

03-15-2002



Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

REC

102018107

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

Vista Acquisition, LLC 2/28/02

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other limited liability company

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: January 31, 2002

2. Name and address of receiving party(ies)

Name: Medallion Business Credit, LLC

Internal Address:

Street Address: 437 Madison Avenue

City: New York State: NY Zip: 10022

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other limited liability company

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 number(s):

A. Trademark Application No.(s) 76139743

B. Trademark Registration No.(s) 2406161, 2406160, 1591819, 1592520, 2007360, 1857087, 1904165, 2435589

Additional number(s) attached Yes No

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

Name: Andrea Pines, Esq.

Internal Address:

Street Address: 275 Madison Avenue

30th Floor

City: New York State: NY Zip: 10016

6. Total number of applications and registrations involved:

9

7. Total fee (37 CFR 3.41): \$240.00

- 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.

Andrea Pines Name of Person Signing

Signature

2/12/02 Date

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

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

03/14/2002 MAILER 00000040 76139743

01 FC:481 02 FC:482

40.00 DP 200.00 DP

TRADEMARK REEL: 002461 FRAME: 0541

TRADEMARK COLLATERAL SECURITY AGREEMENT

This **AGREEMENT** is made as of this 31st day of January, 2002, between **MEDALLION BUSINESS CREDIT, LLC** ("Lender") and **VISTA ACQUISITION, LLC**, a Delaware limited liability company, **VISTA OPTICAL, INC.**, a Delaware corporation (collectively referred to as "Obligor").

W I T N E S S E T H:

WHEREAS, Lender has entered into a Loan and Security Agreement (the "Loan Agreement") with Obligor, dated as of the date hereof (as from time to time modified, extended, renewed, or restated, collectively with all related agreements, the "Loan Documents"), whereby Lender has made and shall make loans and other financial accommodations to Obligor as set forth in the Loan Documents, secured by certain assignments of and security interests in certain assets of Obligor, now or hereafter existing, all as more fully set forth in the Loan Documents. In order to induce Lender to execute and deliver the Loan Agreement, Obligor agreed to execute and deliver to Lender this Trademark Collateral Security Agreement ("Security Agreement"). This Security Agreement, covering Trademarks (as hereinafter defined), is being executed contemporaneously with the Loan Agreement under which Lender is granted a lien on and security interest in, *inter alia*, inventory sold utilizing the Trademarks as well as machinery, equipment, formulations, manufacturing procedures, quality control procedures and product specification relating to products sold under the Trademarks (collectively "Other Assets"), whereby Lender shall have the right to foreclose on the Trademarks and the Other Assets in the event of the occurrence and continuance of a default hereunder or an Event of Default under the Loan Agreement.

NOW, THEREFORE, in consideration of the premises, Obligor and Lender hereby agree follows:

1. Defined Terms, Capitalized terms which are not otherwise defined herein shall have the meanings given to them in the Loan Agreement, as applicable, and the following terms shall have the following meanings, unless the context otherwise requires:

"Code" shall mean the Uniform Commercial Code as the same may from time to time be in effect in the State of New York.

"Collateral" shall have the meaning assigned to it in Section 2 of this Security Agreement,

"Event of Default" shall mean any default

hereunder and/or any Event of Default as defined in the Loan Agreement.

"*Licenses*" shall mean the trademark license agreements of Obligor designated on Schedule I hereto, as any of the same may from time to time be amended or supplemented.

"*Obligations*" shall have the meaning assigned to it in the Loan Agreement.

"*Proceeds*" shall have the meaning assigned to it under Section 9-306 of the Code, and in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guarantee payable to Obligor from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to Obligor from time to time in confiscation with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color or governmental authority), and (iii) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"*Receivables*" shall have the meaning assigned to it in the Loan Agreement.

"*Security Agreement*" shall mean this Security Agreement, as the same may from time to time be amended, modified, restated or supplemented.

"*Trademarks*" shall mean the registered trademarks and pending applications shown in the attached Schedule A, and those trademarks which are hereafter adopted or acquired by Obligor, and all right, title and interest therein and thereto, and all (other than by License or by permission from a third party) registrations, applications, and recordings thereof, including, without limitation, application, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, and any foreign country all whether now owned or hereafter acquired by Obligor.

