

06-27-2003

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

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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): Altec Lansing Technologies, Inc. Individual(s) Association General Partnership Limited Partnership Corporation-State Other Pennsylvania

2. Name and address of receiving party(ies) Name: Congress Financial Corporation Internal Address: Street Address: 1133 Avenue of the Americas City: New York State: NY Zip: 10036 Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State New York Other

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Third Trademark Security Agreement Execution Date: 05/14/2003

4. Application number(s) or registration number(s): A. Trademark Application No.(s) see attached B. Trademark Registration No.(s) Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Tonya Chapple Internal Address: CSC Street Address: 80 State Street, 6th Floor City: Albany State: NY Zip: 12207

6. Total number of applications and registrations involved: 7 7. Total fee (37 CFR 3.41): \$190.00 Enclosed Authorized to be charged to deposit account 8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)

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. Amy Lee Brady Name of Person Signing Signature Date 05/23/2003 Total number of pages including cover sheet, attachments, and document: 18



TRADEMARK FEE PROCESS RECEIVED 2003 MAY 27 P 11 11 US PATENT & TRADEMARK OFFICE

06/26/2003 GTOM11 00000064 78182252 01 FC:8521 02 FC:8522 40.00 OP 150.00 OP

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

TRADEMARK REEL: 002765 FRAME: 0116

SCHEDULE A

Country	Trademark	Filing Date	Application No.	Status
U.S.A.	DUBLEX	11/6/2002	78/182,252	Pending
U.S.A.	ICONIC	2/28/2003	78/216,880	Pending
U.S.A.	MANTARAY	2/20/2003	78/216,872	Pending
U.S.A.		10/8/2002	78/172,075	Pending
U.S.A.		11/6/2002	78/182,262	Pending
U.S.A.	TANGERINE	2/20/2003	78/216,859	Pending
U.S.A.	OYOYO	3/7/2003	78/222,887	Pending

THIRD TRADEMARKS SECURITY AGREEMENT

This Third Trademarks Security Agreement ("Agreement") is made as of the 14th day of May, 2003, by ALTEC LANSING TECHNOLOGIES, INC. ("Borrower"), a Pennsylvania corporation, with its chief executive office located at Route 6 and 209, Milford, Pennsylvania 18337, and delivered to CONGRESS FINANCIAL CORPORATION ("Lender"), having a mailing address at 1133 Avenue of the Americas, New York, New York 10036.

BACKGROUND

A. This Agreement is being executed in connection with that certain Loan and Security Agreement dated May 18, 2000 by and between Borrower and Lender (as amended by that certain Amendment to Loan and Security Agreement entered into on December 1, 2001, effective as of November 8, 2001, and as amended further by that certain Second Amendment to Loan and Security Agreement, dated as of September 25, 2002, effective as of September 1, 2002, and as amended further by that certain Third Amendment to Loan and Security Agreement, dated as of May 14, 2003, effective as of May 18, 2003, and as may hereafter be supplemented, restated, amended, superseded or replaced from time to time, the "Loan Agreement"), under which Borrower has granted Lender, a lien on and security interest in all of the assets of Borrower associated with or relating to products leased or sold or services provided under Borrower's registered and unregistered patents, trademarks (and the goodwill associated therewith) and copyrights, and under which Lender is entitled to foreclose or otherwise deal with such assets, patents, patent rights, patent applications, goodwill, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, and copyright applications under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Borrower has adopted, used and is using (or has filed applications and/or registrations of) the trademarks, service marks, trade names, and service trade names (collectively, "Trademarks"); listed on Schedule A attached hereto and made part hereof (all such Trademarks hereinafter referred to as the "Assets").

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

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

1. In consideration of and pursuant to the terms of the Loan Agreement and all other instruments, agreements and documents entered into in connection therewith (collectively, the "Loan Documents"), and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrower's Obligations, Borrower grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Assets, together

with all the goodwill of Borrower associated with and represented by the Assets, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Borrower hereby covenants and agrees to maintain the Assets in full force and effect until all of Borrower's Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated.

