

04-11-2000

FORM PTO-1594

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

(Rev. 6-93)

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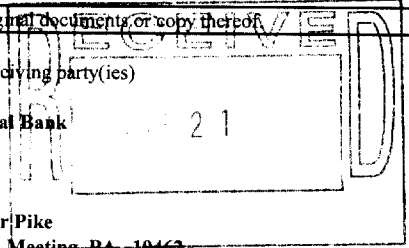
OMB No. 0651-0011 (exp. 4/94)

101314057



REMARKS ONLY

To the Assistant Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.



1. Name of conveying party(ies):

PEI/Genesis, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership

Other Corporation
PA ZIP: 19116

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

3. Nature of conveyance:

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

2. Name and address of receiving party(ies)

Name: First Union National Bank

Internal Address:

Street Address: 2240 Butler Pike
Plymouth Meeting, PA 19462

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

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

Execution Date: March 14, 2000

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,965,409
2,028,858
1,969,754

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence

concerning document should be mailed:

Name: Ann Marie Bruski, Paralegal

Internal Address: Duane Morris & Heckscher, LLP

Philadelphia, PA 19103

Street Address: One Liberty Place

City: Philadelphia State: PA ZIP: 19103

6. Total number of applications and

registrations involved..... 3

7. Total fee (37 CFR 3.41)..... \$ 90.00

- 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.

Ann Marie Bruski, Paralegal
Name of Person Signing

Ann Marie Bruski
Signature

3/20/00
Date

04/10/2000 DNGUYEN 00000506 1965409

01 FC:481
02 FC:482

40.00 number of pages including cover sheet, attachments, and document: 10

50.00 number of documents to be recorded with required cover sheet information to:

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

TRADEMARK SECURITY ASSIGNMENT

This Trademark Security Assignment ("Agreement") is made and entered into as of the ^{14th} day of March, 2000 between PEI/Genesis, Inc. a Pennsylvania corporation with a principal place of business at 2180 Hornig Road, Philadelphia, PA 19116 (the "Assignor") and First Union National Bank, a national banking association with a principal place of business at 2240 Butler Pike, Plymouth Meeting, PA 19462 (the "Assignee").

BACKGROUND

A. In order to induce the Assignee to make loans to the Assignor pursuant to a certain Loan Agreement dated the date hereof between the Assignor and the Assignee (the "Loan Agreement"), Assignor has agreed to assign to the Assignee a security interest in certain trademarks, service marks, tradenames, and the goodwill associated therewith, as herein provided.

B. Any term used but not defined herein shall have the meaning given to such term in the Loan Agreement.

NOW THEREFORE, in consideration of the premises and of the mutual covenants of the parties hereto, and intending to be legally bound hereby, it is hereby agreed as follows:

1. Assignment of Marks. To secure the complete and timely payment and satisfaction of all of the obligations of Assignor to Assignee under the Loan Agreement (the "Obligations"), the Assignor hereby grants, assigns and conveys to the Assignee a security interest in and to all of Assignor's trademark applications, trademarks (whether registered, unregistered or for which any application to register has been filed), service mark applications, service marks (whether registered, unregistered or for which any application to register has been filed) and tradenames, all of which are listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), including, without limitation, all renewals thereof and all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights owned by Assignor corresponding thereto throughout the world (all of the foregoing are collectively called the "Marks"), together with the goodwill of the business symbolized by each of the Marks and the registrations (if any) thereof.

2. Warranties and Representations. The Assignor covenants and warrants that: (a) it is the sole and exclusive owner of the entire right, title and interest in each of the Marks, free and clear of any liens, pledges, assignments or other encumbrances, subject only to existing licenses; (b) it has the unqualified right to enter into this Agreement and perform its terms; (c) the Marks are subsisting and have not been adjudged invalid or unenforceable; (d) to the best of Assignor's knowledge, each of the Marks is valid and enforceable; (e) no claim has been made that the use of any of the Marks does or may violate the rights of any

third person; (f) Assignor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Marks; and (g) Assignor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Marks. The Assignor shall, in any event, indemnify and hold the Assignee harmless from all losses, damages, costs and expenses, including legal costs and counsel fees, incurred by Assignee as the direct or indirect result of any action, claim or demand, whether or not groundless, alleging that the Marks infringe any trademarks held by third parties.

