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04-12-2000



Docket No.:

PITTNA/FPE

Tab settings

101316507

To the Honorable Commissioner of Patents and Trademarks, Please return the attached original documents or copy thereof.

1. Name of conveying party(ies):

Framed Pictures Enterprise, Inc.

- Individual(s)
- General Partnership
- Corporation-State **Mississippi**
- Other

- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other **Security Agreement and Mortgage**
- Merger
- Change of Name

Execution Date: **November 19, 1999**

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

Name: **PNC Bank, National Association**

Internal Address:

Street Address: **1 Garrett Mountain Plaza**

City: **West Patterson** State: **NJ** ZIP: **07424**

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

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

75/853,277
75/853,278

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: **Raymond J. Harmuth, Esq.**

Internal Address:

Street Address: **Doepken Keevican & Weiss**

58th Floor - USX Tower, 600 Grant Street

City: **Pittsburgh** State: **PA** ZIP: **15219**

6. Total number of applications and registrations involved: 2

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

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

500287

04/12/2000 JSHADAZZ 00000074 500287 75853277

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 25.00 CH

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.

Raymond J. Harmuth, Reg. No. 33,896

Name of Person Signing

Signature

March 15, 2000

Date

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

16

TRADEMARK

REEL: 002047 FRAME: 0785

SECURITY AGREEMENT AND MORTGAGE - TRADEMARKS

AGREEMENT (this "Trademark Security Agreement") made as of the 19th day of November, 1999, between FRAMED PICTURES ENTERPRISE, INC., a Mississippi corporation with its principal office at 483 Highway 6 West, Batesville, Mississippi 38606 (the "Debtor") and PNC BANK, NATIONAL ASSOCIATION, as agent for the banks from time to time party to the Credit Agreement described below (in its capacity as agent acting for the benefit of itself and such banks, the "Secured Party") with an office at PNC Bank, National Association, 1 Garrett Mountain Plaza, West Patterson, New Jersey 07424.

RECITALS:

Debtor has adopted and is using the trademarks, service marks, trade names and designs listed in Schedule A annexed to this Trademark Security Agreement and made a part of this Trademark Security Agreement. As a condition to the extension of credit to Debtor pursuant to a Credit Agreement dated as the date of this Trademark Security Agreement, as such agreement may from time to time be amended, extended or supplemented, (the "Credit Agreement") among the Secured Party, the banks party to the Credit Agreement (the "Banks") and Debtor and FPE Holdings, Inc., a Delaware corporation, the Banks have required the execution and delivery of this Security Agreement and Mortgage-Trademarks ("Trademark Security Agreement") by Debtor.

Accordingly, Debtor and Secured Party, intending to be legally bound hereby, agree that, as security for the full and timely payment of the Obligations (as defined in the Credit Agreement) in accordance with the terms of the Credit Agreement and the performance of the obligations of the Debtor under the Credit Agreement and this Trademark Security Agreement, Debtor hereby mortgages to and pledges with the Secured Party, and assigns and grants to the Secured Party a lien and security interest in, all its right, title and interest in and to (i) each of the trademarks, service marks, trade names and designs described in Schedule A to this Trademark Security Agreement and any other trademarks, service marks, trade names and designs that Debtor may adopt and use, in the U.S. or foreign countries, in connection with its business after the date of this Trademark Security Agreement, (collectively, the "Trademarks"), together with the good will of the business symbolized thereby, (ii) all registrations and pending trademark applications owned presently or obtained or filed hereafter, both in the United States and in foreign countries, and (iii) any and all proceeds of the foregoing, including, without limitation, any royalties, fees, claims for past, present and future infringement and proceeds of sale or other disposition (the Trademarks and other property described in the foregoing clauses (i) through (iii) are referred to collectively as the "Trademark Collateral").

1. Debtor represents, warrants, covenants and agrees as follows:

(a) Debtor owns the Trademarks listed in Schedule A; to the extent indicated in Schedule A, the Trademarks are registered in the United States Patent and Trademark Office and Debtor is the record owner of such registrations and all are in full force and effect.

(b) Debtor has the right and power to make the mortgage and pledge and grant the lien and security interest granted in this Trademark Security Agreement, except as described on Schedule A.

