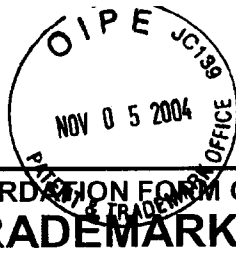


11/05/04

Form PTO-1594 (Rev. 06/04)  
OMB Collection 0651-0027 (exp. 6/30/2005)



11-12-2004

COMMERCE  
ademark Office



RECORDATION FORM  
TRADEMARKS

102880028

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):

N.C.-W.C., L.P.

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

Citizenship (see guidelines) Delaware

Execution Date(s) November 2, 2004

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: Diesel & Combustion Technologies, LLC

Internal

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

Street Address: 8 Ridgedale Road

City: Bethel

State: Connecticut

Country: USA Zip: 06801

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other Liability Co

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)

See Attached Schedule A

B. Trademark Registration No.(s)

See Attached Schedule A

Additional sheet(s) attached?  Yes  No

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

N/A

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

Name: J. Cory Nielsen

Internal Address: Cooper & Alcorn, LLP

Street Address: 185 Asylum Street

City: Place I, 35th Floor

City: Hartford

State: CT Zip: 06103

Phone Number: (860) 725-6200

Fax Number: (860) 278-3802

Email Address: \_\_\_\_\_

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 190.00

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

8. Payment Information:

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

9. Signature:

J. Cory Nielsen

Name of Person Signing

November 4, 2004

Date

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

39

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

TRADEMARK  
REEL: 003076 FRAME: 0628

11/10/2004  
01 FC:452  
02 FC:452

**SCHEDULE A**

	<b>A. Trademark Serial Number</b>	<b>B. Trademark Registration Number</b>
1.		2840574
2.		2750788
3.	78/288,029	
4.	78/288,032	
5.	78/288,043	
6.	78/288,048	
7.	78/292,679	

## ASSIGNMENT OF PATENTS AND TRADEMARKS

This **ASSIGNMENT OF PATENTS AND TRADEMARKS** (this "Assignment"), dated as of November 2, 2004, is executed and delivered pursuant to that certain Purchase and Sale Agreement of even date herewith, by and between **NC-WC, L.P.**, a Delaware limited partnership with its principal office located at 4100 Greenbriar, Suite 180, Stafford, Texas 77477 (the "Assignor") and Diesel & Combustion Technologies, LLC, a Connecticut limited liability company with its principal office located at 8 Ridgedale Road, Bethel, Connecticut 06801 ("Assignee").

### WITNESSETH:

**WHEREAS**, RJM CORPORATION (the "Debtor") is the record owner at the United States Patent and Trademark Office ("USPTO") of the registered patents and patent applications and the registered trademarks and trademark applications set forth on the attached Schedule A (the "Intellectual Property");

**WHEREAS**, pursuant to that certain Line of Credit Agreement dated March 20, 2001 (the "Loan Agreement") by and between the Debtor and Fleet National Bank ("Fleet"), a copy of which is attached hereto as Schedule B, the Debtor granted to Fleet a security interest in, among other things, all general intangibles of the Debtor, which security interest was perfected by the filing of a UCC-1 Financing Statement from the Debtor in favor of Fleet with the Connecticut Secretary of the State's office having a filing number of 1054432, which Financing Statement was amended by UCC-3 filing number 0001741296 and continued by UCC-3 filing number 0001903794, UCC-3 filing number 0001903795, and UCC-3 filing number 0002234406 (collectively, the "UCC-1 Financing Statement");

**WHEREAS**, the Loan Agreement was subsequently assigned by Fleet to the Assignor and the UCC-1 Financing Statement was assigned by Fleet to the Assignor through UCC-3 Assignment filed with the Connecticut Secretary of the State's office as filing number 0002296707;

**WHEREAS**, the Debtor defaulted on its obligations under, among other things, the Loan Agreement;

**WHEREAS**, pursuant to the judicial order entered on October 18, 2004 in the case of *Fleet National Bank v. RJM Corporation*, PJR-CV-02-0396942-S (the "Court Order"), a copy of which is attached hereto as Schedule C, a judgment was entered against the Debtor in favor of the Assignor with regard to, among other things, the Loan Agreement; and

**WHEREAS**, pursuant to a certain Purchase and Sale Agreement dated as of November 2, 2004 (the "Purchase Agreement") between the Assignor and the Assignee, the Assignor has agreed to assign to Assignee, on an "AS-IS", "WHERE-IS" BASIS, "WITH ALL FAULTS" AND WITHOUT ANY REPRESENTATION OR

WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, BY ASSIGNOR AND WITHOUT ANY RECOURSE OF ANY KIND WHATSOEVER TO ASSIGNOR, and Assignee has agreed to acquire from Assignor, all of the right, title, and interest of the Assignor, if any, in and to the Intellectual Property.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee do hereby agree as follows:

The Assignor by these presents does sell, assign, and transfer unto the Assignee, on "AS-IS", "WHERE-IS" BASIS, "WITH ALL FAULTS" AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, BY ASSIGNOR AND WITHOUT ANY RECOURSE OF ANY KIND WHATSOEVER TO ASSIGNOR, the entire right, title, and interest of the Assignor (if any) in and to the Intellectual Property together with the goodwill associated solely with the Intellectual Property and the applications and registrations solely relating thereto, and all proceeds solely relating thereto, including without limitation, any and all causes of action solely relating thereto which may exist by reason of any infringement as to the same, the same to be held and enjoyed by the Assignee for its own use and behoof, and for its legal representatives and assigns, as fully and entirely as the same would have been held by the Assignor had this assignment and sale not been made, except as otherwise provided in the Purchase Agreement.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ASSIGNEE HEREBY FURTHER AGREES THAT THE INTELLECTUAL PROPERTY IS BEING SOLD AND DELIVERED BY ASSIGNOR TO ASSIGNEE IN AN "AS IS WHERE-IS" AND "WITH ALL FAULTS" CONDITION, AND ASSIGNOR HAS NOT AND SHALL NOT BE DEEMED TO HAVE MADE ANY REPRESENTATIONS, GUARANTIES OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER WITH RESPECT TO (i) THE INTELLECTUAL PROPERTY (INCLUDING, WITHOUT LIMITATION, ANY ACCESSORIES, ACCESSIONS, ATTACHMENTS, EQUIPMENT, CERTIFICATES AND/OR MAINTENANCE RECORDS RELATED THERETO), INCLUDING, BUT NOT LIMITED TO, THE NATURE, VALIDITY, ENFORCEABILITY, COLLECTIBILITY AND/OR VALUE OF THE INTELLECTUAL PROPERTY, AND/OR THE CONDITION, DESIGN, CAPACITY AND/OR DURABILITY OF THE INTELLECTUAL PROPERTY, COMPLIANCE OF THE INTELLECTUAL PROPERTY WITH ANY LAW, RULE, REGULATION OR STANDARD PERTAINING THERETO AND/OR THE CONFORMITY OF THE INTELLECTUAL PROPERTY TO THE SPECIFICATIONS AND/OR PROVISIONS OF THIS ASSIGNMENT OR OF ANY OTHER AGREEMENT OR DOCUMENT, AND/OR QUALITY OF THE MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, USE, OPERATION, VALUE OR SAFETY, THE ABSENCE OF ANY PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT OR LATENT DEFECT (WHETHER OR NOT DISCOVERABLE BY ASSIGNEE OR ANY OTHER PARTY, PERSON OR ENTITY OF ANY KIND

WHATSOEVER), AND/OR (ii) TITLE, POSSESSION, QUIET ENJOYMENT OR THE LIKE IN THIS DISPOSITION OR SALE OF THE INTELLECTUAL PROPERTY; AND ASSIGNOR HEREBY DISCLAIMS AND ASSIGNEE BY ITS ACCEPTANCE OF THIS ASSIGNMENT HEREBY WAIVES, RELEASES AND RENOUNCES ALL WARRANTIES, GUARANTIES, OBLIGATIONS AND LIABILITIES OF ANY KIND OR NATURE WHATSOEVER OF ASSIGNOR AND ALL RIGHTS, CLAIMS AND REMEDIES OF ASSIGNEE AGAINST ASSIGNOR, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY OF THE INTELLECTUAL PROPERTY , THE TITLE, POSSESSION, THE QUIET ENJOYMENT OR THE LIKE IN THIS DISPOSITION OR SALE OF THE INTELLECTUAL PROPERTY AND/OR THE NATURE, VALIDITY, ENFORCEABILITY, COLLECTIBILITY AND/OR VALUE OF THE INTELLECTUAL PROPERTY, AND/OR ANY NON-CONFORMANCE OR DEFECT (PATENT OR LATENT, WHETHER OR NOT DISCOVERABLE BY ASSIGNEE OR ANY OTHER PARTY, PERSON OR ENTITY OF ANY KIND WHATSOEVER) IN THE INTELLECTUAL PROPERTY, INCLUDING BUT NOT LIMITED TO (A) THE QUALITY, CONTENT AND CONDITION OF THE INTELLECTUAL PROPERTY, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (B) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, (C) ANY OBLIGATIONS, LIABILITY, RIGHT, CLAIM OR REMEDY IN CONTRACT OR IN TORT (STRICT, ABSOLUTE OR OTHERWISE), WHETHER OR NOT ARISING FROM THE NEGLIGENCE OF ASSIGNOR, ACTUAL, ACTIVE, PASSIVE OR IMPUTED, AND (D) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY FOR DELAY OR NON-DELIVERY OF THE INTELLECTUAL PROPERTY, COST OF "COVER", LOSS OF OR DAMAGE TO THE INTELLECTUAL PROPERTY, ANY DIRECT OR INDIRECT DAMAGE TO PERSONS OR PROPERTY, LOSS OF USE, REVENUE OR PROFIT WITH RESPECT TO THE INTELLECTUAL PROPERTY. THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN NEGOTIATED AND AGREED TO BY THE PARTIES HERETO AND ARE INTENDED TO BE A COMPLETE NEGATION AND EXCLUSION OF ANY REPRESENTATIONS, GUARANTEES OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER BY ASSIGNOR, WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED, WHETHER ARISING PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY SIMILAR LAW NOW OR HEREAFTER IN EFFECT, OR OTHERWISE.

The Assignor does hereby authorize the Assignee to record this Assignment and such completed forms PTO-1594 and PTO-1595, as may be reasonably required to effectuate the assignment hereby contemplated, with the United States Patent and Trademark Office.

