

08-07-2002

ET

Docket No.:

15906/128



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Tab settings

To the Honorable Commissioner of Pa.

102181603

attached original documents or copy thereof.

1. Name of conveying party(ies):

Charrette LLC

7/31/02

- Individual(s)
- General Partnership
- Corporation-State
- Other Delaware LLC
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: July 9, 2002 & July 10, 2002

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

Name: Congress Financial Corporation (New England)

Internal Address: _____

Street Address: One Post Office Square, Suite 3600

City: Boston State: MA ZIP: 02109

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

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

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

A. Trademark Application No.(s)

76/331,222 Filed 2/9/2001
75/267,343 Filed 6/5/2001
76/359,945 Filed 1/17/2002

B. Trademark Registration No.(s)

1,232,294 0936,645 2,301,973
1,232,296 1,723,799 1,385,513
0936,051 1,949,944 1,386,409

Additional numbers Yes No

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

Name: Mark S. Leonardo, Esq.

Internal Address: Brown Rudnick Berlack Israels LLP

Street Address: One Financial Center

BOX 1P, 18th Floor

City: Boston State: MA ZIP: 02111

6. Total number of applications and registrations involved:.....

26

7. Total fee (37 CFR 3.41):.....\$ 665.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

50-0369

08/06/2002 LHMILLER 00000189 500369 76331222

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 625.00 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.

Mark S. Leonardo (Reg. No. 41,433)

Name of Person Signing

Signature

7/25/2002

Date

Total number of pages including cover sheet, attachments, and

18

TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

#4. Continuation of Application Number(s) or Registration Number(s):

A. Trademark Application No.(s)

Application No.	Filing Date
76/359,730	1/17/2002
76/338,065	11/12/2001
76/329,883	10/24/2001
76/329,180	10/24/2001

B. Trademark Registration No.(s)

Registration No.
2,225,952
2,109,124
1,283,645
1,245,250
2,473,902
0921,554
1,545,332
1,556,300
1,032,994
1,489,735

TRADEMARK SECURITY AGREEMENT

AGREEMENT dated as of July 10, 2002 made by Charrette LLC, a Delaware limited liability company with chief executive office at 31 Olympia Avenue, Woburn MA 01801 ("Borrower"), in favor of Congress Financial Corporation (New England), a Massachusetts corporation with a place of business at One Post Office Square, Suite 3600, Boston, MA 02109 and its successors, assigns, and other legal representatives ("Secured Party").

W I T N E S S E T H:

WHEREAS, Borrower and Secured Party are parties to a Loan and Security Agreement, dated as of the date hereof (the "Loan Agreement"), and certain supplements, agreements and instruments entered into pursuant thereto as such may be amended, modified or supplemented from time to time (collectively, with the Loan Agreement, the "Loan Documents"), pursuant to which Secured Party may make certain loans and credit accommodations to Borrower; and

WHEREAS, Secured Party's willingness to enter into the Loan Documents and make the loans and credit accommodations available thereunder is subject to the condition, among others, that Borrower execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and for one dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in addition to, and not in limitation of, any rights of the Secured Party under the Loan Documents, Borrower hereby agrees for the benefit of Secured Party as follows:

1. DEFINITIONS.

1.1 All capitalized terms used herein shall have the respective meanings provided therefor in the Loan Documents. In addition, the following terms shall have the meanings set forth in this Section 1 or elsewhere in this Security Agreement referred to below:

"Associated Goodwill" shall mean all goodwill of the Borrower or its business, products and services appurtenant to, associated with or symbolized by the Trademarks and/or the use thereof.

"Proceeds" shall mean any consideration received from the sale, exchange, license, lease or other transfer or disposition of any right, interest, asset or property which constitutes Trademark Collateral, any value received as a consequence of the ownership, possession, or use of any Trademark Collateral, and any payment received from any insurer or other person or entity as a result of the destruction, loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes Trademark Collateral.

“PTO” shall mean the United States Patent and Trademark Office.

“Related Assets” shall mean all assets, rights and interests of the Borrower which uniquely reflect or embody the Associated Goodwill, including but not limited to the following: all patents, inventions, copyrights, trade secrets, license agreements in which Borrower is the licensor, confidential information, formulae, algorithms, methods, processes, compounds, know-how, operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision, licensing and sale of goods or services under or in association with any of the Trademarks, and all books and records describing or used in connection with any or all of the foregoing.

