

11-28-2003

Form PTO-1594  
(Rev. 10/02)  
OMB No. 0651-0027 (exp. 6/30/2005)

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



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

1. Name of conveying party(ies):

Argix Direct, Inc.  
(formerly The LTA Group, Inc.)

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

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

3. Nature of conveyance:

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

Execution Date: 11/13/2003

2. Name and address of receiving party(ies)

Name: PNC Bank, National Association

Internal  
Address: \_\_\_\_\_

Street Address: One Garret Mountain Plaza

City: West Paterson State: NJ Zip: 07424

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

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

A. Trademark Application No.(s) SEE ATTACHED  
SCHEDULE A

B. Trademark Registration No.(s) SEE ATTACHED  
SCHEDULE A

Additional number(s) attached  Yes  No

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

Name: Michael P. Turner, Esq.  
Pitney Hardin Kipp & Szuch, LLP  
Internal Address: \_\_\_\_\_

P. O. Box 1945

Morristown, New Jersey 07962-1945

Street Address: 200 Campus Drive

City: Florham Park State: NJ Zip: 07932

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

5

7. Total fee (37 CFR 3.41).....\$ 140.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

9. Signature.

Michael P. Turner, Esq.  
Name of Person Signing

Signature

11/24/2003

Date

Total number of pages including cover sheet, attachments, and document: 9

12/01/2003 8TON11 00000003 76162724

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

01 FC:8321  
02 FC:8582

40.00 GP  
100.00 SP

TRADEMARK  
REEL: 002870 FRAME: 0546

**SCHEDULE A TO RECORDATION FORM COVER SHEET**

**TRADEMARKS**

**Conveying Party: Argix Direct, Inc.**

**Receiving Party: PNC Bank, National Association.**

TradeMark	Country	Registration/Filing Date	Application/Registration #
ARGIX	USA	11/13/00	76/162724
From Source to Store	USA	07/31/03	76/536421
ARGIX DIRECT	USA	07/31/03	76/536375
Passport Logistics	USA	06/28/00	76/079565
TSort	USA	07/26/02	2595576

# Rider to Loans and Security Agreement – Trademarks

THIS RIDER TO LOANS AND SECURITY AGREEMENT (“Rider”) is executed as of this 13th day of November, 2003, by and between ARGIX DIRECT, INC. (formerly known as The LTA Group, Inc.) (the “Borrower”) with an address at 100 Middlesex Center Drive, Jamesburg, New Jersey 08831 and PNC BANK, NATIONAL ASSOCIATION (the “Lender”), with an address at Two Tower Center Boulevard, East Brunswick, New Jersey 08816. This Rider is incorporated into and made part of that certain Loans and Security Agreement (“Loan Agreement”) between the Borrower and the Lender dated as of the same date as this Rider, and also into certain other financing documents and security agreements executed by and between the Borrower and the Lender. All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the Loan Agreement.

The Borrower has adopted, used and is using (or has filed applications, other than intent-to-use applications, for the registration of) the trademarks, service marks and trade names listed on Schedule “A” attached hereto and made part hereof (all such marks or names hereinafter referred to as the “Trademarks”).

The Lender desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Borrower associated therewith and represented thereby, as security for all of the Obligations (as defined in the Loan Agreement) to the Lender, and the Lender desires to have its security interest in such Trademarks 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 deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. **Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure payment and performance of the Obligations, the Borrower grants a lien and security interest to the Lender in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill and other tangible assets of the Borrower associated with and represented by the Trademarks, and the non-intent-to-use applications for and 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. **Representations and Warranties.** The Borrower represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Borrower, have not been adjudged invalid or unenforceable, and to the best of the Borrower’s knowledge, there is no reason why the Trademarks should be adjudged invalid or unenforceable; (b) each of the Trademarks is valid and enforceable; (c) the Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Borrower not to sue third persons; (d) the Borrower has the unqualified right to enter into this Rider and perform its terms; (e) the Borrower has used, and will continue to use for the duration of this Rider, proper notice, as required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; (f) the Borrower has used, and will continue to use for the duration of this Rider, consistent standards of quality in products leased or sold under the Trademarks; and (g) the Borrower will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any of the Trademarks may become invalidated, abandoned, unenforceable, avoided, avoidable or otherwise diminished in value, and shall notify the Lender immediately if it knows of any reason or has any reason to know of any grounds under which any of the foregoing may occur.

3. **Verification of Quality Control.** The Borrower hereby grants to the Lender and its employees and agents the right to visit the Borrower's locations which lease, sell, or store products under any of the Trademarks

and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Borrower's compliance with paragraph 2(f).

**4. Covenants.** The Borrower further covenants to the Lender that until all of the Obligations have been satisfied in full: (a) the Borrower shall maintain the Trademarks in full force and effect; (b) the Borrower will not enter into any agreements which are inconsistent with the Borrower's obligations under this Rider or which restrict or impair the Lender's rights hereunder; and (c) if the Borrower acquires rights to any new non-intent-to-use Trademarks, the provisions of this Rider shall automatically apply thereto and the Borrower shall give the Lender prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Borrower shall have the right to enter into agreements in the ordinary course of business with respect to the Trademarks.