The Assignor hereby further agrees upon the reasonable request of the Assignee, to execute and deliver, as applicable, to the Assignee any other documents, agreements or instruments reasonably required by the Assignee to carry out the purposes of this Assignment; provided, however, that (i), after the date of this Assignment, the Assignee

shall promptly reimburse the Assignor for any costs and expenses incurred by, or on behalf of, the Assignor in connection with any such documents, agreements or instruments reasonably requested by the Assignee, and (ii) the Assignor shall not be obligated in any way whatsoever to execute and/or deliver any documents, agreements or instruments or take any action that (x) diminish or otherwise adversely affect in any way whatsoever the Assignor's rights, remedies or recourses relating to this Assignment, the Purchase Agreement or otherwise, or (y) increase in any way the Assignor's existing obligations or liabilities relating in any way whatsoever to this Assignment, the Purchase Agreement or otherwise.


This Assignment may be executed in counterparts, each of which shall constitute an original and which together shall be considered one and same document.

This Assignment is expressly subject to, and governed by, the terms and provisions of the Purchase Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Assignment to be executed by their duly authorized representatives as of the date first set forth above.

ASSIGNOR:  
NC-WC, L.P.

By: NC Ventures, Inc., a Texas corporation  
Its General Partner

By:   
Name: Brad A. Hrebencar  
Its: Authorized Signatory

ASSIGNEE:  
**DIESEL & COMBUSTION TECHNOLOGIES, LLC**

By: \_\_\_\_\_  
Name:  
Its:

shall promptly reimburse the Assignor for any costs and expenses incurred by, or on behalf of, the Assignor in connection with any such documents, agreements or instruments reasonably requested by the Assignee, and (ii) the Assignor shall not be obligated in any way whatsoever to execute and/or deliver any documents, agreements or instruments or take any action that (x) diminish or otherwise adversely affect in any way whatsoever the Assignor's rights, remedies or recourses relating to this Assignment, the Purchase Agreement or otherwise, or (y) increase in any way the Assignor's existing obligations or liabilities relating in any way whatsoever to this Assignment, the Purchase Agreement or otherwise.

This Assignment may be executed in counterparts, each of which shall constitute an original and which together shall be considered one and same document.

This Assignment is expressly subject to, and governed by, the terms and provisions of the Purchase Agreement.


**IN WITNESS WHEREOF**, the parties hereto have caused this Assignment to be executed by their duly authorized representatives as of the date first set forth above.

**ASSIGNOR:  
NC-WC, L.P.**

By: NC Ventures, Inc., a Texas corporation  
Its General Partner

By: \_\_\_\_\_  
Name:  
Its:

**ASSIGNEE:  
DIESEL & COMBUSTION TECHNOLOGIES, LLC**

By:   
Name: Edward A. Birds  
Its: Houston, TX, LLC

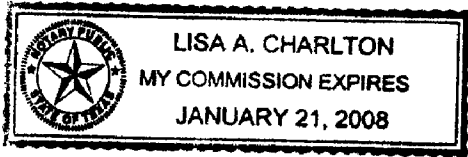
STATE OF Texas )  
 )  
COUNTY OF Fort Bend )

ss.

November 2, 2004

On this the 2nd day of November, 2004, before me, Lisa A. Charlton, personally appeared Brad Hrebencar, known to me, who acknowledged himself/herself to be the Authorized Signatory of NC Ventures, Inc., the General Partner of NC-WC, L.P., and that he/she as such Authorized Signatory, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and duly acknowledged the execution of the same to be his/her free act and deed individually and as the Authorized Signatory on behalf of NC Ventures, Inc. in its duly authorized capacity as the General Partner of NC-WC, L.P., and the free act and deed of each of said entities for the purposes therein contained in their respective capacities.

In witness whereof I hereunto set my hand.



Lisa A. Charlton  
Name: Lisa A. Charlton  
~~Commissioner of the Superior Court~~  
Notary Public  
My Commission Expires: 1/21/08

STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

ss.

November 2, 2004

On this the 2nd day of November, 2004, before me, \_\_\_\_\_, the undersigned officer, appeared \_\_\_\_\_ who acknowledged him/herself to be the \_\_\_\_\_ of **Diesel & Combustion Technologies, LLC**, and that he/she as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his/her free act and deed individually and as such officer, and the free act and deed of said limited liability company for the purposes therein contained, by signing the name of the limited liability company by him/herself as such officer.

In witness whereof I hereunto set my hand.

\_\_\_\_\_  
Name:  
Commissioner of the Superior Court  
Notary Public  
My Commission Expires:

nc\rjm\3assignment of patents



STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

ss.

November 2, 2004

On this the 2nd day of November, 2004, before me, \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me, who acknowledged himself/herself to be the \_\_\_\_\_ of NC Ventures, Inc., the General Partner of NC-WC, L.P., and that he/she as such \_\_\_\_\_, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and duly acknowledged the execution of the same to be his/her free act and deed individually and as the \_\_\_\_\_ on behalf of NC Ventures, Inc. in its duly authorized capacity as the General Partner of NC-WC, L.P., and the free act and deed of each of said entities for the purposes therein contained in their respective capacities.

In witness whereof I hereunto set my hand.

\_\_\_\_\_  
Name:  
Commissioner of the Superior Court  
Notary Public  
My Commission Expires:


STATE OF Connecticut )  
 )  
COUNTY OF Fairfield )

ss. Norwalk

November 2, 2004  
JW

On this the <sup>3rd JW</sup> 2nd day of November, 2004, before me, James Cory Nielsen, the undersigned officer, appeared Edward H. Birch who acknowledged him/herself to be the Manager of **Diesel & Combustion Technologies, LLC**, and that he/she as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his/her free act and deed individually and as such officer, and the free act and deed of said limited liability company for the purposes therein contained, by signing the name of the limited liability company by him/herself as such officer.

In witness whereof I hereunto set my hand.

  
Name: James Cory Nielsen  
Commissioner of the Superior Court  
~~Notary Public~~  
~~My Commission Expires:~~

nc\rjm\3assignment of patents

SCHEDULE A

REGISTERED PATENTS AND PATENT APPLICATIONS

Title	Application Number	Filing Date	Patent Number	Issue Date
Heat Generator	06/906,524	September 12, 1986	4,903,756	February 27, 1990
Heat Generator	07/440,852	November 22, 1989	5,044,424	September 3, 1991
Method and Apparatus for Burning Solid Fuel	07/063,536	June 18, 1987	4,776,289	October 11, 1988
Flame Stabilizer for Solid Fuel Burner	07/785,744	October 31, 1991	5,131,334	July 21, 1992
Flame Stabilizer for Solid Fuel Burner	07/909,042	July 6, 1992	5,365,865	November 22, 1994
Internal Air and/or Fuel Staged Controller	08/144,230	October 27, 1993	5,415,114	May 16, 1995
Fuel Atomizer and Apparatus and Method for Reducing NOx	08/421,836	April 13, 1995	5,622,489	April 22, 1997
Reducing Nitrogen Oxides Using Spatially Selective Cooling	08/664,679	June 17, 1996	5,690,039	November 25, 1997
Coal Balancing Damper	09/657,723	September 8, 2000	6,481,361	November 19, 2002
Coal Balancing Damper	60/153,152	September 9, 1999		
Combustion Process with a Preferential Injection	60/413,726	September 26, 2002		
Combustion Process with a Preferential Injection	10/644,840	September 18, 2003		
Fuel Staging Methods for Low NOx Tangential Fired Boilers	10/346,009	January 16, 2003		
System for Pollutant Reduction in a Boiler	60/416,681	October 7, 2002		
System and Method for Pollutant Reduction in a Boiler	10/680,354	October 7, 2003		
Multifunctional Reactor for Control of Multipollutant Air	60/488,021	July 17, 2003		
Multifunctional Reactor for Control of Multipollutant Air	10/894,147	July 19, 2004		
Adjustable Angle Urea Injector	60/585,675	July 6, 2004		
<b>Acquired Patents</b>				
Semidry removal of SO2 in circulating reactor	588,567	June 7, 2000	6,444,184	September 3, 2002
Rapid absorption process/flash drying system	588,567	June 7, 2000	6,444,184	September 3, 2002
Semi-dry (spray or wheel) absorption process system	588,567	June 7, 2000	6,444,184	September 3, 2002
Pulse Baghouse (including, without limitation, high and medium pressure, 3 to 8 meter length)	588,567	June 7, 2000	6,444,184	September 3, 2002
Wet Absorber (including, without limitation, spray and packed tower designs)	588,567	June 7, 2000	6,444,184	September 3, 2002
Electric Arc Furnace (sizing of gas volume and cooling process)	588,567	June 7, 2000	6,444,184	September 3, 2002
AOD Furnace (sizing of gas volume and cooling process)	588,567	June 7, 2000	6,444,184	September 3, 2002
Canopy Hood (sizing of required volumes)	588,567	June 7, 2000	6,444,184	September 3, 2002

TRADEMARK

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Volume Conversions from Gas Compositions (including conversion and sizing of design volume)	588,567	June 7, 2000	6,444,184	September 3, 2002
Boiler Calculations from Fuel Composition (including RAP and NOx equipment sizing)	588,567	June 7, 2000	6,444,184	September 3, 2002
Reverse Gas Baghouse (including, without limitation, open and closed, 8 inch and 12 inch)	588,567	June 7, 2000	6,444,184	September 3, 2002

**SCHEDULE A  
(continued)**

**REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS**

<b>Mark</b>	<b>IC</b>	<b>Serial Number</b>	<b>Filing Date</b>	<b>Registration Number</b>	<b>Registration Date</b>
RJM and Design	007	76/031,464	April 20, 2000	2840574	May 11, 2004
RJM ARIS TECHNOLOGY (Stylized)	009	76/031,465	April 20, 2000	2750788	August 12, 2003
RJM-BEAUMONT	007	78/288,029	August 15, 2003		
FLASH DRYING TECHNOLOGY	037	78/288,032	August 15, 2003		
RAPID ABSORPTION PROCESS	037	78/288,043	August 15, 2003		
DRY ABSORPTION PROCESS	037	78/288,048	August 15, 2003		
RJM-LT	007	78/292,679	August 27, 2003		
RJM-AC					
ELECTRO PULSE					

**SCHEDULE B**

**COPY OF LOAN AGREEMENT**

## LINE OF CREDIT AGREEMENT

RJM CORPORATION of 501 MERRITT SEVEN, 5TH FLOOR, NORWALK, CT 06851 (jointly and severally if more than one, the "Borrower") and Fleet National Bank, a national banking association created and existing under the laws of the United States of America with its principal office located at 111 Westminster Street, Providence, RI 02903 (the "Bank"), for valuable consideration, the receipt of which is hereby acknowledged, agree as follows:

### I. DEFINITIONS.

1. Each reference herein to:
  - a. "Accounts", "Chattel Paper", "Consumer Goods", "Documents", "Equipment", "Farm Products", "Fixtures", "General Intangibles", "Goods", "Instruments", "Inventory", "Money", and "Securities" shall have the meaning assigned to each in the Uniform Commercial Code from time to time in effect in the State (the "UCC");
  - b. "Affiliates of Borrower" means any person or entity that, directly or indirectly, controls, is controlled by or is under common control with the Borrower or is an inside director or officer of the Borrower. For purposes of this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to vote five percent (5%) or more of (i) the voting stock of a corporation, (ii) the partnership interests of a partnership, or (iii) the membership interests of a limited liability company, or to direct or cause the direction of the management and policies of any such entity, whether through the ownership of voting stock, partnership interests, membership interests, by contract or otherwise;
  - c. "Books and Records" shall mean all books, correspondence, credit files, records and other documents relating directly or indirectly to the Obligations and the Collateral, including, without limitation, all tapes, cards, runs, data bases, software programs, diskettes, and other papers and documents in the possession or control of the Borrower, any computer service bureau, or other agent or independent contractor;
  - d. "Loan Documents" shall mean this Agreement, the Note, any Bank issued Commitment Letter and any amendments thereto, and any and all mortgages, pledge agreements, security agreements, financing statements, guaranties and other documents related to this Agreement and/or the Loan;
  - e. "Material Adverse Change" shall mean with respect to the Borrower and any guarantors and any of their respective properties or revenues, an event, action or condition that would or is reasonably likely to (i) adversely affect the validity or enforceability of, or the authority of the Borrower and/or any guarantor to perform their respective obligations under, the Loan Documents, or (ii) materially adversely affect the business, operations, assets or condition (financial or otherwise) of the Borrower and/or any guarantor or the ability of the Borrower and/or any guarantor to perform their respective obligations under any of the Loan Documents, or (iii) materially adversely affect the value of any Collateral;
  - f. "Rate" "Prime Rate" shall mean the prime rate designated from time to time by the Bank as being its "prime rate" of interest, such interest rate to change on the effective date of each change in the Prime Rate, which rate of interest may not necessarily be the lowest rate of interest charged by the Bank to anyone of its customers or any particular class of customers.
  - g. "State" shall mean the State of Connecticut.

### II. LOAN.

1. **Credit Limit.** This Agreement evidences a line of credit for the Borrower's short-term borrowing needs (the "Loan") with a credit limit (the "Credit Limit") of the maximum principal sum of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00). Such Credit Limit is further modified by the provisions of Paragraph 10 of this Part II. Within such Credit Limit, until demand by the Bank and/or termination of the Bank's commitment upon the occurrence of an Event of Default, the Borrower may borrow, repay, and re-borrow hereunder.
2. **Advances.** The Bank agrees to make advances to the Borrower until demand by the Bank and/or termination of the Bank's commitment upon the occurrence of an Event of Default, provided that the aggregate principal amount of the Loan does not exceed the Credit Limit. The outstanding principal balance of all advances shall bear interest at the sum of the Prime Rate plus ZERO percent (00%) per annum.
3. **Excess Advances.** If for any reason the aggregate outstanding principal balance of the Loan should at any time exceed the Credit Limit, the Borrower shall, without demand, immediately pay to the Bank a sum sufficient to reduce the outstanding principal balance of the Loan to the Credit Limit.
4. **Minimum Amount of Advance.** Each advance under this Agreement shall be in the minimum amount of One Thousand Dollars (\$1,000.00) or the unadvanced balance of the Credit Limit, whichever is less.
5. **Telephone Access.** The Borrower shall access the Loan by a telephonic request. The Borrower accepts all risks inherent in such request. The Borrower absolves the Bank from all damages, loss and liabilities of whatsoever nature which may result

from an unauthorized telephonic request, a defective transmission, or a telephonic request which is misunderstood by the Bank employee. Neither the Bank nor any of its directors, officers or employees shall be under any duty to pass upon the validity, accuracy, authorization, effectiveness, or genuineness of any telephonic request, and the Bank and its directors, officers and employees shall be entitled to assume that any such telephonic instructions are valid, effective, accurate, genuine and authorized. The Borrower consents to the Bank's taping and recording of all telephonic conversations relating to this Agreement and the Loan. All advances shall be disbursed by the Bank by deposit of the Loan proceeds to the Borrower's deposit account with the Bank

6. **Demand Loan.** On demand by the Bank, the entire outstanding principal balance of the Loan and all accrued interest shall immediately become due and payable.
7. **Note; Interest Calculation.** The Loan shall be evidenced by the Borrower's note of even date with this Agreement (which note and all amendments thereto and any additional or supplementary notes executed pursuant to this Agreement are herein referred to collectively as the "Note"). After demand, all principal and other amounts outstanding and payable under the Note shall bear interest at the rate of twenty percent (20%) per annum until paid in full. Interest shall be calculated on the basis of a 360-day year using the actual number of days elapsed.
8. **Late Fee.** If the entire amount of any required principal and/or interest is not paid in full within (10) days after the same is due, the Borrower shall pay to the Bank a late fee equal to five percent (5%) of the required payment.
9. **Prepayment.** The Borrower shall have the right at any time and from time to time to prepay the Loan in whole or in part, without premium, penalty, or other charge (except as set forth in the next sentence), but with accrued interest to the day of such prepayment on the amount prepaid. To the extent that any full prepayment during the first twelve (12) months from the date of this Agreement results, directly or indirectly, from the application of funds borrowed by the Borrower from any lending or financial services institution other than the Bank, the Borrower shall pay to the Bank at the time of such prepayment a non-refundable early termination fee of \$35 (if unsecured ) or \$75 (if secured). This provision shall not constitute a waiver of Part V, 9 of this Agreement.
10. **Annual Clean Up.** As long as this Agreement remains in effect, the Borrower shall at least once each twelve (12) month period pay such amount of outstanding advances and accrued interest thereon as may be necessary to maintain for a period of at least thirty (30) consecutive days thereafter a Loan balance less than or equal to zero percent (0%) of the Credit Limit. The Borrower's compliance with this provision shall not cause a termination of any security agreements, mortgages or other agreements which may secure the Loan.

### III. REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants that:

1. **Organization and Powers.** (a) If a corporate, partnership, limited liability company or trust Borrower, it is duly organized, validly existing and in good standing, (b) it has the power and authority to own its properties and to carry on its business as now being conducted and, if a corporate, partnership, limited liability company or trust Borrower, is qualified to do business in every jurisdiction where such qualification is necessary, (c) it has the power to execute, deliver and perform the Loan Documents, (d) the execution, delivery and performance of the Loan Documents have been duly authorized by all requisite action, (e) the execution, delivery and performance of the Loan Documents will not violate any provision of law, any order of any court or other agency of government, the Certificate of Incorporation or By-laws of a corporate Borrower, the partnership agreement of a partnership Borrower, the Certificate of Incorporation or Operating Agreement of a limited liability company Borrower, or the trust agreement of a trust Borrower, or any indenture, agreement or other instrument to which it is a party, or by which it is bound, or be in conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower (other than in favor of the Bank) or the acceleration of any of its outstanding indebtedness.
2. **Financial Statements.** The Borrower has heretofore furnished to the Bank accurate and complete financial data and other information based on its operations in previous years, and said financial data fairly presents the financial position and the results of operations for the periods indicated therein. There has been no Material Adverse Change since the date of the most recent financial statement.
3. **Litigation.** There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending or threatened against or affecting the Borrower.
4. **No Conflict.** The Borrower is not a party to any agreement or instrument or subject to any restriction materially or adversely affecting its business, properties or assets, operations or condition, financial or otherwise. The Borrower has no knowledge that it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party.
5. **Use of Proceeds.** No part of the proceeds of the Loan will be used for consumer purposes or will be used to purchase or carry, directly or indirectly, any margin stock or margin security (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any such margin stock or margin security. If requested by the Bank, the Borrower will furnish in connection with this Agreement a statement in conformity with the requirements of Federal Reserve Form U-1 referred to in said Regulation U.

### IV. CONDITIONS OF LENDING.

RJM CORPORATION

The Bank shall be obligated to make advances under this Agreement only if on the date such advance is requested:

- a. The representations and warranties in Part III hereof are true and correct;
- b. No Event of Default exists; and
- c. The Bank shall have received: (a) certificate of authority, (b) the original Loan Documents, and (c) such additional supporting documents as the Bank may reasonably request.

## V. COVENANTS.

The Borrower covenants and agrees that it will:

- 1.a. **Legal Existence; Insurance; Etc.** Keep in full force and effect its legal existence (if a corporation, partnership, limited liability company or trust), rights, licenses, permits and franchises and operate its business as conducted prior to the date hereof; maintain all property used in the conduct of its business and keep the same in good repair, working order and condition; and maintain adequate insurance on its properties against fire, theft, and extended coverage risks and against public liability and property damage and products liability and such other risks as may be required by law or as may be reasonably required by the Bank, in such form, for such periods, and written by such companies as may be satisfactory to the Bank, such insurance in the case of a secured loan to name the Bank as additional insured and/or mortgagee/loss payee. All policies of insurance shall provide for at least twenty (20) days' written notice to the Bank prior to cancellation or change in the coverage, scope or amount of any such policies or policies. Borrower shall furnish the Bank with certificates of compliance with the foregoing insurance provision.
- 1.b. **Compliance with Laws.** Comply with all present and future applicable laws, ordinances, rules, regulations, directives and other requirements of all governmental instrumentalities, including without limitation those relating to Hazardous Substances, within such time periods as required thereby, with time being of the essence.
2. **Operation of Business.** Maintain and operate its business in a proper and efficient manner.
3. **Payment of Taxes.** Pay and discharge all taxes, assessments, and governmental charges imposed upon Borrower, its income or its property before the same shall be in default, as well as all lawful claims for labor, materials and supplies or otherwise which, if unpaid, might become a lien upon any such properties.
4. **Financial Statements.** Furnish to the Bank:
  - a. promptly, from time to time as requested by the Bank, and in all events within one hundred twenty (120) days after the close of each applicable party's tax year, (i) with respect to the Borrower and all corporate, partnership or trust guarantors, financial statements (audited if requested), balance sheets, profit and loss statements, together with supporting schedules, signed and in such form as may be acceptable to the Bank; (ii) with respect to all individual guarantors, signed personal financial statements; and (iii) with respect to all entities and individuals referred to in (i) and (ii), current Federal income tax returns (with all schedules and exhibits), or in the case of a partnership, Form 1065 (with all schedules and exhibits). In any event, all the documents referred to in this subparagraph (a), regardless of when last submitted, must be submitted to the Bank, as often as the Bank shall deem necessary, if there occurs a Material Adverse Change.
  - b. promptly, from time to time, such other information regarding the operations, assets, business, affairs and financial condition of the Borrower and all guarantors, as the Bank may reasonably request; and
  - c. with respect to all personal financial statements submitted by individual guarantors, such statements shall be on forms prescribed by the Bank.
5. **Inspection.** Permit agents or representatives of the Bank, at reasonable hours and upon reasonable notice, to inspect the Books and Records of the Borrower and to make abstracts or reproductions thereof, all at the Borrower's expense.
6. **Adverse Changes.** Promptly advise the Bank of any Material Adverse Change.
7. **Accounting System.** Maintain a standard system of accounting in accordance with generally accepted accounting principles.
8. **Depository.** Maintain the Bank as the Borrower's principal depository.
9. **Indebtedness.** Not incur or permit to exist any indebtedness or liability except indebtedness to the Bank or any Bank affiliate, indebtedness with respect to warranty, trade obligations and other liabilities incurred in the ordinary course of business, and any indebtedness or liability permitted in writing by the Bank.
10. **Liens.** Not create, assume or suffer to exist any mortgage, security interest, or lien on any of its assets, now or hereafter owned, other than liens securing indebtedness to the Bank or any Bank affiliate, liens securing the payment of taxes not yet due, liens imposed by law (other than for borrowed money), liens incurred by the Borrower in good faith in the ordinary course of business, and other liens permitted in writing by the Bank.
11. **Guaranties; Etc.** Not guarantee, endorse or otherwise become or be responsible for obligations of any other person or entity, whether by agreement to purchase the indebtedness of any other person or entity or agreement for the furnishing of funds to any other person or entity through purchase of Goods, supplies or services, or by way of stock purchase, capital contribution, advance or loan, for the purpose of paying or discharging any indebtedness or obligation of such other person or entity, or otherwise, except endorsements of negotiable instruments for collection in the ordinary course of business.
12. **Investments.** Not purchase, invest in or otherwise acquire or hold Securities including, without limitation, capital stock (including closely held stock) and evidences of indebtedness of, or make loans or advances to, or enter into any arrangement for the purpose of providing funds or credit to, any other person or entity (including, without limitation, all Affiliates of the Borrower), except investments in short-term obligations of the United States and certificates of deposit issued by the Bank or any Bank Affiliate.



13. **Sales of Accounts and Instruments.** Not sell, assign, discount or dispose of any Accounts or Instruments held by the Borrower, with or without recourse, except for collection (including endorsements) in the ordinary course of business.
14. **Sales and Transfers.** Not sell, assign, lease, transfer, sell and leaseback, or otherwise dispose of all or any material amount of its assets not in the ordinary course of business to any person or entity or turn over the management of, or enter into a management contract with respect to, such assets.
15. **Valuation.** Not write up (by creating an appraisal surplus or otherwise) the value of any capital assets above their cost less the depreciation regularly allowable thereon.
16. **Fundamental Changes.** Not dissolve, liquidate, consolidate with or merge with any corporation, limited liability company or other entity or agree to do any of the foregoing.
17. ~~**Distributions.** If a corporate Borrower, not declare or pay any dividends, or make any distribution to holders of shares of its capital stock (and on account of such capital stock) of cash, capital stock or other property, or directly or indirectly, redeem, purchase or otherwise acquire any shares of its capital stock of any class; and if a partnership or limited liability company Borrower, not permit the return or withdrawal of any capital contributions; provided, however, that if the Borrower is an "S" Corporation under the Internal Revenue Code, the Borrower may make annually such cash distributions to its shareholders as shall equal the sum of federal income taxes which are allocable to such shareholders' income received or deemed to have been received on account of such shareholders' capital stock in the Borrower.~~
18. **Additional Covenants.** Comply with the additional covenants, if any, set forth on affixed Exhibit A-1.
19. CHAPTER 903a. THE BORROWER EXPRESSLY ACKNOWLEDGES THAT THIS AGREEMENT IS DELIVERED AS PART OF A COMMERCIAL TRANSACTION AS SUCH TERM IS USED AND DEFINED IN CHAPTER 903a OF THE CONNECTICUT GENERAL STATUTES AND HEREBY VOLUNTARILY AND KNOWINGLY WAIVES ANY AND ALL RIGHTS WHICH ARE OR MAY BE CONFERRED UPON IT UNDER CHAPTER 903a OF SAID STATUTES (OR ANY OTHER STATUTE AFFECTING PREJUDGMENT REMEDIES) TO ANY NOTICE OR HEARING OR PRIOR COURT ORDER OR THE POSTING OF A BOND PRIOR TO THE BANK'S OBTAINING A PREJUDGMENT REMEDY. THE BORROWER ACKNOWLEDGES THAT IT HAS BEEN ADVISED BY COUNSEL OF ITS CHOICE WITH RESPECT TO THIS TRANSACTION AND THIS AGREEMENT.

## VI. SECURITY AGREEMENT AND OTHER SECURITY DOCUMENTS.

1. **Security Interest; Collateral; Obligations.** The Borrower hereby grants to the Bank, as security for any and all obligations whatsoever of the Borrower to the Bank, whether direct, indirect, absolute or contingent, due or to become due, and whether now existing or hereafter arising and howsoever evidenced or acquired, including without limitation all indebtedness and liabilities evidenced by the Loan, this Agreement, the other Loan Documents, checking account overdrafts, and letter of credit reimbursement agreements, excluding, however, indebtedness incurred primarily for personal, family or household purposes (collectively, the "Obligations"), a security interest in and agrees and acknowledges that the Bank has and will continue to have a security interest in all of the Collateral described below, both presently owned and after acquired, together with all proceeds and products thereof, additions and accessions thereto, and all replacements and substitutions therefor (collectively, the "Collateral"), excluding, however, all such Collateral which constitutes Consumer Goods in the hands of the Borrower: Accounts, Books/Records, Chattel, Documents, Equipment, Fixtures, Instruments, General Intangibles, Inventory, Securities, Machinery, Furniture, Contract Rights.
2. Borrower hereby warrants, covenants and agrees that:
- a. **Title; Adverse Liens.** Except for prior security interests disclosed on Exhibit A-2 (if any) and except for the security interest granted hereby, the Borrower is the owner of presently owned Collateral and will be the owner of Collateral hereafter acquired free from any adverse lien, and Borrower will defend the Collateral against the claims and demands of all persons at any time claiming the same or any interest therein.
- b. **Financing Statements.** Except for financing statements evidencing the security interests which may be listed on Exhibit A-2 (if any), no financing statements covering any Collateral are on file in any public office. At the request of the Bank, the Borrower will execute one or more (i) financing statements pursuant to the UCC; (ii) title certificate lien application forms; and (iii) other documents necessary or advisable to perfect the security interests evidenced hereby, all in form satisfactory to the Bank. Where allowed by law, the Borrower hereby irrevocably authorizes the Bank to file financing statements and amendments without the signature of the Borrower. The Borrower will pay the cost of filing the aforesaid documents or filing or recording this Agreement in all public offices wherever filing or recording is deemed by the Bank to be necessary or desirable.
- c. **Adverse Liens.** The Borrower will keep the Collateral free from any future adverse liens.
- d. **Equipment.** If the Borrower has granted a security interest in Equipment:
- i. The Equipment is used primarily for business purposes.
- ii. The Equipment will be kept at the location listed on affixed Exhibit A-3. Borrower will promptly notify Bank of any change in the location of the Equipment, and Borrower will not remove the Equipment from such location without the prior written consent of the Bank.
- e. **Inventory.** If the Borrower has granted a security interest in Inventory:
- i. The Inventory is acquired for business purposes. In the absence of an Event of Default hereunder, the Borrower may sell the Inventory in the ordinary course of its business upon terms not exceeding thirty (30) days, or upon such further terms as the Bank may from time to time approve. The Borrower shall not without the consent of the Bank sell the

Inventory to any supplier or employee of the Borrower or to any person to whom the Borrower is indebted or under circumstances which would otherwise create an adverse lien, including a right of set-off, against the Account resulting from such sale.

