

02-12-2003

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Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0047 Exp. 6/30/2005
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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):

2-6-03

Garrity Industries, Inc.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other _____

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

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: November 8, 2002

2. Name and address of receiving party(ies)

Name: Citizens Bank of Connecticut

Internal

Address: _____

Street Address: 63 Eugene O'Neill Drive

City: New London State: CT Zip: 06320

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☐ Corporation-State _____
☒ Other stock savings bank

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) 76/136,188;
76/431,646

B. Trademark Registration No.(s) 1,805,967;
1,200,322; 1,775,104; 2,237,427

Additional number(s) attached ☒ Yes ☐ No

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

Name: Gregg J. Lallier

Internal Address: _____

c/o Updike, Kelly & Spellacy, P.C.

Street Address: One Century Tower

265 Church Street

City: New Haven State: CT Zip: 06510

6. Total number of applications and registrations involved: _____

23

7. Total fee (37 CFR 3.41).....\$ 590.00

- ☒ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number: _____

DO NOT USE THIS SPACE

9. Signature.

Gregg J. Lallier

Name of Person Signing

Signature

2/4/03

Date

Total number of pages including cover sheet, attachments, and document: 12

02/11/2003 DBYRNE 00000019 76136188

01 FC:8521
02 FC:852240.00 OP
550.00 OP

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

TRADEMARK
REEL: 002668 FRAME: 0779

Continuation Sheet
for
Recordation Form Cover Sheet - Trademarks

Conveying Party: Garrity Industries, Inc.
Receiving Party: Citizens Bank of Connecticut

Continuation of Item 4.B. Trademark Registration Numbers:

1,868,869
849,665
1,715,454
2,412,934
1,723,566
1,807,337
1,176,016
1,809,007
1,225,888
1,924,559
2,276,275
2,308,034
1,990,757
1,488,305
2,220,650
1,808,430
1,879,180

SECURITY AGREEMENT – PATENTS AND TRADEMARKS

This SECURITY AGREEMENT – PATENTS AND TRADEMARKS (this “Agreement”) is made as of this 8th day of November, 2002 by and between CITIZENS BANK OF CONNECTICUT, a Connecticut stock savings bank with its head office located at 63 Eugene O’Neill Drive, New London, Connecticut 06320 (the “Bank” or “Secured Party”) and GARRITY INDUSTRIES, INC., a Connecticut corporation, with its chief executive office located at 14 New Road, Madison, Connecticut 06443 (the “Debtor”).

RECITALS

Pursuant to that certain Master Credit Agreement of even date herewith (as amended and in effect from time to time, the “Credit Agreement”), by and between the Debtor and the Secured Party, the Bank has agreed to make loans, advances and other extensions of credit to the Debtor upon the terms and subject to the conditions set forth therein, and evidenced by the Note issued by the Debtor thereunder. It is a condition precedent to the obligation of the Bank to make loans, advances and other extensions of credit to the Debtor under the Credit Agreement that the Debtor shall have executed and delivered this Agreement to the Secured Party for the purpose of securing its obligations under the Credit Agreement.

NOW, THEREFORE, in consideration of the premises and to induce the Secured Party to enter into the Credit Agreement and to make loans, advances and other extensions of credit to the Debtor under the Credit Agreement, the Debtor hereby agrees with the Secured Party, as follows:

1. Definitions. Any capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement, and the following terms shall have the following meanings:

“Collateral” shall have the meaning set forth in Section 2 hereof.

“General Intangibles” shall have the meaning ascribed to such term in the UCC.

“Licenses” shall mean any agreement, written or oral, providing for the grant by the Debtor of any right to use any Trademark or Patent, including those listed on Schedule A and Schedule B.

“Obligations” means any and all loans, advances, indebtedness, liabilities, obligations, covenants or duties of the Debtor to the Secured Party of any kind or nature, including obligations to pay money and to perform acts or refrain from taking action, whether arising under a loan, lease, credit card, line of credit, guaranty, indemnity, confirmation, acceptance, currency exchange, interest rate protection arrangement, overdraft or other type of financing arrangement, and any and all extensions and renewals thereof, and modifications and amendments thereto, whether in whole or in part, whether created directly by the Secured Party or acquired by assignment, purchase, discount or otherwise, whether any of the foregoing are direct or indirect, joint or several, absolute or contingent under, due or to become due, now existing or hereafter arising, whether any present or future agreement or instrument, and whether or not evidenced by

a writing and specifically including but not being limited to the unpaid principal amount outstanding at any time under the Note, plus all accrued and unpaid interest thereon, together with all fees, expenses, including attorneys' fees, penalties, and other amounts owing by or chargeable to the Debtor under the Credit Agreement, the Security Agreement, the Note or the any other document relating thereto.

