

Form PTO-1594 (Rev. 06/04)
OMB Collection 0851-0027 (exp. 6/30/2005)

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

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

DECO LAV, INC., a Florida corporation

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

Citizenship (see guidelines)

Execution Date(s) 10/1/04

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: PNC BANK, National Association

Internal Address:

Street Address: 5200 Town Center Circle

City: Boca Raton

State: FL

Country: USA Zip: 33486

- Association Citizenship
- General Partnership Citizenship
- Limited Partnership Citizenship
- Corporation Citizenship
- Other Financial Institution Citizenship

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s) see att'd

Sched. A to Rider to Security Agreement

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Gary S. Singer, Esq.

Internal Address: Mombach, Boyle & Hardin, P.A.

Street Address: 500 E. Broward Blvd. Ste. 1950

City: Fort Lauderdale

State: FL Zip: 33394

Phone Number: (954) 467-2200

Fax Number: (954) 467-2210

Email Address: gsinger@bbhlawyer.com

6. Total number of applications and registrations involved:

24

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 615.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers 0164
Expiration Date 9/30/06

b. Deposit Account Number _____
Authorized User Name _____

9. Signature:

Signature

Gary S. Singer

Name of Person Signing

10/5/04

Date

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

9

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

OP \$615.00 76167299

SCHEDULE A TO RIDER TO SECURITY AGREEMENT - TRADEMARKS

Deco Lav, Inc. Trademarks (A/O 8/15/04)

MATTER NO	COUNTRY ID	TMARK	APPNO	REGNO	STATUS
790-T02-006	US	DECO BRONZE	78/178,287	2,769,308	REGISTERED
790-T02-005	US	CHANGING THE WAY YOU USE THE BATHROOM	78/157,299		ABANDONED
790-T03-009	US	CHANGING THE WAY YOU VIEW THE BATHROOM	78/253,279		PENDING
790-T03-012	US	MONTALLEGRO	78/271,557		PENDING
790-T03-013	US	AMELIA	78/271,540		PENDING
790-T03-014	US	MIAMI	78/276,710		PENDING
790-T03-015	US	CARLYN	78/278,140		PENDING
790-T03-016	US	LEVAN	78/278,159		PENDING
790-T03-018	US	AURA	78/292,103		PENDING
790-T03-023	US	MARK (Stylized Design))	78/333,606		PENDING
790-T04-025CA	CA	DECO LAV	1,203,395		PENDING
790-T04-027	US	DECO LAV	78/351,813		PENDING
790-T04-028	US	A PERFECT CHISEL	78/365,955		PENDING
790-T04-029	US	CLASSICALLY REDEFINED	78/365,958		PENDING
790-T04-030	US	LET YOUR DREAMS COME ALIVE, YOUR PASSIONS BECOME REALITY, BECOME THE ENVY OF YOUR NEIGHBORS	78/365,962		PENDING
790-T04-034	US	LAKESIDE	78/372,146		PENDING
790-T04-035	US	PARK AVENUE	78/372,155		PENDING
790-T04-037	US	TRANSLUCENCE	78/379,093		PENDING
790-T04-038	US	COUNTRYSIDE	78/391,187		PENDING
790-T04-039	US	WATERFRONT	78/391,190		PENDING
790-T04-040	US	CITYSCAPE	78/391,196		PENDING
790-T04-043	US	POWER ROOM SOLUTIONS	78/413,442		PENDING
790-T04-044	US	POWER ROOM SOLUTIONS	78/413,606		PENDING
10950-002	US	DECO LAV	76/284,212	2,776,342	ISSUED

Rider to Security Agreement – Trademarks



THIS RIDER TO SECURITY AGREEMENT ("Rider") is executed as of this 15th day of October, 2004, by **DECO LAV, INC.**, a Florida corporation (the "**Grantor**") with an address at 424 SW 12th Avenue, Deerfield Beach, Florida 33442, and **PNC BANK, NATIONAL ASSOCIATION** (the "**Bank**"), as Agent for the Lenders, with an address at 5200 Town Center Circle, Suite 302, Boca Raton, Florida 33486.

This Rider is incorporated into and made part of that certain Revolving Credit and Security Agreement ("**Security Agreement**") by and among the Grantor, the various financial institutions named therein or which hereafter become a party thereto (each individually, a "**Lender**", and collectively, "**Lenders**") and the Bank, as a Lender, and as agent for the Lenders, dated as of October 1, 2004, and also into certain other financing documents and security agreements executed by and between the Grantor and the Bank (all such documents including this Rider being collectively referred to as "**Loan Documents**"). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor 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 Bank desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Security Agreement) to the Bank, and the Bank 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 Documents, 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 Grantor grants a lien and security interest to the Bank 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 Grantor 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 Grantor represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Grantor, have not been adjudged invalid or unenforceable, and to the best of the Grantor'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 Grantor 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 Grantor not to sue third persons; (d) Grantor has the unqualified right to enter into this Rider and perform its terms; (e) Grantor 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) Grantor 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) Grantor 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 Bank 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 Grantor hereby grants to the Bank and its employees and agents the right to visit the Grantor'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 Grantor's compliance with paragraph 2(f).

