

04-17-2000



101322315

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

3-22-00

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger
- Change of Name
- Other

Effective Date
Month Day Year
07 01 99

Conveying Party

Mark if additional names of conveying parties attached

Name SOUTHCONN TECHNOLOGIES, INC.

Execution Date
Month Day Year
07 01 99

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other

Citizenship/State of Incorporation/Organization SOUTH CAROLINA

Receiving Party

Mark if additional names of receiving parties attached

Name M. H. RHODES, INC.

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2) 99 Thompson Road

Address (line 3) Avon

CT/USA

06001

- Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization Delaware

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

04/17/2000 JSHBAZZ 00000004 161322 0832114

01 FC:481 40.00 CH
02 FC:482 25.00 CH

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002051 FRAME: 0730

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Mindy Ellis Schwartz
Name of Person Signing


Signature


Date Signed

SECURITY AGREEMENT

In consideration of the loan of monies pursuant to a certain Promissory Note dated August 1, 1999 (the "Note"), executed by SouthConn Technologies, Inc., a South Carolina corporation ("Debtor"), in favor of M. H. Rhodes, Inc., a Delaware corporation ("Rhodes"), Debtor hereby agrees that Rhodes shall have the rights, remedies and benefits hereinafter set forth.

1. For the purposes of this Agreement:

(a) The term "Liabilities" shall include any and all indebtedness, obligations and liabilities of any kind arising in any way of Debtor to Rhodes, now existing or hereafter created, under the Note or otherwise, including any future advances, whether obligatory or voluntary, under, or refinancings, renewals or extensions of or substitutions for, any existing or future debt; all liabilities and obligations of Debtor hereunder; as well as all costs, expenses, advances and liabilities which may be made or incurred by Rhodes in any way in connection with any of the Liabilities or any collateral security therefor.

(b) The term "Collateral" shall mean all currently existing inventory, equipment and intellectual property of Debtor, as described in that certain Assignment and Bill of Sale and that certain Intellectual Property Rights Assignment each by and among Debtor and Rhodes and of even date, wherever located, together with all replacements and substitutions therefor, and the cash and non-cash proceeds thereof (including insurance proceeds).

2. As security for the payment of all Liabilities, Debtor hereby grants to Rhodes a security interest in all the Collateral and any part thereof.

3. Debtor will maintain insurance on all of the Collateral of an insurable nature with reputable and financially sound insurance companies in coverage and amounts as is customary among businesses of a similar nature with similar assets and, as additional security for the payment of all Liabilities, Debtor hereby assigns to Rhodes any proceeds of any and all insurance on any of the Collateral and authorizes Rhodes to collect any such proceeds and to execute in Debtor's name all proofs of loss, drafts, checks and any other documents necessary to accomplish such collection. At Rhodes's request, Debtor agrees to furnish Rhodes with certificates of such insurance policies, if any, and to cause Rhodes to be named as the loss payee thereof.

4. Anything herein to the contrary notwithstanding, (a) Debtor shall remain liable under any contracts and agreements included in the Collateral to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Rhodes of any of the rights hereunder shall not release Debtor from any of its duties or obligations under any contracts and agreements included in the Collateral, and (c) Rhodes shall not have any obligation or liability under any contracts and agreements included in the Collateral by reason of this Agreement, nor shall Rhodes be obligated to perform any of the obligations or duties of Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

5. Debtor represents and covenants that:

(a) Its chief place of business, its chief executive offices and the office(s) where its records are kept concerning accounts, contract rights and other similar Collateral, are at 106-B White Oak Lane, Lexington, South Carolina.

(b) The location(s) where its inventories are kept are: 106-B White Oak Lane, Lexington, South Carolina.

(c) It conducts business under and through the following business names and entities: SouthConn Technologies, Inc.

(d) It will promptly notify and provide Rhodes with a complete description of the opening of any new places of business, the closing of any existing places of business, the conduct of business under any names or through any entities other than those set forth above and the relocation of any of the Collateral. Debtor will furnish to Rhodes from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Rhodes may reasonably request, all in reasonable detail.

(e) It has good title to the Collateral, free and clear of any liens and encumbrances, excepting the security interest granted to Business Development Corporation or its assigns (the "Bank") in connection with the Bank's financing of Debtor's acquisition of the Collateral and other assets of Rhodes pursuant to an agreement between Debtor and the Bank (the "Bank Agreement") and that granted herein.