“Trademarks” shall mean all of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and/or other source and/or product or service identifiers, and general intangibles of like nature, used or associated with or appurtenant to the products, services and business of the Borrower, which (i) are set forth on Schedule A attached hereto, or (ii) have been adopted, acquired or are owned by the Borrower and are now owned by the Borrower, or (iii) are in the future adopted, acquired, or owned by Borrower.

“Trademark Collateral” shall mean all of the Borrower's right, title and interest (to the extent Borrower has any such right, title or interest) in and to all of the Trademarks, the Trademark Registrations, the Trademark Rights, the Associated Goodwill, the Related Assets, and all additions, improvements and accessions to, substitutions for, replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing.

“Trademark Registrations” shall mean all past, present or future federal, state, local and foreign registrations of the Trademarks (and all renewals of such registrations), all past, present and future applications for any registration of the Trademarks (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Borrower or the Secured Party, and to take any and all actions necessary or appropriate to maintain such registrations in effect and/or renew and extend such registrations.

“Trademark Rights” shall mean any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including but not limited to the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Borrower or the Secured Party for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the

Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury.

“Use” of any Trademark shall include all uses of such Trademark by, for or in connection with the Borrower or its business or for the direct or indirect benefit of the Borrower or its business, including but not limited to all such uses by the Borrower itself, by any of the affiliates of the Borrower, or by any licensee or contractor of the Borrower.

2. GRANT OF SECURITY; COLLATERAL ASSIGNMENT.

2.1 Grant of Security Interest. As collateral security for the complete and timely payment, performance and satisfaction of all Obligations, the Borrower hereby unconditionally grants to the Secured Party, a continuing security interest in and first priority lien on the Trademark Collateral.

2.2 Assignment.

(a) Borrower hereby authorizes Secured Party to complete as assignee, execute pursuant to the appointment as attorney-in-fact under Section 5.1 of this Agreement, and record with the PTO and any other applicable public office or agency of the United States, or any state or territory thereof, or any other country, a document in substantially the form of Exhibit A, upon the occurrence and during the continuance of an Event of Default and exercise of Secured Party’s remedies under the Loan Documents and this Trademark Security Agreement (“Assignment”).

(b) Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and except as otherwise provided in the Loan Documents and this Trademark Security Agreement, Borrower shall be permitted to remain in full possession, enjoyment and control of all its rights, title, and interest in the Trademarks, the Trademark Rights and Associated Goodwill and to manage, operate, dispose and use the same and each part thereof, in each case, except as limited by the Loan Documents, with all rights pertaining thereto.

2.3 Supplemental to Loan Documents. The parties expressly acknowledge to the Secured Party and agree that on the date of this Security Agreement the Borrower delivered the Loan Documents pursuant to which the Borrower unconditionally granted to the Secured Party, a continuing security interest in and first priority lien on the Collateral (including the Trademark Collateral). Any and all rights and interests of the Secured Party in and to the Trademark Collateral (and any and all obligations of the Borrower with respect to the Trademark Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Secured Party (and the obligations of the Borrower) in, to or with respect to the Collateral (including the Trademark Collateral) provided in or arising under or in connection with the other Loan Documents.

2.4 Additional Rights upon an Event of Default.

In addition to the right to effect an Assignment under Section 2.2 hereof and all other rights and remedies of the Secured Party, whether under law, the Loan Documents or otherwise (all such rights and remedies being cumulative, not exclusive, and enforceable alternatively, successively or concurrently upon and during the continuance of an Event of Default, without notice to or consent by the Borrower except as expressly provided otherwise herein), the Secured Party's rights and remedies with respect to the Trademark Collateral, shall include but not be limited to the following, without payment of royalty or compensation of any kind to the Borrower except as expressly provided otherwise herein:

(a) The Secured Party or its designee may operate the business of the Borrower using the Trademark Collateral.

(b) The Secured Party may, to the same extent that the Borrower has the right to do so immediately prior to the Event of Default, license or sublicense, whether general, special or otherwise and whether on an exclusive or nonexclusive basis, any of the Trademark Collateral, throughout the world for such term or terms, on such conditions, and in such manner, as the Secured Party shall in its sole discretion determine.

(c) In general, the Secured Party may exercise, in respect of the Trademark Collateral, all rights and remedies provided under the other Loan Documents, or otherwise including, without limitation, all rights and remedies of a secured party upon default under the Code (whether or not the Code applies to the Trademark Collateral) or other law applicable to any part of the Trademark Collateral.

