## TRADEMARK ASSIGNMEN

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: SECURITY INTEREST

### **CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Home Source International, Inc.		04/24/2007	CORPORATION:

#### **RECEIVING PARTY DATA**

Name:	FCC, LLC
Doing Business As:	DBA First Capital
Street Address:	3520 Northwest 58th Street
City:	Oklahoma City
State/Country:	OKLAHOMA
Postal Code:	73112
Entity Type:	LIMITED LIABILITY COMPANY:

#### PROPERTY NUMBERS Total: 3

Property Type	Number	Word Mark
Registration Number:	2839894	SUITE COLLECTION
Registration Number:	2994868	SUITE COLLECTION KIDS
Registration Number:	2473930	SUITE COLLECTION

#### **CORRESPONDENCE DATA**

900075557

Fax Number: (678)553-2402

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 678-553-2401

Email: burressd@gtlaw.com

Correspondent Name: Deborah Burress

Address Line 1: 3290 Northside Parkway, Suite 400

Address Line 2: Greenberg Traurig, LLP
Address Line 4: Atlanta, GEORGIA 30327

ATTORNEY DOCKET NUMBER: 069528.014700

NAME OF SUBMITTER: Deborah Burress

TRADEMARK

REEL: 003531 FRAME: 0019

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Signature:	/s/ Deborah Burress		
Date:	04/27/2007		
Total Attachments: 9 source=T1#page1.tif source=T2#page1.tif source=T3#page1.tif source=T4#page1.tif source=T5#page1.tif source=T6#page1.tif source=T7#page1.tif source=T7#page1.tif source=T8#page1.tif source=T9#page1.tif			

#### PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of April 24, 2007, is made by and between HOME SOURCE INTERNATIONAL, INC,. a Georgia corporation ("Home Source"), TERRISOL CORP., a New York corporation ("TerriSol"; Home Source and TerriSol are hereinafter referred to individually and collectively as "Grantor"), and FCC, LLC, d/b/a FIRST CAPITAL, a Florida limited liability company, as agent (in such capacity, "Agent") for the Lenders (as defined below).

#### Recitals

Grantor, the financial institutions that are parties from time to time as lenders (each, a "<u>Lender</u>" and collectively, "<u>Lenders</u>") and Agent are parties to a Loan and Security Agreement dated as of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "<u>Loan Agreement</u>") setting forth the terms on which Lenders may now or hereafter extend credit to or for the account of Grantor.

Pursuant to the terms of the Loan Agreement, Agent and Lenders have required the execution and delivery of this Agreement by Grantor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. <u>Definitions</u>. All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Loan Agreement) which Grantor may now or at any time hereafter owe to Agent and Lenders, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Loan Agreement).

"Patents" means all of Grantor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on **Exhibit A**.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of Grantor's right, title and interest in and to: (a) trademarks, service marks, collective membership marks, registrations and

- applications for registration for each, and the respective goodwill associated with each, (b) licenses, fees or royalties with respect to each, (c) the right to sue for past, present and future infringement, dilution and damages therefor, (d) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on **Exhibit B**.
- 2. <u>Security Interest</u>. Grantor hereby irrevocably pledges and assigns to, and grants Agent, for its benefit and the benefit of Lenders, a security interest (the "<u>Security Interest</u>") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Loan Agreement, the Security Interest is coupled with a security interest in substantially all of the assets of Grantor, real, personal or mixed. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use any trademark application, unless such action is permitted under 15 U.S.C. § 1060.
- 3. <u>Representations, Warranties and Agreements</u>. Grantor represents, warrants and agrees as follows:
  - (a) Patents. Exhibit A accurately lists all Patents owned or controlled by Grantor as of the date hereof, or to which Grantor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, Grantor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then Grantor shall within 30 days provide written notice to Agent with a replacement Exhibit A, which upon acceptance by Agent shall become part of this Agreement.
  - (b) **Trademarks. Exhibit B** accurately lists all Trademarks owned or controlled by Grantor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to Grantor's or any Affiliate's business(es). If after the date hereof, Grantor owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to Grantor's or any Affiliate's business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Grantor shall promptly provide written notice to Agent with a replacement **Exhibit B**, which upon acceptance by Agent shall become part of this Agreement.
  - (c) Affiliates. As of the date hereof, no Affiliate of Grantor owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Grantor, constitute Patents or Trademarks. If after the date hereof any Affiliate of Grantor owns, controls, or has a right to have assigned to it any such items, then Grantor

shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to Grantor; or (ii) notify Agent of such item(s) and cause such Affiliate to execute and deliver to Agent a patent and trademark security agreement substantially in the form of this Agreement.