2. Grant of Security Interest. As collateral security for the prompt payment of all of the Obligations, Obligor hereby grants and conveys to Lender a continuing security interest in (a) the entire right, title and interest of Obligor in and to the Trademarks, including the

registration and applications appurtenant thereto, listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), and in and to any and all trademarks, and registration and applications appurtenant thereto, hereafter acquired or filed by Obligor, including without limitation all renewals thereof, all proceeds of infringement suits, the rights to sue for past, present and future infringements and all rights corresponding thereto in the United States and any foreign country and the goodwill of the business to which each of the Trademarks relate, and (B) all of Obligor's conveyable right, title and interest in, to and under the following:

(i) all Licenses;

(ii) all receivables, contract rights and general intangibles arising under or relating to each and every License (including, without limitation, (A) all moneys due and to become due under any License, (B) any damages arising out of or for breach or default in respect of any such License, (C) all other amounts from time to time paid or payable under or in connection with any such License, and (D) the right of Obligor to terminate any such License or to perform and to exercise all remedies thereunder); and,

(iii) to the extent not otherwise included, all proceeds and products of any or all of the foregoing. All of the property refined to in this paragraph 2 is hereafter collectively called the "Collateral".

3. Representations and Warranties. Obligor covenants and warrants that as of the date of this Security Agreement:

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

(b) To the best of Obligor's knowledge, each of the Trademarks is valid and enforceable;

(c) To the best of Obligor's knowledge, there is no outstanding claim that the use of any of the Trademarks violates the rights of any third person;

(d) Obligor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, (including without limitation pledges, agreements, licenses, registered user agreements and covenants by Obligor not to sue third persons):

(e) Obligor has the right to enter into this

Security Agreement and perform its terms;

(f) Obligor has used, and will continue to use for the duration of this Security Agreement, proper statutory notice, where and if appropriate, in connection with its use of the Trademarks; and

(g) Obligor has used, and will continue to use for the duration of this Security Agreement, reasonably consistent standards of quality in its manufacture of products sold under the Trademarks,

4. Right of Inspection. Obligor hereby grants to Lender and its employees and agents the right at times and upon notice and conditions as set forth in the Loan Agreement to visit Obligor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control relating thereto at reasonable times during regular business hours. Obligor shall use its best efforts to do any and all acts required by Lender to ensure Obligor's compliance with paragraph 3(g) above.

5. New Trademarks. If, before the Obligations shall have been paid in full, Obligor shall obtain rights to any new trademarks, the provisions of paragraph 2 shall automatically apply thereto and Obligor shall give Lender prompt written notice thereof. Obligor grants Lender a power-of-attorney, irrevocable so long as the Agreements are in existence, to modify this Security Agreement by amending Schedule A to include any future trademarks, including trademark registrations or applications appurtenant thereto covered by this Security Agreement provided Lender shall promptly deliver a copy of such revised schedule to Obligor.

6. Covenants. Obligor covenants and agrees with Lender that from and after the date of this Security Agreement and until the Obligations are fully satisfied:

(a) Further Documentation; Pledge of Instruments, At any time and from time to time, upon the written request of Lender, Obligor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Lender may reasonably deem desirable in obtaining the full benefits of this Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Code with respect to the liens and security interests granted hereby. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by a promissory note

or other instrument, such note or instrument shall be immediately pledged to Lender hereunder, duly endorsed in a manner satisfactory to Lender.

(b) Maintenance of Trademarks. Obligor will not do any act or omit to do any, whereby the Trademarks or any registration or application appurtenant thereto, may become abandoned, invalidated, enforceable, avoided, avoidable, or will otherwise diminish in value, and shall notify Lender immediately if Obligor knows of any ground under which this result has occurred. However, Obligor may perform any act under this subparagraph 6(b) if Obligor determines it is in good business judgment to take such act, and Obligor gives notice to Lender of its intention to take such act at least thirty (30) days prior to the act and Lender does not communicate its intention to forbid, or its instruction forbidding, such action within 15 days of receipt of notice. Obligor shall take appropriate action at its expense to halt any unauthorized use of those Trademarks having any material value.

(c) Indemnification. Obligor assumes all responsibility and liability arising from Obligor's or its assignees use of the Trademarks, and Obligor hereby indemnifies and holds harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of Obligor's operations of its business from the use of the Trademarks.

(d) Limitation of Liens on Collateral. Obligor will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove any lien, security interest, encumbrance, claim or right, in or to the Collateral other than liens, if any, permitted by the Loan Agreement, and will defend the right, title and interest of Lender in and to any of Obligor's rights under any License and to the proceeds thereof against the claims and demands of all persons whomever.

(e) Limitation on Modifications of Licenses. Obligor will not (i) fail to exercise promptly and diligently each and every material right which it may have under each License (other than any right of termination), without the prior written consent of Lender, or (ii) fail to deliver to Lender a copy of each material demand, notice or document sent or received by it relating in any way to any License or Trademark.

(f) Notices. Obligor will advise Lender promptly, in reasonable detail, (i) of any lien or claim made or

asserted against any of the Collateral, (ii) of any material change in the composition of the Collateral, and (iii) of the occurrence of any other event which would have a material adverse effect on the value of any of the Collateral or on the security interests created hereunder.

(g) Limitation on Further Uses of Trademarks.