(d) In addition to the foregoing, in order to implement the assignment, sale, transfer or other disposition of any of the Trademark Collateral, the Secured Party may, pursuant to the authority granted in the power of attorney provided in Section 5 hereof (such authority becoming effective upon the occurrence and during the continuation of an Event of Default), execute and deliver on behalf of the Borrower one or more instruments of assignment of the Trademark Collateral, in form suitable for filing, recording or registration in any jurisdiction or country.

(e) In the event of any such license, assignment, sale, transfer or other disposition of the Trademark Collateral, or any of it, after the occurrence and during the continuation of an Event of Default, whether to or by the Secured Party, the Borrower shall supply to the Secured Party (or the Secured Party's designee) the Borrower's records regarding know-how and expertise relating to the products and services sold and provided under the Trademarks, and other records relating to the Trademark Collateral and to the production, marketing, delivery and sale of said products and services.

2.5 Effect of Assignment - Borrower's Obligations.

(a) Upon an Assignment, the Secured Party shall own the entire right, title and interest in and to the Trademark Collateral, free and clear of any lien, charge, encumbrance or claim of the Borrower or any other party (other than ownership and other rights reserved by owners of Licensed Trademarks or other Trademark Collateral licensed to the Borrower).

(b) Upon the effectiveness of an Assignment, the Borrower shall have no right, title or interest in or to any of the Trademark Collateral, and, upon notice from the Secured Party, the Borrower shall immediately cease and desist in the use of the Trademarks or any colorable imitation thereof, and shall, upon written demand of the Secured Party, deliver to the Secured Party (or the Secured Party's designee) all unused or unsold goods bearing the Trademarks.

(c) In addition, upon the effectiveness of the Assignment provided herein, upon the written demand of the Secured Party, the Borrower shall execute and deliver to the Secured Party an assignment or assignments of the Trademark Collateral and such other documents as are necessary or appropriate to carry out the intent and purposes of this Security Agreement; provided that the failure of the Borrower to comply with such demand will not impair or affect the validity of the Assignment. The Borrower agrees that any such assignment (including an Assignment) and/or any recording thereof shall be applied to reduce the Obligations outstanding only to the extent that the Secured Party actually receives cash proceeds in respect of the assignment, sale, license, transfer or disposition of, or other realization upon, the Trademark Collateral.

(d) In the event an Assignment the Borrower shall supply to the Secured Party (or the Secured Party's designee) the Borrower's records regarding know-how and expertise relating to the products and services sold and provided under the Trademarks, and other records relating to the Trademark Collateral and to the production, marketing, delivery and sale of said products and services.

2.6 No Obligations of Secured Party. Nothing herein contained shall be construed as obligating the Secured Party to take any of the foregoing actions at any time.

2.7 Costs and Application of Proceeds. The Borrower agrees to pay when due all costs incurred in any license, assignment, sale, transfer or other disposition as provided under this Agreement or the other Loan Documents of all or any portion of the Trademark Collateral to or by the Secured Party, including any taxes, fees and reasonable attorneys' fees, and all such costs shall be added to the Obligations. The Secured Party may apply the Proceeds actually received from any such license, assignment, sale, transfer, other disposition or other collection or realization, to the out-of-pocket costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may be incurred or paid by the Secured Party in protecting or enforcing its rights upon or under this Security Agreement, the Trademark Collateral, the Collateral or the Obligations, and any proceeds remaining shall be held by the Secured Party as collateral for, and/or then or at any time thereafter applied to the Obligations, in accordance with the Loan Documents; and the Borrower shall remain liable and

will pay the Secured Party on demand any deficiency remaining, together with interest thereon at a rate equal to the highest rate then payable on the Obligations and the balance of any expenses unpaid.

2.8 License. In addition to, and not by way of limitation of, all other rights of the Secured Party and obligations of the Borrower pursuant to this Security Agreement and the other Loan Documents, upon the occurrence and during the continuance of an Event of Default, the Secured Party shall hold an exclusive fully paid-up, irrevocable and perpetual, worldwide right and license to make use, practice and sell (or license or otherwise transfer to third persons) the Trademark Collateral, for the exclusive purpose of (and to the extent necessary and sufficient for) the full and complete enjoyment and exercise of and realization upon the rights, remedies and interests of the Secured Party pursuant to this Security Agreement and the other Loan Documents.

