

04-24-2002

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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0047 (Exp. 5/31/2002)



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

Tab settings

102068798

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

1. Name of conveying party(ies):  
 CHAPMAN SECURITY SYSTEMS, INC.  
 1000 E. Whitcomb  
 Madison Heights, MI 48071

Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation-State  
 Other \_\_\_\_\_

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

2. Name and address of receiving party(ies)  
 Name: CODE SYSTEMS, INC.  
 Internal  
 Address: \_\_\_\_\_  
 Street Address: 150 Marcus Blvd.  
 City: Hauppauge      State: NY Zip: 11788

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Delaware  
 Other \_\_\_\_\_

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

3. Nature of conveyance:  
 Assignment                       Merger  
 Security Agreement               Change of Name  
 Other \_\_\_\_\_

Execution Date: 3/15/2002

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s) 75/659,840;  
 75/659,841; 75/897,430; 76/347,979

B. Trademark Registration No.(s) 1,161,795;  
 1,195,137; 2,282,006; 1,183,685

Additional number(s) attached  Yes  No


5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: LARRY N. STOPOL, ESQ.  
 Internal Address: LEVY & STOPOL, LLP  
 Street Address: EAST TOWER, 14TH FLOOR  
 190 EAB Plaza  
 City: Uniondale      State: NY      Zip: 11556-0190

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:  
 501238

DO NOT USE THIS SPACE

9. Signature.  
 LARRY N. STOPOL                                            April 8, 2002  
 Name of Person Signing                      Signature                      Date

Total number of pages including cover sheet, attachments, and document: 8

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

04/23/2002 TDIAZI 00000184 501238 75659840

01 FC:481 40.00 CH  
02 FC:482 200.00 CH

TRADEMARK REEL: 002489 FRAME: 0539

Continuation of Item 4:

B. Trademark Registration Number(s):  
1,113,544

# TRADEMARK ASSIGNMENT AND ASSUMPTION AGREEMENT

This TRADEMARK ASSIGNMENT AND ASSUMPTION AGREEMENT ("Assignment") is effective on the 15th day of March, 2002 by and between Chapman Security Systems, Inc., a Michigan corporation ("Assignor") and Code Systems, Inc., a Delaware corporation ("Assignee").

WHEREAS, pursuant to an Asset Purchase Agreement of even date herewith by and among Code-Alarm, Inc., a Michigan corporation, which is the parent of Assignor ("Parent"), and Assignee (the "Purchase Agreement"), Assignee agreed to purchase substantially all of the assets of Parent;

WHEREAS, pursuant to the Purchase Agreement, Assignor agreed to irrevocably assign to Assignee Assignor's entire right, title and interest, if any, in and to the trademarks listed on Exhibit A attached hereto (the "Trademarks"); and

WHEREAS, Assignor has further agreed to irrevocably assign to Assignee Assignor's entire right, title and interest, if any, in and to that certain proceeding captioned Code Alarm, Inc v Chapman Technologies, Inc. and Robert W. Chapman, commenced in 2001 in Palm Beach County, Florida 15<sup>th</sup> Judicial Circuit Court – Case No. CA 01-09684 (the "Chapman Litigation").

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Purchase Agreement and intending to be legally bound hereby, the parties hereto agree as follows:

1. Assignor hereby irrevocably assigns and transfers to Assignee and Assignee hereby accepts and assumes all of Assignor's right, title and interest, if any, in and to the Trademarks listed on Exhibit A, together with the goodwill associated therewith and symbolized thereby, and any registrations thereof and applications therefor, if there may be any. Assignor hereby irrevocably assigns and transfers to Assignee and Assignee hereby accepts and assumes all of Assignor's right, title and interest in the Chapman Litigation.
2. Assignee has reviewed Exhibit A and understands that the information on such Exhibit is accurate only to the Assignor's knowledge without independent investigation by Assignor as to such accuracy.
3. Assignor hereby irrevocably assigns and transfers to Assignee and Assignee hereby accepts and assumes all of Assignor's right, title and interest, if any, in and to the Chapman Litigation.
4. The Assignee and the Assignee's attorney have had the opportunity to conduct due diligence and obtain information as deemed necessary by Assignee and Assignee's attorney in connection with the purchase of the Trademarks and have had the opportunity to have representatives of the Assignor answer any questions deemed relevant by the Assignee and its attorneys, if any, and all such questions have been answered and all requested information has been provided to the Assignee's full satisfaction. The Assignee is satisfied that it has received

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adequate information with respect to all matters that the Assignee or Assignee's counsel consider material to the Assignee's decision to enter into this Assignment.

5. ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION WITH RESPECT TO THE TRADEMARKS, INCLUDING WITHOUT LIMITATION, ANY OF THE FOLLOWING: (A) ASSIGNOR'S OWNERSHIP OF ANY PART OF THE RIGHT, TITLE AND INTEREST IN THE TRADEMARKS, FREE AND CLEAR OF ANY SECURITY INTERESTS, CONSIGNMENTS, JUDGMENTS, RESTRICTIONS, LIENS, CHARGES AND ENCUMBRANCES, (B) WHETHER THE TRADEMARKS ARE VALID, SUBSISTING AND ENFORCEABLE, AND (C) WHETHER THERE ARE ANY OTHER USERS OF THE TRADEMARKS OR VARIATIONS THEREOF THAT ARE SIMILAR ENOUGH TO THE TRADEMARKS AS TO BE LIKELY TO CAUSE CONFUSION OR MISTAKE AMONG CONSUMERS. ADDITIONALLY, ALL TRADEMARKS ARE BEING ACQUIRED AS IS WHERE IS WITH NO WARRANTIES AS TO CONDITION OR SUFFICIENCY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED ARE HEREBY DISCLAIMED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

6. Assignee agrees not to assert any claim against Assignor, any of its affiliates, or any of their respective directors, officers, employees, attorneys and agents, on any theory of liability, for direct, indirect, special, consequential or punitive damages arising out of or relating to any of the transactions contemplated hereby.