3. Borrower represents, warrants and covenants that:

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

(b) Each of the Assets is valid and enforceable;

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

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

(e) Borrower has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §§1051-1127, 17 U.S.C. §101, et seq. 35 USC §101 et seq. and any other applicable statutes, rules and regulations in connection with its use of the Assets; and

(f) If, before all Obligations shall have been indefeasibly paid and satisfied in full and the Loan Agreement shall have been terminated, Borrower shall (i) obtain rights to any new trademarks, trademark registrations, trade names, or trademark or trade name licenses, or (ii) become entitled to the benefit of any trademark application, trademark, trademark registration, or trademark or trade name license renewal, the provisions of this Agreement shall automatically apply thereto and such trademark application, trademark, trademark registration, or application or trademark or trade name license renewal, shall be deemed part of the Assets. Borrower shall give Lender prompt written notice thereof along with an amended **Schedule A**.

4. Borrower further covenants that until all of Borrower's Obligations have been indefeasibly paid and satisfied in full and the Loan Agreement is terminated, it will not enter into any agreement, including without limitation, trademark or trade name license agreements or options, which is inconsistent with Borrower's obligations under this Agreement, except for agency, co-marketing and co-branding agreements.

5. So long as an Event of Default or an event which, with notice or passage of time or both, constitutes an Event of Default has not occurred under the Loan Agreement, Borrower shall

continue to have the exclusive right to use the Assets and Lender shall have no right to use the Assets or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Assets to anyone else.

6. Borrower agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Assets without prior written consent of Lender, except as permitted under Section 4 hereof.

7. If and while an Event of Default exists under the Loan Agreement, Borrower hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the State of New York, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Assets covered hereby. Upon the occurrence of an Event of Default, Borrower hereby authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, assignments, documents, papers and instruments necessary for Lender, to use the Assets or to grant or issue any exclusive or non-exclusive license under the Assets to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Assets to anyone else including, without limitation, the power to execute a trademark assignment in the form attached hereto as **Exhibit 1**. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Borrower's Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the parties hereto.

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

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

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Assets, or in defending or prosecuting any actions or proceedings arising out of or related to the Assets, or defending, protecting or enforcing Lender's rights hereunder, in each case in accordance

with the terms of this Agreement, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the principal amount of Borrower's Obligations and shall bear interest at the otherwise applicable rate of interest prescribed in the Loan Agreement.

12. Subject to the terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any trademark application with respect to the Assets pending as of the date of this Agreement or thereafter, until Borrower's Obligations shall have been indefeasibly paid and satisfied in full and the Loan Agreement is terminated, to preserve and maintain all rights in the Assets, and upon request of Lender, Borrower shall make federal application on registrable but unregistered trademarks, copyrights or trademark or trade name licenses belonging to Borrower. Any expenses incurred in connection with such applications shall be borne by Borrower. Borrower shall not abandon any Trademark without the prior written consent of Lender, which consent shall not be unreasonably withheld.

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

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

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

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

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

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

19. Borrower and Lender each waive any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties hereto or under the Loan Documents.

IN WITNESS WHEREOF, the parties hereto have executed this Third Trademarks Security Agreement the day and year first above written.

ALTEC LANSING TECHNOLOGIES, INC.

By: 

Name: Richard P. Horner

Title: Vice President, Secretary & Treasurer




Approved and Accepted:


CONGRESS FINANCIAL CORPORATION

By: 

Herbert C Korn, Vice President

SCHEDULE A


Country	Trademark	Filing Date	Application No.	Status
U.S.A.	DUPLEX	11/6/2002	78/182,252	Pending
U.S.A.	ICONIC	2/28/2003	78/216,880	Pending
U.S.A.	MANTARAY	2/20/2003	78/216,872	Pending
U.S.A.		10/8/2002	78/172,075	Pending
U.S.A.		11/6/2002	78/182,262	Pending
U.S.A.	TANGERINE	2/20/2003	78/216,859	Pending
U.S.A.	OYOYO	3/7/2003	78/222,887	Pending
China		5/5/2003	Not yet known	Pending

Hong Kong		4/25/2003	300011005	Pending
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CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF PIKE :

On this 11/16 of May, 2003, before me personally appeared Richard P. Horner, to me known and being duly sworn, deposes and says that he is the Vice President, Secretary and Treasurer of Altec Lansing Technologies, Inc., the Borrower described in the foregoing Agreement; that he signed the Agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.