(c) Debtor has used, and will continue to use, each of the Trademarks and has given, and will give, proper notice of such use in accordance with applicable law.

(d) Except to the extent that the Secured Party, upon prior written notice from Debtor, shall consent, Debtor will not assign, sell, transfer or otherwise dispose of, mortgage, pledge, hypothecate, grant a security interest in or lien upon, license, or encumber any of the Trademark Collateral.

(e) Debtor will perform all acts and execute any documents, including, without limitation, assignments suitable for filing with the United States Patent and Trademark Office and Uniform Commercial Code financing statements, reasonably requested of it by the Secured Party at any time to evidence, perfect and maintain the rights in the Trademark Collateral granted to the Secured Party under this Trademark Security Agreement. Debtor will promptly notify Secured Party at the time Debtor adopts for use in its business any Trademarks not described on Schedule A to this Trademark Security Agreement and files any applications to register a Trademark. To the extent permitted by law, Debtor hereby authorizes the Secured Party to execute and file such assignments and financing statements (and/or similar documents) with respect to the Trademark Collateral, or copies thereof or of this Trademark Security Agreement, signed only by the Secured Party.

2. If an Event or Default (as defined in the Credit Agreement) has occurred, then, in addition to all other rights and remedies of the Secured Party, whether under law, the Credit Agreement or otherwise, the Secured Party may, without notice to, or consent by, Debtor, (a) grant itself a license to use the Trademarks, or any of them, without payment of any kind, until all inventories of finished goods produced for Debtor and/or ingredients and/or packaging materials unique to Debtor's products are sold or consumed; (b) assign, sell or otherwise dispose of or use the Trademark Collateral, or any of it, either with or without special or other conditions or stipulations, with power to buy the Trademark Collateral or any part of it, and with power also to execute assurances, and to do all other acts and things for completing the assignment, sale or disposition which the Secured Party shall, in its sole discretion, deem appropriate or proper; and (c) in order to implement any such assignment, sale or other disposal of any of the Trademark Collateral, pursuant to the authority granted in the Power of Attorney described in paragraph 3 of this Trademark Security Agreement (such authority becoming effective on the occurrence of

an Event of Default), execute and deliver on behalf of Debtor, one or more instruments of assignment of the Trademarks (or any application or registration thereof), in form suitable for filing, recording or registration in the United States Patent and Trademark Office. Debtor agrees to pay all reasonable costs and expenses incurred in any such transfer, including any taxes, filing or recording fees, reasonable attorneys' fees and all reasonable travel and other expenses, and all such costs, to the extent paid by the Secured Party, shall be added to the Obligations. The Secured Party will apply the proceeds actually received from any such assignment, sale or other disposition to the reasonable costs and expenses thereof and/or to the Obligations; and Debtor shall remain liable and will pay the Secured Party on demand any deficiency remaining and the balance of any expenses unpaid. Nothing contained in this Trademark Security Agreement shall be construed as requiring the Secured Party to take any action at any time.

3. Concurrently with the execution and delivery of this Trademark Security Agreement, Debtor is executing and delivering to the Secured Party an Assignment for Security suitable for recording in the United States Patent and Trademark Office, in the form of Exhibit 1 to this Trademark Security Agreement, and [two] originals of a Special Power of Attorney, in the form of Exhibit 2 to this Trademark Security Agreement, for the Secured Party's use in the assignment, sale or other disposal of the Trademarks (or any applications or registrations thereof) pursuant to paragraph 2 of this Trademark Security Agreement.

4. Notwithstanding anything to the contrary contained in this Trademark Security Agreement, upon payment and performance in full of the Obligations and termination of the Credit Agreement, this Trademark Security Agreement shall terminate and be of no further force and effect and Secured Party shall thereupon terminate its security interest in the Trademark Collateral. Until such time, however, this Trademark Security Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns, provided that, without the prior written consent of Secured Party, the Debtor may not assign this Trademark Security Agreement or any of its rights under this Trademark Security Agreement or delegate any of its duties or obligations under this Trademark Security Agreement, and any such attempted assignment or delegation shall be null and void. This Trademark Security Agreement is not intended and shall not be construed to obligate the Secured Party to take any action whatsoever with respect to the Trademark Collateral or to incur expenses or perform or discharge any obligation, duty or disability of the Debtor.

