

3/8/04 R

03-10-2004



102689067

To the Honorable Commissioner of Pa.

and original documents or copy thereof.

1. Name of conveying party(ies):

GLJ, LLC CIRCULAIR, INC.

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

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

2. Name and address of receiving party(ies)

Name: Bank One, NA

Internal

Address:

Street Address: 120 S. La Salle Street

City: Chicago State: IL Zip: 60603

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other A National Banking Association

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: October 29, 2003

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

A. Trademark Application No.(s) 78/204,160

B. Trademark Registration No.(s) 2,247,498

Additional number(s) attached Yes No

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

Name: Dawn M. Cassie

Internal Address: Suite 1800

Street Address: 191 N. Wacker Drive

City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved:

27

7. Total fee (37 CFR 3.41) \$ 715.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

OFFICE OF PATENT RECORDS 2004 MAR -3 PM 4: 40 FINANCE SECTION

DO NOT USE THIS SPACE

9. Signature.

03/09/2004 JTA LANE 00000006 78204160

01 FC:0521 Dawn M. Cassie 40.00 DP

02 FC:0522 Name of Person Signing 675.00 DP

Signature (Handwritten)

3-3-04

Date

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

20

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

**ADDITIONAL TRADEMARK REGISTRATION NUMBERS**

1,796,932

1,867,583

1,874,605

1,878,227

1,912,430

2,031,188

2,051,542

2,058,257

2,171,795

2,215,070

2,234,060

2,249,249

2,268,733

2,277,423

2,296,851

2,298,869

2,352,262

2,377,869

2,384,216

2,384,237

2,400,936

2,445,093

2,518,265

2,760,090

2,748,528

## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (the "Agreement"), dated as of October <sup>29</sup>, 2003 (the "Effective Date"), is executed by GLJ, LLC, an Illinois limited liability company ("GLJ") and Circularair, Inc., an Illinois corporation ("Circularair"), jointly and severally (GLJ and Circularair are individually referred to as the "Borrower" and collectively referred to as the "Borrowers"), each of whose address is 1415 N. Dayton Street, Chicago, IL 60622, in favor of Bank One, NA, with its main office in Chicago, IL, and its successors and assigns, (the "Bank"), whose address is 120 S. LaSalle, Chicago, IL 60603.

### RECITALS

A. The Borrowers and the Bank entered into that certain Credit Agreement (the "Loan Agreement") dated the Effective Date. All capitalized terms not otherwise defined in this Agreement will have the meanings ascribed to such terms in the Loan Agreement, the applicable provisions of which are incorporated herein by this reference.

B. The Borrowers have determined that it is in their best interests to enter into the Loan Agreement. The Bank, however, will not enter into the Loan Agreement unless the Borrowers execute and deliver this Agreement to the Bank and pledges and grants to the Bank, a security interest in the Pledged Collateral (as defined herein) in order to secure the payment and performance by the Borrowers of the obligations and liabilities hereunder, under the Loan Agreement, and under all of the other instruments, documents and agreements executed and delivered by the Borrowers to the Bank in connection with the Loan Agreement (the "Related Documents") (all such obligations and liabilities being hereinafter referred to collectively as the "Obligations").

### AGREEMENT

In consideration of the mutual agreements hereinafter set forth, and of any loan, advance or financial accommodation of any kind whatsoever heretofore, now or hereafter made, given or granted to each Borrower by Bank, the Borrowers and the Bank hereby agree as follows:

1. Recitals. The recitals to this Assignment are incorporated by this reference.
2. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.
3. Grant of Security Interest. To secure the complete and timely payment and satisfaction of the Obligations, each Borrower hereby grants to the Bank, a continuing first priority and perfected security interest in, having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of each Borrower's now owned or existing or hereafter acquired (collectively, the "Pledged Collateral"):