3. Right To Inspect. Assignor hereby grants to Assignee and its employees and agents the right to visit Assignor's plants and facilities where products sold or services provided under any of the Marks are manufactured, inspected stored, or provided, and to inspect and review the products and quality control records relating thereto at reasonable times. Assignor shall do any and all acts required by Assignee to ensure Assignor's compliance with paragraph 2(g).

4. Right to Benefits. If, before the Obligations shall have been satisfied in full, the Assignor shall become entitled to the benefit of any additional trademark or service mark registration, or any renewal or affidavit of any Mark, the provisions of paragraph 1 shall automatically apply thereto.

5. Future Marks. The Assignor authorizes the Assignee to modify this Agreement by amending Schedule A to include any future trademarks, service marks or tradenames which are Marks under paragraph 1 or paragraph 4 hereof.

6. Events of Default. The term "Event of Default", as used herein, shall mean: (a) any Event of Default under this Agreement or the Loan Agreement; and (b) any violation by the Assignor of any representation, warranty or covenant contained in this Agreement and any modification or amendment hereof which is not waived or cured and remedied within fifteen (15) calendar days after notice thereof to the Assignor.

7. Assignor's Right to Use Marks. Unless and until an Event of Default shall occur and be continuing, the Assignor shall retain the legal and equitable title to the Marks and shall have the right to use the Marks in the ordinary course of its business but shall not be permitted to sell, assign, transfer or otherwise encumber the Marks or any part thereof; provided, however, that nothing herein contained shall prohibit the Assignor from failing to renew or otherwise abandoning any item included within the Marks if, in the Assignor's good judgment, the retention of such item is not material to the proper conduct of its business, provided, however, that Assignor shall give the Assignee ten (10) days' prior written notice of any abandonment or failure to renew of any item included within the Marks.

8. Assignee's Rights As Secured Party. If any Event of Default shall have occurred and be continuing, the Assignee shall have, in addition to all other rights and remedies given it by this Agreement and the Loan 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 Marks may be located and, without limiting the generality of the foregoing, the Assignee may immediately, without demand of performance and without advertisement, sell at public or private sale or otherwise realize upon, in Pennsylvania or elsewhere, the whole or from time to time any part of the Marks, the goodwill and equipment associated therewith, or any interest which the Assignor has therein, and after deducting from the proceeds of said sale or other disposition of the Marks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds for the payment of the Obligations. Notice of any sale or other disposition of the Marks shall be given to Assignor at least five (5) calendar days before the time of any intended public or private sale or other disposition of the Marks is to be made, which the Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of any Note referred to in the Loan Agreement (including renewals and substitutions therefor) or the Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Marks sold, free from any right of redemption on the part of the Assignor, which right is hereby waived and released.

9. Power of Attorney. If any Event of Default shall have occurred and be continuing, the Assignor hereby authorizes and empowers the Assignee to make, constitute and appoint any officer or agent of the Assignee as the Assignee may select in its exclusive discretion, as the Assignor's true and lawful attorney-in-fact, with the power to endorse the Assignor's names on all applications, documents, papers and instruments necessary for the Assignee to use the Marks, or to grant or issue any exclusive or non-exclusive license under the Marks to any third person, or necessary for the Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Marks, the goodwill and equipment associated therewith, to any third person. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

10. Termination. At such time as the Assignor shall completely satisfy all of the Obligations and all other liabilities of the Assignor to the Assignee, or there shall exist no continuing liability of the Assignor with respect to the Obligations under the terms of the Loan Agreement or any agreement executed in connection therewith, this Agreement shall terminate and the Assignee shall execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Assignor the full unencumbered title to the Marks, and the goodwill associated therewith, subject to any disposition thereof which may have been made by the Assignee pursuant hereto.

11. Fees and Expenses of Assignee. If an Event of Default shall have occurred and be continuing, any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by the Assignee in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Marks, or in defending or prosecuting any actions or proceedings arising out of or related to the Marks, shall be borne and paid by the Assignor on

demand by the Assignee, and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

12. Protection of Marks.

(a) The Assignor shall take all actions reasonably necessary to protect and defend the Marks and shall institute such proceedings to enforce the Marks as it, in its reasonable business judgment, deems appropriate. The Assignee shall, upon the reasonable request of the Assignor, do any and all lawful acts and execute any and all proper documents in aid of such protection, defense and enforcement, and the Assignor shall promptly, upon demand, reimburse and indemnify the Assignee for all costs and expenses incurred by the Assignee in connection therewith.

