

## TRADEMARK ASSIGNMENT

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
POR-15, Inc.		02/22/2013	CORPORATION: NEW JERSEY
RECEIVING PARTY DATA			
Name:	Absolute Coatings, Inc.		
Street Address:	38 Portman Road		
City:	New Rochelle		
State/Country:	NEW YORK		
Postal Code:	10801		
Entity Type:	CORPORATION: NEW YORK		
PROPERTY NUMBERS Total: 10			
Property Type	Number	Word Mark	
Serial Number:	85113595	BOTTOM ARMOR	
Serial Number:	77351142	FIXALOTTASTUFF	
Registration Number:	3450075	FLOOR ARMOR	
Registration Number:	2779697	GLISTEN PC	
Registration Number:	3340885	POLYDIGITAL	
Registration Number:	3343753	POR 15	
Registration Number:	1276627	POR-15	
Registration Number:	1898472	POR 15 INC.	
Registration Number:	2640240	RESTOMOTIVE LABORATORIES	
Registration Number:	2699967	WE KNOW WHAT PERMANENT MEANS!	
CORRESPONDENCE DATA			
Fax Number:	2126971559		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent</i>			

CH \$265.00 85113595

*via US Mail.*

Phone: 212-696-6000  
Email: estenshoel@curtis.com  
Correspondent Name: Curtis, Mallet-Prevost, Colt & Mosle LLP  
Address Line 1: 101 Park Avenue  
Address Line 2: 34th Floor (EJS)  
Address Line 4: New York, NEW YORK 10178-0061

ATTORNEY DOCKET NUMBER:	000373-0007
NAME OF SUBMITTER:	Eric Stenshoel
Signature:	/ejs/
Date:	03/08/2013

**Total Attachments: 11**

source=POR-15 Security Agreement#page1.tif  
source=POR-15 Security Agreement#page2.tif  
source=POR-15 Security Agreement#page3.tif  
source=POR-15 Security Agreement#page4.tif  
source=POR-15 Security Agreement#page5.tif  
source=POR-15 Security Agreement#page6.tif  
source=POR-15 Security Agreement#page7.tif  
source=POR-15 Security Agreement#page8.tif  
source=POR-15 Security Agreement#page9.tif  
source=POR-15 Security Agreement#page10.tif  
source=POR-15 Security Agreement#page11.tif

## SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement"), dated as of this 22<sup>nd</sup> day of February 2013 and effective as of 12:01 a.m. February 4, 2013 (the "Effective Date") is made and entered into by and between POR-15, Inc., a New Jersey corporation ("Obligor"), and Absolute Coatings, Inc. a New York corporation ("Secured Party").

### RECITALS

WHEREAS, concurrently herewith, Secured Party and Obligor have entered into that certain Omnibus Agreement (the "Omnibus Agreement") of even date herewith, pursuant to which Obligor has made various agreements, covenants, representations and warranties in favor of Secured Party;

WHEREAS, pursuant to the terms of the Omnibus Agreement, Secured Party has acquired an exclusive license to use the Licensed Intellectual Property (as defined in the Omnibus Agreement);

WHEREAS, as security for the performance of all of Obligor's obligations under the Omnibus Agreement, Obligor shall grant to Secured Party a first priority lien on and security interest in the Licensed Intellectual Property and Obligor's related general intangibles; and

WHEREAS, in connection with the foregoing, Obligor and Secured Party have agreed to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Obligor and Secured Party hereby agree as follows:

SECTION 1. Definitions. Capitalized terms used in this Agreement (including, without limitation, in the RECITALS) without definition shall have the meanings ascribed thereto in the Omnibus Agreement.