"Patents" means (a) all patents of the United States and all reissues and extensions thereof, (b) all applications for patents of the United States and all divisions, continuations and continuations-in-part thereof or any other country, including, without limitation, any thereof referred to in the Schedule A attached hereto, and (c) all Proceeds thereof.

"Proceeds" shall have the meaning ascribed to such term in the UCC.

"Security Agreement" means that certain Security Agreement between the Secured Party and Debtor of even date herewith, as amended from time to time.

"Trademarks" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers and the goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether or not registered in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof or otherwise, including, without limitation, any thereof referred to in Schedule B attached hereto, (b) all renewals thereof, and (c) all Proceeds thereof, including the goodwill of the business connected with the use of and symbolized by the Trademarks.

"UCC" means the Uniform Commercial Code as in effect in the State of Connecticut from time to time.

2. Grant of Collateral. The Debtor hereby grants to the Secured Party, its successors and assigns, on the terms and conditions set forth in the Credit Agreement and Security Agreement, and as security for the Obligations, a lien upon and security interest in all of the Debtor's right, title, and interest in, to and under the Trademarks and Patents, and any Licenses thereto, (hereinafter sometimes collectively referred to as the "Collateral").

3. No Prior Encumbrances. The Debtor represents and warrants to the Secured Party that the Debtor has not heretofore assigned, transferred or encumbered its right, title and interest in, to and under the Collateral except as permitted under the Credit Agreement.

4. Representations and Warranties. The Debtor represents and warrants that all Patents, Trademarks and Licenses owned by the Debtor in its own name as of the date hereof are listed on Schedule A and Schedule B. To the best of the Debtor's knowledge, each Patent and Trademark is valid, subsisting, unexpired, and enforceable and has not been abandoned. Except for the Licenses listed on Schedule A or Schedule B, none of such Patents or Trademarks is the subject of any licensing or franchise agreement. No holding, decision or judgment has been rendered by any Governmental Authority against the Debtor that would limit, cancel or question

the validity of any Patent or Trademark. No action or proceeding is pending (i) seeking to limit, cancel or question the validity of any Patent or Trademark or (ii) which, if adversely determined, could reasonably be expected to have a Material Adverse Effect.

5. Covenants. The Debtor covenants and agrees with the Secured Party that, from and after the date of this Agreement until the Obligations are paid in full:

(a) Unless otherwise agreed in writing by Secured Party prior to the occurrence of any of the following events, the Debtor (either itself or through licensees) will (i) continue to use each Trademark, except with respect to any Trademark that the Debtor shall reasonably determine is of negligible economic value to it, on each and every trademark class of goods or services applicable to any such Trademark in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (ii) maintain, as in the past and currently exists, the quality of products and services offered under such Trademark, (iii) with respect to a registered Trademark, employ such Trademark with the appropriate notice of registration, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Secured Party shall obtain a perfected security interest in such mark pursuant to this Agreement, and (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(b) The Debtor will not do any act, or omit to do any act, whereby any Patent, except with respect to any Patent that the Debtor shall reasonably determine is of negligible economic value to it, may become abandoned or terminated, including without limitation the non-payment of any necessary issue and maintenance fees.

(c) Whenever the Debtor, either by itself or through any secured party, employee, licensee or designee, shall file an application for the registration of any Patent or Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, the Debtor shall report such filing to the Secured Party within five (5) Business Days after the last day of the fiscal quarter in which such filing occurs.

(d) The Debtor shall execute and deliver any and all agreements, instruments, documents, and papers as the Secured Party may request to evidence the Secured Party's security interest in any Patent or Trademark and the goodwill and General Intangibles of the Debtor relating thereto or represented thereby, and the Debtor hereby constitutes the Secured Party its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed (such power being coupled with an interest is irrevocable until the Obligations are paid in full and the commitment is terminated).

(e) The Debtor will take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of any registered Patents or Trademarks, including, without limitation, filing of applications for

renewal, payment of maintenance and renewal fees, affidavits of use and affidavits of incontestability.

(f) In the event that any Collateral is infringed, misappropriated or diluted by a third party, the Debtor shall promptly notify the Secured Party after it learns thereof and shall, unless the Debtor shall reasonably determine that such Patent or Trademark is of negligible economic value to the Debtor, promptly sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution, or take such other actions as the Debtor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark.