(a) all worldwide trademarks, registered trademarks and trademark applications, service marks, logos, corporate names, assumed or fictitious trade names, trade styles, trade dress, other business identifiers, prints on which any of the foregoing have appeared or appear, all registrations and recordings thereof, registered service marks and service mark applications and all applications in connection therewith, including, without limitation, those listed on Exhibit A (such registered trademarks, trademark registrations, registered service marks and service applications being referred to collectively as the "Registered Marks"); (i) all translations, adaptations, derivations, combinations and renewals thereof; (ii) all income, royalties, damages and payments now or hereafter due or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of

any of the foregoing; (iii) the right to sue for past, present and future infringements of any of the foregoing; and (iv) all of Borrowers' rights corresponding thereto throughout the world (all of the foregoing Registered Marks, trademark application, registered service marks and service mark application, together with the items described in clauses (i) – (iv) in this Section 3(a), being sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

(b) the goodwill of the Borrowers' business connected with and symbolized by the Trademarks; and

(c) license agreements with any other party in connection with any Trademarks or such other party's trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications, whether any Borrower is a licensor or licensee under any such license agreement, including but not limited to, the license agreements listed on Exhibit B, and the right upon the occurrence and during the continuance of an event of default to use the foregoing in, connection the enforcement of the Bank's rights under the Loan Agreement and the Related Documents (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 3, the Licenses shall not include any license agreement which by its terms prohibits the grant of the security interest contemplated by this Agreement.

4. Warranties and Representations. Each Borrower, jointly and severally, represents and warrants to the Bank that, except as otherwise previously disclosed to the Bank:

(a) To the best of Borrowers' knowledge, none of the Pledged Collateral has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Pledged Collateral been cancelled in whole or in part and each trademark which is part of the Pledged Collateral is presently subsisting;

(b) The Borrowers are the sole and exclusive owners of the entire and unencumbered right, title and interest in and to the Pledged Collateral, free and clear of any liens, including without limitation, shop rights and covenants by either Borrower not to sue third persons;

(c) Neither Borrower has notice of any suits or actions commenced or, to such Borrower's knowledge, threatened with reference to the Pledged Collateral; and

(d) Each Borrower has the unqualified right to execute and deliver this Agreement and perform in accordance with its terms.

5. Restrictions on Future Agreements. Subject to paragraph 13, neither Borrower will, without the Bank's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and each Borrower further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to the Bank for its benefit, under this Agreement which are necessary in, or material to, the operation of Borrowers' business, or the rights associated with those Trademarks which are necessary in, or material to, the operation of Borrowers' business.

6. New Trademarks and Licenses. Each Borrower, jointly and severally, represents and warrants to the Bank that, based on a diligent investigation by each Borrower, the Trademarks and Licenses listed on Exhibits A and B, respectively, constitute all of the trademarks, trademark registrations, trademark application, trade names, service marks, service mark registrations, service mark applications and license agreements in connection therewith now owned or held by any Borrower that are material to

the operation of such Borrower's business. If, before the Obligations are paid in full or before the Loan Agreement and the Related Documents have been terminated, any Borrower (a) becomes aware of any existing trademark of which the Borrower has not previously informed the Bank, which is material to the operation of Borrowers' business or (b) becomes entitled to the benefit of any trademark which is material to the operation of Borrowers' business, which benefit is not in existence on the date hereof, then the provisions of this Agreement will automatically apply thereto and each Borrower will give the Bank prompt written notice thereof. Each Borrower hereby authorizes the Bank to modify this Agreement by amending Exhibit A or Exhibit B, respectively, to include any such trademark and to file a duplicate original of this Agreement containing such amended Exhibit.

7. Royalties. Each Borrower hereby agrees that the use by the Bank of the Trademarks and Licenses as authorized hereunder in connection with the Bank's exercise of its rights and remedies under Section 18 hereof and under the Loan Agreement shall be coextensive with Borrowers' rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Bank to Borrowers.

8. Further Assignments and Security Interests. The Bank shall have the right, at any reasonable time and from time to time, to inspect Borrowers' premises and to examine Borrowers' books, records and operations relating to the Trademarks; provided, that in conducting such inspections and examinations, the Bank shall use its best efforts not to disturb unnecessarily the conduct of Borrowers' ordinary business operations, and provided, further, that if no Event of Default (as such term is defined in the Line of Credit Note in the principal amount of \$250,000 of even date herewith executed by Borrowers in favor of the Bank) has occurred and is continuing, the Bank shall give each Borrower at least 24 hours prior written notice of any such inspection. Except as otherwise permitted under the Loan Agreement, each Borrower agrees not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Licenses without the prior and express written consent of the Bank.