SECTION 2. Grant of Security Interest. Obligor hereby grants to Secured Party, effective the Effective Date, a present and continuing first priority security interest in, and a general first lien upon and right of setoff against, all of Obligor's right, title and interest in and to the following assets of Obligor (collectively, the "Collateral");

(a) the Licensed Intellectual Property, including but not limited to (i) any Modifications; (ii) the trademark registrations and applications set forth in Schedule A hereto (provided that no security interest shall be granted in the United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law), together with the goodwill symbolized thereby; and

(iii) all copyrights, whether registered or unregistered, now owned or hereafter acquired by Obligor;

(b) all rights to extensions and renewals of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of Obligor accruing thereunder or pertaining thereto;

(c) any and all claims for damages and injunctive relief for past, present and future infringement, dilution, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(d) all replacements, products and proceeds (including without limitation proceeds of insurance policies payable by reason of loss or damage to the foregoing) of the foregoing Collateral (but excluding, in any event, payments due to the Obligor under the Omnibus Agreement).

The security interest granted herein shall be senior to the interests of all other creditors of Obligor with respect to the Collateral. Nothing in this Agreement shall be deemed to constitute an assumption by Secured Party of any liability or obligation of Obligor with respect to any of the Collateral (excluding, in any event, liabilities or obligations expressly assumed by Secured Party under the Omnibus Agreement).

SECTION 3. Security for Obligations. This Agreement secures, and the Collateral is security for, the prompt performance when due of all of Obligor's obligations to Secured Party under, or arising in connection with, the Omnibus Agreement (including the performance of obligations which would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), whether monetary or otherwise, and whether presently existing or arising after the date hereof (collectively, the "Secured Obligations"). For the avoidance of doubt, the Secured Obligations shall include, without limitation the obligations of Obligor to license the Licensed Intellectual Property to Secured Party, to protect, maintain and enforce the Licensed Intellectual Property and, following the exercise of the ACI Purchase Option or the POR-15 Sale Option, to sell and transfer the Licensed Intellectual Property to Secured Party.

It is the intention of Obligor that the continuing grant of a first priority security interest provided for herein shall remain as security for the payment and performance of the Secured Obligations, whether now existing or hereinafter incurred, whether monetary or otherwise, and whether or not contemplated by the parties at the date hereof. No notice of the continuing grant of such security interest, therefore, shall be required to be stated on the face of any document representing any such Secured Obligation nor shall it otherwise be necessary to identify any such Secured Obligation as being secured hereby.

SECTION 4. Perfection. Concurrently with the execution and delivery of this Agreement, Obligor shall at Secured Party's expense (a) execute and file (or cooperate with Secured Party in the event that Secured Party shall file) this Security Agreement and such

financing statements and other documents in such offices as Secured Party shall reasonably request to perfect and establish the priority of the security interest granted by this Agreement, and (b) take all such other actions as Secured Party shall reasonably request to perfect and establish the priority of such security interest. Without limiting the foregoing, Obligor authorizes and requests that the Commissioner for Trademarks and any other applicable government officer record this Agreement.

SECTION 5. Representations and Warranties. Obligor represents and warrants to Secured Party that:

(a) Obligor's exact legal name is as set forth in the first paragraph of this Agreement. Obligor is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey and is duly qualified and in good standing in every other jurisdiction wherein such qualification is necessary; Obligor has all requisite power and authority to transact the business that it now transacts and to own or to hold under lease the properties that it purports to own or hold; and the execution, delivery and performance of this Agreement does not violate any provision of Obligor's Certificate of Incorporation or Bylaws, each as amended to date, or of any law, statute, ordinance or regulation binding upon Obligor, and does not result in a breach of any terms or conditions of any other contract or agreement to which Obligor is a party or by which it is bound or in the acceleration of any other obligations of Obligor the result of which would have a material adverse effect on the Licensed Intellectual Property or the Obligor's performance of its obligations hereunder or under the Omnibus Agreement;

(b) no event has occurred that could give rise to a security interest, lien or other encumbrance in or on the Collateral except for the security interest granted to Secured Party and the previously existing security interest in and lien on the Collateral in favor of Citibank, N.A. has been released by Citibank, N.A.;

(c) Obligor has full power, authority and legal right to grant to Secured Party a security interest in the Collateral pursuant to this Agreement; and

(d) the execution and delivery of this Agreement have been duly authorized by all necessary corporate action or other action by Obligor.