**5. Exclusive Use of Trademarks.** So long as this Rider is in effect and so long as the Borrower has not received notice from the Lender that an Event of Default has occurred under the Loan Agreement and that the Lender has elected to exercise its rights to assignment hereunder, the Borrower shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Lender shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

**6. Negative Pledge.** The Borrower agrees not to sell, assign (by operation of law or otherwise) or further encumber its rights and interest in the Trademarks without prior written consent of the Lender. The Borrower shall defend the Trademarks against and shall take other action as is necessary to remove any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, and will defend the right, title and interest of the Lender in and to any of the Borrower's rights under the Trademarks against the claims or demands of all Persons whatsoever.

**7. No Additional Trademarks.** As of the date hereof, the Borrower does not own any Trademarks, or have any Trademarks registered in or the subject of pending applications in the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, other than those grants, registrations or applications for registrations listed on Schedule A annexed hereto and made a part hereof.

**8. Pledge of Additional Trademarks.** In the event the Borrower, either itself or through any agent, employee, licensee or designee shall:

(a) file or record an application for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof; or

(b) file or record any assignment of any Trademark which the Borrower may acquire, own or license from a third party, with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof;

the Borrower shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Lender thereof, and, upon request of the Lender shall promptly, but in no event more than twenty (20) days subsequent to such notice, execute and deliver any and all assignments, agreements, instruments, documents and papers as the Lender may reasonably request to evidence the Lender's interest in such Trademark and the goodwill of the Borrower associated thereto or represented thereby. The Borrower hereby grants the Lender a power of attorney, irrevocable until the Obligations are fully paid and satisfied, to modify this Rider by amending Schedule A, as applicable, to include any future Trademarks or Licenses, including, without limitation, registrations or applications appurtenant thereto, covered by this Rider.

**9. Remedies Upon Default.** (a) Anything herein contained to the contrary notwithstanding, if and while the Borrower shall be in default hereunder or an Event of Default exists under the Loan Agreement or any Other

Documents, the Borrower hereby covenants and agrees that the Lender, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Agreement or any Other Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of the Borrower's default hereunder or an Event of Default under the Loan Agreement or any Other Documents and while such default or Event of Default exists, the Borrower hereby authorizes and empowers the Lender to make, constitute and appoint any officer or agent of the Lender as the Lender may select, in its exclusive discretion, as the Borrower's true and lawful attorney-in-fact, with the power to endorse the Borrower's name on all applications, documents, papers and instruments necessary for the Lender to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Agreement or any Other Documents, and until all the Obligations are satisfied in full.

(c) The Borrower expressly acknowledges that this Rider shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Borrower shall also execute and deliver to the Lender such documents as the Lender shall reasonably request to permanently assign all rights in the Trademarks to the Lender, which documents shall be held by the Lender, until the occurrence of an Event of Default hereunder or under the Loan Agreement or any Other Documents. After such occurrence, the Lender may, at its sole option, record such documents with the Patent and Trademark Office.

**10. Subject to Loan Agreement.** This Rider 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 party against whom enforcement is being sought.

**11. Inconsistent with Loan Agreement.** All rights and remedies herein granted to the Lender shall be in addition to any rights and remedies granted to the Lender under the Loan Agreement or any Other Documents. In the event of an inconsistency between this Rider and the Loan Agreement, the language of the Loan Agreement shall control. The terms and conditions of the Loan Agreement are hereby incorporated herein by reference.

**12. Termination of Agreement.** Upon payment and performance of all Obligations under the Loan Agreement or any Other Documents, the Lender shall execute and deliver to the Borrower all documents necessary to re-vest all rights in and to the Trademarks in the Borrower and/or terminate any interest of the Lender therein.

**13. Prosecution of Trademark Applications.** (a) Subject to the terms of the Loan Agreement or any Other Documents, the Borrower shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Rider or thereafter, until the Obligations shall have been satisfied in full, to preserve and maintain all rights in the registration and grant of the Trademarks, to halt any infringement of the Trademarks, and upon reasonable request of the Lender, the Borrower shall make federal application on registrable but unregistered trademarks belonging to the Borrower. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Borrower. The Borrower shall not abandon any Trademark without the written consent of the Lender.

(b) The Borrower shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Lender may, if the Borrower deems it necessary or after an Event of Default under the Loan Agreement or any Other Documents, be joined as a nominal party to such suit if the Lender shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Borrower shall promptly, upon demand, reimburse and indemnify the Lender for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Lender in the fulfillment of the provisions of this paragraph.

