



101397968

Tab settings

To the Honorable Commissioner of Patents

and original documents or copy thereof.

MND 6-12-00

1. Name of conveying party(ies): **CORPORATION**  
DAC International, Inc.

Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation-State Delaware  
 Other \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies)

Name: Union Bank of California, N.A.

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

Street Address: 445 S. Figueroa, 16th Fl.

City: Los Angeles State: CA ZIP: 90071

Individual(s) citizenship \_\_\_\_\_  
 Association National  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other \_\_\_\_\_

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)  
 Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:

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

Execution Date: June 3, 1999

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)  
75/580,168

B. Trademark Registration No.(s)  
626,187

Additional numbers attached?  Yes  No

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

Name: Jill M. Pietrini, Esq.

Internal Address: \_\_\_\_\_  
Manatt, Phelps & Phillips, LLP

Street Address: 11355 W. Olympic Blvd.

City: Los Angeles State: CA ZIP: 90064

6. Total number of applications and registrations involved: ..... 2

7. Total fee (37 CFR 3.41).....\$ 65.00

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:  
DA 131 241

(Attach duplicate copy of this page if paying by deposit account)

07/10/2000 RSCD11 00000036 75500153

DO NOT USE THIS SPACE

01 FC:401  
02 FC:402

40.00 OP  
25.00 OP

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.

Jill M. Pietrini

Name of Person Signing

Signature

6-6-00

Date

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

10

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

TRADEMARK  
REEL: 002097 FRAME: 0191

## TRADEMARK SECURITY AGREEMENT

WHEREAS, DAC INTERNATIONAL, INC., a Delaware corporation ("Pledgor"), now owns or holds and may hereafter acquire or hold Trademarks (defined as all of the following: all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, logos, other source of business identifiers and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof or similar property rights, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, and all reissues, extensions or renewals thereof) including, without limitation, the Trademarks listed on Schedule 1 annexed hereto, as such Schedule may be amended from time to time by the addition of Trademarks subsequently registered or otherwise adopted or acquired; and

WHEREAS, Pledgor has entered into that certain Loan and Security Agreement dated as of June 3, 1999 (as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time, the "Loan Agreement") with UNION BANK OF CALIFORNIA, N.A., a national banking association as lender ("Lender"), and each capitalized term used herein which is not otherwise defined herein shall have the meaning ascribed to it in the Loan Agreement; and

WHEREAS, in connection with the Loan Agreement, Pledgor has granted to Lender a security interest in certain personal property of Pledgor, including without limitation all right, title and interest of Pledgor in, to and under all of Pledgor's Trademarks and Trademark licenses (including, without limitation, those Trademark licenses listed on Schedule 2 hereto), whether presently existing or hereafter arising, adopted or acquired, together with the goodwill of the business connected with, and symbolized by, the Trademarks and all products and proceeds thereof and all income therefrom, including without limitation any and all causes of action which exist now or may exist in the future by reason of infringement or dilution thereof or injury to the associated goodwill, to secure the payment and performance of the Obligations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor does hereby grant to Lender, as security for the Obligations, a continuing security interest in all of Pledgor's right, title and interest in, to and under the following (all of the following items or types of property being collectively referred to herein as the "Trademark Collateral"), whether presently existing or hereafter arising or acquired:

- (i) each Trademark and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, including without limitation each Trademark referred to in Schedule 1 annexed hereto;
- (ii) each Trademark license, including without limitation each Trademark license referred to in Schedule 2 annexed hereto, to the extent such

Trademark license does not prohibit the licensee from assigning or granting a security interest in its rights thereunder; and

- (iii) all products and proceeds of, and income of any kind from, any of the foregoing, including without limitation any claim by Pledgor against third parties for the past, present or future infringement or dilution of any Trademark or any Trademark licensed under any Trademark license, or for injury to the goodwill associated with any Trademark.

Pledgor agrees to deliver updated copies of Schedule 1 and Schedule 2 to Lender at the end of any quarter in which Pledgor registers or otherwise adopts or acquires any Trademark not listed on Schedule 1 hereto or enters into any Trademark license not listed on Schedule 2 hereto, and duly and promptly to execute and deliver, or have duly and promptly executed and delivered, at the cost and expense of Pledgor, such further instruments or documents (in form and substance satisfactory to Lender), and promptly perform, or cause to be promptly performed, any and all acts, in all cases, as may be necessary, proper or advisable from time to time, in the reasonable judgment of Lender, to carry out the provisions and purposes of Article V of the Loan Agreement and this Trademark Security Agreement, and to provide, perfect and preserve the Liens of Lender under the Loan Agreement, this Trademark Security Agreement and the other Loan Documents, in the Trademark Collateral or any portion thereof.