SECTION 6. Affirmative Covenants. Obligor covenants that until such time as all of the Secured Obligations are paid or satisfied in full, unless Secured Party shall otherwise consent in writing:

(a) Delivery of Collateral. With respect to any Collateral as to which Secured Party's security interest need or may be perfected by, or the priority thereof need be assured by, possession of such Collateral, Obligor shall upon written demand of Secured Party deliver possession of same in pledge to Secured Party, endorsed or accompanied by such instruments of assignment or transfer as Secured Party may specify and stamped or marked in such manner as Secured Party may specify.

(b) Payment of Taxes. Obligor shall pay or cause to be paid all taxes and other levies with respect to the Collateral (other than documentary, stamp and filing taxes and

fees relating to the grant and perfection of the Collateral, which shall be paid by Secured Party) when the same become due and payable except to the extent contested in good faith.

(c) Further Assurances. Obligor shall at any time and from time to time, at the expense of Secured Party, promptly execute and deliver all further instruments and documents, and take all further action that Secured Party may reasonably request, in order to perfect and to protect any security interest granted or purported to be granted hereby with respect to any of the Collateral.

SECTION 7. Negative Covenants. Obligor covenants that until such time as all of the Secured Obligations are paid or satisfied in full, without the prior written consent of Secured Party:

(a) Sale or Hypothecation of Collateral. Obligor shall not directly or indirectly, whether voluntarily, involuntarily, by operation of law or otherwise (i) sell, assign, transfer, exchange, lease, license, lend, grant any option with respect to, return or dispose of any of the Collateral, or any of Obligor's rights therein, or enter into any agreement to take any of the foregoing actions, except as expressly provided in the Omnibus Agreement (including, without limitation, the license of the Licensed Intellectual Property to Secured Party and any sale and transfer of the Licensed Intellectual Property to Secured Party in accordance with Article X of the Omnibus Agreement), nor (ii) create or permit to exist any lien on or with respect to any of the Collateral, except for the lien in favor of Secured Party.

(b) Location of Collateral and Changes of Name. Obligor shall not, without giving to Secured Party at least fifteen (15) days' prior written notice, (i) cause or allow any of the Collateral to be moved; (ii) move its principal place of business or the location of its books or records; (iii) change its name, its trade or fictitious business name(s), business structure or its form of doing business; (iv) liquidate, merge or consolidate with or into any other business organization; or (v) sell all or substantially all of its assets.

SECTION 8. Default. A default under this Security Agreement shall be deemed to exist upon the occurrence and during the continuance of any of the following (each, an "Event of Default"):

(a) Obligor shall (i) materially breach any of the Secured Obligations; (ii) materially breach any representation or warranty set forth in Section 15.1(b) of the Omnibus Agreement; or (iii) materially breach this Agreement.

(b) A court shall enter a decree or order for relief in respect of Obligor in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of Obligor or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of ninety (90) consecutive days.

(c) Obligor shall commence a voluntary case under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect, or shall consent to the

entry of an order for relief in any voluntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar-official) of Obligor or for any substantial part of its property.

(d) Obligor shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due.

(e) Obligor shall authorize or take any corporate action, or other board or shareholder action, in furtherance of any of the foregoing.

SECTION 9. Remedies upon Default. If an Event of Default shall have occurred and shall be continuing:

(a) Notification to Third Parties. Secured Party may notify any purchaser, licensee or user of Collateral or any other person of Secured Party's interest in the Collateral.