- ii. Inventory will be kept at the location listed on affixed Exhibit A-3. The Borrower will promptly notify the Bank of any change in the location of the Inventory, and the Borrower will not remove the Inventory from such location without the prior written consent of the Bank.
- f. **Accounts.** If the Borrower has granted a security interest in Accounts:
  - i. The Borrower will upon demand render to the Bank a statement indicating the total dollar value of the Accounts.
  - ii. The only offices where the Borrower keeps Books and Records concerning any Accounts is at the location listed on affixed Exhibit A-3. The Borrower will not remove any of such Books and Records from said offices without the prior written consent of the Bank.
  - iii. During the five years immediately preceding the grant of the security interest hereby to the Secured Party, Borrower has maintained its chief executive office at the address(es), and during the time periods, set forth on Exhibit A-3. Without the prior written consent of the Secured Party, Borrower will not change its chief executive office.
  - iv. The Borrower will at all times keep accurate and complete Books and Records of its Accounts, and the Bank or any of its agents shall have the right to inspect the Borrower's Books and Records relating to said Accounts or to any other transactions to which the Borrower is a party and from which an Account might arise and to make extracts from said Books and Records, all at the Borrower's expense. The Bank may in its own name or in the names of others, communicate with account debtors in order to verify with them, to the Bank's satisfaction, the existence, amount and terms of any Accounts. The Borrower shall immediately notify the Bank of any event causing loss or depreciation in value of any of its Accounts and the amount of such loss or depreciation.
  - v. If any of the Borrower's Accounts arise out of contracts with the United States or any department, agency or instrumentality thereof, the Borrower will immediately notify the Bank thereof in writing and execute any instruments and take any steps required by the Bank in order that all monies due and to become due under such contracts shall be assigned to the Bank and notice thereof given to the government under the Federal Assignment of Claims Act.
  - vi. If any of the Borrower's Accounts should be evidenced by Instruments, the Borrower will immediately deliver such Instruments to the Bank, appropriately endorsed to the Bank's order and, regardless of the form of such endorsement, the Borrower hereby waives presentment, demand or notice of any kind with respect thereto.
  - vii. This Agreement may, but need not be supplemented by separate assignments of Accounts to the Bank, and if such assignments are given, the rights given thereby shall be in addition to and not in limitation of the rights and security interests given by this Agreement.
- g. **Fixtures; Farm Products.** If the Borrower has granted a security interest in Fixtures and/or Farm Products, there is affixed hereto as Exhibit A-4 a description of the applicable real estate and the name(s) of the record owner.
- h. **Investment Securities.** If the Borrower has granted a security interest in Investment Securities the Bank may transfer Collateral into its name or that of its nominee and may receive the income and any distributions thereon and hold the same as Collateral for the Obligations, or apply the same to any Obligation, whether or not an Event of Default has occurred.
- i. **Taxes.** The Borrower will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement and any of the other Loan Documents.
- j. **Insurance.** With respect to all required insurance policies and coverage, the Bank may act either in its name or as attorney for the Borrower (for that purpose by these presents duly authorized and appointed with full power of substitution and revocation) in obtaining, adjusting, settling and canceling such insurance and endorsing any drafts in payment of any loss.
- k. **Preservation of Collateral.** The Bank may, at its election, discharge taxes and liens levied or placed on the Collateral, pay for insurance on the Collateral and pay for the maintenance and preservation of the Collateral. The Borrower agrees to reimburse Bank on demand for any payment made, or any expense incurred by the Bank pursuant to the foregoing authorization, and in any event all such payments and expenses shall constitute an Obligation hereunder. If the Borrower fails to insure Collateral as required by this Agreement or any of the Loan Documents, the Borrower shall pay to the Bank on the date of such failure a nonrefundable fee for each such failure equal to the sum of (i) \$100 plus (ii) the amount of the insurance premium cost incurred by the Bank. Notwithstanding the foregoing, neither the charging or payment of such fee nor this provision shall in any way be deemed to waive or imply or constitute a basis for waiver of any default occasioned by Borrower's failure to comply with the insurance requirements of this Agreement or any of the Loan Documents.
- l. **Possession and Use.** Other than with respect to Collateral in which the Bank's security interest is perfected by the Bank's possession thereof, such as instruments, documents, cash, bank accounts, etc., which so long as any of the Obligations remain outstanding and unpaid shall remain in the possession of the Bank, until an Event of Default, the Borrower may have possession of the Collateral, provided that the Borrower will not use the Collateral in any unlawful manner or in a manner inconsistent with this Agreement, the Loan Documents, or any policy of insurance thereon.
- m. **Power of Attorney.** The Borrower irrevocably designates and appoints the Bank its true and lawful attorney with full power of substitution and revocation to execute, deliver, and record in the name of the Borrower all financing statements, amendments, continuation statements, title certificate lien applications and other documents deemed by the Bank to be necessary or advisable to perfect or to continue the perfection of the security interests granted hereunder.
- n. **Reproduction as Financing Statement.** A carbon, photographic, or other reproduction of a security agreement or a financing statement is sufficient as a financing statement.

- o. **Remedies.** If an Event of Default occurs, the Bank shall have the rights and remedies provided in this Agreement, including without limitation in Part VII hereof. In addition, the Bank may exercise and shall have any and all rights and remedies accorded it by the UCC. The Bank may require the Borrower to assemble the Collateral and make it available to the Bank at a place to be designated by the Bank which is reasonably convenient to both parties. The requirement of reasonable notice shall be met, if notice is mailed, postage prepaid, to the Borrower or other person entitled thereto at least ten (10) days (including non-business days) before the time of sale or disposition of the Collateral. The Bank at its option may have a receiver appointed to take possession of the Collateral, to use and operate the Collateral, to collect the profits and proceeds therefrom, and to apply the same as the court may direct. The Borrower agrees that the Bank's legal remedies are inadequate and that the Bank shall be entitled to obtain equitable relief upon the occurrence of an Event of Default. The Borrower shall pay to the Bank on demand all expenses, including reasonable legal expenses and attorney's fees (which may include costs allocated by the Bank's internal legal department), incurred or paid by the Bank in protecting or enforcing any rights of the Bank hereunder, including its right to take possession of the Collateral, storing and disposing of the same or in collecting the proceeds thereof.
- p. **Notification of Account Debtors.** The Bank shall have the right to demand from the Borrower a list of all Accounts and to notify any and all account debtors to make payment thereof directly to the Bank. The Borrower irrevocably designates and appoints the Bank its true and lawful attorney with full power of substitution and revocation in its own name or in the name of the Borrower to demand, collect, receive, receipt for, and sue for all amounts due and to become due on the Accounts and to endorse the name of the Borrower on all commercial paper given in payment or part-payment thereof and in its discretion to file any claim or take any other action which the Bank may deem necessary or appropriate to protect and preserve and realize upon the security interest of the Bank in the Accounts or the proceeds thereof. The Bank shall also have the right to (i) open all mail addressed to the Borrower; (ii) change the Post Office box or mailing address of Borrower; and (iii) use the Borrower's stationery and billing forms or facsimiles thereof, for the purpose of collecting Accounts and realizing upon the Collateral.
- q. **Inspection and Appraisal.** The Bank and its agents and representatives (including without limitation appraisers, engineers, and other professionals) shall, upon reasonable advance notice, have access to the Borrower's premises for the purpose of inspecting and appraising the Collateral and/or performing environmental site assessments. All fees and expenses incurred by the Bank in connection with such inspections, appraisals and site assessments shall be payable by the Borrower to the Bank upon demand, and until paid in full, shall be secured by the Bank's security interests.

## VII. EVENTS OF DEFAULT.

### THE ITEMIZATION OF THE FOLLOWING EVENTS OF DEFAULT DOES NOT CHANGE THE DEMAND NATURE OF THE OBLIGATIONS EVIDENCED BY THIS AGREEMENT AND THE NOTE.

- 1. **Listing of Events of Default.** The occurrence of any of the following events or conditions with respect to the Borrower shall, individually and collectively, be an "Event of Default" hereunder:
  - a. any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or the Loan shall prove to be false or misleading in any material respect;
  - b. failure to pay the principal of, or interest on, the Note or any other indebtedness of the Borrower to the Bank, within ten (10) days from the date the same or any installment thereof shall become due and payable, whether at the due date thereof or at a date fixed for prepayment or by acceleration or otherwise;
  - c. default in the due observance or performance of any other covenant, condition or agreement contained in this Agreement, any of the other Loan Documents, or in any other agreement or document evidencing or pertaining to Obligations, and such other default shall remain unremedied for ten (10) days;
  - d. the acceleration of the maturity of any of the Borrower's indebtedness other than to the Bank;
  - e. involvement in financial difficulties as evidenced by:
    - i. an attachment made on the Borrower's property or assets which remains unreleased for a period in excess of forty-five (45) days; or
    - ii. the inability to pay its debts (including without limitation taxes) generally as they become due; or
    - iii. the appointment or authorization of a custodian as defined in the Bankruptcy Code; provided, however, that in the case of the appointment of a receiver in an involuntary proceeding such appointment continues in effect and undischarged for a period of thirty (30) days; or
    - iv. the entry of an order for relief in a voluntary case under any chapter of the Bankruptcy Code; or
    - v. the filing of an involuntary petition under any chapter of the Bankruptcy Code, which petition remains undismissed for a period of thirty (30) days; or
    - vi. any other judicial modification or adjustment of the rights of Borrower's creditors;
  - f. final judgment for the payment in excess of an aggregate of Ten Thousand Dollars (\$10,000.00) shall be rendered against the Borrower and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed;
  - g. any transfer (which shall include, without limitation, by sale, exchange, gift, pledge, hypothecation, or by other means except transfers by operation of law) to any person who is not presently a shareholder of a corporate Borrower or the spouse or child of a shareholder of a corporate Borrower of any voting capital stock of the Borrower, except any transfers of such shares upon the death of a shareholder either by will or by intestacy;

- h. any transfer (as defined in (g)) to any person who is not presently a partner of a partnership Borrower or the spouse or child of a partner of a partnership Borrower of any partnership interest in the Borrower, except any transfer of such interest upon the death of a partner either by will or intestacy;
  - i. any transfer (as defined in (g)) to any person who is not presently a member of a limited liability company Borrower or the spouse or child of a member of a limited liability company Borrower of any membership interest in the Borrower, except any transfer of such interest upon the death of a member either by will or intestacy;
  - j. in the case of a trust Borrower, (i) any change in the beneficiaries of the trust; (ii) any dilution of the beneficial interest of one or more of the beneficiaries; or (iii) any change in the trustee or trustees;
  - k. the suspension of business for cause, other than strike, casualty or other cause beyond the Borrower's control and in the event of such suspension for cause beyond the Borrower's control, failure to resume operations as soon as possible;
  - l. dissolution or termination of the legal existence of the Borrower;
  - m. participation in any illegal activity or in any activity, whether or not related to the business of the Borrower, that may subject the assets of the Borrower to (i) a restraining order or any form of injunction issued by any federal or state court, or (ii) seizure, forfeiture or confiscation by any federal or state governmental instrumentality;
  - n. if the Bank believes in good faith, at any time, that either (a) the prospect of the Borrower's (i) repayment of the Loan or payment of any of its other obligations under the Loan Documents or (ii) performance of its duties thereunder is impaired or (b) there is any Material Adverse Change; or
  - o. with respect to any guaranty and/or subordination agreement included in the Loan Documents, the failure of the same to remain in full force and effect until the Loan is paid in full and this Agreement is terminated.
2. **Certain Cross-Defaults.** The happening of any event or condition set forth in subsection 1(e), (f), (l), or (m) above, with respect to a general partner of a partnership Borrower or any guarantor of the Loan shall likewise constitute an Event of Default.
  3. **Termination of Commitment.** If an Event of Default occurs, the Bank, at its option, may (i) make demand for payment of the entire outstanding principal balance and all accrued interest on account of the advances (the Bank having the right at all times, whether or not an Event of Default has occurred, to make such demand); and (ii) terminate the commitment to make advances under this Agreement (provided, however, that if the Bank shall exercise its discretionary right to make demand, such demand shall also terminate the Bank's commitment to make advances, whether or not an Event of Default has occurred).