3. REPRESENTATIONS AND WARRANTIES. The Borrower represents and warrants to, and covenants and agrees with, Secured Party, as follows:

3.1 Schedules of Trademarks. Set forth on Schedule A hereto is a true and complete list of all present Trademarks and Trademark Registrations of the Borrower. All licenses applicable to the Trademarks are binding upon the parties thereto in accordance with their respective terms (provided that, with respect to any such parties other than the Borrower and its affiliates, such representation and warranty is made to the best of the Borrower's knowledge and belief).

3.2 Title. The Borrower is and will continue to be the sole and exclusive owner of the entire legal and beneficial right, title and interest in and to the Trademarks (except for licenses and rights granted in the ordinary course of business) and sufficient Trademark Collateral to preserve the Borrower's rights in its Trademarks, free and clear of any lien, charge, security interest or other encumbrance, except for the security interest and conditional assignment created by this Security Agreement and the other (i) Loan Documents, (ii) liens and encumbrances explicitly permitted pursuant to the Loan Documents and (iii) sales and other dispositions of Trademarks in the ordinary course of Borrower's business, provided that Borrower shall give Secured Party at least ten (10) business days prior written notice of any such sale or disposition and shall obtain the prior written consent of Secured Party to each such sale. The Borrower will in the ordinary course, take reasonable steps to defend its right, title and interests in and to the Trademarks and the Trademark Collateral against any and all claims of any third parties.

3.3 Validity and Enforceability. The Trademarks and the Trademark Registrations and Trademark Rights related thereto are subsisting, and have not been adjudged invalid or unenforceable. The Borrower has not received any written claim by any third party that any of the Trademarks and the Trademark Registrations and Trademark Rights related thereto are invalid or unenforceable.

3.4 Exclusive Right to Use. To Borrower's knowledge except as otherwise disclosed on Schedule A, the Borrower has, and shall continue to have, the right to use all the Trademarks in the manner in which they are now used, with the goods and services with which they are now used (and, in the case of registered Trademarks, for which they are registered), and throughout the geographic areas in which they are now used (and, in the case of registered Trademarks, throughout the jurisdictions in which they are registered), free and clear of any liens, charges, encumbrances, claims or rights of any third party, or restrictions on the rights of the Borrower to protect or enforce any of its Trademark Rights against any third party.

3.5 After-Acquired Trademark Collateral. The Borrower agrees that, upon its commencement of use of or acquisition of title in or to any Trademark, Trademark Registration or Trademark Right other than the Trademarks, Trademark Registrations and Trademark Rights set forth on Schedule A hereto (including any variations or new versions of such scheduled Trademarks, Trademark Registrations and Trademark Rights), or upon commencement of use of any Trademark with (or the addition to any Trademark Registration of) any new class of goods or services, the provisions of this Security Agreement shall automatically apply thereto. The Secured Party shall be authorized to amend Schedule A, as appropriate, to include such additional Trademarks, Trademark Registrations and Trademark Rights, without the necessity for the Borrower's approval of or signature to such amendment, and the Borrower shall do all such other acts (at its own expense) reasonably requested by Secured Party to implement and preserve the Secured Party's interest therein (including but not limited to executing and delivering, and recording in all places where this Security Agreement or notice hereof is recorded, an appropriate counterpart of this Security Agreement). Such additional Trademarks, Trademark Registrations and Trademark Rights shall be automatically included in the "Trademarks," "Trademark Registrations" and "Trademark Rights" as defined herein. Upon the use of a new mark not licensed from or through a third party, the Borrower shall provide notice of use to the Secured Party. Secured Party may then amend, supplement, and otherwise modify and update the prior Schedule A to the then current Trademarks, Trademark Registrations, and Trademark Rights and such updated Schedule A shall automatically be deemed to be a part of this Security Agreement.

3.6 Maintenance of Trademark Collateral. The Borrower shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as Borrower deems commercially reasonable to properly maintain, protect, preserve, care properly for and enforce the Trademarks and the Trademark Registrations, Trademark Rights and Associated Goodwill relating thereto and sufficient Related Assets to preserve the Borrower's rights in the Trademarks including paying such fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of such Trademark Collateral.