5. The provisions of this Trademark Security Agreement are intended to be severable. If any provision of this Trademark Security Agreement shall for any reason be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability of such provision in any other jurisdiction or any other provision of this Trademark Security Agreement in any jurisdiction.

6. No failure or delay on the part of Secured Party in exercising any right, remedy, power or privilege under this Trademark Security Agreement shall operate as a waiver

thereof or of any other right, remedy, power or privilege of Secured Party under this Trademark Security Agreement or the Credit Agreement nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

7. The rights, remedies, powers and privileges of Secured Party under this Trademark Security Agreement are cumulative and not exclusive of any rights or remedies which it may otherwise have. All rights and remedies granted to the Secured Party under this Trademark Security Agreement shall be in addition to any rights and remedies granted to the Secured Party under the Credit Agreement and under any security agreement or other document or instrument executed and delivered in connection with the Credit Agreement.

8. All notices, statements, requests and demands given to or made upon either party in accordance with the provisions of this Trademark Security Agreement shall be deemed to have been given or made when personally delivered or when given or made in accordance with the terms of the Credit Agreement.

9. Debtor acknowledges that the lien and security interest, and the rights and remedies, granted under this Agreement are granted to the Secured Party for the benefit of the Secured Party and for the benefit of each of the Banks which are, or may from time to time become, party to the Credit Agreement.

10. Debtor consents to the exclusive jurisdiction and venue of the federal and state courts located in Allegheny County, Pennsylvania in any action on, relating to or mentioning this Trademark Security Agreement.

11. This Trademark Security Agreement shall be deemed to be a contract under the laws of the Commonwealth of Pennsylvania and the execution and delivery of this Trademark Security Agreement and the terms and provisions of this Trademark Security Agreement shall be governed by and construed in accordance with the laws of that Commonwealth and, to the extent applicable or governing, the laws of the United States of America.

IN WITNESS WHEREOF, the parties have executed and delivered this Trademark Security Agreement as of the day and year first above written.

ATTEST:

FRAMED PICTURES ENTERPRISE, INC.

Brian Newhouse

By: [Signature]

Title: Assistant Secretary

Title: President

(Corporate Seal]

PNC BANK, NATIONAL ASSOCIATION,
as agent for the Banks under the Credit
Agreement

By: [Signature]

Title: Managing Director

Schedule A to Trademark Security Agreement

TRADEMARKS OWNED BY FRAMED PICTURES ENTERPRISE, INC.

<u>Mark</u>	<u>Application or Registration No.</u>	<u>Country</u>	<u>Date of Registration or Filing</u>
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In September 1999, the Borrower filed an application with the U.S. Patent & Trademark Office to trademark the Mark "B A Frammer."

{None}

Revised Schedule A to Trademark Security Agreement

TRADEMARKS OWNED BY FRAMED PICTURES ENTERPRISE, INC.

Mark	Application Serial No.	Filing Date	Country
B A FRAMER	75/853,277	November 19, 1999	United States
B.A. FRAMER	75/853,278	November 19, 1999	United States

ACKNOWLEDGMENT

STATE OF New York)
) SS:
COUNTY OF New York)

On this, the 19 day of November, 1999, before me, a Notary Public, the undersigned officer, personally appeared Alan P. Brucher, who acknowledged himself/herself to be the President of FRAMED PICTURES ENTERPRISE, INC., a Mississippi corporation and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation in such capacity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Elisa Raley
Notary Public

My commission expires:

ELISA RALEY
Notary Public, State of New York
No. 31-5084373
Qualified in New York County
Commission Expires Sept. 2, 2001

ASSIGNMENT FOR SECURITY

TRADEMARKS

WHEREAS, FRAMED PICTURES ENTERPRISE, INC., a Mississippi corporation, (the "Assignor") has adopted, used and is using the trademarks and tradenames listed on the annexed Schedule A, which trademarks are registered, to the extent indicated, in the United States Patent and Trademark office (the "Trademarks");

WHEREAS, Assignor is obligated to PNC BANK, NATIONAL ASSOCIATION, as agent for the banks from time to time party to that certain Credit Agreement, dated as of the date hereof (in its capacity as agent acting for the benefit of itself and such banks, the "Assignee") and has entered into a Security Agreement and Mortgage - Trademarks dated as of the date hereof (the "Trademark Security Agreement") in favor of Assignee; and