Notary Public

Notarial Seal Harriet S. Tucker, Notary Public Milford Twp., Pike County My Commission Expires Sept. 18, 2006 Member, Pennsylvania Association Of Notaries
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My Commission Expires:

9/18/06

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF NEW YORK : SS
COUNTY OF New York :

On this 19th day of May, 2003, before me personally appeared Herbert C. Korn, to me known and being duly sworn, deposes and says that he is Vice President of Congress Financial Corporation, the Lender described in the foregoing Agreement; that he signed the Agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.

Maria Camacho

Notary Public

My Commission Expires:

MARIA CAMACHO
NOTARY PUBLIC, State of New York
No.: 01CA5086952
Qualified in Queens County
Certificate Filed in New York County
Commission Expires October 27, 2005

EXHIBIT 1

TRADEMARKS ASSIGNMENT

WHEREAS, Altec Lansing Technologies, Inc., a Pennsylvania corporation ("Grantor") is the registered owner of the United States trademarks, service marks, trade names, service mark applications and trademark applications listed on **Schedule A** attached hereto and made a part hereof ("Assets"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, _____ ("Grantee"), having a place of business at _____, is desirous of acquiring said Assets;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, subject to the terms of the Third Trademarks Security Agreement, of even date herewith, between Grantor and Grantee, all of its present and future right, title and interest in and to the Assets and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Trademarks Assignment to be executed as of the ___ day of _____.

ALTEC LANSING TECHNOLOGIES, INC.

By: _____

Attorney-in-fact

Witness:

EXHIBIT 1

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :

STATE OF _____: S.S.

COUNTY OF _____:

On this ____ day of _____ 20____, before me, a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of Altec Lansing Technologies, Inc., and s/he acknowledged to me that s/he executed the foregoing Trademarks Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

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

Notary Public

My Commission Expires:

POWER OF ATTORNEY

ALTEC LANSING TECHNOLOGIES, INC., a Pennsylvania corporation ("Grantor"), hereby authorizes CONGRESS FINANCIAL CORPORATION, its successors and assigns, and any officer or agent thereof (collectively, the "Grantee") as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Grantee to enforce and effectuate its rights under a certain Third Trademarks Security Agreement between Grantor and Grantee dated the date hereof (as it may hereafter be supplemented, restated, superseded, amended or replaced, the "Agreement"), including, without limitation, the power to use the Assets (as defined in the Agreement) and listed on Schedule A attached hereto and made a part hereof, to grant or issue any exclusive or nonexclusive license under the Assets to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Assets, in each case subject to the terms of the Agreement.

This Power of Attorney is given and any action taken pursuant hereto is intended to be so given or taken pursuant to and subject to the provisions of a certain Loan and Security Agreement dated May 18, 2000 (as amended), among Grantor and Grantee, as such document may be hereinafter supplemented, restated, superseded, amended or replaced.

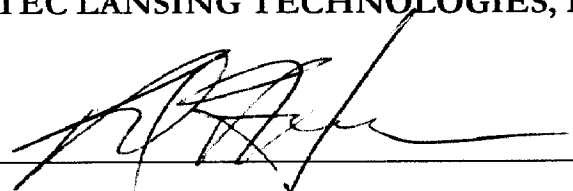
Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms of the Agreement.

This Power of Attorney shall be irrevocable for the life of the Agreement.

IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney, under seal, this 14th day of May, 2003.

ALTEC LANSING TECHNOLOGIES, INC.




By: _____



Name: Richard P. Horner

Title: Vice President, Secretary & Treasurer

SCHEDULE A

Country	Trademark	Filing Date	Application No.	Status
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U.S.A.	OYOYO	3/7/2003	78/222,887	Pending
China		5/5/2003	Not yet known	Pending

Hong Kong



4/25/2003

300011005

Pending

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF PIKE :

On this 11th of May, 2003, before me personally appeared Richard P. Horner, to me known and being duly sworn, deposes and says that he is Vice President, Secretary and Treasurer of Altec Lansing Technologies, Inc., the Grantor described in the foregoing Power of Attorney; that he signed the Power of Attorney thereto as such officer pursuant to the authority vested in him by law; that the within Power of Attorney is the voluntary act of such corporation; and he desires the same to be recorded as such.

Harriet S. Tucker

Notary Public

My Commission Expires:

9/18/06