3.7 Manner of Use of Trademarks. Subject to sales or dispositions of Trademarks by Borrower in the ordinary course of its business (subject in each case to ten (10) days prior written notice to Secured Party and to the prior written consent of Secured Party), the Borrower shall use reasonable efforts to continue to use the Trademarks in its business in the same or similar manner as it has in the past, for registered Trademarks shall continue to use each Trademark in each jurisdiction of registration (and in interstate commerce for federally registered Trademarks in each and every class of goods or services for which it is registered), and in general

shall continue to use the Trademarks in each and every class of goods and services applicable to the Borrower's current use of the Trademarks in its business as reflected in its current catalogs, brochures, advertising and price lists, all in order to maintain the Trademarks in full force, free from any claim or risk of abandonment for non-use.

3.8 Trademark Symbols and Notices; No Abandonment. Subject to sales or dispositions of Trademarks by Borrower in the ordinary course of its business (subject in each case to ten (10) days prior written notice to Secured Party and to the prior written consent of Secured Party), the Borrower has in the past used, and shall in the future use, the Trademarks with the statutory and other appropriate symbols, notices or legends of the registrations and ownership thereof. The Borrower shall not do or omit to do any act which causes the abandonment of any Trademarks, Trademark Registrations or Trademark Rights, nor do any act nor omit to do any act whereby if such act or omission is of a character that is likely to be expected to cause or contribute to the abandonment of any Trademark, Trademark Registration or Trademark Right or loss of or adverse effect on any rights in any Trademark, Trademark Registration or Trademark Right. Prohibited acts of the Borrower shall include but not be limited to "assignments in gross" of any Trademark or the license of any Trademark without both appropriate contractual use and quality control provisions and proper monitoring, supervision and enforcement by the Borrower of the quality of the licensed goods or services. The Borrower shall take reasonable actions to insure that none of the Trademarks shall become generic or merely descriptive.

3.9 Enforcement of Licenses. The Borrower shall take commercially reasonable steps to ensure that each licensee of any Trademark, in its use of the Trademarks in its business, shall comply with its applicable license terms.

3.10 No Infringements. To Borrower's knowledge, except as set forth on Schedule A hereto, there is at present no material infringement or unauthorized or improper use of the Trademarks or the Trademark Registrations or the Trademark Rights related thereto. In the event any such infringement or unauthorized or improper use by any third party has been reasonably established by the Borrower, the Borrower shall promptly notify the Secured Party and shall have the right to sue and recover therefor and to retain any and all damage so recovered or obtained.

3.11 Further Assurances. Without limiting the obligations of Borrower under the Loan Documents, Borrower shall take all commercially reasonable actions that it deems are necessary to preserve and maintain its rights in and to the Trademark Collateral. Upon the reasonable request of Secured Party, Borrower shall take such other actions, including without limitation testifying in any legal or administrative proceedings, as may be reasonably requested by Secured Party to preserve or enforce Borrower's rights in and to the Trademark Collateral or to accomplish the purposes of this Security Agreement or the Loan Documents.

4. RIGHTS OF AND LIMITATIONS ON SECURED PARTY.

4.1 Borrower to Remain Liable. It is expressly agreed by Borrower that Borrower shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it relating to the Trademark Collateral. Secured Party shall not have any obligation or liability under or in relation to the Trademark Collateral by reason of, or arising out of, this Security Agreement and Secured Party's rights hereunder, or the assignment by Borrower to Secured Party of, or the receipt by Secured Party of, any payment relating to any Trademarks, nor shall Secured Party be required or obligated in any manner to perform or fulfill any of the obligations of Borrower relating to the Trademark Collateral or be liable to any party on account of Borrower's use of the Trademark Collateral, and Borrower will save, indemnify and keep Secured Party harmless from and against all expense, loss or damage (including reasonable attorneys fees and expenses) suffered in connection with such obligations or use or suffered in connection with any suit, proceeding or action brought by Secured Party in connection with any Trademark Collateral.

4.2 Secured Party's Actions. If Borrower fails after written notice by Secured Party to perform or comply with any of the terms of this Agreement and Secured Party, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of Secured Party incurred in connection with such performance or compliance shall be paid by Borrower on demand and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the same rate as the Obligations under the Loan Documents.