(f) This Agreement creates a valid and enforceable security interest in the Collateral securing the payment of the Liabilities, and upon the filing of the necessary financing statements, such security interest will be a perfected second priority security interest.

(g) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either (i) for the grant by Debtor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Debtor or (ii) for the perfection of or the exercise by the Rhodes of its rights and remedies hereunder except the filing of financing statements.

6. At any time and from time to time, except as prohibited by the Bank Agreement and a subordination agreement to be executed by the Debtor, Rhodes, and the Bank (the "Subordination Agreement"), upon the request of Rhodes, Debtor will, at its own expense:

(a) Defend the Collateral against the claims and demands of all persons.

(b) Where appropriate, keep and maintain the Collateral in good condition and repair and permit Rhodes and its agents to inspect the Collateral at any reasonable time.

(c) Give, execute, deliver and file or record in the proper governmental offices, any instrument, paper or document, including but not limited to one or more financing statements under the Uniform Commercial Code, satisfactory to Rhodes, or take any action, which Rhodes may deem necessary or desirable in order to create, preserve, perfect, extend, modify, terminate or otherwise affect any security interest granted pursuant hereto, or to enable Rhodes to exercise or enforce any of its rights hereunder.

(d) Pay, or reimburse Rhodes in the amount of, all expenses (including reasonable fees and expenses of attorneys, experts and agents) incurred in any way in connection with the exercise, defense or assertion of any rights or interests of Rhodes hereunder, the enforcement of any provisions hereof, or the management, preservation, use, operation, maintenance, collection, possession, disposition or enforcement of any of the Collateral (all such expenses to be Liabilities hereunder).

7. Without the prior written consent of Rhodes and except as prohibited by the Bank and Subordination Agreements, Debtor shall not (i) transfer, sell or assign any of the Collateral except on customary terms in the ordinary course of business; (ii) allow or permit any other security interest or lien to attach thereto; (iii) file, or authorize or permit to be filed, in any jurisdiction any financing statement relating to any of the Collateral unless Rhodes is named as a secured party; (iv) permit any of the Collateral to be levied upon under any legal process; (v) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded hereby; or (vi) permit the Collateral to become an accession to other property except in the ordinary course of business.

8. Rhodes is hereby appointed Debtor's attorney-in-fact to do all acts and things which Rhodes may deem necessary to perfect and continue perfected the security interest created hereby and to protect and preserve the Collateral, except as may be prohibited by the Subordination Agreement.

9. Rhodes may at any time transfer to, or register in the name of itself or any of its nominees, any of the Collateral which may come into the possession, custody or control of Rhodes or any of its agents, except as may be prohibited by the Subordination Agreement.

10. Upon default by Debtor in the performance of any covenant or agreement herein or in the Note or any other agreement or document covering any of the Liabilities, or in the discharge, payment or performance of any of the Liabilities, or if any representation or warranty herein should prove untrue, Rhodes shall have with respect to the Collateral all of the rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law and all rights provided herein or in any other applicable security, loan or other agreement, all of which rights and remedies shall, to the full extent permitted by law, be cumulative. Except as may be prohibited by the Subordination Agreement, Rhodes may require Debtor at its expense to assemble the Collateral or any part thereof and make it available to Rhodes at a place to be designated by Rhodes which is reasonably convenient to Rhodes and Debtor, and may sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Rhodes's offices or elsewhere, for cash, on credit or for future delivery, and at such price or prices and upon such other

terms as Rhodes may deem commercially reasonable. Any notice of sale, disposition or other intended action by Rhodes, sent to Debtor at the address specified above, or such other address of Debtor as may from time to time be shown on Rhodes's records, at least five days prior to such action, shall constitute reasonable notice to Debtor.

11. The powers conferred on Rhodes hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for monies actually received by it hereunder, Rhodes shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve any right of or against other parties pertaining to any Collateral. Debtor agrees to indemnify Rhodes from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement) or Rhodes's interest in the Collateral, except claims, losses or liabilities resulting from Rhodes's gross negligence or wilful misconduct.

12. No provision hereof shall be modified except by a writing signed by Rhodes and Debtor expressly referring to the provision hereof so modified.

13. This Agreement shall be binding upon and shall inure to the benefit of the assigns or successors of Debtor and Rhodes and shall constitute a continuing agreement, applying to all future as well as existing transactions between Rhodes and Debtor, or their successors or assigns.

14. No delay, failure to enforce, or single or partial exercise on the part of Rhodes in connection with any of its rights hereunder shall constitute an estoppel or waiver thereof, or preclude other or further exercise or enforcement thereof and no waiver of any default hereunder shall be a waiver of any subsequent default.

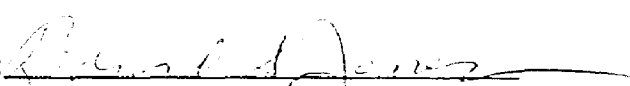
15. This Agreement shall be governed as to its validity, interpretation and effect in accordance with the laws of the State of Connecticut, except as required by mandatory provisions of law and except if the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than Connecticut. Unless the context otherwise requires, all terms used herein which are defined in the Uniform Commercial Code as enacted in Connecticut shall have the meanings therein stated.

This Agreement has been executed on July 1, 1999.

WITNESS

By: 
Name:

SOUTHCONN TECHNOLOGIES, INC.

By: 
Richard S. Jones, Vice President

INTELLECTUAL PROPERTY RIGHTS ASSIGNMENT

THIS INTELLECTUAL PROPERTY RIGHTS ASSIGNMENT (the "Assignment") is made this 1st day of July, 1999 by M. H. Rhodes, Inc., a Delaware corporation ("Assignor"), in favor of SouthConn Technologies, Inc., a South Carolina corporation ("Assignee"),

WHEREAS, Assignor desires to sell, and Assignee desires to purchase, certain assets of Seller used in connection with the operation of Assignor's photo control division (the "Business");

WHEREAS, in connection with the asset sale, Assignor has agreed to grant certain rights in intangible assets, including intellectual property, to Assignee;

WHEREAS, Assignor is the sole and exclusive owner of all right, title and interest in and to the trademarks shown in Schedule A (the "Scheduled Trademarks") and desires to transfer the Scheduled Trademarks and any other trademarks, service marks, trade dress and trade names used in Assignor's Business, including without limitation all pending and in process trademarks and the "Ripley" name, (collectively, the "Trademarks") to Assignee pursuant to the Purchase Agreement; and

WHEREAS, Assignor is the sole and exclusive owner of the entire right, title, and interest in and to the United States Design Patents, applications for Design Patents and Other Inventions described in Schedule B (the "Scheduled Patents") and desires to transfer the Scheduled Patents and all other know-how, trade secrets, processes, formulas, and inventions used in Assignor's Business, including all pending and in process patents, (collectively, the "Patents") to Assignee pursuant to the Purchase Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

TRADEMARKS

1. Assignor hereby sells, assigns and transfers to Assignee all of Assignor's right, title and interest in and to the Trademarks, together with the goodwill of the business which is symbolized by the Trademarks and the right to sue and recover any damages and profits and all other remedies for future infringements thereof, retaining the right to sue and recover any damages and profits and all other remedies for infringements of the Trademarks which have accrued up to and including the date of this Assignment.

2. Assignee hereby (i) accepts the foregoing assignment, (ii) expressly assumes any and all liabilities, debts and obligations associated with the Trademarks, and (iii) acknowledges Assignor's retention of the right to sue and recover any damages and profits and all other remedies for infringements of the Trademarks which have accrued up to and including the date of this Assignment.

3. The parties hereto shall reasonably cooperate with each other, but at Assignee's expense, in any action required to be taken to fulfill their respective obligations hereunder, including, without limitation, the execution and delivery of any and all other instruments and papers and the taking of any and all additional actions which either party reasonably requests from time to time to effectuate the purposes and intent of the transaction provided for herein and otherwise to consolidate, vest and record in Assignee, full and complete ownership of the Trademarks.

PATENTS

4. Assignor hereby sells, assigns and transfers to Assignee all of Assignor's right, title and interest in and to the Patents, the inventions disclosed therein and all reissues, reexaminations, and extensions thereof, all said rights to be held and enjoyed by the Assignee for its own use and for the use of its successors, assigns, or other legal representatives, to the full end of the term for which the Patents have been or will be granted, reexamined, extended or reissued, as fully and entirely as the same would have been held and enjoyed by the Assignor if this Assignment and sale had not been made, and Assignor hereby assigns any and all claims and causes for action for future infringement of the Patents, including all rights to recover damages and injunctive relief in respect to such infringement, retaining the right to sue and recover any damages and profits and all other remedies for infringements of the Patents which have accrued up to and including the date of this Assignment.

5. Assignor authorizes and empowers Assignee, its successors, assigns, or nominees, to make application for patent or other form of protection for the Patents in Assignee's own name, in any and all countries and to invoke and claim for any application for patent or other form of protection for the Patents filed by it or them, the benefit of the right of priority provided by the International Convention for the Protection of Industrial Property, as amended, or by any convention which may henceforth be substituted for it, and to invoke and claim such right of priority without further written or oral authorization from Assignor.

6. Assignor agrees that Assignor will, without demanding any further consideration therefor, at the request but at the expense of Assignee, do all lawful and just acts, including the execution and acknowledgment of instruments, that may be or become reasonably necessary for obtaining, sustaining, reexamining or reissuing the Patents, and for maintaining and perfecting Assignee's rights to the Patents.

7. Assignor agrees that Assignor will communicate to Assignee or its representatives any facts known to Assignor respecting the Patents and, when requested by Assignee and at Assignee's expense, will reasonably aid Assignee, its successors, assigns, and legal representatives or nominees, to obtain or enforce proper protection for the Patents in any and all countries.

8. Assignor hereby consents that a copy of this Assignment shall be deemed a full legal and formal equivalent of any assignment, consent to file, or like document which may be required in any country for any purpose and, more particularly, in proof of the right of said corporation or its successors, assigns, or nominees to apply for patent or other proper protection for the Patents, and to claim the aforesaid benefits of the right of priority provided by the International Convention for the Protection of Industrial Property, as amended, or by any convention which may henceforth be substituted for it.

GENERAL

9. Assignor covenants with Assignee, its successors, assigns, legal representatives, and nominees, that to the best of Assignor's knowledge, the right, title, and interest herein conveyed by Assignor are free and clear of any incumbrance, and that Assignor has full right to convey the same as herein expressed.

10. The validity, interpretation and enforcement of this Assignment shall be construed in accordance with and be governed by the laws of the State of Connecticut, without regard to the provisions of such laws relating to conflict of laws.

11. This Assignment shall be binding upon, and shall inure to the benefit of, the successors and assigns of the parties hereto.

12. No modification, waiver or amendment of this Assignment shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Assignment shall be deemed or shall constitute a waiver of any other provision hereof unless otherwise expressly provided.

13. This Assignment may be executed in any number of counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Assignment to be duly executed as of the date and year first written above.

WITNESS

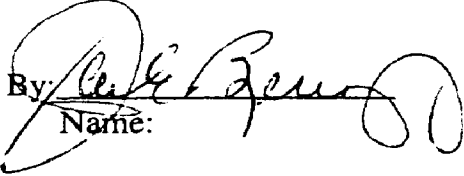
M. H. RHODES, INC.

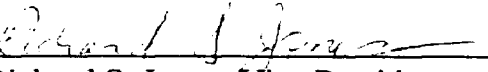
By: 
Name:

By: 
Joseph Morelli, President

WITNESS

SOUTHCONN TECHNOLOGIES, INC.

By: 
Name:

By: 
Richard S. Jones, Vice President

ACKNOWLEDGMENT

STATE OF Connecticut

:

COUNTY OF Hartford

:

ss. 21st July, 1999

:

Joseph Morelli, being duly sworn, says that he is the President of M. H. Rhodes, Inc., a Delaware corporation, and acknowledges that he did sign said instrument on behalf of M. H. Rhodes, Inc., pursuant to due authority.

Sworn to and subscribed
before me this 1st day
of July, 1999.

Alfred Varona

Notary Public

My commission expires: January 21, 1999

(SEAL)

SCHEDULE A

TRADEMARKS

1. Sun Switch
2. Lightwatchman

SCHEDULE B

PATENTS

Fail-off Photosensitive Switch - U.S. Patent Number 4,356,405 - Issued October 6, 1982