9. Term. The term of this Agreement will extend until the Obligations are paid in full. Upon the occurrence of an event of default under the Loan Agreement and Related Documents, the use by the Bank of the Pledged Collateral will be worldwide and without any liability for royalties or other related charges from the Bank to any Borrower.

10. Product Quality. Each Borrower will maintain the quality of any and all products in connection with which the Pledged Collateral is used, consistent with commercially reasonable business practices. Upon the occurrence of an event of default, the Bank, or a conservator or receiver appointed by the Bank, will have the right to establish such additional product quality controls as the Bank, or such conservator or receiver in its reasonable judgment, may deem necessary to assure maintenance of the quality of products in connection with which the Pledged Collateral is used.

11. Nature and Continuation of The Bank's Security Interest; Termination of The Bank's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall terminate only when the Obligations have been indefeasibly paid and satisfied in full and the Loan Agreement and all of the other documents executed in connection therewith have terminated pursuant to the respective terms and provisions thereof. When this Agreement has terminated, the Bank shall promptly execute and deliver to Borrowers, at Borrowers' expense, all termination statements and other instruments as may be necessary or proper to terminate the Bank's security interest in the Trademarks and the Licenses, and to record the termination of any such security interests with any governmental body, subject to any disposition thereof which may have been made by the Bank pursuant to this Agreement.

12. Expenses. All expenses incurred in connection with the performance of this Agreement will be borne by the Borrowers. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by the Bank in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, including reasonable attorneys' fees and legal expenses, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Pledged Collateral or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Collateral will be borne by and paid by the Borrowers and until paid will constitute Obligations.

13. Duties of Borrowers. Each Borrower shall have the duty, to the extent desirable in the normal conduct of such Borrower's business and consistent with such Borrower's current business practices (a) to diligently file and prosecute all pending applications relating to the Pledged Collateral, (b) preserve and maintain all rights in the Pledged Collateral and (c) ensure that the Pledged Collateral is and remains enforceable. Borrowers shall not abandon any trademark or service mark which is the subject of a registered trademark, service or application therefore and which is or, to Borrowers' knowledge, is necessary or economically desirable in any material respect in the operation of the Borrowers' business. Notwithstanding the preceding sentence, the Borrowers shall be permitted to abandon or not renew any trademark which is not material to the operations of the Borrowers' business. Each Borrower agrees to retain an experienced trademark attorney reasonably acceptable to the Bank, or perform the work internally but only as confirmed as appropriate by the Bank's counsel, for the filing and prosecution of all appropriate applications and other proceedings. Any expenses incurred under this Section 13 will be borne by the Borrowers. The Bank shall not have any duty with respect to the Trademarks and Licenses against any other parties, but may do so at its option during the continuance of an event of default, and all reasonable expenses incurred in connection therewith shall be for the sole account of the Borrowers and added to the Obligations secured hereby.

14. Bank's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, the Bank shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Licenses and, if the Bank shall commence any such suit, Borrowers shall, at the request of the Bank, do any and all lawful acts and execute any and all proper documents reasonably required by the Bank in aid of such enforcement. Borrowers shall, upon demand, promptly reimburse the Bank for all reasonable costs and expenses incurred by the Bank in the exercise of its rights under this Section 14 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for the Bank). If for any reason whatsoever, the Bank is not reimbursed with respect to the reasonable costs and expenses referred to in the preceding sentence, then upon written notice to Borrowers, such costs and expenses shall be added to the Obligations secured hereby.

15. Waivers. Failure by the Bank at any time or times hereafter to require strict performance by Borrowers of any provision of this Agreement shall not waive, affect or diminish any right of the Bank thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Borrowers and the Bank have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Borrowers contained in this Agreement shall be deemed to have been suspended or waived by the Bank unless such suspension or waiver is in writing signed by an officer of the Bank and directed to Borrowers specifying such suspension or waiver.

16. Enforceability. Wherever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by, unenforceable or invalid under any jurisdiction, such provision will as to such jurisdiction, be severable and be ineffective to the extent of such prohibition or invalidity, without

invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

17. Modification. No amendment, modification, termination, discharge or waiver of any provision of this Agreement or consent to any departure by the Borrowers therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank, and then such waiver or consent shall be effective only for the specific purpose for which given.