(b) Power of Attorney. Obligor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party as Obligor's true and lawful attorney-in-fact, with the power to endorse Obligor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Licensed Intellectual Property, or to grant or issue any exclusive or nonexclusive license under the Licensed Intellectual Property to any third party, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of the Licensed Intellectual Property, together with associated goodwill to a third party or parties. Obligor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

(c) Other Rights Against Obligor. Secured Party may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party under the Uniform Commercial Code as adopted in the State of New York, and Secured Party may also without notice except as specified below sell the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as would be commercially reasonable. Obligor agrees that, to the extent notice of sale shall be required by applicable law, at least ten (10) business days' notice to Obligor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Secured Party shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. At any such public or private sale, Secured Party may be the purchaser of the Collateral.

(d) Other Rights. Secured Party shall not be obligated to resort to its rights or remedies with respect to any other security for or guaranty or payment of the Secured Obligations before resorting to its rights and remedies against Obligor or the Collateral hereunder. All rights and remedies of Secured Party shall be cumulative and not in the alternative. For the avoidance of doubt, the remedies set forth in this Section 9 shall be in

addition to and shall not limit or restrict Secured Party's rights under the Omnibus Agreement, including without limitation, its option under the Omnibus Agreement to purchase the Licensed Intellectual Property in accordance with the terms thereof.

SECTION 10. Amendment and Waiver. No amendment or waiver of any provision of this Agreement nor consent to any departure by Obligor herefrom shall in any event be effective unless the same shall be in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 11. Residence; Collateral Location Records. Obligor represents that its chief place of business is 64 South Jefferson Road, Whippany, NJ 07981; that Obligor uses no trade names or assumed names other than the trade name "POR-15, Inc."

SECTION 12. Addresses for Notices. All demands, notices, and other communications to Obligor or Secured Party provided for hereunder shall be sent or given in accordance with Section 21.18 of the Omnibus Agreement.

SECTION 13. Continuing Security Interest and Assignment of Obligations. This Agreement shall create a present and continuing first priority security interest in the Collateral and shall (a) remain in full force and effect until indefeasible payment or satisfaction in full of the Secured Obligations, (b) be binding upon Obligor, its successors and assigns, (c) inure, together with the rights and remedies of Secured Party hereunder, to the benefit of Secured Party and its successors and permitted transferees and assigns, (d) constitute the entire agreement with respect to the matters contained herein between Obligor and Secured Party, and (e) be severable in the event that one or more of the provisions herein is determined to be illegal or unenforceable. Upon the satisfaction in full of the Secured Obligations, Secured Party, at its expense, shall release the security interest in the Collateral granted herein and execute such termination statements as may be necessary therefor, to the extent that such Collateral shall not have been sold or otherwise applied pursuant to the terms hereof.

SECTION 14. Return of Collateral. Subject to the terms and conditions of the Omnibus Agreement (including but not limited to Secured Party's retention of the Collateral if Secured Party has purchased the Licensed Intellectual Property) and any duty imposed by law or otherwise to the holder of any subordinate lien on the Collateral known to Secured Party, and subject to the direction of a court of competent jurisdiction, upon the indefeasible satisfaction in full of the Secured Obligations, Secured Party shall return all Collateral in the possession of Secured Party to Obligor.

SECTION 15. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 16. Liability. Secured Party shall not be liable to Obligor for any act (including, without limitation, any act of active negligence) or omission by Secured Party unless Secured Party's conduct constitutes willful misconduct, gross negligence or fraud.



SECTION 17. Enforcement Costs. Obligor shall be liable for the payment of all reasonable costs and expenses of the Secured Party incurred in connection with the enforcement of this Agreement, including but not limited to reasonable attorneys' fees and expenses.

SECTION 18. Miscellaneous. No failure or delay on the part of any of the parties to exercise any power, right or privilege under this Agreement shall impair any such power, right or privilege, or be construed to be a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. This Agreement may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile signature. Any of the terms defined in this Agreement may, unless the context otherwise requires, be used in the singular or the plural and in any gender depending on the reference. Each of the parties shall execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein. The headings and captions herein are inserted for convenience of reference only and are not intended to govern, limit or aid in the construction of any term or provision hereof. It is the intention of the Parties that every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Party (notwithstanding any rule of law requiring an agreement to be strictly construed against the drafting party).