- (e) Title. Grantor is the owner of each Patent and Trademark on Exhibits A and B and has absolute title to each Patent and each Trademark listed thereon, free and clear of all Liens except Permitted Liens. Grantor (i) will have, at the time Grantor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.
- (f) No Sale. Grantor will not assign, transfer, encumber or otherwise dispose of any Patent or Trademark, or any interest therein, without Agent's prior written consent.
- (g) **Defense.** Grantor will, at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.
- (h) Maintenance. Grantor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in the normal conduct of its business including, but not limited to, filing all reasonable and necessary applications to obtain letters patent or trademark registrations and all reasonable and necessary affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Grantor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Agent: (i) sufficient written notice, of at least 30 days, to allow Agent, on behalf of Lenders, to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.
- (i) Agent's Right to Take Action. If Grantor fails to perform or observe any of their covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Agent gives Grantor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if Grantor notifies Agent that it intends to abandon a Patent or Trademark, Agent, on behalf of Lenders, may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Grantor (or, at Agent's option, in Agent's own name) and may (but need not) take any and all other actions which Agent may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

- (j) Costs and Expenses. Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Grantor shall pay Agent on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Agent in connection with or as a result of Agent's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Agent at the default rate of interest provided for in the Loan Agreement.
- (k) Power of Attorney. To facilitate Agent's taking action under subsection (i) and exercising its rights under Section 6, Grantor hereby irrevocably appoints (which appointment is coupled with an interest) Agent, or its delegate, as the attorney-in-fact of Grantor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Grantor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Grantor under this Section 3, or, necessary for Agent, after a Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Obligations.
- 4. <u>Grantor's Use of the Patents and Trademarks</u>. Grantor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Default exists.
- 5. <u>Defaults</u>. Each of the following occurrences shall constitute an event of default under this Agreement (herein called a "<u>Default</u>"): (a) a Default, as defined in the Loan Agreement, shall occur and be continuing; or (b) Grantor shall fail promptly to observe or perform any covenant or agreement herein binding on it and any applicable grace or cure period shall have expired; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.
- 6. <u>Remedies</u>. While a Default exists, Agent, on behalf of Lenders, may, at its option, take any or all of the following actions:
  - (a) Agent may exercise any or all remedies available under the Loan Agreement.
  - (b) Agent may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

- (c) Agent may enforce the Patents and Trademarks and any licenses thereunder, and if Agent shall commence any suit for such enforcement, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement.
- This Agreement can be waived, modified, amended, 7. Miscellaneous. terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Agent. A waiver signed by Agent shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Agent's rights or remedies. All rights and remedies of Agent shall be cumulative and may be exercised singularly or concurrently, at Agent's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Grantor under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. Agent shall not be obligated to preserve any rights Grantor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Grantor, Agent and Lenders and their respective participants, successors and assigns and shall take effect when signed by Grantor and delivered to Agent, and Grantor waives notice of Agent's acceptance hereof. Agent may execute this Agreement if appropriate for the purpose of filing, but the failure of Agent to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement authorized by Grantor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Georgia without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

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HOME SOURCE INTERNATIONAL, INC. Keith R. Sorgeloos, President TERRISOL CORP. Keith R. Sorgeloos, President FCC, LLC, d/b/a FIRST CAPITAL, as Agent David G. Walker, Senior Vice President STATE OF GROUNTY OF GROWN The foregoing instrument was acknowledged before me this day of April, 2007, by Keith R. Sorgeloos, the President of each of Home Source International, Inc. and TerriSol Corp., on behalf of such entities. Motary Public STATE OF COUNTY OF The foregoing instrument was acknowledged before me this \_\_\_ day of April; 2007. It Walker, a Senior Vice President of FCC, LLC, d/b/a First Capital, on behalf of such inited liability company. Notary Public

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security

Agreement as of the date first written above.

[SIGNATURE PAGE TO PATENT AND TRADEMARK SECURITY AGREEMENT]

Agreement as of the date first written above. HOME SOURCE INTERNATIONAL, INC. By:\_\_ Keith R. Sorgeloos, President TERRISOL CORP. By: Keith R. Sorgeloos, President FCC, LLC, d/b/a FIRST CAPITAL, as Agent David G. Walker, Senior Vice President STATE OF \_ COUNTY OF The foregoing instrument was acknowledged before me this \_\_\_ day of April, 2007, by Keith R. Sorgeloos, the President of each of Home Source International, Inc. and TerriSol Corp., on behalf of such entities. Notary Public COUNTY OF Charakes The foregoing instrument was acknowledged before me this day of April, 2007, by David G. Walker, a Senior Vice President of FCC, LLC, d/b/a First Capital, on behalf of such limited liability company. 1/20 / White Notary Public

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security

TIFFANY WHITE NOTARY PUBLIC \*\*COMMISSION EXPI \*\*UARY 29,2011

[SIGNATURE PAGE TO PATENT AND TRADEMARK SECURITY AGREEMENT]

## EXHIBIT A

## UNITED STATES ISSUED PATENTS

NONE

## UNITED STATES PATENT APPLICATIONS

NONE

## EXHIBIT B

# UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS AND COLLECTIVE MEMBERSHIP MARKS

## **REGISTRATIONS**

<u>Trademark</u>	Country	Registration No.	Registration/ Filing Date
SUITE COLLECTION	USA	2,839,894	05/27/2003
SUITE COLLECTION KIDS	USA	2,994,868	06/24/2004
SUITE COLLECTION	USA	2,473,930	03/24/1998

TRADEMARK
REEL: 003531 FRAME: 0029

**RECORDED: 04/27/2007**