(b) If an Event of Default shall have occurred and be continuing, the Assignee shall have the right but shall in no way be obligated to bring suit in its own name to enforce the Marks, in which event the Assignor shall at the request of the Assignee do any and all lawful acts and execute any and all proper documents required by the Assignee in aid of such enforcement, and the Assignor shall promptly, upon demand, reimburse and indemnify the Assignee for all costs and expenses incurred by the Assignee in the exercise of its rights under this paragraph 12.

13. No Waiver. No course of dealing between the Assignor and the Assignee nor any failure to exercise, nor any delay in exercising, on the part of the Assignee, any right, power or privilege hereunder or under the Loan 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 or the exercise of any other right, power or privilege.

14. Severability. 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 other clause or provision of this Agreement in any jurisdiction.

15. Manufacture and Sale. The parties understand and agree that the collateral security assignment of the Marks as provided for in this Agreement, together with other collateral provided to the Assignee pursuant to the Loan Agreement and the other loan documents referred to therein, will permit the Assignee, upon the happening of an Event of Default as provided herein, to make use of all rights to the Marks, the goodwill associated therewith and certain equipment and machinery as set forth in the Loan Documents, all of which will permit the Assignee to manufacture and sell the products for which the use of the Marks is associated and maintain substantially the same product specifications and quality as maintained by Assignor.

16. Amendment. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 4.

17. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the Commonwealth of Pennsylvania.

19. Judicial Proceedings. Each party to this Agreement agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by any party hereto or any successor or assign of any party, on or with respect to this Agreement or the dealings of the parties with respect hereto, shall be tried only by a court and not by a jury. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. Further, the Assignor waives any right it may have to claim or recover, in any such suit, action or proceeding, any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. THE ASSIGNOR ACKNOWLEDGES AND AGREES THAT THIS PARAGRAPH IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND THAT THE ASSIGNEE WOULD NOT EXTEND CREDIT TO THE ASSIGNOR IF THE WAIVERS SET FORTH IN THIS PARAGRAPH WERE NOT A PART OF THIS AGREEMENT.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement the day and year first above written.

ATTEST:

Doreen A. Caden
Asst Secretary

PEI/GENESIS, INC.

By: *[Signature]*
Title: President

ATTEST:

James R. Honigan

FIRST UNION NATIONAL BANK

By: *Robert Meeley*
SENIOR VICE PRESIDENT

<u>Trademark/ Service Mark Trade Name¹</u>	<u>Registration No. or Serial No. if an Application is Pending</u>	<u>Country</u>	<u>Registration Date or Filing Date if an Application is Pending</u>	<u>Renewal Date</u>
STANDARD-K	1,965,409	USA	4/2/1996	4/2/2006
STD-K	2,028,858	USA	1/7/97	1/7/2007
PEI-GENESIS	1,969,754	USA	4/23/96	4/23/2006

¹ Identify the Mark exactly as it appears on the U.S. Patent and Trademark Certificate of Registration. If the Mark is a Design/Logo, attach a copy of said mark hereto.

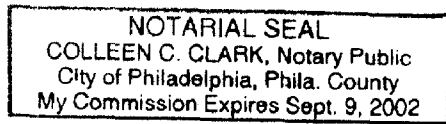
CERTIFICATE OF ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA
:
:
COUNTY OF Philadelphia : SS
:

Before me, the undersigned, a Notary Public in and for the county aforesaid,
on this 14th day of MARCH, 2000, personally appeared Steven Fisher to me
known personally, and who, being by me duly sworn, deposes and says that he is the
President of PEI/Gensis, Inc., a corporation, and that the seal affixed to the
foregoing instrument is the corporate seal of said corporation, and that said instrument
was signed and sealed on behalf of the said corporation by authority of its Board of
Directors, and that he acknowledged said instrument to be the free act and deed of said
corporation.

Colleen C. Clark
Notary Public

My Commission Expires:



CERTIFICATE OF ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA

:

: SS

COUNTY OF Philadelphia

:

Before me, the undersigned, a Notary Public in and for the county aforesaid,

on this 14th day of March, 2000, personally appeared Robert T. Reed, Jr. to me

known personally, and who, being by me duly sworn, deposes and says that he is the

Sr. Vice President of First Union National Bank, a ^{national banking association} corporation, and that the seal affixed to

the foregoing instrument is the corporate seal of said ^{association} corporation, and that said

instrument was signed and sealed on behalf of said ^{association} corporation by authority of its Board

of Directors, and that he acknowledged said instrument to be the free act and deed of

^{association} said corporation.

Colleen C. Clark
Notary Public

My Commission Expires:

