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Trademark Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Trademark Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Indebtedness.

7. **EXPENDITURES BY LENDER.**

If not discharged or paid when due, Lender may (but shall not be obligated to) discharge or pay any amounts required to be discharged or paid by Grantor under this Trademark Agreement, including without limitation all taxes, liens, security interests, encumbrances, and other claims, at any time levied or placed on the Trademark Collateral. Lender also may (but shall not be obligated to) pay all costs for insuring, maintaining and preserving the Trademark Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses shall become a part of the Indebtedness and, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Trademark Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of an Event of Default.

8. **EVENTS OF DEFAULT.** Each of the following shall constitute an Event of Default under this Trademark Agreement:

8.1. **Default on Indebtedness.** Failure of Grantor to make any payment when due on the Indebtedness.

8.2. ***Other Defaults.*** Failure of Grantor to comply with or to perform any other term, obligation, covenant or condition contained in this Trademark Agreement or in any of the Related Documents or in any other agreement between Lender and Grantor.

8.3. ***Default In Favor of Third Parties.*** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's or any Grantor's ability to repay the Loans or perform their respective obligations under this Trademark Agreement or any of the Related Documents.

8.4. ***False Statements.*** Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Trademark Agreement, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

8.5. ***Defective Collateralization.*** This Trademark Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

8.6. ***Insolvency.*** The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

8.7. ***Creditor or Forfeiture Proceedings.*** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against the Trademark Collateral or any other collateral securing the Indebtedness. This includes a garnishment of any of Grantor's deposit accounts with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

8.8. ***Events Affecting Guarantor.*** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or such Guarantor dies or becomes incompetent. Lender, at its option, may, but shall not be required to, permit the

Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure the Event of Default.

8.9. ***Adverse Change.*** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

8.10. ***Insecurity.*** Lender, in good faith, deems itself insecure.

8.11. ***Right to Cure.*** If any default, other than a Default on Indebtedness, is curable and if Grantor has not been given a prior notice of a breach of the same provision of this Trademark Agreement, it may be cured (and no Event of Default will have occurred) if Grantor, after Lender sends written notice demanding cure of such default, (a) cures the default within fifteen (15) days; or (b), if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

9. ***RIGHTS AND REMEDIES ON DEFAULT.*** If an Event of Default occurs under this Trademark Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Washington Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

9.1. ***Accelerate Indebtedness.*** Lender may declare the entire Indebtedness, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice.

9.2. ***Assemble Trademark Collateral.*** Lender may require Grantor to deliver to Lender all or any portion of the Trademark Collateral and any and all certificates of title and other documents relating to the Trademark Collateral. Lender may require Grantor to assemble the Trademark Collateral or any portion thereof, including books and records, and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Trademark Collateral or any portion thereof, including books and records. If the Trademark Collateral contains other goods not covered by this Trademark Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

9.3. ***Sell the Trademark Collateral.*** Lender shall have full power to sell, lease, transfer, or otherwise deal with the Trademark Collateral or proceeds thereof in its own name or that of Grantor. Lender may sell the Trademark Collateral at public auction or private sale. Unless the Trademark Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor reasonable

notice of the time after which any private sale or any other intended disposition of the Trademark Collateral is to be made. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Trademark Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Trademark Collateral, shall become a part of the Indebtedness secured by this Trademark Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

9.4. ***Appoint Receiver*** To the extent permitted by applicable law, Lender shall have the following rights and remedies regarding the appointment of a receiver: (a) Lender may have a receiver appointed as a matter of right, (b) the receiver may be an employee of Lender and may serve without bond, and (c) all fees of the receiver and his or her attorney shall become part of the Indebtedness secured by this Trademark Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

9.5. ***Collect Revenues, Apply Accounts.*** Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Trademark Collateral. Lender may at any time in its discretion transfer any Trademark Collateral into its own name or that of its nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Trademark Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Trademark Collateral as Lender may determine, whether or not Indebtedness or Trademark Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Trademark Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Trademark Collateral to make payments directly to Lender.

9.6. ***Obtain Deficiency.*** If Lender chooses to sell any or all of the Trademark Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Trademark Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

9.7. ***Other Rights and Remedies.*** Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

9.8. ***Cumulative Remedies.*** All of Lender's rights and remedies, whether evidenced by this Trademark Agreement or the Related Documents or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Trademark Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and to exercise its remedies.

10. ***MISCELLANEOUS PROVISIONS.*** The following miscellaneous provisions are a part of this Trademark Agreement:

10.1. ***Amendments.*** This Trademark Agreement, together with any Related Documents, constitutes the entire and final understanding and agreement of the parties as to the matters set forth in this Trademark Agreement. No alteration of or amendment to this Trademark Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

10.2. ***Applicable Law.*** This Trademark Agreement has been delivered to Lender and accepted by Lender in the State of Washington. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of King County, the State of Washington. Lender and Grantor hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Grantor against the other. This Trademark Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

10.3. ***Attorneys' Fees; Expenses.*** Grantor agrees to pay upon demand all of Lender's costs and expenses, including attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Trademark Agreement. Lender may pay someone else to help enforce this Trademark Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (and including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

10.4. ***Caption Headings.*** Caption headings in this Trademark Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Trademark Agreement.

10.5. ***Notices.*** All notices required to be given under this Trademark Agreement shall be given in writing, may be sent by telefacsimile (unless otherwise required by law), and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier or deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the address shown above. Any party may change its address for notices under this Trademark Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. To the extent permitted by applicable law, if there is more than one Grantor, notice to any Grantor will constitute notice to all Grantors. For notice purposes, Grantor will keep Lender informed at all times of Grantor's current address(es).

10.6. ***Power of Attorney.*** Grantor hereby appoints Lender as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (a) to demand, collect, receive, receipt for, sue and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Trademark Collateral; (b) to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment for the Trademark Collateral; (c) to settle or compromise any and all claims arising under the Trademark Collateral, and, in the place and stead of Grantor, to execute and deliver its release and settlement for the claim; and (d) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Grantor, or otherwise, which in the discretion of Lender may seem to be necessary or advisable. This power is given as security for the Indebtedness, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Lender.

10.7. ***Preference Payments.*** Any monies Lender pays because of an asserted preference claim in Borrower's bankruptcy will become a part of the Indebtedness and, at Lender's option, shall be payable by Borrower as provided above in the "EXPENDITURES BY LENDER" paragraph.

10.8. ***Severability.*** If a court of competent jurisdiction finds any provision of this Trademark Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Trademark Agreement in all other respects shall remain valid and enforceable.

10.9. **Successor Interests.** Subject to the limitations set forth above on transfer of the Trademark Collateral, this Trademark Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns.

10.10. **Waiver.** Lender shall not be deemed to have waived any rights under this Trademark Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Trademark Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Trademark Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Trademark Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

10.11. **Waiver of Co-obligor's Rights.** If more than one person is obligated for the Indebtedness, Borrower irrevocably waives, disclaims and relinquishes all claims against such other person which Borrower has or would otherwise have by virtue of payment of the Indebtedness or any part thereof, specifically including but not limited to all rights of indemnity, contribution or exoneration.

(Remainder of Page Intentionally Blank;
Signature Page Follows)

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS TRADEMARK SECURITY AGREEMENT, AND GRANTOR AGREES TO ITS TERMS.

THIS TRADEMARK AGREEMENT IS DATED JUNE 3, 1999.

GRANTOR:

M&L INTERNATIONAL GROUP, LLC

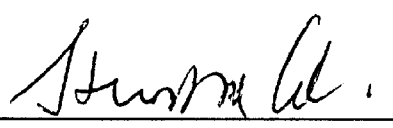
By:


Frederick R. Shvetz

Its:

Manager

By:


Stuart Cohen

Its:

Manager

ANNEX A

M & L INTERNATIONAL GROUP LLC MARKS

Country	Mark	Class	Status	Registration No.
Chile	WINDY TRAIL	25	Registered	465321

United States	CYBER BERBER	24	Pending	
United States	WEATHER TAMER	25	Registered	730,123
United States	WEATHER TAMER	25	Registered	1,561,092
United States	ANDY JOHNS	25	Registered	1,060,825
United States	ANDY JOHNS	25	Registered	1,562,284
United States	KAOS	25	Registered	1,197,990
United States	KAOS	25	Registered	1,419,300
United States	KAOTIC	25	Registered	2,128,671
United States	WINNING TEAM	25	Registered	1,773,699
United States	CYBERFLEECE	24	Registered	2,088,371
United States	GOOD FRIENDS	25	Registered	1,294,492
United States	HI DIVES	25	Registered	1,949,265
United States	WINDY TRAIL	25	Registered	1,836,878