

11-24-2009

Form PTO-1594 (Rev. 01-09)
OMB Collection 0651-0027 (exp. 02/28/2009)



103581526

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

11-23-09

1. Name of conveying party(ies):
American of Martinsville, Inc.

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

Citizenship (see guidelines) Delaware - United States

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies) Yes
 Additional names, addresses, or citizenship attached? No

Name: Capital Business Credit LLC
 Internal Address: _____
 Street Address: 15800 John J. Delaney Drive, Suite 300
 City: Charlotte
 State: North Carolina
 Country: United States Zip: 28277

Association Citizenship _____
 General Partnership Citizenship _____
 Limited Partnership Citizenship _____
 Corporation Citizenship _____
 Other LLC Citizenship Delaware - United States

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)

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s) November 11, 2009

Assignment Merger
 Security Agreement Change of Name
 Other _____

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

A. Trademark Application No.(s) _____
 B. Trademark Registration No.(s) 3,568,508; 3,568,507; 1,772,375; 1,044,876

Additional sheet(s) attached? Yes No

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

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

Name: John M. Flynn, Esq.
 Internal Address: _____
 Street Address: 235 N. Edgeworth Street
 City: Greensboro
 State: North Carolina Zip: 27401
 Phone Number: (336) 379-8651
 Fax Number: (336) 478-1145
 Email Address: jmf@crlaw.com

6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 115.00

Authorized to be charged to deposit account
 Enclosed

8. Payment Information:

11/24/2009 MJAMA1 00000002 3568508
 Deposit Account Number 81 FC:4521 82 FC:8522 40.00 OP
 Authorized User Name _____ 75.00 OP

9. Signature: 11/20/2009
 Signature Date
John M. Flynn, Esq.
 Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 11

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK
REEL: 004101 FRAME: 0939

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement"), is made and entered into this // day of November, 2009, by and between AMERICAN OF MARTINSIVLLE, INC., a Delaware corporation (the "Debtor"), and CAPITAL BUSINESS CREDIT LLC, a Delaware limited liability company (the "Secured Party").

WITNESSETH:

WHEREAS, Debtor and Secured Party are parties to that certain Recourse Collection Factoring Agreement dated of even date herewith (such Factoring Agreement, as it has heretofore or may hereafter be amended, modified, supplemented or restated from time to time, being herein called the "Factoring Agreement"), pursuant to which Secured Party has agreed to factor the accounts of Debtor and make loans and advances and extend credit to Debtor, all as more particularly described therein; and

WHEREAS, pursuant to the Factoring Agreement, Debtor has granted Secured Party a security interest in all of its general intangibles, whether now owned or hereafter acquired, including, without limitation, all patents, trademarks and copyrights registered in the United States Copyright or Trademark or Patent offices, together with the goodwill of the business in connection with which such trademarks may be used and the royalties and other fees which become due for the use of such patents, trademarks, or copyrights; and

WHEREAS, to better secure Secured Party in respect of the foregoing, Debtor has agreed to execute and deliver this Agreement for recordation in the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Debtor agrees with Secured Party as follows:

1. Defined Terms. All capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Factoring Agreement.

2. Grant of Security Interest. As security for the payment and performance of the Obligations, Debtor hereby assigns, grants, transfers and conveys to Secured Party, for security purposes, all of Debtor's right, title and interest in, to and under the following property, in each case whether now existing or hereafter acquired or arising and whether registered and unregistered and wherever the same may be located (the "Trademark Collateral"):

(a) all state (including common law), federal and foreign trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, domain names, designs and general intangibles of like natures, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Debtor

(unless otherwise prohibited by any license or related licensing agreement under circumstances where the granting of the security interest would have the effect under applicable law of the termination or permitting termination of the license for breach and where the licensor has elected such termination remedy), and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the United States Patent and Trademark Office, any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation or any trademark law or regulation of any foreign country and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in the name of Debtor or in the name of Secured Party for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(b) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(c) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Debtor's business symbolized by the Trademarks or associated therewith; and

(d) all proceeds of any and all of the foregoing Trademark Collateral, including, without limitation, license royalties, rights to payment, accounts receivable, proceeds of infringement suits and all payments under insurance or any indemnity, warranty or guaranty payable by reason or loss or damage to or otherwise with respect to the foregoing Trademark Collateral.

