

06-25-2001

6-12-01



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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

- 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
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

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)

State/Country

Zip Code

- Individual General Partnership Limited Partnership Corporation Association
- Corporation Association
- Other

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.)

- Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

SEARCHED INDEXED
SERIALIZED FILED
MAY 25 2001
FBI - PHOENIX

TRADEMARK OFFICE
US PATENT & TRADEMARK OFFICE
2001 JUN 12 A 8:27
TRADEMARK FEE PROCESSED
RECEIVED

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

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)

Registration Number(s)

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.

Patrick Lalor

June 8, 2001

Name of Person Signing

Signature

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)

75/379,169	76/203,145	76/014,177
76/004,602	76/014,178	75/824,662
76/004,601		

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made this 22nd day of May, 2001, by ATLANTIC CITY COIN & SLOT SERVICE COMPANY, INC., a New Jersey corporation having a mailing address of 201 W. Decatur Avenue, Pleasantville, New Jersey 08232 ("Borrower") and delivered to FIRST UNION NATIONAL BANK having a mailing address of 600 Cuthbert Boulevard, Haddon Township, New Jersey 08101 ("Lender").

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith among Borrower, A.C. Coin - Nevada and Lender (as it may hereafter be amended, supplemented or replaced, the "Loan Agreement"), under which Borrower is granting Lender a lien on and security interest in certain assets of Borrower associated with or relating to services or products sold under Borrower's trademarks and the goodwill associated therewith, and under which Lender is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Borrower has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule "A" attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks").

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, security interest in and a license to use upon an Event of Default (as defined in the Loan Agreement) the Trademarks and the registration thereof, together with all the goodwill of Borrower associated therewith and represented thereby, as security for all of Borrower's Obligations (as defined in the Loan Agreement), and Lender desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrower's Obligations, Borrower grants to Lender a lien on and security interest in all of Borrower's present and future right, title and interest in and to the Trademarks, together with all the goodwill of Borrower associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Borrower hereby covenants and agrees to maintain the Trademarks in full force and effect until all of Borrower's Obligations are satisfied in full.

3. Borrower represents, warrants and covenants to Lender that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) All of the Trademarks are registered, valid and enforceable;

(c) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Borrower and Lender hereunder) and covenants by Borrower not to sue third persons;

(d) Borrower has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Borrower has complied with, and will continue for the duration of this Agreement to comply with the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks except where failure to comply would not have a material adverse effect on Borrower or its Property; and

(f) Borrower has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Trademarks and hereby grants to Lender and its employees and agents the right (with no obligation of any kind upon Lender to do so) to visit Borrower's affiliates, franchises or management locations and to inspect the use of the Trademarks and quality control records relating thereto at reasonable times upon reasonable notice during regular business hours to ensure Borrower's compliance with this paragraph 3(f).

4. Borrower further covenants that:

(a) Until all the Borrower's Obligations have been satisfied in full, Borrower will not enter into any agreement, including, without limitation, license agreements (except for license agreements entered into with International Gaming Technology ("IGT")) or options, which are inconsistent with Borrower's obligations under this Agreement, Borrower's obligations under the Loan Agreement or which restrict or impair Lender's rights hereunder.

(b) If Borrower acquires rights to any new Trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Borrower shall give Lender prompt written notice thereof along with an amended Schedule "A."

5. So long as this Agreement is in effect and so long as Borrower has not received notice from Lender that an Event of Default has occurred and is continuing under the Loan Agreement and that Lender has not elected to exercise its rights hereunder (i) Borrower shall continue to have the exclusive right to use the Trademarks; and (ii) Lender shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Borrower agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Trademarks to any entity or person other than Borrower or IGT without the prior written consent of Lender.

7. Anything herein contained to the contrary notwithstanding, if and while Borrower shall be in default hereunder or an Event of Default exists under the Loan Agreement, Borrower hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in New Jersey, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Trademarks covered hereby. For such purposes, and in the event of Borrower's default hereunder or an Event of Default under the Loan Agreement and while such default or Event of Default exists, Borrower hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute a trademarks assignment in the form attached hereto as Exhibit 1. Borrower hereby ratifies all that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or agent. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Borrower's Obligations are indefeasibly paid and satisfied in full.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted to Lender under the Loan Documents. In the event of an inconsistency between this Agreement and Loan Agreement, the language of this Agreement shall control.

10. Upon Borrower's performance of all of the obligations under the Loan Documents and full and unconditional satisfaction of all of the Borrower's Obligations, Lender shall execute and deliver to Borrower all documents reasonably necessary to terminate Lender's security interest in the Trademarks.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, in each case in accordance with the terms of this Agreement, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the principal amount of Borrower's Obligations to Lender and shall bear interest at the rate prescribed in Section 4.1 of the Loan Agreement.

12. Subject to the terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any application and/or registration with respect to the Trademarks pending as of the date of this Agreement or thereafter, until Borrower's Obligations shall have been satisfied in full, to preserve and maintain all rights in the Trademarks, and upon reasonable request of Lender, Borrower shall make federal application on registerable but unregistered Trademarks belonging to Borrower and licensed to Borrower. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Borrower. Borrower shall not abandon any Trademarks without the prior written consent of the Lender, which consent shall not be unreasonably withheld.

13. Borrower shall have the right to bring suit in its own name to enforce the Trademarks, in which event Lender may, if Borrower reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. Upon the occurrence of an Event of Default under the Loan Agreement or hereunder, Lender may, without any obligation to do so, complete any obligation of Borrower hereunder, in Borrower's name or in Lender's name, but at the expense of Borrower, and Borrower hereby agrees to reimburse Lender in full for all expenses, including, without limitation, all attorneys' fees incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Documents, or by any other future agreements between Borrower and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

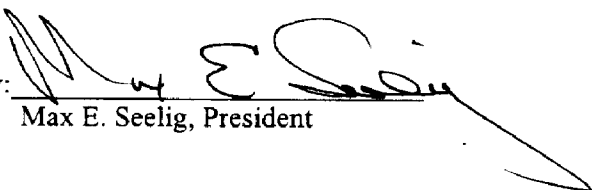
18. This Agreement shall be governed by and construed in conformity with the laws of the State of New Jersey, without regard to its otherwise applicable principles of conflicts of laws.

19. Borrower agrees to the jurisdiction of the State and Federal Courts located in Camden County, New Jersey and to service by certified mail, return receipt requested at the address of the Borrower.

20. BORROWER AND LENDER EACH WAIVES ANY AND ALL RIGHTS EITHER MAY HAVE TO A JURY TRIAL ARISING IN CONNECTION WITH ANY PROCEEDING OR CONTROVERSY RELATING TO THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN BORROWER AND LENDER.

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, under seal, the day and year first above written.

Borrower:
**ATLANTIC CITY COIN AND
SLOT SERVICE COMPANY, INC.**

By: 
Max E. Seelig, President

Address: 201 W. Decatur Avenue
Pleasantville, NJ 08232

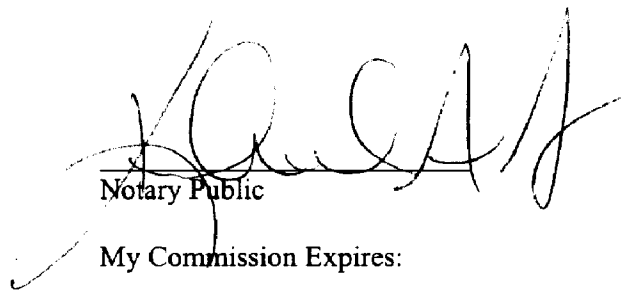
Approved and Accepted:
FIRST UNION NATIONAL BANK

By: 
Dante Bucci, Vice President

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF NJ : SS
COUNTY OF Atlantic :

On this 22 day of May, 2001, before me personally appeared MAX E. SEELIG, to me known and being duly sworn, deposes and says that he is the President of Atlantic City Coin & Slot Service Company, Inc., the corporation described in the foregoing Agreement; that he knows the seal of the corporation; that the seal so affixed to the Agreement is such corporate seal; that he signed the Agreement and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.


Notary Public
My Commission Expires:

KIMBERLY A. ANG
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 26, 2001

SCHEDULE A

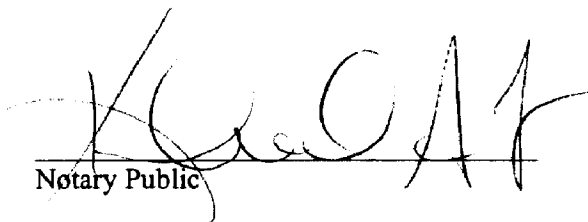
<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
Chuck Wagons	#2289540	US	10/26/99
Diamonds and Pearls	#2330157	US	03/14/00
Empire	#2298858	US	12/07/99
Isle of Pearls	#2223284	US	02/09/99
Quarter Frenzy	#2267490	US	08/03/99
Reel Detectives	#2016975	US	11/19/96
Road Rally	#1908286	US	08/01/95
Slotto	#2404465	US	11/14/00

<u>TRADEMARK</u>	<u>SERIAL NUMBER</u>	<u>COUNTRY</u>	<u>FILING DATE</u>
Boardwalk Frenzy	75442778	US	04/02/98
Dollar Frenzy	75379128	US	10/24/97
Excess	75904833	US	01/28/00
Fortune Teller	75824661	US	10/18/99
Great Balls of Fire	76203143	US	02/01/01
Heads or Tails	75384048	US	11/03/97
It's a Whole New Ball Game	76061001	US	06/01/00
Jackpot Connection	76203144	US	02/01/01
Merlin	76057433	US	05/26/00
Nickel Frenzy	75379169	US	10/24/97
Party Line	76203145	US	02/01/01
Power Slotto	76014177	US	03/31/00
Reels to Riches	76004602	US	03/20/00
Slotto Mart	76014178	US	03/31/00
Sweetheart Slots	75824662	US	10/18/99
Wheels to Riches	76004601	US	03/20/00

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF NEW JERSEY : SS
COUNTY OF Atlantic :

On this 22 day of May, 2001, before me personally appeared MAX E. SEELIG, to me known and being duly sworn, deposes and says that he is President of ATLANTIC CITY COIN & SLOT SERVICE COMPANY, INC., the Grantor corporation described in the foregoing Power of Attorney; that he knows the seal of the corporation; that the seal so affixed to the Power of Attorney is such corporate seal; that he signed the Power of Attorney and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in him by law; that the within Power of Attorney is the voluntary act of such corporation; and he desires the same to be recorded as such.


Notary Public

My Commission Expires:
KIMBERLY A. ANG
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires June 26, 2001

TRADEMARK ASSIGNMENT

WHEREAS, ATLANTIC CITY COIN & SLOT SERVICE COMPANY, INC., a New Jersey corporation ("Grantor"), to secure its obligations to Grantee (defined below) under that certain Trademark Security agreement of even date herewith, is the registered owner of the United States trademarks, tradenames and registrations listed on Schedule A attached hereto and made a part hereof (the "Trademarks"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, First Union National Bank ("Grantee") as Lender to Grantor, having a place of business at 600 Cuthbert Boulevard, Haddon Township, New Jersey 08108, is desirous of acquiring a security interest in the Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, to secure its obligations to Grantee under that certain Trademark Security Agreement of even date herewith, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith and all Borrower's right, title, interest, claims and demands that Borrower has or may have in profits and damages for past and future infringements of the Trademarks (such rights, interest, claims and demand being herein called the "Claims") (the Trademarks and Claims are collectively referred to as the "Trademark Collateral") subject to Grantor's rights and privileges and Grantee's obligations and restrictions under that certain Trademark Security Agreement of even date herewith. No rights or duties of any kind are intended to be granted or conferred upon Grantee unless and until this Patent Collateral Assignment has been recorded with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the ____ day of _____, 200__.

**ATLANTIC CITY COIN &
SLOT SERVICE COMPANY, INC.**

Witness: _____

By: _____
As Attorney-in-fact

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF _____ : SS
COUNTY OF _____ :

On this the ____ day of _____, 200__ before me a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of Atlantic City Coin & Slot Service Company, Inc. ("Grantor"), and he acknowledged to me that they executed the foregoing Trademark Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

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

(Individual Notary)

My Commission Expires:

SCHEDULE A TO TRADEMARK ASSIGNMENT

United States Trademarks

<u>TRADEMARKS</u>	<u>APPLICATION/ REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
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Road Rally	#1908286	US	08/01/95
Slotto	#2404465	US	11/14/00

<u>TRADEMARK</u>	<u>SERIAL NUMBER</u>	<u>COUNTRY</u>	<u>FILING DATE</u>
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Dollar Frenzy	75379128	US	10/24/97
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Fortune Teller	75824661	US	10/18/99
Great Balls of Fire	76203143	US	02/01/01
Heads or Tails	75384048	US	11/03/97
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Power Slotto	76014177	US	03/31/00
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Slotto Mart	76014178	US	03/31/00
Sweetheart Slots	75824662	US	10/18/99
Wheels to Riches	76004601	US	03/20/00