**14. Responsibility and Liability.** The Borrower assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies and holds the Lender and each director, officer, employee, affiliate and agent thereof, harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees and expenses) arising out of any alleged defect in any product manufactured, promoted or sold by the Borrower in connection with any of the Trademarks or otherwise arising out of the Borrower's operation of its business from the use of the Trademarks. In any suit, proceeding or action brought by the Lender under any License for any sum owing thereunder, or to enforce any provisions of such License, the Borrower will indemnify and keep the Lender harmless from and against all expense, loss or damage suffered by reason of any defense, set off, recoupment, claim, counterclaim, reduction or liability whatsoever of the obligee thereunder or arising out of a breach of the Borrower of any obligation thereunder or arising out of any agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from the Borrower, and all such Obligations of the Borrower shall be and remain enforceable against and only against the Borrower and shall not be enforceable against the Lender.

**15. Lender's Rights.** The Lender may, in its sole discretion, pay any amount or do any act required of the Borrower hereunder or requested by the Lender to preserve, defend, protect, maintain, record or enforce the Borrower's obligations contained herein, the Obligations of the Borrower to the Lender, the Trademarks, or the right, title and interest granted the Lender herein, and which the Borrower fails to do or pay, and any such payment shall be deemed an advance by the Lender to the Borrower and shall be payable on demand together with interest thereon at the default rate specified in the Loan Agreement.

**16. Protection of the Trademarks.** The Borrower agrees that if it learns of any use by any person or any term or design likely to cause confusion with any Trademark, or of any claim of any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, the Borrower shall promptly notify the Lender of such use, lien, security interest, claim, right or other encumbrance and, if requested by the Lender, shall join with the Lender, at the Borrower's expense, in such action as the Lender, in its reasonable discretion, may deem advisable for the protection of the Lender's interest in and to the Trademarks, it being understood that the foregoing shall not preclude the Borrower from bringing an action against a Person for the protection of the Borrower's interest in and to such Trademarks.

**17. Additional Remedies.** Upon the occurrence of an Event of Default under the Loan Agreement or any Other Documents, the Lender may, without any obligation to do so, complete any obligation of the Borrower hereunder, in the Borrower's name or in the Lender's name, but at the Borrower's expense, and the Borrower hereby agrees to reimburse the Lender in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Lender in protecting, defending and maintaining the Trademarks.

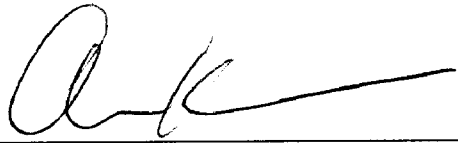
**18. Governing Law.** THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW JERSEY, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

**19. Counterparts.** This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

WITNESS/ATTEST:

ARGIX DIRECT, INC. (formerly known as  
THE LTA GROUP, INC.)



Print Name: Alan S. Kleiman, Esq.  
Title: \_\_\_\_\_



By: \_\_\_\_\_  
Print Name: Alan Darwick (SEAL)  
Title: Chief Financial Officer, Secretary and  
Treasurer

PNC BANK, NATIONAL ASSOCIATION



By: \_\_\_\_\_  
Print Name: Deborah V. Brim (SEAL)  
Title: Vice President

STATE OF NEW JERSEY

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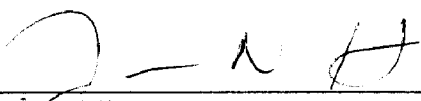
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COUNTY OF MORRIS

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On this, the 13<sup>th</sup> day of November, 2003, before me, a Notary Public, the undersigned officer, personally appeared Alan Darwick, who acknowledged himself to be the Chief Financial Officer, Secretary and Treasurer of ARGIX DIRECT, INC., a corporation of the State of Delaware, and that he, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

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

  
\_\_\_\_\_  
Notary Public

My commission expires:

JULIE-ANN N. HYDE  
A Notary Public Of New Jersey  
My Commission Expires 08/29/06

STATE OF NEW JERSEY

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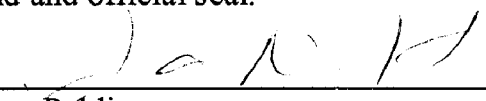
ss:

COUNTY OF MORRIS

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On this, the 13<sup>th</sup> day of November, 2003, before me, a Notary Public, the undersigned officer, personally appeared Deborah V. Brim, who acknowledged herself to be a Vice President of PNC BANK, NATIONAL ASSOCIATION and that she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

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

  
\_\_\_\_\_  
Notary Public

My commission expires:

JULIE-ANN N. HYDE  
A Notary Public Of New Jersey  
My Commission Expires 08/29/06



**SCHEDULE A TO RIDER TO LOANS AND SECURITY AGREEMENT - TRADEMARKS**

<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION OR FILING DATE</u>
1. ARGIX	76/162724	U.S.A.	November 13, 2000
2. From Source to Store	76/536421	U.S.A.	July 31, 2003
3. ARGIX DIRECT	76/536375	U.S.A.	July 31, 2003
4. Passport Logistics	76/079565	U.S.A.	June 28, 2000
5. TSort	2595576	U.S.A.	July 26, 2002