

10-15-07

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To the Director of the U. S. Pat.

ched documents or the new address(es) below.

1. Name of conveying party(ies):

Image Products, Inc.

- Individual(s)
- General Partnership
- Corporation- State: North Carolina
- Other _____

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

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

Execution Date(s) October 9, 2007

- Assignment
- Security Agreement
- Other _____

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: LogosDirect LLC

Internal _____

Address: Suite 117

Street Address: 3715 Patriot Way

City: Wilmington

State: NC

Country: USA Zip: 28412

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other limited liability company Citizenship North Carolina

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)

2816638

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

Logos Direct

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

Name: James W. Latshaw, Esq.

Internal Address: _____

Street Address: 16 N. Fifth Avenue

City: Wilmington

State: NC Zip: 28412

Phone Number: 910-763-2426

Fax Number: 910-763-6561

Email Address: jlatshaw@murchisontaylor.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 by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____
Authorized User Name _____

9. Signature:

Signature

10/12/07

Date

James W. Latshaw

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

10/16/2007 DBYRNE 00000018 2816638
40.00 DP

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made effective October 9, 2007 by and between **LOGOSDIRECT LLC**, a North Carolina limited liability company whose address is 3715 Patriot Way, Unit 117, Wilmington, North Carolina 28412 ("Debtor"), and **IMAGE PRODUCTS, INC.**, a North Carolina corporation ("Secured Party").

RECITALS

A. Debtor has executed that certain Promissory Note (Business), that certain Promissory Note (Inventory), and that certain Promissory Note (Contingent), each of even date herewith in favor of Secured Party in the aggregate principal amount of **SEVEN HUNDRED FORTY-SEVEN THOUSAND THREE HUNDRED SEVEN AND NO/100 DOLLARS (\$747,307.00)** (collectively, the "Notes").

B. The Notes represent seller financing provided by Secured Party to enable Debtor to purchase the Assets of Secured Party pursuant to that certain Asset Purchase Agreement dated October 8, 2007, by and between Debtor, the Secured Party and others (the "Purchase Agreement"). All capitalized terms not otherwise defined herein shall have the same meaning assigned to them in the Purchase Agreement.

C. As a condition precedent to its entrance into the Purchase Agreement, Secured Party has required that Debtor grant Secured Party a security interest in the assets of Debtor as additional security for the repayment of the Notes as more fully set forth hereinafter, including without limitation a first priority security interest in the Trademarks (as defined below). The Purchase Agreement, the Notes, and all other documents evidencing, securing or related to or executed in connection with the Purchase Agreement and the Notes are referred to herein collectively as the "Transaction Documents".

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties hereby agree as follows:

1. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following terms shall have the following meanings unless the context indicates a contrary meaning or intent:

(a) "Obligations" shall mean all past, present and future indebtedness, liabilities and obligations of any nature whatsoever which the Debtor may now or at any time hereafter owe to the Secured Party, whether such indebtedness, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and

several, and including specifically, but not limited to, Debtor's obligations under the Notes and all of the other Secured Obligations (as defined in the Security Agreement).

(b) "Security Agreement" shall mean that certain Security Agreement of even date herewith entered into between Debtor and Secured Party as additional security for the Notes and the other Obligations, the terms of which are incorporated herein.

(c) "Trademarks" shall mean, collectively, all of Debtor's right, title and interest in and to all of its now owned or existing and filed or hereafter acquired or arising and filed trademarks, service marks, trademark or service mark applications, and trade names, including, without limitation, the marks listed on Schedule 1 attached hereto and incorporated herein which are registered in the United States Patent and Trademark Office, together with (i) the goodwill of Debtor's business associated with and symbolized by the Trademarks, (ii) all renewals of each, (iii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, all damages and payments for past, present or future infringements thereof, (iv) the right to sue for past, present and future infringements thereof, and (v) all rights corresponding thereto throughout the world.

2. Grant of Security. Debtor hereby pledges and collaterally assigns to Secured Party, and grants to Secured Party a security interest with power of sale (to the extent permitted by law) in, the Trademarks, as security for the payment and performance of the Obligations.

3. Warranties, Representations and Agreements. Debtor represents, warrants and covenants to, and agrees with, Secured Party that:

(a) Schedule 1 accurately lists all Trademarks owned or controlled by Debtor and the status of all registrations pertaining thereto as of the date hereof.

(b) Debtor has absolute title to the Trademarks listed on Schedule 1 hereto and the rights associated with the registration thereof with the United States Patent and Trademark Office, free and clear of all security interests, liens, assignments, pledges and other encumbrances, except those in favor of Secured Party. Debtor will keep all Trademarks free and clear of all security interests, liens and encumbrances except those in favor of Secured Party.

(c) Debtor has the full right, power and authority to enter into and to perform its obligations under this Agreement. Debtor has obtained all consents necessary to validly and legally assign the Trademarks to Secured Party, and the execution, delivery and performance of this Agreement by Debtor does not and will not result in the violation of any mortgage, indenture, contract, instrument, agreement, judgment, decree, order, statute, rule or regulation to which Debtor is subject or by which it or any of its property is bound.

(d) Debtor will not sell or otherwise dispose of the Trademarks, or any interest therein, without Secured Party's prior written consent.

(e) Debtor will at its own expense, and using its best efforts, protect and defend the Trademarks against all claims or demands of all persons other than Secured Party.

(f) Debtor will maintain and preserve at its expense the Trademarks including, but not limited to, by filing all applications to register and all affidavits and renewals possible with respect to issued registrations therefor. Debtor covenants that it will neither abandon nor fail to pay any maintenance fee or annuity due and payable on any Trademark.

(g) If Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of Debtor (or, at Secured Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure. Debtor shall pay Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees) incurred by Secured Party in connection with or as a result of Secured Party's taking action under this subsection (g) or exercising its rights under Section 6 below, together with interest thereon from the date expended or incurred by Secured Party at the highest rate then applicable to any of the Obligations.

(h) To facilitate Secured Party's taking action under subsection (g) and exercising its rights under Section 6 below, Debtor hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered, endorsed or filed by Debtor under this Section 3, or, necessary for Secured Party, after an Event of Default, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Trademarks to any third party. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the payment and performance of all Obligations.

4. Debtor's Use of the Trademarks. Debtor shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling items or providing services covered by the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (each, an "Event of Default"): (a) an Event of Default, as defined in the Notes, shall occur; (b) Debtor shall fail to observe or perform timely and in full any term, condition, covenant or agreement herein; or (c) any of the representations or warranties contained in Section 3 shall be or become false in any material respect.

6. Remedies. Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks. The goodwill associated with any Trademark shall be included in any such sale, assignment or other disposition of a Trademark. Debtor agrees that, to the extent that any notice of sale shall be required, unless otherwise expressly provided by law, ten (10) days notice to Debtor of the time and place of any public sale or of the time after which any private sale is to be held shall constitute reasonable notification of sale.

(b) Secured Party may enforce the Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

(c) In addition to all other rights and remedies provided for herein or otherwise available to Secured Party, Secured Party may exercise any or all rights and remedies (i) of a secured party on default under the Uniform Commercial Code as in effect in the State of North Carolina ("UCC"), and/or (ii) available to Secured Party under the Notes, the Security Agreement or any of the other Transaction Documents. Without limiting the generality of the foregoing, Debtor agrees that the Trademarks comprise a portion of the Collateral (as defined in the Security Agreement), and Secured Party shall have the right to exercise all rights under the Security Agreement with respect to the Trademarks to the same extent as with respect to all other items of Collateral described therein.

(d) Secured Party or its nominee may use the Trademarks to assemble, distribute, prepare for sale and sell the Collateral, or otherwise in connection with the conduct of Debtor's business.

7. **Notices.** All notices and other communications given pursuant to this Agreement shall be effective if in writing and mailed by first class mail, postage prepaid, registered or certified with return receipt requested, sent via nationally recognized overnight delivery carrier, or delivered in person to the intended addressee, at the following address set forth below for such party:

If to Debtor:

LOGOSDIRECT LLC
ATTN: John Denison
3715 Patriot Way, Unit 117
Wilmington, NC 28412

If to Secured Party:

IMAGE PRODUCTS, INC.
ATTN: Christopher Leonard
1710 Dawson Street
Wilmington, NC 28403

Notices shall be deemed given when: (i) if hand-delivered, then on the date of hand delivery, or (ii) if sent by registered or certified mail or by nationally-recognized overnight courier, on the date after the date deposited with the United States Postal Service or the nationally-recognized overnight courier, as applicable. Each party shall have the right to change its address for notice hereunder to any other location by the delivery of written notice thereof to the other party in the manner set forth above.

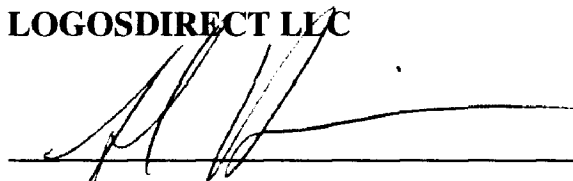
8. **Miscellaneous.** This Agreement has been duly and validly authorized by all necessary action, corporate, limited liability company or otherwise. This Agreement can be modified or amended only in a writing signed by Secured Party and Debtor. No waiver by any party of any breach or default by any other party of any of such other party's obligations under this Agreement shall be deemed to be a waiver of any other breach or default of the same or any other nature. No failure by any party on any one or more occasions to exercise any right or remedy provided in this Agreement shall preclude the exercise of such right or remedy on any other occasion. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition nor bar to the exercise or enforcement of any other. Secured Party shall not be obligated to preserve any rights Debtor may have in respect of the Trademarks, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective successors and assigns. Debtor authorizes Secured Party to file any financing statements, continuation statements or amendments in any location and in any filing office that Secured Party deems necessary or advisable. A fax or copy of this Agreement shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the laws of the State of North Carolina without regard to conflicts of law provisions, except to the extent the validity or perfection of the security interests hereunder, or the remedies hereunder, are governed by the laws of the United States. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

[NEXT PAGE IS SIGNATURE PAGE]

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Assignment under as of the date first set forth above.

DEBTOR:

LOGOSDIRECT LLC

By:  _____ (SEAL)
JOHN DENISON, Member/Manager

SECURED PARTY:

IMAGE PRODUCTS, INC.

By:  _____
JEFFREY W. PETRO, President

Schedule 1
to
Trademark Security Agreement

UNITED STATES TRADEMARKS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Logos Direct	2816638	February 24, 2004