4. **Covenants.** The Grantor further covenants to the Bank that until all of the Obligations have been satisfied in full: (a) the Grantor shall maintain the Trademarks in full force and effect; (b) the Grantor will not enter into any agreements which are inconsistent with the Grantor's obligations under this Rider or which restrict or impair the Bank's rights hereunder; and (c) if the Grantor acquires rights to any new non-intent-to-use Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Bank prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Grantor 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 Grantor has not received notice from the Bank that an Event of Default has occurred under the Loan Documents and that the Bank has elected to exercise its rights to assignment hereunder, the Grantor shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Bank 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 Grantor 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 Bank. The Grantor 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 Bank in and to

any of the Grantor's rights under the Trademarks against the claims or demands of all persons whatsoever.

7. **No Additional Trademarks.** As of the date hereof, the Grantor 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 Grantor, 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 Grantor 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 Grantor shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Bank thereof, and, upon request of the Bank 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 Bank may reasonably request to evidence the Bank's interest in such Trademark and the goodwill of the Grantor associated thereto or represented thereby. The Grantor hereby grants the Bank 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 Grantor shall be in default hereunder or an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Bank, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan 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 Grantor's default hereunder or an Event of Default under the Loan Documents and while such default or Event of Default exists, the Grantor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Bank 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 Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Grantor 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 Documents, and until all the Obligations are satisfied in full.

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

10. **Subject to Security Agreement.** This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

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

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

13. **Prosecution of Trademark Applications.** (a) Subject to the terms of the Loan Documents, the Grantor 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 Bank, the Grantor shall make federal application on registrable but unregistered trademarks belonging to the Grantor. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Grantor. The Grantor shall not abandon any Trademark without the written consent of the Bank.

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

14. **Responsibility and Liability.** The Grantor assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies, defends and holds the Bank 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 Grantor in connection with any of the Trademarks or otherwise arising out of the Grantor's operation of its business from the use of the Trademarks. In any suit, proceeding or action brought by the Bank under any License for any sum owing thereunder, or to enforce any provisions of such License, the Grantor will indemnify, defend and keep the Bank 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 Grantor 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 Grantor, and all such Obligations of the Grantor shall be and remain enforceable against and only against the Grantor and shall not be enforceable against the Bank.

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

16. **Protection of the Trademarks.** The Grantor 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 Grantor shall promptly notify the Bank of such use, lien, security interest, claim, right or other encumbrance and, if requested by the Bank, shall join with the Bank, at the Grantor's expense, in such action as the Bank, in its reasonable discretion, may deem advisable for the protection of the Bank's interest in and to the Trademarks, it being understood that the foregoing shall not preclude the Grantor from bringing an action against a person for the protection of the Grantor's interest in and to such Trademarks.

17. **Additional Remedies.** Upon the occurrence of an Event of Default under the Loan Documents, the Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in the Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse the Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Bank 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 WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, 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:

(Corporation, Partnership or other Entity)

[Signature]

Print Name: DAVID NEUSTEIN

Title: COO

(Include title only if an officer of entity signing to the right)

DECO LAV, INC., a Florida corporation

By: [Signature] (SEAL)

Print Name: Rob Maya

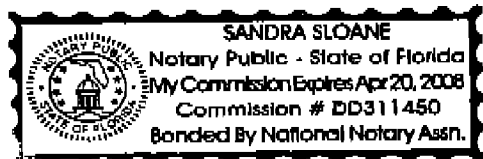
Title: President & CEO

PNC BANK, NATIONAL ASSOCIATION,
as Agent

By: [Signature]
Title: Vice President (SEAL)

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 1 day of OCTOBER, 2004 by ROBERT MAYER as PRESIDENT of and on behalf of DECO LAV, INC., a Florida corporation, who is personally known to me or who has produced a FL driver's license as identification.



[Signature]
Typed/Printed Name:
Notary Public-State of FL
My Commission Expires:
Commission Number:

STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 1 day of October, 2004 by Jean E. Page, as Vice President of and on behalf of **PNC BANK, NATIONAL ASSOCIATION**, who is personally known to me or who has produced a FL driver's license as identification.



Sandra Sloane
Typed/Printed Name:
Notary Public-State of FL
My Commission Expires:
Commission Number: