

Form PTO-1594 (Rev. 12-11)  
OMB Collection 0651-0027 (exp. 04/30/2015)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

### 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.

#### 1. Name of conveying party(ies):

Thomas Dean & Co., LLC

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

Citizenship (see guidelines) New York

Additional names of conveying parties attached?  Yes  No

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

Execution Date(s) December 3, 2008

- 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: Merchant Factors Corp.

Street Address: 1441 Broadway - 22nd Floor

City: New York

State: New York

Country: USA Zip: 10018

- Individual(s) Citizenship \_\_\_\_\_
- Association Citizenship \_\_\_\_\_
- Partnership Citizenship \_\_\_\_\_
- Limited Partnership Citizenship \_\_\_\_\_
- Corporation Citizenship New York
- 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) \_\_\_\_\_ Text \_\_\_\_\_

B. Trademark Registration No.(s)

3,841,242

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: Gavin C. Grusd

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

Street Address: 100 Jericho Quadrangle  
Suite 300

City: Jericho

State: New York Zip: 11753

Phone Number: (516) 479-6300

Docket Number: \_\_\_\_\_

Email Address: ggrusd@silvermanacampora.com

#### 6. Total number of applications and registrations involved:

1

#### 7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$40.00

- Authorized to be charged to deposit account
- Enclosed

#### 8. Payment Information:

**SEE ENCLOSED  
CREDIT CARD AUTHORIZATION**

Deposit Account Number \_\_\_\_\_

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

9. Signature: 

Gavin C. Grusd

Name of Person Signing

9/18/14

Date

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

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

**TRADEMARK**

OP \$40.00 3841242

**SECURITY AGREEMENT**  
**(Inventory-Corporation; NY & CA)**

FOR VALUE RECEIVED, THOMAS DEAN & CO., LLC, a New York limited liability company (together with its successors or assigns, "Debtor") agrees with Merchant Factors Corp. ("Secured Party") as follows:

**1. DEFINITIONS.**

When used in this Agreement:

a. "Collateral" shall mean all inventory, all Debtor's rights as a seller of the inventory, and all of the inventory which may be returned to Debtor by its Customers or repossessed by Debtor, together with all products and proceeds thereof (including insurance payable by reason of loss or damage to the Inventory), all documents, documents of title, books, and records of Debtor relating to the above, and all other property of Debtor now or hereafter in the possession or control of Secured Party.

b. "Default" shall mean the occurrence of any of Events of Default set forth in Section 16 of the Discount Factoring Agreement between Debtor and Secured party dated the date hereof (the "Factoring Agreement") each of which are incorporated herein by reference.

c. "Inventory" shall mean all inventory of Debtor, including all raw materials, work in process, and finished goods of every kind or character, whether presently in existence or hereafter acquired and wherever located.

d. "Liabilities" shall mean all obligations of Debtor hereunder, all obligations of Debtor under any note, any agreement with regard to the assignment of accounts receivable (including specifically any advances and over-advances made thereunder), all contracts of surety ship, guaranty, or accommodation, and all other obligations of Debtor to Secured Party, however and whenever created, arising, or evidenced, whether direct or indirect, through assignment from or Secured Party's factoring for third parties, absolute, contingent, or otherwise, now or hereafter existing, or due or to become due.

e. "Obligor" shall mean Debtor and each other party primarily or secondarily, directly or indirectly liable on any of the Liabilities.

**2. GRANT OF SECURITY INTEREST.**

As security for the payment of the Liabilities, Debtor hereby grants to Secured Party a security interest in and security title to the Collateral.

**3. DEBTOR'S REPRESENTATIONS, WARRANTIES, AND COVENANTS.**

Debtor hereby warrants and represents that :

a. The execution, delivery, and performance of this Agreement are within Debtor's corporate powers, have been duly authorized by the a Member of Debtor, are not in violation of law or the terms of Debtor's articles of organization or operating agreement, or of any indenture, agreement, or undertaking to which Debtor is a party or by which Debtor is bound.

b. Debtor has full and absolute title to the Collateral presently existing, free of all security interests, encumbrances, liens, and claims whatsoever except as may be indicated in Exhibit "A".

#### 4. PROTECTION OF COLLATERAL.

a. The principal and other places of business of Debtor, the books and records relating to the Collateral and the Collateral are and shall remain located at the addresses set forth below and Debtor will not change any of the same without prior written notice to and consent of Secured Party.

b. Debtor will immediately advise Secured Party in writing of any opening of any new place of business.

c. Debtor will pay when due all taxes, license fees and assessments relating to the Collateral.

d. Debtor will use the Collateral for lawful purposes only, with all reasonable care and caution and in conformity with all applicable laws, ordinances and regulations.

e. Debtor will at all times keep the Collateral in first class condition, excepting any loss, damage, or destruction which is fully covered by proceeds of insurance.

f. Debtor shall insure the Collateral until Secured Party's security interest is terminated against all risks to which it is exposed, including loss, damage, fire, theft, and all other such risks, in such amounts, with such companies, under such policies and in such form as shall be satisfactory to Secured Party, which policies shall provide that loss thereunder shall be payable to Secured Party as its interests may appear (upon a New York standard mortgagee clause [long form]), and Secured Party may apply any proceeds of such insurance which may be received by it for payment of the Liabilities, whether or not due, in such order of application as Secured Party may determine, and such policies or certificates thereon or duplicates thereof shall immediately be deposited with Secured Party

g. The Collateral is and shall be maintained as personal property and shall not, by reason of attachment or connection to any realty, either become or be deemed to be a fixture or appurtenance to such realty, and shall at all times be severable therefrom without material damage to the realty.

#### 5. GENERAL COVENANTS OF DEBTOR

a. Debtor will obtain full and absolute title to the Collateral hereafter acquired immediately upon or prior to receiving possession and will at all times hereafter keep the Collateral free of all security interests, liens, and claims whatsoever, other than those indicated on Exhibit "A" and other than the security interests and security title granted herein.

b. Debtor will, at its expense, from time to time, on request of Secured Party, execute such financing statements, notices, and other documents and pay the cost of filing or recording the same in all public offices deemed necessary by Secured Party and do such other acts as Secured Party may request to establish and maintain a valid and perfected security interest in and security title to the Collateral. Debtor hereby constitutes and designates Secured Party as its attorney-in-fact to execute any financing statements to perfect the security interests granted herein or in any other agreement between Debtor and Secured Party.

c. Debtor will not sell, transfer, lease, abandon, or otherwise dispose of any of the Collateral or any interest therein except with regard to finished goods, which may be sold in the ordinary course of business, nor will it waste any of its assets.

d. Debtor will not obtain or attempt to obtain from any party other than from Secured Party any

loans, advances, or other financial accommodation or arrangements, for which loans, advances, or other financial accommodation or arrangements a security interest or security title would be granted in the Collateral, except with the prior written consent of Secured Party. e. Debtor shall account fully and faithfully for and promptly pay or turn over to Secured Party proceeds in whatever form received in disposition of the Collateral.

f. Debtor shall at all times keep the Collateral and its proceeds separate and distinct from other property of Debtor and shall keep accurate and complete records of the Collateral and its proceeds.

g. Debtor shall make timely payments of all contributions required to meet the minimum funding standards for all employee benefit plans of Debtor subject to Sections 302-305 of ERISA.

h. Debtor shall not declare or pay any dividends (except stock dividends), or return any capital to any of its stockholders, nor shall Debtor redeem, repurchase or otherwise acquire any of its outstanding capital stock.

i. Debtor will notify Secured Party of any intended change in Debtor's name, and will notify Secured Party when such change becomes effective.

## 6. DELIVERY OF RECORDS

Debtor shall submit annually fiscal year-end financial statements within one hundred twenty (120) days after the end of its fiscal year, reviewed by an independent certified public accountant approved by Secured Party; Debtor agrees to deliver to Secured Party immediately upon execution of this Agreement, and monthly thereafter, by the tenth (10) day of each month, a statement of Inventory on hand as of the last day of the preceding month, certified by its chief financial officer and specifying the location of such inventory, and Debtor shall furnish to Secured Party, promptly upon request, such information concerning any employee benefit plan of Debtor as may be reasonably requested.

## 7. SECURED PARTY'S RIGHTS EXCLUSIVE OF DEBTOR'S DEFAULT.

Secured Party may examine, audit, or inspect Debtor's records, the Collateral and all other assets of Debtor or any portion thereof, wherever located, at any reasonable time or times, and may enter upon Debtor's premises for such purposes. Debtor shall assist Secured Party in whatever way necessary to make each such examination, audit, and inspection. Secured Party may, in its discretion, for the account and expense of Debtor, pay any amount or do any act required of Debtor hereunder or requested by Secured Party to preserve or protect the Collateral, or maintain or enforce the Liabilities or the primary security interest granted herein, and which Debtor fails to do or pay, and Debtor shall be liable to Secured Party for such expenditures, together with interest thereon at the rate set forth in the Factoring Agreement from the date incurred until reimbursed by Debtor, and all such liabilities shall be secured by the security interests and security title granted herein, and shall be payable upon demand. Debtor will be liable for all damages for breach of warranty, misrepresentation, or breach of covenant by Debtor, and all such liabilities shall be secured by the security interests and security title granted herein, and shall be payable upon demand. Secured Party shall have the right to notify the account debtors or obligors of any accounts, chattel paper, negotiable instruments, or other evidences of indebtedness remitted by Debtor to Secured Party as proceeds to pay Secured Party directly. Debtor hereby constitutes Secured Party or its designee as Debtor's attorney-in-fact: to endorse Debtor's name upon any notes, acceptances, checks, drafts, money orders, or other evidences of payment that may come into Secured Party's possession; to

sign Debtors name on any invoice or bill of lading relating to the Collateral, drafts against customers, and to do all other acts and things necessary to carry out this Agreement. Debtor hereby waives notice of presentment, protest, and dishonor of any instrument so endorsed by Secured Party. All acts of said attorney-in-fact or designee are hereby authorized and ratified and said attorney-in-fact or designee shall not be liable for any acts of omission or commission, nor for any error of judgment or mistake of fact or law ; this power being coupled with an interest is irrevocable while any of the Liabilities remain unpaid.

#### **8. SECURED PARTY'S RIGHTS AND REMEDIES UPON DEFAULT.**

Upon Default, at the option of Secured Party, the Liabilities, notwithstanding any provisions thereof, without demand or notice of any kind, thereupon immediately shall become due and payable ; and Secured Party may exercise from time to time any rights and remedies available to it under the Uniform Commercial Code and other applicable law in the State of New York . Debtor agrees, upon Default, to cease the sale or other disposition of the Collateral, except with the written consent of Secured Party, and to assemble at Debtor's expense all the Collateral at a convenient place acceptable to Secured Party. Debtor agrees to pay all costs of Secured Party of collection of the Liabilities, and enforcement of rights hereunder, and, if collected by or through an attorney, reasonable attorney's fees and also other legal and court expenses, as well as travel and other expenses which may be incurred by Secured Party and expenses of any repairs to any realty or other personal property occasioned by the removal of Collateral from such property. Debtor agrees that Secured Party may apply any proceeds from disposition of Collateral first to security interests, liens or encumbrance prior to the security interest of Secured Party.

#### **9. NOTICE.**

If any notification of intended disposition of the Collateral or of any act by Secured Party is required by law and a specific time period is not stated therein, such notification, if mailed by first class mail at least ten (10) business days before such disposition or act, postage prepaid, addressed to Debtor either at the address shown below, or at any other current address of Debtor provided to Secured Party by Debtor or appearing on the records of Secured Party, shall be deemed reasonably and properly given.

#### **10. NON-WAIVER OF RIGHTS AND REMEDIES.**

No delay or failure on the part of Secured Party in the exercise of any right or remedy shall operate as a waiver thereof, or of the exercise of any other right or remedy. Time is of the essence in this Agreement.

#### **11. CONSTRUCTION.**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, said provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. The headings in this Agreement are for convenience of reference only and shall not be used to limit or construe any provision hereof.

**12. BENEFIT.**

The rights and privileges of Secured Party hereunder shall inure to the benefit of its successors and assigns.

**13. SPECIAL STIPULATIONS.**

IN WITNESS WHEREOF, Debtor has caused this Agreement to be executed by a duly authorized officer and its corporate seal to be affixed this 2nd day of Dec; 20 08.

THOMAS DEAN & CO., LLC

By : Dean Holly  
DEAN HOLLY  
Manager/Member

[Corporate Seal]

**Principal Place of Business :**

4957 Lakemont Blvd., SE Suite C445  
Bellevue, WA 98006

**Other Places of Business and  
all locations of Collateral :**

c/o DRJ - Distribution Resources, Inc.  
23001 54<sup>th</sup> Avenue,  
S. Kent, WA 98032