3. Representations, Warranties and Covenants of Debtor. Debtor represents, warrants and covenants that:

(a) The Trademark Collateral is, to the best of its knowledge, subsisting and has not been judged invalid or unenforceable;

(b) Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral;

(c) Debtor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademark Collateral;

(d) Debtor will maintain the quality of the products associated with the Trademark Collateral, generally at a level consistent with the quality as of the effective

date of this Agreement, subject to the introduction of new products from time to time, and product modifications in the ordinary course of business; and

(e) Debtor has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

4. Visits and Inspections. Debtor hereby grants to Secured Party and its employees and agents the right on prior notice to Debtor to visit Debtor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Debtor shall do any and all acts required by Secured Party to ensure Debtor's compliance with paragraph 2(d) of this Agreement.

5. Restrictions on Future Agreements. Debtor agrees that, until all of the Obligations have been satisfied in full and the Factoring Agreement has been terminated in writing, it will not without Secured Party's prior written consent, enter into any agreement which is inconsistent with Debtor's duties under this Agreement, and Debtor further agrees that, except as provided in Section 12(a) hereof, it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity and enforcement of the rights granted to Secured Party under this Agreement.

6. After-Acquired Trademark Rights. If, before the Obligations have been satisfied in full, Debtor shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark for any renewal of any Trademark, the provisions of paragraph 1 hereof shall automatically apply thereto, and Debtor shall give to Secured Party prompt notice thereof in writing. Debtor authorizes Secured Party to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are Trademark Collateral under paragraph 1 hereof or this paragraph 6.

7. Debtor's Rights Prior to Event of Default. Unless and until there shall have occurred and be continuing an event of default under the terms of the Factoring Agreement or any other agreement executed in connection therewith (an "Event of Default"), Debtor shall continue to own, and may use and enjoy the Trademark Collateral in connection with its business operations, but only in a manner consistent with the presentation of their current substance, validity and registration.

8. Remedies Upon Event of Default. If an Event of Default shall have occurred and be continuing, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and, specifically, those of a Secured Party under the Uniform Commercial Code as enacted in the State of New York. Notice of any sale or other disposition of the Trademark Collateral shall be deemed reasonable and sufficient if given the Debtor at least ten (10) days before the time of any intended public or private sale or other disposition of any of the Trademark Collateral is to be made.

9. Power of Attorney. Debtor hereby makes, constitutes and appoints Secured Party and any officer or agent of Secured Party as Secured Party may select as Debtor's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse Debtor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Trademark Collateral to anyone else as necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Factoring Agreement shall have been terminated in writing.

10. Release of Security Interest. At such time as all of the Obligations shall have been satisfied and paid in full, Secured Party shall execute and deliver to Debtor all releases, termination statements, and other instruments as may be necessary or proper to release or reflect the release of Secured Party's security interest in the Trademark Collateral, including all documentation necessary to reflect such release in the United States Patent and Trademark Office.

11. Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by Debtor on demand by Secured Party and until so paid shall be added to the amount of the Obligations and shall bear interest at the rate prescribed in the Factoring Agreement.

12. Litigation and Proceedings.

(a) Debtor shall have the duty, through counsel acceptable to Secured Party, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter, other than those discontinued or abandoned in the ordinary course of business, until the Obligations shall have been paid in full and to preserve and maintain all rights in trademark applications and trademarks of the Trademarks in the ordinary course of business. Any expenses incurred in connection with such an application shall be borne by Debtor. Debtor shall not abandon any right to file a trademark application, or any pending trademark application or trademark, other than those discontinued or abandoned in the ordinary course of business without the consent of Secured Party, which consent shall not be unreasonably withheld.

(b) Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name, as the holder of a security interest in the Trademark Collateral, to enforce the Trademarks, and any license thereunder, in which event Debtor shall at the request of Secured Party do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Secured Party in aid of such enforcement and Debtor shall promptly, upon demand, reimburse and indemnify the Secured Party for all costs and expenses incurred in the exercise of its rights under this paragraph 12. Nothing herein shall be deemed to prohibit Debtor from bringing any such suit in its own name at any time that an Event of Default does not exist, if Secured Party declines to institute suit.