SECTION 19. SUBMISSION TO JURISDICTION. OBLIGOR AND SECURED PARTY EACH HEREBY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK CITY, NEW YORK FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS CONTEMPLATED BY THIS AGREEMENT; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE FOREGOING SECURED PARTY SHALL HAVE THE RIGHT TO INTERVENE IN PROCEEDINGS COMMENCED BY OR AGAINST OBLIGOR IN COURTS OF OTHER JURISDICTIONS HAVING AN EFFECT ON THE COLLATERAL OR THE SECURED OBLIGATIONS AND TO ASSERT CLAIMS BASED UPON THIS AGREEMENT AND/OR THE SECURED OBLIGATIONS IN ANY SUCH PROCEEDING IN WHICH SECURED PARTY INTERVENES. OBLIGOR AND SECURED PARTY EACH IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

SECTION 20. WAIVER OF JURY TRIAL. OBLIGOR AND SECURED PARTY EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

**[Remainder of Page Intentionally Left Blank, Signature Page Follows]**

~~1/31/13 DRAFT~~

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the Effective Date.

**OBLIGOR:**

**POR-15, INC.**

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

Name: *Sherie S. Stotker*  
Title: *President*

**SECURED PARTY:**

**ABSOLUTE COATINGS, INC.**

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

Name:

Title:

**TRADEMARK**

**REEL: 004978 FRAME: 0624**

1/31/13 DRAFT

01

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the Effective Date.


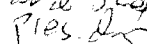
**OBLIGOR:**

**POR-15, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**SECURED PARTY:**

**ABSOLUTE COATINGS, INC.**

By:  \_\_\_\_\_  
Name: David S. Lippman  
Title: Pres. 

**Schedule A**

Argentina	POR-15 INC. LOGO	2037684
Australia	COLORCHROME	895074 (Abandoned)
Australia	GLISTEN PC	944991
Australia	POR-15	663345
Australia	POR-15/SHIELD LOGO	663649
Brazil	POR-15 INC. LOGO	826151744
Canada	COLORCHROME	TMA585554 (Abandoned)
Canada	GLISTEN PC	TMA629,955
Canada	POR 15 INC. SHIELD LOGO	TMA 449,914
Canada	POR-15	386,439
Chile	POR-15 INC. LOGO	701.237
China P.R.	POR-15 (SHIELD LOGO)	4833596
Community Trademark	COLORCHROME	2480275 (Abandoned)
Community Trademark	GLISTEN PC	3069002
Community Trademark	POR 15 INC. SHIELD LOGO	1002542
Community Trademark	WE KNOW WHAT PERMANENT MEANS!	2744431
Great Britian	POR-15	2,023,313
Great Britian	POR-15/SHIELD LOGO	2023428
Japan	GLISTEN PC	4714957
Japan	POR-15	4150642
Japan	POR-15/SHIELD LOGO	4150643
Mexico	GLISTEN PC	798,308
New Zealand	COLORCHROME	N/A (Abandoned)
New Zealand	GLISTEN PC	672725
New Zealand	POR-15	249893
New Zealand	POR-15/SHIELD LOGO	249999
South Korea	GLISTEN PC	589898
South Korea	POR-15	355058
South Korea	POR-15/SHIELD LOGO	355059
United States	BOTTOM ARMOR	85/113,595
United States	COLORCHROME	N/A (Lapsed)
United States	FIXALOTTASTUFF	77/351,142
United States	FLOOR ARMOR	3,450,075
United States	GLISTEN PC	2,779,697
United States	POLYDIGITAL	3,340,885
United States	POR 15 (LOGO)	3,343,753
United States	POR-15	1,276,627
United States	POR-15/SHIELD LOGO	1,898,472
United States	RESTOMOTIVE LABORATORIES	2,640,240
United States	WE KNOW WHAT PERMANENT MEANS!	2,699,967

TRADEMARK