6. Proceeds. It is agreed that if an Event of Default shall occur and be continuing (a) all Proceeds of the Collateral received by the Debtor consisting of cash, checks and other near-cash items shall be held by the Debtor in trust for the Secured Party, segregated from other funds of the Debtor, and shall, forthwith upon receipt by the Debtor, be turned over to the Secured Party in the exact form received by the Debtor (duly endorsed by the Debtor to the Secured Party, if required), and (b) any and all such Proceeds received by the Secured Party (whether from the Debtor or otherwise) may, in the sole discretion of the Secured Party, be held by the Secured Party as collateral security for, and/or then or at any time thereafter may be applied by the Secured Party against the Obligations (whether matured or unmatured), such application to be made in accordance with the provisions of the Credit Agreement, the Security Agreement and the Note. Any balance of such Proceeds remaining after the Obligations shall have been paid in full shall be paid over to the Debtor.

7. Remedies. If an Event of Default shall occur and be continuing the Secured Party may exercise, in addition to all other rights and remedies granted to it in this 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 UCC, including without limitation the immediate right to enforce or realize on any Collateral in any manner or order it deems expedient without regard to any equitable principles of marshalling or otherwise.

8. Performance by Bank of Debtor's Obligations. If the Debtor fails to perform or comply with any of its agreements contained herein and the Secured Party, as provided for by the terms of this Agreement, shall itself after reasonable prior notice perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable expenses of the Secured Party incurred in connection with such performance or compliance, together with interest thereon at a rate per annum equal to the Default Rate or such lesser rate as required by applicable law, shall be payable by the Debtor to the Secured Party on demand and shall constitute Obligations secured hereby.

9. Indemnification. The Debtor agrees to pay, and to save the Secured Party harmless from any and all liabilities, reasonable costs and expenses (including, without limitation, reasonable legal fees and expenses) (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral, (ii) with respect to, or resulting from, any delay not

caused by the Secured Party in complying with any requirement of law applicable to any of the Collateral or (iii) in connection with any of the transactions contemplated by this Agreement.

10. Debtor's Liability under Licenses. Notwithstanding anything to the contrary, nothing herein contained shall relieve the Debtor from the performance of any covenant, agreement or obligation on the Debtor's part to be performed under any License now existing or hereafter executed by the Debtor licensing the use of the Collateral or any part thereof or from liability to any licensee thereunder or other party or impose any liability on the Secured Party for the acts or omissions of the Debtor in connection with any such License.

11. Termination. This Agreement shall terminate upon written notice by the Secured Party to the Debtor that all of the Obligations secured hereby have been fully paid and performed and, upon such event, the security interest granted hereunder against the Collateral shall be terminated and the Secured Party shall promptly execute and deliver to the Debtor such documents or instruments as the Debtor may reasonable request of such termination.

12. Successors and Assigns. This Agreement shall be binding upon the Debtor and its successors, and assigns and shall inure to the benefit of the Secured Party and its successors and assigns.

13. Waivers and Amendments; Successors and Assigns, Governing Law. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except as provided by the Credit Agreement. This Agreement shall be binding upon the successors and assigns of the Debtor and shall inure to the benefit of the Secured Party and its successors and assigns. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Connecticut.

14. Powers coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are irrevocable and powers coupled with an interest.

15. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

16. Paragraph Headings. The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

17. No Waiver; Cumulative Remedies. The Secured Party shall not, by any act (except by a written instrument pursuant to Section 13 hereof), delay, indulgence, omission or otherwise, be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right,

power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

18. Notices. Notices hereunder shall be given to the parties in the manner set forth in the Credit Agreement.

19. Collateral – Security Agreement. The parties hereby acknowledge and agree that the Patents, Trademarks and Licenses described herein shall constitute “Collateral” as defined by the Security Agreement and all terms, covenants, obligations and conditions contained in the Security Agreement relating to or affecting the Collateral shall apply to such Patents, Trademarks and Licenses.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE (S-1) FOLLOWS]

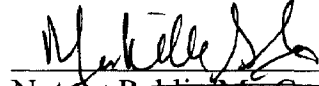
STATE OF CONNECTICUT)

) at New Haven

COUNTY OF NEW HAVEN)

On this the 9 day of November, 2002, before me, the undersigned officer, personally appeared Paul Garrity, Sr., who acknowledged himself to be the Chief Executive Officer of Garrity Industries, Inc., and that he, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained as his free act and deed and the free act and deed of the corporation, by signing the name of the corporation by himself as such officer.

In Witness Whereof I hereunto set my hand.


~~Notary Public/My Commission Expires:~~
Commissioner of the Superior Court