13. Secured Party May Perform. If Debtor fails to comply with any of its obligations hereunder, Secured Party may do so in Debtor's name or in Secured Party's name, but at Debtor's expense, and Debtor agrees to reimburse Secured Party in full for all expenses, including reasonable attorney's fees, incurred by Secured Party in prosecuting, defending or maintaining the Trademarks or Secured Party's interest therein pursuant to this Agreement.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6 hereof.

16. Binding Effect; Benefits. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

17. Notices. All notices, requests and demands to or upon a party hereto, to be effective, shall be in writing and shall be sent by certified or registered mail, return receipt requested, by personal delivery against receipt, by overnight courier or by facsimile transmission and, unless expressly provided herein, shall be deemed to have been validly served, given or delivered immediately when delivered against receipt, three (3) Business Days after deposit in the mail, postage prepaid, or, in the case of facsimile transmission, when received (if on a Business Day and, if not received on a Business Day, then on the next Business Day after receipt), addressed as follows:

- (i) If to Secured Party, at:
Capital Business Credit LLC
15800 John J. Delaney Drive
Suite 300
Charlotte, North Carolina 28277

(ii) If to Debtor,
at:

American of Martinsville, Inc.
128 East Church Street
Martinsville, Virginia 24112

or to such other address as each party may designate for itself by notice given in accordance with this Section 17. Any written notice or demand that is not sent in conformity with the provisions hereof shall nevertheless be effective on the date that such notice is actually received by the noticed party.

18. Governing Law. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NEW YORK. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

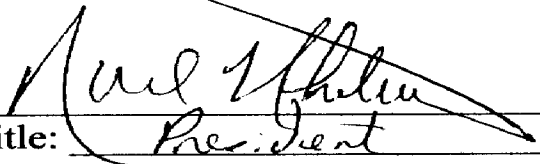
19. Waiver of Jury Trial. THE DEBTOR WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO TRIAL BY JURY (WHICH THE SECURED PARTY HEREBY ALSO WAIVES) IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE FACTORING AGREEMENT, THE OBLIGATIONS OR ANY COLLATERAL SECURING THE OBLIGATIONS.

[Signatures appear on next page]

WITNESS the execution hereof on the day and year first above written.

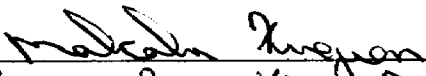
AMERICAN OF MARTINSVILLE, INC.

("Debtor")

By: 
Title: President

CAPITAL BUSINESS CREDIT LLC

("Secured Party")

By: 
Title: Sr. Vice President

STATE OF Virginia

COUNTY OF Henry/Martinsville

I, Joyce A. Barton, a Notary Public of the State and County aforesaid, certify that Noel L. Chitwood personally appeared before me this day and acknowledged that he is President of AMERICAN MARTINSVILLE, INC., a Delaware limited liability company, and that by authority duly given and as the act of the company, the foregoing instrument was signed by him/her in the company's name.

WITNESS my hand and official stamp or seal, this 11 day of November, 2009.

Joyce A. Barton
Notary Public

My Commission Expires: 8/31/12

Joyce Ann Barton
Notary Public
Commonwealth of Virginia
Reg # 7211933
My Commission Expires 8/31/12

STATE OF North Carolina

COUNTY OF Mecklenburg

I, Nancy M. Hatoon, a Notary Public of the State and County aforesaid, certify that Malcolm Ferguson personally appeared before me this day and acknowledged that he is Sr. Member of CAPITAL BUSINESS CREDIT LLC, a Delaware limited liability company, and that by authority duly given and as the act of the company, the foregoing instrument was signed by him/her in the company's name.

WITNESS my hand and official stamp or seal, this 18 day of November, 2009.

Nancy M. Hatoon
Notary Public

My Commission Expires: June 23, 2011

SCHEDULE A TO
TRADEMARK SECURITY AGREEMENT

MARK	SERIAL NO.	FILING DATE	REGISTRATION NO.	REGISTRATION DATE
AOM STUDIOS	77/399,970	2/19/2008	3,568,508	1/27/2009
AMERICAN OF MARTINSVILLE	77/399,966	2/19/2008	3,568,507	1/27/2009
AMERICAN OF MARTINSVILLE	74/196,873	8/22/1991	1,772,375	5/18/1993
AMERICAN OF MARTINSVILLE	73/018,497	4/11/1974	1,044,876	7/27/1976