

12/15/2010



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To the Director of the U S Pat

ad documents or the new address(es) below

1. Name of conveying party(ies):

Fox Run USA, LLC  
1907 Stout Drive  
Ivyland, PA 18974

- Individual(s)
- General Partnership
- Corporation- State: \_\_\_\_\_
- Other Limited Liability Company

Citizenship (see guidelines) USA

Additional names of conveying parties attached?  Yes  No

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

Execution Date(s) DEC. 3, 2010

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name Sterling National Bank

Internal \_\_\_\_\_

Address \_\_\_\_\_

Street Address: 500 Seventh Avenue

City: New York

State: New York

Country: USA Zip 10018

Association Citizenship USA

General Partnership Citizenship \_\_\_\_\_

Limited Partnership Citizenship \_\_\_\_\_

Corporation Citizenship \_\_\_\_\_

Other \_\_\_\_\_ Citizenship \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached  Yes  No  
(Designations must be a separate document from assignment)



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

A Trademark Application No (s)

B. Trademark Registration No (s)

- 3,015,934 - "Outset"
- 3,007,654 - "Table Logo Mark"
- 3,629,897 - "Entertaining Well Done"

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 Herten, Burstein, et al

Internal Address Att: Arnold D. Litt, Esq.

Street Address: 21 Main Street, Suite 353

City Hackensack

State NJ Zip 07601

Phone Number 201-342-6000

Fax Number 201-342-6611

Email Address: Alitt@hertenburstein.com

6. Total number of applications and registrations involved:

12/15/2010 TWASHING 00001/2381  
3

CHECK Refund Total: \$30.00  
7. Total fee (37 CFR 2 6(b)(6) & 3 41) \$ 120.00

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

12/15/2010 TWASHING 00000021 3015934  
Deposit Account Number \_\_\_\_\_  
01 FL:8521  
Authorized User ID: 48,000 OP  
58,000 OP

9. Signature: [Signature] Signature

12/13/10 Date

Arnold D. Litt, Esq., Attorney for Fox Run USA, LLC  
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

**PATENT AND TRADEMARK  
SECURITY AGREEMENT**

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement") is made and entered into this 3<sup>rd</sup> day of December, 2010, by **FOX RUN USA, LLC** (sometimes referred to as "Fox Run USA"), a Delaware limited liability company, having its principal and chief executive office at 1907 Stout Drive, Ivyland (Warminster), Pennsylvania 18974, in favor of **STERLING NATIONAL BANK**, a national banking association whose address is 500 Seventh Avenue, New York, New York 10018 (the "Secured Party").

WITNESSETH:

WHEREAS, Fox Run USA is justly indebted to the Secured Party pursuant to that certain Loan Modification Agreement and First Amended Revolving Credit Note (the "Note") of even date herewith (collectively, the "Loan Documents") arising from a line of credit established for the benefit of Fox Run USA in the principal amount of \$5,000,000.00 and other obligations as set forth in the Loan Agreement; and

WHEREAS, the Secured Party has required that Fox Run USA execute and deliver this Agreement to secure Fox Run USA's performance under the Loan Documents;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Fox Run USA hereby covenants and agrees with Secured Party as follows:

1. Security Interest. To secure the complete and timely payment of Fox Run USA's obligations arising under the Loan Documents (the "Obligations"), Fox Run USA hereby grants a continuing security interest in its entire right, title and interest in and to (a) all of its now owned and hereafter acquired or arising and filed patents and patent applications in the U.S., including, without limitation, each patent and application listed on Schedule A attached hereto and made a part hereof (as the same may be amended pursuant hereto from time to time), and including, without limitation, all renewals thereof, all proceeds thereof (such as, by way of example, income, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Patents"); and (b) all of its now owned or existing, and hereafter acquired or arising and filed, trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service mark applications in the U.S., including, without limitation, common law rights and each mark, registration, and application listed on Schedule B attached hereto and made a part hereof (as the same may be amended pursuant hereto from time to time), and including, without limitation, all renewals thereof, all proceeds thereof (such as, by way of example, income, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Trademarks"), and

together in each case with the goodwill of Fox Run USA's business connected with the use of, and symbolized by, any of the foregoing. The Patents and Trademarks are sometimes collectively referred to herein as the "Intellectual Property."