4.3 Indemnification. The Borrower shall indemnify and hold harmless the Secured Party from and against, and shall pay to the Secured Party on demand, any and all claims, actions, suits, judgments, penalties, losses, damages, costs, disbursements, expenses, obligations or liabilities of any kind or nature (except those resulting from the Secured Party's gross negligence or willful misconduct) arising in any way out of or in connection with this Security Agreement, the Trademark Collateral, custody, preservation, use, operation, sale, license (or other transfer or disposition) of the Trademark Collateral, any alleged infringement of the intellectual property rights of any third party, the production, marketing, delivery and sale of the goods and services provided under or in connection with any of the Trademarks or the Trademark Collateral, the sale of, collection from or other realization upon any of the Trademark Collateral, the failure of the Borrower to perform or observe any of the provisions hereof, or matters relating to any of the foregoing. The Borrower shall also indemnify and hold harmless the Secured Party from and against any and all claims, actions, suits, judgments, penalties, losses, damages, costs, disbursements, expenses, obligations or liabilities arising out of or in connection with any fault, negligence, act or omission of the Borrower (regardless of whether such fault, negligence, act or omission occurred or occurs prior to or after such effectiveness). The Borrower shall make no claim against the Secured Party for or in connection with the exercise or enforcement by the Secured Party of any right or remedy granted to it hereunder, or any action taken or omitted to be taken by the Secured Party hereunder (except for the gross negligence or willful misconduct of the Secured Party).

4.4 Specific Enforcement. Due to the unique nature of the Trademark Collateral, and in order to preserve its value, the Borrower agrees that the Borrower's agreements,

duties and obligations under this Security Agreement shall be subject to specific enforcement and other appropriate equitable orders and remedies.

5. SECURED PARTY'S APPOINTMENT AS ATTORNEY-IN-FACT.

5.1 Appointment of Secured Party. Borrower hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact, effective following the occurrence and during the continuance of an Event of Default, with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Secured Party's discretion, for the purpose 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 that may be necessary or desirable to accomplish the purposes of this Security Agreement and, without limiting the generality of the foregoing, hereby gives Secured Party the power and right upon and during the existence of an Event of Default, on behalf of Borrower without notice to or assent by Borrower to do the following:

(a) to apply for and prosecute any applications for recording or registrations of any Trademark Collateral, and to file any affidavits or other documents necessary or desirable to preserve, maintain or renew any such registrations;

(b) to assign, sell or otherwise dispose of all or any part of Borrower's right, title and interest in and to the Trademark Collateral, including without limitation the Trademarks listed on Schedule A, and all registrations and recordings thereof and pending applications therefor;

(c) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to enforce any right in respect of any Trademark; to defend any suit, action or proceeding brought against Borrower with respect to any Trademark Collateral; to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate;

(d) to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Trademarks as fully and completely as though Secured Party were the absolute owner thereof for all purposes;

(e) to do, at Secured Party's option and Borrower's expense, at any time or from time to time, all acts and things that Secured Party deems necessary to protect, preserve or realize upon the Trademark Collateral and Secured Party's security interests therein, in order to effect the intent of this Security Agreement; and

(f) to execute any and all documents, statements, certificates or other writings necessary or advisable in order to effect the purposes described above as Secured Party may in its sole discretion determine.

Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

5.2 No Duty or Obligation. The powers conferred on Secured Party hereunder are solely to protect the interests of Secured Party in the Trademark Collateral and shall not impose any duty upon Secured Party to exercise any such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act, except for its own willful misconduct taken or omitted in bad faith.

6. GENERAL PROVISIONS. This Security Agreement is supplemental to the Loan Agreement, the terms of which, including, without limitation, the notice and governing law provisions, the waiver of jury trial, consent to service of process and jurisdiction and prohibitions on non-written waivers, the Borrower expressly accepts, confirms and acknowledges are incorporated herein by reference. In the event of any irreconcilable conflict between the provisions of this Security Agreement and the Loan Agreement, the provisions of the Loan Agreement shall govern.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Borrower has caused this Security Agreement to be executed by its duly authorized officer as of the date first written above.