7. Assignee has the full and unrestricted legal right, power, authority and capacity to enter into this Assignment, and to consummate the transactions contemplated hereby. This Assignment, when executed, will constitute the legal, valid and binding obligation of Assignee.

8. Assignor hereby authorizes and requests the officials of the U.S. Patent and Trademark Office, at Assignee's expense, to record Assignee as the owner of and/or to issue in accordance with this instrument all registrations of the Trademarks and all applications for any of the same, which are assigned to Assignee by this instrument.

9. The covenants and undertakings contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and are for the sole benefit of the parties hereto and their respective successors and permitted assigns. Such covenants and undertakings shall not be construed as conferring and are not intended to confer any rights or benefits on any other person.

10. This Assignment embodies the entire agreement and understanding of the parties hereto with respect to the subject matters hereof and supersedes any prior agreement and understanding between and among the parties.

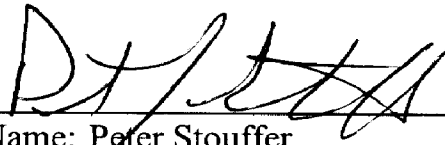
11. If any provision of this Assignment shall be deemed invalid or unenforceable by any court of competent jurisdiction, then such portion shall be deemed severed, and the remainder thereof shall be enforceable in accordance with its terms.

12. This Assignment may be executed in two or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which shall constitute one and the same instrument.

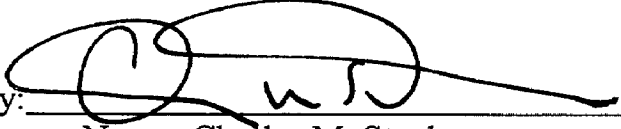
13. This Assignment shall be governed by the laws of the State of Michigan without regard to principles of conflicts of laws.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed on the day and year first above written.

CHAPMAN SECURITY SYSTEMS, INC.

By:   
Name: Peter Stouffer  
Title:

CODE SYSTEMS, INC.

By:   
Name: Charles M. Stoehr  
Title: Chief Financial Officer

ACKNOWLEDGMENT

STATE OF New York

COUNTY OF Nassau

Peter Staffer

:  
:  
: SS.

, being duly sworn, says that he/she is ~~the~~ an Officer of Chapman Security Systems, Inc., a Michigan corporation, and acknowledges that he/she did sign the Trademark Assignment and Assumption Agreement on behalf of Chapman Security Systems, Inc., pursuant to due authority.

Sworn to and subscribed before me this 15<sup>th</sup> day of March, 2002

Mary Ann Schroder  
Notary Public

My commission expires: 6/30/02 (SEAL)

MARY ANN SCHRODER  
Notary Public, State of New York  
Registration No. 01SC4724334  
Qualified in Nassau County  
Certificate Filed in New York County  
Commission Expires June 30, 2002

ACKNOWLEDGMENT

STATE OF NEW YORK

COUNTY OF NASSAU

:  
:  
: ss.

Charles M. Stodol being duly sworn, says that he/she is the CEO

of Code Systems, Inc., a Delaware corporation, and acknowledges that he/she did sign the Trademark Assignment and Assumption Agreement on behalf of Code Systems, Inc., pursuant to due authority.

Sworn to and subscribed  
before me this 15<sup>th</sup> day

of March, 2002

Mary Ann Schroder  
Notary Public

My commission expires: 6/30/02

(SEAL)

MARY ANN SCHRODER  
Notary Public, State of New York  
Registration No. 01SC4724334  
Qualified in Nassau County  
Certificate Filed in New York County  
Commission Expires June 30, 2002

**EXHIBIT A****U.S. TRADEMARKS**

<b>Mark</b>	<b>Owner of Record</b>	<b>Reg. #/Serial #</b>
CHAPMAN	Chapman Industries Corp..	U.S. 1,161,795
TOTAL PROTECTION	Chapman Industries Corp.	U.S. 1,195,137
SAFEGUARD COMPANION	Chapman Technologies, Inc.	U.S. 2,282,006
INSURANCE MAN	Chapman Industries Corp.	U.S. 1,183,685
CHAPMAN PERSONAL SAFEGUARD COMPANION (PSC)	Chapman Technologies, Inc.	U.S. 75-659840
CHAPMAN-LOK	Chapman Industries Corp.	U.S. 1,113,544
CHAPMAN VEHICLE LOCATOR (CVL)	Chapman Technologies, Inc.	U.S. 75-659841
CHAPMAN SECURITY TO GO	Chapman Technologies, Inc.	U.S. 75-897430
C and Design	Chapman Technologies, Inc.	U.S. 76-347979