#### VIII. MISCELLANEOUS.

1. **Waiver of Event of Default.** No delay in terminating the Bank's commitment under this Agreement and/or in making demand shall affect the rights of the Bank later to take such action with respect thereto, and no waiver as to one Event of Default shall affect rights as to any other default.
2. **Notices.** Except as otherwise specifically provided for herein, any notice, demand or communication hereunder shall be given in writing (including facsimile transmission or telex) and mailed or delivered to each party at its address set forth below, or, as to each party, at such other address as shall be designated by such party by a prior notice to the other party in accordance with the terms of this provision. Any notice to the Borrower shall be sent as follows: RJM CORPORATION, 501 MERRITT SEVEN, 5TH FLOOR, NORWALK, CT 06851. All notices hereunder shall be effective upon the earliest to occur of (i) five (5) business days after such notice is mailed, by registered or certified mail, postage prepaid (return receipt requested), (ii) upon delivery by hand (iii) upon delivery if delivered by overnight courier (such delivery to be evidenced by the courier's records), and (iv) in the case of any notice or communication by telex or telecopy, on the date when sent.
3. **Survival.** This Agreement and all covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive any making by the Bank of the Loan and the execution and delivery of any Loan Documents and shall continue in full force and effect until this Agreement is terminated and all the Obligations are paid in full.
4. **Legal Fees and Expenses; Additional Fees and Charges.** The Borrower will pay all expenses incurred by the Bank in connection with the preparation of the Loan Documents, the making of the Loan, and the enforcement of the rights of the Bank in connection with this Agreement, any of the other Loan Documents and the Loan, including, but not limited to, the reasonable fees of its counsel (which may include costs allocated by the Bank's internal legal department), plus the disbursements of said counsel. Borrower further agrees to pay to the Bank on demand all reasonable fees, costs and expenses incurred by the Bank in connection with the administration of the Loan, including, without limitation, overnight courier fees, lien search fees, and filing and recording fees. The Borrower agrees to pay on demand the Bank's service fees and charges for administrative costs as in effect from time to time (including, without limitation, such fees and charges as may be expressly provided for in this Agreement). Any such fee or charge may be implemented by the Bank from time to time or, in the case of any such existing fee or charge, the amount thereof may be increased by the Bank from time to time, in each instance, in or to such amount as the Bank in its sole discretion deems reasonable.
5. **Choice of Law.** This Agreement and all the other Loan Documents shall be construed in accordance with and governed by the local laws (excluding the conflict of laws rules, so-called) of the State.
6. **Written Modification and Waiver.** No modification or waiver of any provision of this Agreement or of any of the other Loan Documents nor consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which

given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in the same, similar or other circumstances.


7. **Accounting Practice.** All matters involving accounting practice are to be determined both as to classification of items and amounts in accordance with generally accepted principles of accounting practice consistently applied by the Borrower's accountants in the preparation of its previous annual financial statements.
8. **Documentation.** All documents required hereunder shall be in form and substance satisfactory to the Bank.
9. **Replacement Documents.** Upon receipt of an affidavit of an officer of Bank as to the loss, theft, destruction or mutilation of the Note or an security document which is not of public record, and, in the case of any such loss, theft, destruction, mutilation, upon cancellation of such Note or other security document, Borrower will issue, in lieu thereof, a replacement note or other security document in the same principal amount thereof and otherwise of like tenor.
10. **Joint and Several Obligations.** If this Agreement is signed by more than one Borrower, all obligations of the Borrowers are their joint and several obligations, and all references to the Borrower herein shall be deemed to refer to each of them, either of them, and all of them.
11. **Unenforceability.** In the event any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall be valid and enforceable to the fullest extent permitted by law.
12. **Cumulative Remedies; Setoff.** The rights and remedies provided the Bank in this Agreement and in the other Loan Documents shall be cumulative and shall be in addition to and not in derogation of any rights or remedies provided the Bank in any other document, instrument or agreement or under applicable law or otherwise, and may be exercised concurrently or successively. Borrower and any Guarantor hereby grant to Bank, a lien, security interest and right of setoff as security for all liabilities and obligations to Bank, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of FleetBoston Financial Corporation, or in transit to any of them. At any time, without demand or notice, Bank may set off the same or any part thereof and apply the same to any liability or obligation of Borrower and any Guarantor even though unmatured and regardless of the adequacy of any collateral securing the Loan. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE LOAN, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF THE BORROWER OR ANY GUARANTOR, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.
13. **Assignments and Participations.** The Borrower agrees that the Bank shall have the right at all times to sell all or any portion of the Loan and all Loan Documents, and to grant one or more participations in the Loan and in all Loan Documents. In connection therewith, the Borrower hereby irrevocably authorizes the Bank to deliver to each such purchaser, participant and prospective purchaser and prospective participant originals and copies of all Loan Documents and all financial statements and other credit and factual data from time to time in the Bank's possession which relate to the Borrower and/or all guarantors, if any, of the Loan. The Borrower further agrees that the Bank shall have the right at all times to disclose and report to credit reporting agencies such information pertaining to the Borrower and/or all guarantors, if any, as is consistent with the Bank's policies and practices from time to time in effect.
14. **Pledge to Federal Reserve.** Bank may at any time pledge all or any portion of its rights under the loan documents including any portion of the promissory note to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or enforcement thereof shall release Bank from its obligations under any of the loan documents.
15. **Maximum Rate of Interest.** All provisions of this Agreement are expressly subject to the condition that in no event shall the amount paid or agreed to be paid to the Bank hereunder and deemed interest under applicable law exceed the maximum rate of interest on the unpaid principal balance of the Loan allowed by applicable law (the "Maximum Allowable Rate"), which shall mean the law in effect on the date of this Agreement, except that if there is a change in such law which results in a higher Maximum Allowable Rate being applicable to this Agreement, then this Agreement shall be governed by such amended law from and after its effective date. In the event that fulfillment of any provision of this Agreement results in the interest rate hereunder being in excess of the Maximum Allowable Rate, the obligation to be fulfilled shall automatically be reduced to eliminate such excess. If, notwithstanding the foregoing, the Bank receives an amount which under applicable law would cause the interest rate set forth in this Agreement to exceed the Maximum Allowable Rate, the portion thereof which would be excessive shall automatically be applied to and deemed a prepayment of the unpaid principal balance of the Loan and not a payment of interest.
16. **WAIVER OF JURY TRIAL. THE BORROWER WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND ANY OF THE OTHER LOAN DOCUMENTS, AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.**
17. **Jurisdiction and Venue.** The Borrower irrevocably consents that any legal action or proceeding against it or any of its property with respect to any matter arising under or relating to this Agreement and the other Loan Documents may be brought in any court of the State, or any Federal Court of the United States of America located in the State, as the Bank may elect, and by execution and delivery of this Agreement the Borrower hereby submits to and accepts with regard to any such action or

proceeding, for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. The Borrower further irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the Borrower at its address set forth herein. The foregoing, however, shall not limit the Bank's rights to serve process in any other manner permitted by law or to bring any legal action or proceeding or to obtain execution of judgment in any other jurisdiction. The Borrower irrevocably waives any objection which it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Agreement and the other Loan Documents, and further irrevocably waives any claim that the State is not a convenient forum for any such suit, action or proceeding.

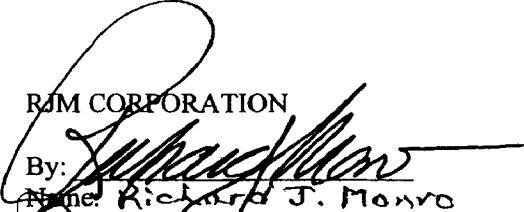
18. **Presentment; Etc.** The Borrower expressly waives presentment, notice of dishonor, protest and notice of non-payment.
19. **Debit.** The Borrower hereby irrevocably authorizes the Bank and any subsequent holder of the Note, both before and after demand, to debit any of the Borrower's business accounts maintained with the Bank (or subsequent holder) for all sums (including without limitation principal, interest, late fees, and other fees) payable from time to time under this Agreement and the other Loan Documents. In addition, if the Borrower has signed a separate authorization, the Bank is authorized to initiate ACH debit transfers for the Loan payments and on the business account(s) specified in the authorization. These provisions shall not obligate the Bank to create or allow any overdraft, and such authority shall not relieve the Borrower of the obligation to assure that payments are made when due.
20. **Integration.** The Loan Documents supersede all prior agreements between the parties with respect to the Loan, whether oral or written, including, without limitation, all correspondence between counsel for the respective parties. The Loan Documents constitute the entire agreements between the parties with respect to the Loan, and the rights, duties, and obligations of the parties with respect thereto.
21. **Lender Liability.** The Bank shall not be liable for any loss sustained by any party resulting from any action, omission, or failure to act by the Bank, whether with respect to the exercise or enforcement of the Bank's rights or remedies under the Loan Documents, the Loan, or otherwise, unless such loss is caused by the actual willful misconduct of the Bank conducted in bad faith. **IN NO EVENT SHALL THE BANK EVER BE LIABLE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES, ANY RIGHT OR CLAIM THERETO BEING EXPRESSLY AND UNCONDITIONALLY WAIVED.**
22. **Bank's Decisional Standards.** To the extent that applicable laws require the Bank's actions or decisions under the Loan Documents to be conducted in good faith, the term "good faith" shall be defined (using a subjective standard) as honesty in fact with regard to the conduct or transaction concerned based upon the facts and circumstances actually known to the individual(s) acting for the Bank, and such requirement may be satisfied by reliance upon the advice of attorneys, accountants, appraisers, architects, engineers, or other qualified professionals.
23. **Descriptive Headings; Context.** The captions in this Agreement are for convenience of reference only and shall not define or limit any provision. Whenever the context requires, reference in this Agreement to the neuter gender shall include the masculine and/or feminine gender, and the singular number shall include the plural, and, in each case, vice versa.
24. **Acknowledgment of Copy.** The Borrower acknowledges that it has received a fully executed copy of this Agreement.

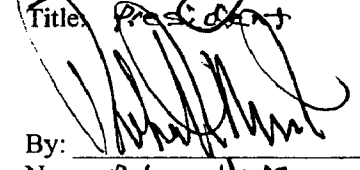
IN WITNESS WHEREOF, the Borrower and the Bank, by persons duly authorized, have executed this Agreement as of March 20, 2001.