WHEREAS, pursuant to the Trademark Security Agreement, Assignor has assigned to Assignee, and granted to Assignee a mortgage on, pledge of and security interest in, all right, title and interest of Assignor in and to the Trademarks, together with the good will of the business symbolized by the Trademarks, and the registrations or applications for registration thereof, and all proceeds thereof, including, without limitation, any royalties, claims for past, present and future infringement and proceeds of sale or other disposition thereof (the "Trademark Collateral") to secure the payment of the Obligations (as defined in the Trademark Security Agreement);

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Assignor does hereby further assign unto Assignee and grant to Assignee (for the benefit of the Assignee and such banks) a mortgage on, pledge of and security interest in the Trademark Collateral to secure prompt payment of the Obligations.

Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the assignment of, mortgage on, pledge of and security interest in the Collateral made and granted hereby are more fully set forth in the Trademark Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth in this Assignment.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed by its officers thereunto duly authorized as of the __ day of November, 1999.

ASSIGNOR:
FRAMED PICTURES ENTERPRISE, INC.

[Corporate Seal)

By: _____

Title: _____

ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

On this, the ____ day of November, 1999, before me, a Notary Public, the undersigned officer, personally appeared _____, who acknowledged himself/herself to be the _____ of FRAMED PICTURES ENTERPRISE, INC., a Mississippi corporation and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation in such capacity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

Schedule A to Assignment of Security

TRADEMARKS OWNED BY FRAMED PICTURES ENTERPRISE, INC.

<u>Mark</u>	<u>Application or Registration No.</u>	<u>Country</u>	<u>Date of Registration</u>
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[None]

SPECIAL POWER OF ATTORNEY

TRADEMARKS

KNOW ALL MEN BY THESE PRESENTS, that FRAMED PICTURES ENTERPRISE, INC. a Mississippi corporation with its principal office at 483 Highway 6 West, Batesville, Mississippi 38606 (hereinafter called "Assignor"), intending to be legally bound, hereby appoints and constitutes, to the extent permitted by law, PNC BANK, NATIONAL ASSOCIATION, as agent for the banks from time to time party to that certain Credit Agreement, dated as of the date hereof (in its capacity as agent acting for the benefit of itself and such banks, the "Assignee"), with an office at PNC Bank, National Association, One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222-2707 (hereinafter called "Assignee"), its true and lawful attorney, with full power of substitution, and with full power and authority to perform, in the event of the occurrence of an Event of Default, as specified in the Security Agreement and Mortgage-Trademarks referred to below, the following acts on behalf of Assignor:

1. For the purpose of assigning, selling or otherwise disposing of all right, title and interest of Assignor in and to the trademarks, service marks, trade names and designs listed in Schedule A, together with the good will of the business symbolized by such trademarks, service marks, tradenames and designs, and all registrations, recordings, reissues, extensions and renewals thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose; and
2. To execute any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Assignee may reasonably require.

This power of attorney is made pursuant to a Security Agreement and Mortgage-Trademarks, dated as of the date hereof, between Assignor and Assignee and takes effect solely for the purpose of paragraph 2 thereof and is subject to the conditions thereof and may not be revoked until the payment in full of all "Obligations" as defined in such Security Agreement and Mortgage-Trademarks.

Dated: November __, 1999

[Corporate Seal]

ASSIGNOR:
FRAMED PICTURES ENTERPRISE, INC.

By: _____

Title: _____

Dated: November __, 1999

[Corporate Seal]

ASSIGNOR:
FRAMED PICTURES ENTERPRISE, INC.

By: _____

Title: _____

ACKNOWLEDGMENT

STATE OF _____)
) SS:
COUNTY OF _____)

On this, the ____ day of November, 1999, before me, a Notary Public, the undersigned officer, personally appeared _____, who acknowledged himself/herself to be the _____ of FRAMED PICTURES ENTERPRISE, INC., a Mississippi corporation and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation in such capacity.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My commission expires:

Schedule A to Special Power of Attorney

TRADEMARKS OWNED BY FRAMED PICTURES ENTERPRISE, INC.

<u>Mark</u>	<u>Application or Registration No.</u>	<u>Country</u>	<u>Date of Registration or Filing</u>
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[None]