Pledgor agrees that if any Person shall do or perform any acts which Lender reasonably believes constitute an infringement of any Trademark, or violate or infringe any right of Pledgor or Lender therein or if any Person shall do or perform any acts which Lender reasonably believes constitute an unauthorized or unlawful use thereof, then and in any such event, Lender may and shall have the right, while an Event of Default is continuing, to take such steps and institute such suits or proceedings as Lender may deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof, and generally to take such steps as may be advisable, or necessary or proper for the full protection of the rights of the parties. Lender may take such steps or institute such suits or proceedings in its own name or in the name of Pledgor or in the names of the parties jointly. Lender hereby agrees to give Pledgor notice of any steps taken, or any suits or proceedings instituted, by Lender pursuant to this paragraph.

This security interest is granted in conjunction with the security interests granted to Lender pursuant to the Loan Agreement. Pledgor does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Trademark Collateral made and granted hereby are subject to, and more fully set forth in, the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

This Trademark Security Agreement is made for collateral purposes only. At such time as all of the Obligations under the Loan Agreement shall have been indefeasibly repaid in full and all commitments thereunder of Lender shall have terminated, Lender shall execute and deliver to Pledgor, at Pledgor's expense and

without representation, warranty or recourse, all releases and reassignments, termination statements and other instruments as may be necessary or proper to terminate the security interest of Lender in the Trademark Collateral, subject to any disposition thereof which may have been made by Lender pursuant to the terms hereof or of the Loan Agreement. In the event that Lender has disposed of any Trademark Collateral following an Event of Default but prior to the time that all of the Obligations under the Loan Agreement have been indefeasibly repaid in full, Lender shall promptly provide notice to Pledgor describing such disposition.

Lender agrees that there will be no assignment of the Trademark Collateral, other than the security interest described herein, unless and until there shall occur an Event of Default and Lender gives written notice to Pledgor of its intention to enforce its rights against any of the Trademark Collateral. So long as no Event of Default shall have occurred and be continuing, and subject to the various provisions of the Loan Agreement and the other Loan Documents to which it is a party, Pledgor may use, license and exploit the Trademark Collateral in any lawful manner.

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Schedule 1  
to  
Trademark Security Agreement

TRADEMARKS

Trademarks

Trademarks and Trade Names for DAC Vision Inc., DAC, Development Associates Controls.

MHODMA.LADOC3;304993;1

**TRADEMARK**  
**REEL: 002097 FRAME: 0196**

**Schedule 2**  
**to**  
**Trademark Security Agreement**

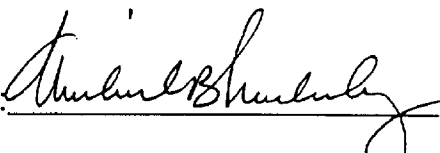
**TRADEMARK LICENSES**

None

EXCEPT TO THE EXTENT THAT IT IS EXPRESSLY GOVERNED BY FEDERAL LAW, THIS TRADEMARK SECURITY AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN THE STATE OF CALIFORNIA.

IN WITNESS WHEREOF, Pledgor has caused this Trademark Security Agreement to be duly executed as of the date of the Loan Agreement, by its officer thereunto duly authorized.

DAC INTERNATIONAL, INC.,  
a Delaware corporation,  
("Pledgor")

By: 

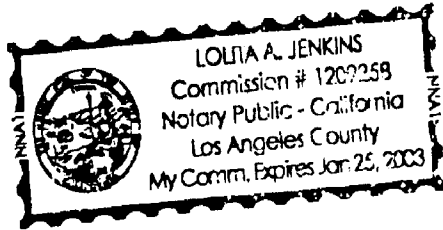
Print Name: Michael B. Mulcahy

Title: Chairman



STATE OF California )  
COUNTY OF Los Angeles ) ss.:

On the 3<sup>rd</sup> day of June, in the year 1999, before me personally came Michael B. Malachy to me ~~known~~, who, being by me sworn, did say that ~~she~~ he is an Authorized Signatory of DAC INTERNATIONAL, INC., which entity is described in, and which entity executed, the above instrument, and that he signed his name by order of the Board of Directors of DAC INTERNATIONAL, INC.



*Lolita A. Jenkins*  
Notary Public

**Schedule A**

<b><u>Mark</u></b>	<b><u>Serial/Reg. No.</u></b>	<b><u>Filing/Registration Date</u></b>
E-Z PEEL	75/580,168	October 30, 1998
ECON-O-CLOTH	626,187	May 1, 1956