18. Cumulative Remedies; Power of Attorney after Event of Default. Each Borrower hereby irrevocably designates, constitutes and appoints the Bank (and all Persons designated by the Bank in its sole and absolute discretion) as such Borrower's true and lawful attorney-in-fact, with full power of substitution, and authorizes the Bank and any of the Bank's designees, in such Borrower's or the Bank's name, upon the occurrence and during the continuance of an Event of Default and the giving by the Bank of notice to Borrowers of the Bank's intention to enforce its rights and claims against Borrowers, to take any action and execute any instrument which the Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse the Borrowers' name on all applications, documents, papers and instruments necessary or desirable for the Bank in the use of the Trademarks or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks or the Licenses as the Bank deems in its best interests. Each Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations shall have been indefeasibly paid and satisfied in full and the Loan Agreement shall have terminated pursuant to the respective terms and provisions thereof. Each Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Bank under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

The Bank shall have, in addition to all other rights and remedies given it by the terms of this Agreement, the Loan Agreement and any other agreement executed in connection therewith, all rights and remedies allowed by law and the rights and remedies of a secured party under the UCC as enacted in any jurisdiction in which the Trademarks or the Licenses may be located or deemed located. Upon the occurrence and continuance of an Event of Default and the election by the Bank to exercise any of its remedies under the UCC with respect to the Trademarks and Licenses, each Borrower agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Bank or any transferee of the Bank and to execute and deliver to The Bank or any such transferee all such agreements, documents and instruments as may be necessary, in the Bank's sole discretion, to effect such assignment, conveyance and transfer (without further recourse against Borrowers by reason of such assignment, conveyance and transfer). All of the Bank's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an event of default, the Bank may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement, and any of the other agreements executed in connection therewith. Each Borrower agrees that any notification of intended disposition of any of the Trademarks and Licenses required by law shall be deemed reasonably and properly given if given at least five (5) Business Days before such disposition; provided, that the Bank may give any shorter notice that is commercially reasonable under the circumstances.

19. Binding Effect; Benefits. This Agreement will become effective upon execution by each Borrower and the Bank. If this Agreement is not dated or contains any blanks when executed by each Borrower, the Bank is hereby authorized, without notice to the Borrowers, to date this Agreement as of the date when it was executed by the Borrowers, and to complete any such blanks according to the terms upon which this Agreement is executed. This Agreement will be binding upon each Borrower and their respective successors and assigns, and will inure to the benefit of the Bank, their successors, nominees and assigns.

20. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

21. Survival. All covenants, agreements, representations and warranties made by the Borrowers herein will, notwithstanding any investigation by the Bank, be deemed material and relied upon by the Bank and shall survive the making and execution of this Agreement and the Loan Agreement and Related Documents and shall be deemed to be continuing representations and warranties until such time as Borrowers have fulfilled all of their Obligations to the Bank, and the Bank has been paid in full. The Bank, in extending financial accommodations to Borrowers, is expressly acting and relying on the aforesaid representations and warranties.

22. Governing Law. This Agreement shall be delivered and accepted in and shall be deemed to be contracts made under and governed by the internal laws of the State of Illinois (but giving effect to federal laws applicable to national banks), and for all purposes shall be construed in accordance with the laws of such State, without giving effect to the choice of law provisions of such State.

23. WAIVER OF JURY TRIAL. THE BANK AND EACH BORROWER, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, EACH KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE IRREVOCABLY, THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE PLEDGED COLLATERAL, OR ANY OTHER AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT OR COURSE OF DEALING IN WHICH THE BANK AND THE BORROWERS ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE BANK GRANTING ANY FINANCIAL ACCOMMODATION TO THE BORROWERS.

24. LITIGATION. TO INDUCE THE BANK TO MAKE THE LOANS, EACH BORROWER IRREVOCABLY AGREES THAT ALL ACTIONS ARISING, DIRECTLY OR INDIRECTLY, AS A RESULT OR CONSEQUENCE OF THIS AGREEMENT OR THE PLEDGED COLLATERAL, SHALL BE INSTITUTED AND LITIGATED ONLY IN COURTS HAVING THEIR SITUS IN THE CITY OF CHICAGO, ILLINOIS. EACH BORROWER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE OR FEDERAL COURT HAVING ITS SITUS IN SAID CITY, AND WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS. EACH BORROWER HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO THE BORROWER AS SET FORTH HEREIN IN THE MANNER PROVIDED BY APPLICABLE STATUTE, LAW, RULE OF COURT OR OTHERWISE.

25. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.



26. Further Assurances. Each Borrower agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as the Bank will reasonably request from time to time in order to carry out the purpose of this Agreement and agreements set forth herein.

27. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Any such counterpart which may be delivered by facsimile transmission shall be deemed the equivalent of an originally signed counterpart and shall be fully admissible in any enforcement proceedings regarding this Agreement.

28. Merger. This Agreement and the Loan Agreement represent the final agreement of Borrowers and the Bank with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Borrower and the Bank.

*- Remainder of page intentionally left blank -  
[signature page follows]*

IN WITNESS WHEREOF, each Borrower and the Bank have executed this Trademark Security Agreement as of the Effective Date.

**Address for Notices:**

1415 Dayton Street  
Chicago, IL 60622  
Attention: Linda Usher and  
James Larkin

**Borrower:**

GLJ, LLC

By: J Linda M Usher  
Name: LINDA M. USHER  
Title: Manager

Circular, Inc.

By: J Linda M Usher  
Name: LINDA M. USHER  
Title: CO-CEO

**Address for Notices:**

120 S. LaSalle  
Chicago, IL 60603  
Attention: Richard Eck

**Bank:**

Bank One, NA, with its main office in Chicago, IL

By: Angela M Izzo  
Name: ANGELA M IZZO  
Title: VICE PRESIDENT

STATE OF ILLINOIS)

) ss

COUNTY OF COOK)

The foregoing TRADEMARK SECURITY AGREEMENT was acknowledged before me this 29 day of October, 2003, by Linda Usher, the COO of CIRCULAIR, INC., an Illinois corporation, on behalf of such corporation.

*[Handwritten Signature]*

Notary Public

COOK

County, IL

My commission expires: 9/10/07



STATE OF ILLINOIS)  
 ) ss  
COUNTY OF COOK)

*6651116*

The foregoing TRADEMARK SECURITY AGREEMENT was acknowledged before me this  
29 day of October, 2003, by Linda Oshar, the  
Manager of CIRCULAR, INC., an Illinois corporation, on behalf of such  
corporation.

*[Signature]*  
\_\_\_\_\_  
Notary Public *CSK*

*COOK* County, *IL*

My commission expires: *9/10/07*



STATE OF ILLINOIS)

) ss

COUNTY OF COOK)

BANK ONE, N.A.

The foregoing TRADEMARK SECURITY AGREEMENT was acknowledged before me this 29 day of October, 2003, by ANGELA TZO, the Vice PRESIDENT of CIRCULAR, INC., an Illinois corporation, on behalf of such corporation.

[Signature]  
Notary Public

Cook County, IL

My commission expires: 9/10/07



## EXHIBIT A

**SCHEDULE OF TRADEMARKS**

| MARK                | STATUS   | CURRENTLY OWNED BY            |
|---------------------|--|-------------------------------|
| ✓ BREEZE STIK       | Registered   | Innovative Design Enterprises |
| ✓ CHILLY BEAN       | Registered   | Circular, Inc.                |
| ✓ COOL PALS         | Registered   | Innovative Design Enterprises |
| ✓ CRITTER SPITTERS  | Registered   | Circular, Inc.                |
| ✓ FANDANGLE         | Registered   | Circular, Inc.                |
| ✓ FANTEEN           | Registered   | Innovative Design Enterprises |
| ✓ FLEX FAN          | Registered<br><b>Statement of Continued Use to be filed between 12/29/2003 and 12/29/2004.</b>     | Circular, Inc.                |
| ✓ HANDS FREE BREEZE | Registered   | Circular, Inc.                |
| ✓ HEADWIND          | Registered   | Circular, Inc.                |
| ✓ KEYCHAIN FAN      | Registered   | Circular, Inc.                |
| ✓ LITTLE SQUIRTEE'S | Registered   | Innovative Design Enterprises |
| ✓ MARATHON          | Registered   | Circular, Inc.                |
| ✓ MISTER FAN        | Registered<br><b>GLJ counsel confirmed that Declaration of Use was filed on September 24, 2003</b> | Circular, Inc.                |
| ✓ PERSONAL BREEZE   | Registered   | Circular, Inc.                |
| ✓ POCKET BREEZE     | Registered   | Innovative Design Enterprises |
| ✓ POCKET PENGUIN    | Registered   | Circular, Inc.                |
| ✓ POCKET SPA        | Registered   | Circular, Inc.                |
| ✓ PORTABLE BREEZE   | Registered<br><b>GLJ counsel confirmed that Declaration of Use was filed on September 24, 2003</b> | Circular, Inc.                |
| ✓ SILENT SUNBURST   | Registered   | Circular, Inc.                |
| ✓ SIP'N COOL        | Registered   | Innovative Design Enterprises |
| ✓ SOUL INDULGENCE   | Registered   | Circular, Inc.                |