WITNESS:

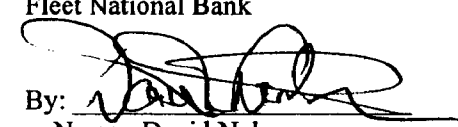


RJM CORPORATION

By:   
Name: Richard J. Monroe  
Title: President

By:   
Name: Robert H. Monroe IV  
Title: Vice President

Fleet National Bank

By:   
Name: David Nelson  
Title: Vice President

RJM CORPORATION

**EXHIBIT A-1**

**Reference to V. 19: Additional Covenants**

The Borrower shall comply with the following additional requirements:

<b>PROPOSED COVENANTS</b>	<b>LIMITS</b>	<b>TESTING FREQUENCY</b>
NI + Dep. + Amort + Int./CMLTD + Int.	2.0	Annually
Current ratio as defined by GAAP	1.05	Quarterly
Minimum tangible net worth (less intangible assets, including leaseholds and licenses)	\$700M to step up to \$900M by FYE 11/30/01	Quarterly

**EXHIBIT A-2**

**Prior Security Interests in Collateral**

**EXHIBIT A-3**

**Location of Equipment**

501 MERRITT SEVEN, 5TH FLOOR, NORWALK, CT 06851

**Location of Inventory**

501 MERRITT SEVEN, 5TH FLOOR, NORWALK, CT 06851

**Offices Containing Records of Accounts**

501 MERRITT SEVEN, 5TH FLOOR, NORWALK, CT 06851

**EXHIBIT A-4**

**Description of Real Estate**

**Name(s) of Record Owner**



**SCHEDULE C**

**COPY OF COURT ORDER**

1061 MAIN STREET

BRIDGEPORT, CT

06601

DOC NO CV-02-0396942-S NOTICE ISSUED 10/18/2004  
PLTF FLEET NATIONAL BANK VS.  
DFDT R J M CORPORATION

PLEASE BE ADVISED THAT THE FOLLOWING ORDER  
HAS BEEN ENTERED ON THE ABOVE CASE:

107-00 MOT SUBSTITUTE PARTY FILE DT 08/27/2004  
GRNTD - DATE 10/18/2004 JUDGE HON GILARDI

BENANTI & ASSOCIATES  
350 BEDFORD ST, SUITE 201

108-00 MOT STIPULATED JUDGMENT FILE DT 08/27/2004  
GRNTD - DATE 10/18/2004 JUDGE HON GILARDI

STAMFORD CT  
06901

DIRECT INQUIRIES TO: CLERKS OFFICE, JUD. DIST.  
SUPERIOR COURT  
1061 MAIN STREET

BRIDGEPORT, CT

06601

PJR-CV-02-0396942-S : SUPERIOR COURT  
 :  
 FLEET NATIONAL BANK : JUDICIAL DISTRICT  
 : OF FAIRFIELD  
 V. : AT BRIDGEPORT  
 :  
 R J M CORPORATION : AUGUST 26, 2004

MOTION FOR JUDGMENT UPON STIPULATION

NC-WC, L.P. ("NC"), the successor in interest to Fleet National Bank ("Fleet"), respectfully requests that the Court enter judgment in this matter in accordance with the Stipulation and Agreement for Judgment between the defendant, R J M Corporation ("RJM"), and Fleet dated December 19, 2002, attached hereto and made a part hereof (the "Stipulation").

As of August 27, 2004, the aggregate amount that remains due and owing to NC from RJM on account of the Stipulation is \$518,745.70, consisting of principal of \$490,000.00 and accrued interest of \$28,745.70 (accruing at the per diem rate of \$102.80), plus costs and expenses, including, without limitation, attorneys' fees, incurred by, or on behalf of, NC. Accordingly, NC requests that the Court enter judgment in favor of NC and against RJM in the foregoing amounts.

NC further moves, pursuant to Section 54-2a of the Stipulation, that the Court further enter judgment in favor of NC on the Second Count of the Complaint, attached hereto as Application

2004 AUG 27 A 9:10  
 JUDICIAL DISTRICT OF  
 FAIRFIELD AT BRIDGEPORT  
 SUPERIOR COURT  
 CLERK OF THE COURT

ORAL ARGUMENT IS REQUESTED  
TESTIMONY IS NOT REQUIRED

*M.F.J.D. 605*

STATE OF CONNECTICUT  
 SUPERIOR COURT  
 JUDICIAL DISTRICT OF  
 FAIRFIELD  
 10-18-04  
 CERTIFIED COPY  
 SEAL AFFIXED


BY: *Jason Jewell*  
 CLERK  
 TRADEMARK

*108*

For Prejudgment Remedies dated October 8, 2002), foreclosing NC's security interest in and lien on the Collateral (as such term is defined in the Line of Credit Agreement executed by Fleet and RJM dated March 20, 2001) and granting NC immediate possession of the Collateral pursuant to the Connecticut General Statutes §42a-9-609 and/or 2001 P.A. 01-132 § 106 and said Line of Credit Agreement.

NC also requests that the Court order RJM to assemble the Collateral and make it available to NC at Defendant's business premises in Norwalk, Connecticut within ten (10) days of the entry of the Court's judgment.

PLAINTIFF,  
NC-WC, L.P., SUCCESSOR IN INTEREST TO  
FLEET NATIONAL BANK

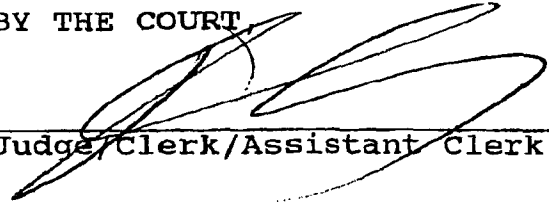
By:   
Paul A. De Genaro  
Benanti & Associates  
350 Bedford Street, Suite 201  
Stamford, CT 06901  
Juris No. 401985  
(203) 324-9559  
Its Attorneys

ORDER

The foregoing Motion having been heard by the Court, it is hereby ORDERED: GRANTED/DENIED.

BY THE COURT

10/18/04

  
Judge/Clerk/Assistant Clerk

PJR-CV-02-0396942-S : SUPERIOR COURT  
 FLEET NATIONAL BANK :  
 V. : JUDICIAL DISTRICT  
 : OF FAIRFIELD  
 R J M CORPORATION : AT BRIDGEPORT  
 : AUGUST 26, 2004

MOTION TO SUBSTITUTE PLAINTIFF

Pursuant to Rule 9-16 of the Connecticut Rules of Court, NC-WC, L.P. ("NC"), the successor in interest to Fleet National Bank ("Fleet"), respectfully requests that the Court substitute NC as the plaintiff in lieu of Fleet in the above-captioned action.

Fleet commenced this action on or about October 8, 2002 in order to, among other things, collect upon a certain Line of Credit Promissory Note dated March 20, 2001 from the defendant, R J M Corporation ("RJM"), to Fleet.

Pursuant to (i) an Allonge executed by Fleet in favor of NC and (ii) a Bill of Sale from Fleet to NC, (copies of which are attached hereto), Fleet assigned to NC the note and other loan documents that are the subject of this action.

JUDICIAL DISTRICT OF  
 FAIRFIELD AT BRIDGEPORT  
 STATE OF CONNECTICUT  
 2004 AUG 27 A 10:12  
 CLERK OF THE COURT  
 SUPERIOR COURT

STATE OF CONNECTICUT  
 SUPERIOR COURT  
 JUDICIAL DISTRICT OF  
 FAIRFIELD  
 10-18-04  
 CERTIFIED COPY  
 SEAL AFFIXED  
 BY Jason Judd  
 Assd. Clerk


MT SUP 74

107

ORAL ARGUMENT IS REQUESTED  
TESTIMONY IS NOT REQUIRED

WHEREFORE, NC respectfully requests the Court substitute NC as the plaintiff in the above-captioned action in lieu of Fleet.

PLAINTIFF,  
NC-WC, L.P., SUCCESSOR IN INTEREST TO  
FLEET NATIONAL BANK

By:   
Paul A. De Genaro  
Benanti & Associates  
350 Bedford Street, Suite 201  
Stamford, CT 06901  
Juris No. 401985  
(203) 324-9559  
Its Attorneys

ORDER

The foregoing Motion having been heard by the Court, it is hereby ORDERED:

GRANTED/DENIED.

BY THE COURT

10/18/04

  
Judge/Clerk/Assistant Clerk

CERTIFICATION

This is to certify that a copy of the foregoing was mailed this date, via first class mail, postage prepaid, to:

Kerry M. Wisser, Esq.  
Weinstein & Wisser, P.C.  
29 South Main Street, Suite 207  
West Hartford, CT 06107

  
Paul A. De Genaro

PJR-CV-02-0396942-S : SUPERIOR COURT  
 :  
 FLEET NATIONAL BANK : JUDICIAL DISTRICT  
 : OF FAIRFIELD  
 V. : AT BRIDGEPORT  
 :  
 R J M CORPORATION : DECEMBER 19, 2002

STIPULATION AND AGREEMENT FOR JUDGMENT

The plaintiff, Fleet National Bank ("Plaintiff"), and the defendant, R J M Corporation ("Defendant"), have entered into the within Stipulation and Agreement for Judgment (this "Stipulation") and hereby request that this Court enter judgment in the above-captioned action accordingly.

The parties hereto expressly acknowledge, stipulate and agree that:

1. Defendant hereby acknowledges service of the Application For Prejudgment Remedies dated October 8, 2002 as well as all other documents filed in connection therewith (said Application and the accompanying pleadings and complaint, hereinafter being collectively referred to as the "Complaint"). Defendant hereby also acknowledges service of the Complaint and other process in this action, which Complaint is hereby filed herewith, and Defendant hereby also acknowledges and agrees that this Court has personal jurisdiction over it and subject matter jurisdiction over this action and that the filing of the Complaint institutes an action against it in this Court. Defendant hereby further waives both the thirty (30) day service and return requirement relating to this action. The Defendant hereby further acknowledges and admits that the Plaintiff is the owner and holder of a duly perfected first priority security interest in and lien on the Collateral (as such term is defined in that certain Line of Credit Agreement dated March 20, 2001 (sometimes hereinafter being referred to as the "Loan Agreement") executed and delivered by Defendant to and in favor of Plaintiff) and which is senior to any other liens and/or security interests of any kind whatsoever (subject only to the lien and/or security interests of any independent third party providing bona fide and permitted purchase money financing, if any).

2. (a) Defendant hereby further agrees and acknowledges that the aggregate sum/indebtedness of \$1,385,110.07 plus accruing interest after November 26, 2002 at the per diem rate of \$744.44 and attorneys' fees, costs and expenses of \$15,000.00

(said amounts hereinafter collectively referred to as the "Judgment Amount"), is due and owing from Defendant to Plaintiff in connection with the Complaint and the Loan Documents (as such term is defined in the First Count of the Complaint). Accordingly, Defendant and Plaintiff hereby further jointly stipulate and agree that the Court shall enter a final judgment in favor of Plaintiff and against Defendant for the entire Judgment Amount, together with attorneys' fees and expenses as set forth above (said final judgment hereinafter referred to as the "Money Judgment").

(b) Without limiting the generality of any terms of Section 2(a) of this Stipulation or otherwise as to the Money Judgment, the parties hereto further agree that Plaintiff may, at any time prior to or after the entry of the Money Judgment, further file a motion seeking an additional final judgment in favor of Plaintiff and against Defendant on the Second Count of the Complaint to foreclose Plaintiff's security interest in and lien on the Collateral and obtain immediate possession of the Collateral pursuant to the Connecticut General Statutes §42a-9-609 and/or 2001 P.A. 01-132 § 106 and the Loan Documents (any such additional judgment entered by the Court on said Second Count hereinafter referred to as the "Collateral Judgment"). With respect to any such motion seeking entry of the Collateral Judgment on the Second Count of the Complaint, Defendant may only contest whether Defendant's personal property comes within the definition of Collateral as said term is defined in the Loan Agreement and Defendant shall not in any manner be entitled or have the right to contest any other amount, thing or matter of any kind whatsoever relating to this action, the Loan Documents, the Money Judgment, the Collateral Judgment, the Judgment Amount, the Second Count, and/or this Stipulation. Defendant hereby further agrees, within ten (10) days of the entry of the Court's the Collateral Judgment as to the Second Count of the Complaint, to assemble the Collateral (as determined by the Court in connection with the entry of any such judgment) and make it available to Plaintiff at Defendant's business premises in Norwalk, Connecticut.

3. Defendant and Plaintiff hereby further agree that the Court shall enter the Money Judgment and/or the Collateral Judgment upon the terms stated herein, as well as any such further orders necessary and proper for enforcing the terms of this Stipulation.

4. Defendant hereby further acknowledges and agrees that it has no defenses, claims, off-sets or counterclaims to its



obligations to Plaintiff in connection with the Complaint, this action, this Stipulation, the Money Judgment, the Collateral Judgment (other than as, and only as, expressly set forth in Section 2(b) of this Stipulation with regard to said Collateral Judgment), the Judgment Amount, the Loan Documents, the indebtedness due, payable or owing by Defendant to Plaintiff, and any and all documents, agreements and/or instruments executed and/or delivered in connection with the Complaint, the Money Judgment, the Collateral Judgment, the Loan Documents, the indebtedness, this action, and/or any related documents, agreements or matters. Notwithstanding anything to the contrary contained in this Stipulation, Defendant reserves its rights to assert only that Defendant has fully and timely complied with all of the terms and conditions contained in a certain Settlement Agreement dated as of December 19, 2002 executed by Plaintiff and Defendant (the "Agreement").

5. Defendant hereby further withdraws with prejudice all motions and/or pleadings, if any, filed by it in this action which contest or otherwise adversely affect the Complaint and/or this action as of the date of this Stipulation and hereby further agrees not to take any other action of any kind whatsoever that would interfere with or otherwise adversely affect this action or this Stipulation. Simultaneously with the filing of this Stipulation, counsel for Defendant shall file with the Court a withdrawal of all such pleadings and/or motions, substantially in the form requested by Plaintiff, and signed by such counsel. Without limiting the generality of the terms of the foregoing or any other applicable term of this Stipulation, Defendant hereby further agrees not to assert or raise in any way whatsoever any and all legal and equitable defenses or claims with respect to the causes of action which have been, or may be, asserted by Plaintiff or its successors or assigns in this action.

6. Plaintiff shall have the right at any time (without the consent or agreement of Defendant or any other party) to open the Judgment entered in accordance with this Stipulation (i) to substitute any successor and/or assignee of Plaintiff; (ii) to make any technical amendments to the Complaint in this action; and/or (iii) to take any other action necessary to clarify, effectuate and/or enforce the Money Judgment and/or the Collateral Judgment. Defendant hereby further agrees not to contest, and hereby waives its rights to contest or oppose any of the foregoing actions, including, without limitation, the filing by Plaintiff of any Motion for Judgment pursuant to Stipulation, Motion to Open, or any other appropriate motion(s) herein. Without limiting the generality of the foregoing, Defendant

further agrees not to attempt to, and hereby waives its rights to, open, modify and/or appeal the Money Judgment and/or the Collateral Judgment (and/or any modified judgment) entered in accordance with this Stipulation.

7. This Stipulation may not be modified, except in a writing duly signed by all parties hereto; provided, however, that the foregoing shall not be construed to prevent Plaintiff from exercising its rights under Section 6 of this Stipulation.

8. If any provision of this Stipulation or any part thereof is held to be invalid or unenforceable for any reason whatsoever, such invalidity and/or unenforceability shall not affect or impair the validity or enforceability of the remaining provisions or any part thereof.

9. This Stipulation, the Money Judgment and/or the Collateral Judgment entered in accordance herewith shall be binding upon the parties hereto and their respective predecessors, successors and assigns, including, without limitation, any trustee(s)-in-bankruptcy and/or debtor(s)-in-possession in bankruptcy, as applicable, under the United States Bankruptcy laws.

10. This Stipulation may be executed by one or more of the parties to this Stipulation on any number of separate counterparts and all of said counterparts taken together shall be deemed and constitute one and the same instrument.

11. Time is of the essence of this Stipulation. This Stipulation shall be interpreted and construed by the laws of the State of Connecticut. Plaintiff and Defendant further agree and represent that they have not relied upon any agreement, statement or representation of any person, party or entity of any kind whatsoever in execution of this Stipulation, except as expressly provided or stated in this Stipulation and in the Agreement, and this Stipulation, the Agreement and any documents, agreements and instruments executed and/or delivered in connection therewith or herewith, as the case may be, constitute the entire agreement between the parties hereto relating to the subject matter hereof.

12. Except as otherwise specifically provided for in this Stipulation or the Agreement, in no event shall the execution and/or delivery of this Stipulation, the Agreement or any other documents, agreements or instruments related hereto or thereto, as the case may be, or any provisions of the same or otherwise serve to, or be construed or deemed to, release, impair or waive

in any way whatsoever any rights, remedies or recourses of any kind whatsoever of Plaintiff against Defendant (or any other party) under Connecticut law or otherwise, including, without limitation, any right to pursue or seek any claim against Defendant, and Plaintiff shall be entitled at any time and from time to time to exercise any and all of its rights, remedies and recourses against Defendant and/or any other person, party or entity of any kind whatsoever, if any, in connection with any of the documents, agreements and/or instruments evidencing the indebtedness due, payable or owed by Defendant to Plaintiff, this action, and/or any documents, agreements and/or instruments executed and/or delivered in connection with, or relating to, any or all of the foregoing, including, without limitation, any right to pursue or seek any claim against Defendant. Any and all claims, rights, remedies and/or recourses of Plaintiff against Defendant or any other person, party or entity of any kind whatsoever, if any, and/or any collateral or property of Defendant or any such other person, party or entity, set forth in the immediately preceding sentence, are hereby expressly reserved by Plaintiff.

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IN WITNESS WHEREOF, Plaintiff and Defendant have each caused this stipulation to be signed by their duly authorized representatives and counsel of record, and said parties hereby acknowledge, agree and request that the Court enter this Stipulation as an Order of the Court and make such further orders and findings as are required, effective immediately.

WITNESSES:

PLAINTIFF:  
FLEET NATIONAL BANK

Ronald W. Kumaya  
Name: Ronald W. Kumaya

By: Matthew Highland  
Name: Matthew Highland  
Title: Vice President

Carol McDonald  
Name: Carol McDonald

COUNSEL FOR FLEET NATIONAL BANK

By: Paul A. De Genaro  
Paul A. De Genaro, Esq.  
Benanti & Associates  
Its Attorneys  
350 Bedford St., Suite 201  
Stamford, CT 06901  
Juris No. 401985  
Telephone: (203) 324-9559

[Signatures continued on page 7]

WITNESSES:

Name: \_\_\_\_\_

Name: \_\_\_\_\_

DEFENDANT:  
R J M CORPORATION

By: \_\_\_\_\_

*Richard J. Monroe*  
Name: RICHARD J. MONRO  
Title: CEO

**WITNESS**

COUNSEL FOR R J M CORPORATION

By: \_\_\_\_\_

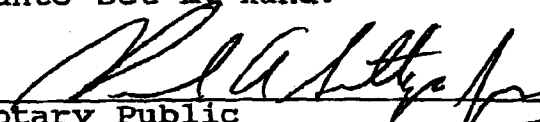
*Kerry M. Wisser*  
Kerry M. Wisser, Esq.  
Weinstein & Wisser, P.C.  
29 South Main Street, Suite 207  
West Hartford, CT 06107  
Juris No. 45674  
Telephone: (860) 561-2628

STATE OF CONNECTICUT )  
 )  
COUNTY OF HARTFORD )

ss: Hartford December 19, 2002

On this the 19<sup>th</sup> day of December, 2002, before me, Paul A. Soltys, Jr., the undersigned officer, personally appeared Matthew Hyland, who acknowledged himself/herself to be a Vice President of Fleet National Bank and that he/she as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his/her free act and deed individually and as such officer, and the free act and deed of said corporation for the purposes therein contained, by signing the name of the corporation by himself/herself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand.

  
Notary Public  
My Commission Expires: A. SOLTYS, JR.  
NOTARY PUBLIC  
MY COMMISSION EXPIRES JULY 31, 2004

STATE OF CONNECTICUT )  
 )  
COUNTY OF FAIRFIELD )

ss: Norwalk December \_\_, 2002

On this the \_\_\_ day of December, 2002, before me, \_\_\_\_\_, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be a \_\_\_\_\_ of R J M Corporation and that he as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his free act and deed individually and as such officer, and the free act and deed of said corporation for the purposes therein contained, by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

STATE OF CONNECTICUT )  
 )  
COUNTY OF HARTFORD ) ss: Hartford December \_\_, 2002

On this the \_\_\_ day of December, 2002, before me, \_\_\_\_\_, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be a \_\_\_\_\_ of Fleet National Bank and that he/she as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his/her free act and deed individually and as such officer, and the free act and deed of said corporation for the purposes therein contained, by signing the name of the corporation by himself/herself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand.

Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF ~~CONNECTICUT~~ <sup>Arizona</sup> )  
 )  
COUNTY OF ~~FAIRFIELD~~ <sup>Maricopa</sup> ) ss: ~~Norwalk~~ <sup>Scottsdale</sup> December 20, 2002

On this the 20 day of December, 2002, before me, Nicole Kennedy, the undersigned officer, personally appeared Richard Monroe, who acknowledged himself/herself to be a President of R J M Corporation and that he as such officer, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, and who duly acknowledged the execution of the same to be his free act and deed individually and as such officer, and the free act and deed of said corporation for the purposes therein contained, by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand.



Notary Public State of Arizona  
Maricopa County  
Nicole Kennedy  
Expires April 30, 2006

Nicole Kennedy  
Notary Public  
My Commission Expires: 4-30-05

FFG\RJM\2stipulation for judgment