WITNESS:

CHARRETTE LLC

Karen L. Medo

By: John J. Ford III
Name: John J. Ford III
Title: C.E.O. + President

CONGRESS FINANCIAL CORPORATION
(NEW ENGLAND)

Kathleen M. Mullen

By: George Psomas
Name: George Psomas
Title: Vice President

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

July 9th, 2002

Then personally appeared the above-named John J. Ford and stated that he is a duly authorized CEO + President of Charrette LLC (the "Corporation") and acknowledged the foregoing instrument to be his free act and deed, and the free act and deed of said Corporation, before me,

Maryann Meagher
Notary Public
My Commission Expires: 9/26/08

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

July 10, 2002

Then personally appeared the above-named George Psomas and stated that he is a duly authorized Vice President of Congress Financial Corporation (New England) (the "Secured Party") and acknowledged the foregoing instrument to be his free act and deed, and the free act and deed of said Secured Party, before me,

Kathleen M. Mullen
Notary Public
My Commission Expires: 11/10/06

SCHEDULE A

CHARRETTE CORPORATION

A. United States Trademarks (Registered or Pending)

<u>TRADEMARK</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
ART EMPORIUM ¹	1232294	March 22, 1983
ART EMPORIUM (Stylized) ¹	1232296	March 22, 1983
C (and Design) (Horizontal Compass)	0936051	June 20, 1972
C (and Design) (Horizontal Compass)	0936645	June 27, 1972
CAMBRIDGE	1723799	Oct. 13, 1992
CAMBRIDGE	1949944	Jan. 23, 1996
CAMBRIDGE	2301973	Dec. 21, 1999
CHARRETTE	1385513	March 4, 1986
CHARRETTE	1386409	March 18, 1986
COLOR MADE SIMPLE BY CAD-ONE ²	2225952	Feb. 23, 1999
COLORFILL ³	2109124	Oct. 28, 1997
CTC CAPITOL TECHNIGRAPHICS CORPORATION (and design)	1,283,645	June 26, 1984
KOENIG ¹	1245250	July 12, 1983
OPTIX	2473902	July 31, 2001
PROPRINT (Stylized)	0921554	Oct. 5, 1971
SAFETEYEDGE (Stylized) ⁴	1545332	June 27, 1989
SEATS & Design	1556300	Sept. 12, 1989

VIS-I-BLOK (Stylized)	1032994	Feb. 10, 1976
WHERE CREATIVE PEOPLE SHOP¹	1489735	May 24, 1988

<u>TRADEMARK APPLICATION</u>	<u>SERIAL NO.</u>	<u>APPLICATION DATE</u>
CHARRETTE PROGRAPHICS (and Design)	76/331,222	Feb. 9, 2001
CHARRETTE	75/267343	June 5, 2001
CAD-ONE	76/359,945	Jan. 17, 2002
CAD-ONE 1 (and Design)	76/359,730	Jan. 17, 2002
GRAPHIX	76/338065	Nov. 12, 2001
SENTINEL	76/329883	Oct. 24, 2001
SENTINEL IMAGING	76/329180	Oct. 24, 2001

B. Massachusetts

<u>TRADEMARK</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
CHARRETTE	35322	June 25, 1994

C. New York

<u>TRADEMARK</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
CHARRETTE	S8, 160	July 6, 1984

D. Connecticut

<u>TRADEMARK</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
CHARRETTE	20,788	Sept. 21, 1999

E. Mexico Trademarks

TRADEMARK	REGISTRATION NUMBER	DATE
CHARRETTE	460909	June 1, 1994
CHARRETTE	460908	June 1, 1994

F. Canada Trademark

TRADEMARK	REGISTRATION NUMBER	DATE
CHARRETTE	TMA400449	July 24, 1992

¹ The trademarks ART EMPORIUM, ART EMPORIUM (Stylized), KOENIG, and WHERE CREATIVE PEOPLE SHOP are registered in the name of Charrette Holding Corporation.

² The trademark COLOR MADE SIMPLE BY CAD-ONE is registered in the name of Cad One, Inc.

³ The trademark COLORFILL is registered in the name of Sentinel Imaging, Inc.

⁴ SAFETYEDGE (Stylized) is registered in the name of Charrette.

EXHIBIT A TO
TRADEMARK SECURITY AGREEMENT

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the undersigned hereby grants, assigns, transfers, conveys, and sets over to _____ its entire right, title, and interest in and to the Trademarks listed on Schedule A hereto and to all goodwill of the Borrower or its business, products, and services appurtenant to, associated with or symbolized by the Trademarks and/or the use thereof.

Charrette LLC

By: _____

Name:

Title:

Date:

STATE:

COUNTY:

_____, 2002

Then personally appeared the above named _____ and stated that _____ is a duly authorized _____ of _____ (the "Corporation") and acknowledged the foregoing instrument to be _____ free act and deed, and the free act and deed of said Corporation, before me.

Notary Public:

My Commission Expires:

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