| MARK                       | STATUS  | CURRENTLY OWNED BY                             |
|----------------------------|---|--|
| ✓ SQUEEZE BREEZE           | Registered<br><b>GLJ counsel confirmed renewal application and payment tendered on September 24, 2003</b> | Innovative Design Enterprises                  |
| ✓ ULTRA VELOCITY           | Registered  | Circular, Inc.                                 |
| ✓ WATER PALS               | Registered  | Circular, Inc.                                 |
| ✓ CIRCULAIR                | Pending   | GLJ, LLC                                       |
| FLEXI CLIP FAN             | Registered  | Squeeze Breeze/Circular a division of GLJ, LLC |
| SOFT TOUCH                 | <b>Registered</b><br>Application has recently been registered   | Squeeze Breeze/Circular a division of GLJ, LLC |
| AROMA RING                 | No Application – Common law mark  |  |
| BEANBAG FAN                | No Application – Common law mark  |  |
| CAGE AND KENNEL            | No Application – Common law mark  |  |
| DUAL COOL                  | No Application – Common law mark  |  |
| DUAL POWER                 | No Application – Common law mark  |  |
| FAN-TASTIC                 | No Application – Common law mark  |  |
| FLEXI AUTO FAN             | No Application – Common law mark  |  |
| FLEXI COMPUTER FAN         | No Application – Common law mark  |  |
| HANDY FAN                  | No Application – Common law mark  |  |
| HEAT AT THE SPEED OF LIGHT | No Application – Common law mark  |  |
| HUMPBAK                    | No Application – Common law mark  |  |
| JUMPIN' BEAN               | No Application – Common law mark  |  |
| LOVIN' TOUCH               | No Application – Common law mark  |  |
| MISTER BIG SHOT            | No Application – Common law mark  |  |
| MISTER SIPPER              | No Application – Common law mark  |  |
| MISTER SNAKE FAN           | No Application – Common law mark  |  |
| MISTER SQUIRT FAN          | No Application – Common law mark  |  |
| PEN FAN                    | No Application – Common law mark  |  |
| SUNBURST                   | No Application – Common law mark  |  |
| <b>DOMAIN NAMES:</b>       |   |  |
| O2COOL.ORG                 |   |  |

| MARK   | STATUS | CURRENTLY OWNED BY |
|--|--------|--------------------|
| O2-COOL.COM  |        |                    |
| O2-COOL.NET  |        |                    |
| O2-COOL.ORG  |        |                    |
| 02COOL.COM (numeral zero instead of letter "O")          |        |                    |
| 02COOL.ORG   |        |                    |
| 02-COOL.COM  |        |                    |
| 02-COOL.ORG  |        |                    |
| <a href="http://www.breeze.com.hk">www.breeze.com.hk</a> |        |                    |
| CIRCULAIR.COM  |        |                    |
| SQUEEZEBREEZE.COM  |        |                    |
| SQUEEZEBREEZE.ORG  |        |                    |
| SQUEEZEBREEZE.NET  |        |                    |
| SQUEEZEBREEZECIRCULAIR.COM                               |        |                    |
| WATERMISTINGFANS.COM                                     |        |                    |
| MISTERFAN.COM  |        |                    |
| CIRCULAIR.ORG  |        |                    |
| CIRCULAIR.NET  |        |                    |



**EXHIBIT B**

**LICENSES**