Obligor will not, assign, sell, mortgage, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, or otherwise dispose of any or a material portion of the Collateral, without prior written consent of Lender.

7. Lender's Appointment as Attorney-in-Fact.

(a) Upon the occurrence and during the continuance of an Event of Default Obligor hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Obligor and in the time of Obligor or in its own name, from time to time in Lender's discretion, for the purposes of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement and, without limiting the generality of the foregoing, hereby gives Lender the power and right on behalf of Obligor, to do the following:

(i) Upon the occurrence and continuance of an Event of Default, to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any License and, in the time of Obligor or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any License and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such moneys due under any License whenever payable;

(ii) If Obligor fails to do so, to pay or discharge taxes, security interests or other encumbrances levied or placed on or threatened against the Collateral; and

(iii) Upon the occurrence and continuance of an Event of Default, (A) to direct any party liable for any payment under any License to make payment of any and all moneys due and to become due thereunder directly to Lender

or as Lender shall direct; (B) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (D) to defend any suit, action or proceeding brought against Obligor with respect to any Collateral, (E) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or release as Lender may deem appropriate; and (F) generally in a manner consistent with section 11 of the Loan Agreement to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for any purposes, and to do, at Lender's option all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein, in order to effect the intent of this Security Agreement, all as fully and effectively as Obligor might do.

This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, Obligor further agrees to execute any additional documents which Lender may require in order to confirm this power of attorney, or which Lender may deem necessary to enforce any of its rights contained in this Security Agreement.

(b) The powers conferred on Lender hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers, Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither the Lender or any of its officers, directors, employees or agents shall be liable to Obligor for any act or failure to act, except for its own willful misconduct or gross negligence.

(e) Obligor also authorizes Lender to execute, in connection with the sale provided for in paragraph 10(b) of this Security Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

8. Execution of Power of Attorney. Concurrently with the execution and delivery hereof, Obligor is executing and delivering to Lender, in the form of Schedule B hereto, ten

(10) originals of a Power of Attorney for the implementation of the assignment, sale or other disposal of the Trademarks pursuant to paragraph 7 hereof.

9. Performance by Lender of Obligor's Obligations.
If Obligor fails to perform or comply with any of its agreements contained herein and Lender, as provided for by the terms of this Security Agreement, shall itself perform or comply or otherwise undertake performance or compliance, in such event, the expense of Lender incurred in connection with such performance or compliance shall be payable by Obligor to Lender on demand and shall constitute Obligations secured hereby.

10. Remedies, Rights Upon Event of Default.

(a) If an Event of Default shall occur and be continuing:

(i) All payments received by Obligor under or in connection with any of the Collateral shall be held by Obligor in trust for Lender, shall be segregated from other funds of Obligor and shall forthwith upon receipt by Obligor, be turned over to Lender, in the same form as received by Obligor (duly indorsed by Obligor to Lender, if required); and

(ii) Any and all such payments so received by Lender (whether from Obligor or otherwise) may, in the sole discretion of Lender, be held by Lender as collateral security for, and/or then or at any time thereafter applied in whole or in part by Lender against all or any part or the Obligations in such order as Lender shall elect. Any balance of such payments held by Lender and remaining after payment in full of all the Obligations shall be paid over to Obligor or to whomsoever may be lawfully entitled to receive the same.

(b) If any Event of Default shall occur and be continuing, Lender may exercise in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Uniform Commercial Code. Obligor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Lender is entitled. Obligor shall also be liable for the reasonable fees of any attorneys employed by Lender to collect any such deficiency and also as to any reasonable attorney's fees incurred by Lender with respect to the collection of any of the

Obligations and the enforcement of any of Lender's respective rights hereunder.

11. Termination. At such time as Obligor shall completely pay in full all of the Obligations and the Loan Agreement is terminated, this Security Agreement shall terminate and Lender shall execute and deliver to Obligor all such releases, deeds, assignments and other instruments as may be necessary or proper to re-vest in Obligor full title to the Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.

12. Notices. Any notice to Lender or to Obligor hereunder shall be deemed to have been duly given, if given in accordance with Section 14.6 of the Loan Agreement.

13. No Waiver. No course of dealing between Obligor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, 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 thereof or the exercise of any other right, power or privilege.

14. Cumulative Remedies. All of lender's rights and remedies with respect to the Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently

15. Severability. The provisions of this Security 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.

16. No Modification Except in Writing. This Security Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraphs 5 and 7.

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

18. Governing Law. The validity and interpretation of this Security Agreement and the rights and obligations of the parties shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of the date first above written.

LENDER:

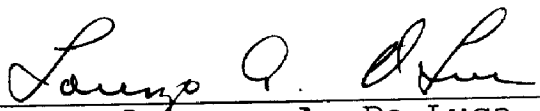
MEDALLION BUSINESS CREDIT, LLC

By: 
Name:
Title:

437 Madison Avenue
New York, New York 10022

OBLIGOR:

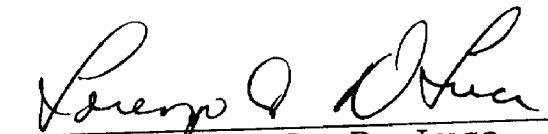
VISTA ACQUISITION, LLC

By: 
Name: Lorenzo A. De Luca
Title: Manager

7740 North Federal Highway
Boca Raton, Florida 33487

OBLIGOR:

VISTA OPTICAL, INC.,

By: 
Name: Lorenzo A. De Luca
Title: President

7740 North Federal Highway
Boca Raton, Florida 33487

SCHEDULE A

1. Trademark Registrations:

<u>Mark</u>	<u>Registration No.</u>	<u>Date</u>
Vista Optical	2406161	November 21, 2000
Vista Optical	2406160	November 21, 2000
Vista Optical Centers	1591819	April 17, 1990
Vista Optical Centers	1592520	April 17, 1990
Frame-N-Lens	2007360	October 15, 1996
Lee Optical	1857087	October 4, 1994
Lee Optical	1904165	July 11, 1995
Duraview	2435589	March 13, 2001

2. Trademark Applications

<u>Mark</u>	<u>Application No.</u>	<u>Date</u>
Midwest Vision	76139743	October 4, 2000

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 31ST day of January, 2002, before me the under-
signed, personally appeared Gerald J. Grossman, personally known
to me or proved to me on the basis of satisfactory evidence to be
the individual whose name is subscribed to the within instrument
and acknowledged to me that he executed the same in his capacity,
and that by his signature on the instrument, the individual, or
the person or entity upon behalf of which the individual acted,
executed the instrument.

ANDREA PINES
NOTARY PUBLIC, STATE OF NEW YORK
NO. 41-4751904
QUALIFIED IN WESTCHESTER COUNTY
COMMISSION EXPIRES APRIL 30, 2003

Andrea Pines

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 7th day of January, 2002, before me the under-
signed, personally appeared Lorenzo A. De Luca, personally known
to me or proved to me on the basis of satisfactory evidence to be
the individual whose name is subscribed to the within instrument
and acknowledged to me that he executed the same in his capacity,
and that by his signature on the instrument, the individual, or
the person or entity upon behalf of which the individual acted,
executed the instrument.

[Faint notary seal]

Lorenzo A. De Luca

STATE OF NEW YORK)
COUNTY OF NEW YORK)

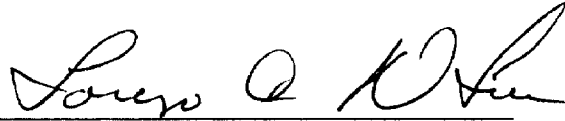
On this 7th day of January, 2002, before me the under-
signed, personally appeared Lorenzo A. De Luca, personally known
to me or proved to me on the basis of satisfactory evidence to be
the individual whose name is subscribed to the within instrument
and acknowledged to me that he executed the same in his capacity,
and that by his signature on the instrument, the individual, or
the person or entity upon behalf of which the individual acted,
executed the instrument.

[Faint notary seal]

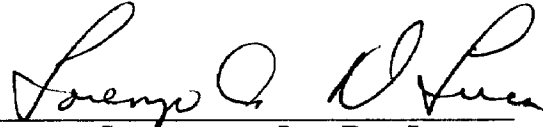
Lorenzo A. De Luca

This power of attorney is made pursuant to the Security Agreement and may not be revoked until the payment in full of all Obligations as defined in the Security Agreement.

VISTA ACQUISITION, LLC

By: 
Name: Lorenzo A. De Luca
Title: Manager

VISTA OPTICAL, INC.

By: 
Name: Lorenzo A. De Luca
Title: President

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 7th day of January, 2002, before me the under-
signed, personally appeared Lorenzo A. De Luca, personally known
to me or proved to me on the basis of satisfactory evidence to be
the individual whose name is subscribed to the within instrument
and acknowledged to me that he executed the same in his capacity,
and that by his signature on the instrument, the individual, or
the person or entity upon behalf of which the individual acted,
executed the instrument.

NOTARY PUBLIC
STATE OF NEW YORK
No. 02216019815
Qualified in New York County

Adam Mendel

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 7th day of January, 2002, before me the under-
signed, personally appeared Lorenzo A. De Luca, personally known
to me or proved to me on the basis of satisfactory evidence to be
the individual whose name is subscribed to the within instrument
and acknowledged to me that he executed the same in his capacity,
and that by his signature on the instrument, the individual, or
the person or entity upon behalf of which the individual acted,
executed the instrument.

NOTARY PUBLIC
STATE OF NEW YORK
No. 02216019815
Qualified in New York County

Adam Mendel