2. Representations, Warranties and Covenants of Fox Run USA. Fox Run USA represents, warrants, covenants and agrees that:

(a) The Patents and Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and are not at this time the subject of any challenge to their validity or enforceability;

(b) Each of the Patents and Trademarks is valid and enforceable;

(c) No claim has been made that (i) the use of any of the Intellectual Property does or may violate the rights of any third person, (ii) no claims for infringement have been commenced in connection with any of the Intellectual Property, nor is there a reasonable basis therefor;

(d) Fox Run USA is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents and Trademarks, free and clear of any and all liens, charges and encumbrances, including, without limitation, any and all pledges, assignments, licenses, registered user agreements, shop rights and covenants by Fox Run USA not to sue third persons;

(e) Fox Run USA has the unqualified right to enter into this Agreement and perform its terms; and

(f) Fox Run USA has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Intellectual Property.

3. Further Assurances. Fox Run USA agrees that, until all of the Obligations shall have been paid in full, it will not enter into any agreement which is inconsistent with Fox Run USA's obligations under this Agreement without Secured Party's prior written consent. Fox Run USA further agrees that at any time and from time to time, at the expense of Fox Run USA, Fox Run USA will promptly execute and deliver to Secured Party any and all further instruments and documents and take any and all further action that may be reasonably necessary or desirable, or that Secured Party may request, in order to perfect and protect the collateral assignment granted or purported to be granted hereby with respect to the Intellectual Property or to enable Secured Party to exercise its rights and remedies hereunder with respect to the same.

4. Additional Patents, Trademarks and Copyrights. If, before all of the Obligations shall have been paid in full, Fox Run USA shall obtain rights to any new patents or trademarks, the provisions of Paragraph 1 shall automatically apply thereto and Fox Run USA shall give Secured Party prompt written notice thereof.

5. Modification by Secured Party. Fox Run USA authorizes Secured Party to modify this Agreement by amending Schedules A and/or B to include any future patents and patent applications and any future trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service applications covered by Paragraphs 1 and 4 hereof, without the signature of Fox Run USA if permitted by applicable law.

6. Default. If Fox Run USA shall fail to pay the Obligations as and when due, or otherwise fails to perform any of its duties hereunder or under any other agreement, instrument or document evidencing or securing the Obligations, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Intellectual Property may be located and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Fox Run USA, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Intellectual Property, or any interest which Fox Run USA may have therein, and after deducting from the proceeds of sale or other disposition of the Intellectual Property all reasonable expenses (including, without limitation, all expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations in such order and manner as Secured Party, in its sole discretion, may elect. Any remainder of the proceeds after payment in full of all of the Obligations shall be paid over to Fox Run USA. Notice of any sale or other disposition of the Intellectual Property shall be given to Fox Run USA at least ten (10) days before the time of any intended public or private sale or other disposition of the Intellectual Property is to be made, which Fox Run USA hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of the Obligations or Secured Party may, to the extent permissible under applicable law, purchase the whole or any part of the Intellectual Property sold, free from any right of redemption on the part of Fox Run USA, which right is hereby waived and released.

7. Termination of Security Interest. At such time as Fox Run USA shall pay all of the Obligations in full, this Agreement shall terminate and Secured Party shall execute and deliver to Fox Run USA all releases and other instruments as may be necessary or proper to release the Security Interest and re-vest in Fox Run USA full title to the Intellectual Property, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

8. Expenses. Any and all reasonable fees, costs and expenses of whatever kind or nature, including, without limitation, the 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 other amounts in connection with protecting, maintaining or preserving the Intellectual Property, or in defending or prosecuting any actions or proceedings arising out of or related to the Intellectual Property, shall be borne and paid by Fox Run USA on demand by Secured Party and until so paid shall be

added to the principal amount of the Obligations and shall bear interest at the post maturity rate provided in the Note.

9. Preservation of Intellectual Property. Fox Run USA shall have the duty to prosecute diligently any applications to register any of the Intellectual Property pending as of the date of this Agreement, to make federal application on registrable but unregistered Intellectual Property, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are reasonably necessary or desirable to preserve and maintain all rights in the Intellectual Property. Any expenses incurred in connection with the Intellectual Property shall be borne solely by Fox Run USA. Fox Run USA shall not abandon any Intellectual Property without the prior written consent of Secured Party. Fox Run USA shall have the right, with the prior written consent of Secured Party, to bring any opposition proceedings, cancellation proceedings or lawsuits in its own name to enforce or protect the Intellectual Property, in which event Secured Party may, if necessary, be joined as a nominal party to such suit if Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder.

10. No Waiver. No course of dealing between Fox Run USA and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. 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.

12. Relationship to Other Agreements. This Agreement and the liens and security interests (and pledges and assignments, as applicable) herein granted are in addition to any and all other deeds of trusts, mortgages, security agreements, security interests, pledges, assignments, liens, rights, titles or interests in favor of Secured Party or assigned to such party in connection with the obligations of Fox Run USA to such party. All rights and remedies of Secured Party in all such agreements are cumulative.

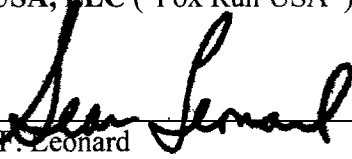
13. Amendments. This Agreement is subject to amendment only by a writing signed by all of the parties hereto, except as provided in Paragraph 5.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Fox Run USA may not assign or delegate any of its rights or obligations under this Agreement.

15. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have executed this Patent and Trademark Security Agreement as of this 3<sup>rd</sup> day of December, 2010.

**FOX RUN USA, LLC** ("Fox Run USA")

By:   
Name: Sean F. Leonard  
Title: Operating Manager

**STERLING NATIONAL BANK**  
("Secured Party")

By: \_\_\_\_\_  
Name: Lawrence Garni  
Title: First Vice President

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Fox Run USA may not assign or delegate any of its rights of obligations under this Agreement.

15. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have executed this Patent and Trademark Security Agreement as of this 5<sup>th</sup> day of December, 2010.

**FOX RUN USA, LLC** ("Fox Run USA")

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

Name: Sean F. Leonard

Title: Operating Manager

**STERLING NATIONAL BANK**

("Secured Party")

By: Lawrence Garni

Name: Lawrence Garni

Title: First Vice President

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF PA )  
COUNTY OF Bucks )

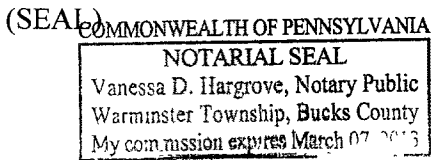
On this 3 day of December, 2010, before me personally appeared **Sean F. Leonard**, to me personally known, who, being by me duly sworn, did say that he/she is the Operating Manager of Fox Run USA, LLC, a Delaware limited liability company, and that said instrument was signed on behalf of said limited liability company by authority of its Members and Managers; and said Operating Manager acknowledged said instrument to be the free act and deed of said limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.

Vanessa A. Hargrove  
Notary Public

My Commission Expires:

March 7, 2013

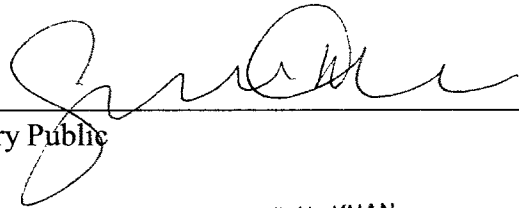




STATE OF NEW YORK )  
 )  
COUNTY OF NEW YORK )

On this 2<sup>nd</sup> day of December, 2010, before me personally appeared **Lawrence Garni**, to me personally known, who, being by me duly sworn, did say that he/she is the First Vice President of **STERLING NATIONAL BANK**, a national banking association, and that said instrument was signed on behalf of said company by authority of its Board of Directors; and said Vice President acknowledged said instrument to be the free act and deed of said association.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Sept 21, 2013

(SEAL)

SARWER H. KHAN  
Notary Public, State of New York  
No. 01KH62T1424  
Qualified in Queens County  
Commission Expires September 21, 2013

SCHEDULE A

Patents

None

Patent Applications

Name	Application #	Application Date
1. "Repositionable Lighting Device" aka "Magnetic Light for BBQ Tools"	12/037,444	2/26/2008

SCHEDULE B

Trademarks

Name	Serial #	Filing Date	Registration #	Registration Date
1. "Outset"	76528959	7/11/2003	3,015,934	11/15/2005
2. "Table Logo Mark"			3,007,654	10/18/2005
3. "Entertaining Well Done"			3,629,897	6/2/2009