

04-14-2004



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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

THOMPSON PRODUCTS, INC. 4.8.04 310 Kenneth W. Welch Drive Lakeville, MA 02347-1348

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: February 23, 2004

2. Name and address of receiving party(ies)

Name: CITIZENS BANK OF MASSACHUSETTS

Internal Address: 14th Floor

Street Address: 28 State Street

City: Boston State: MA Zip: 02109

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Massachusetts 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

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

A. Trademark Application No.(s) See Attached

B. Trademark Registration No.(s) See Attached

Additional number(s) attached Yes No

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

Name: David V. Radack, Esquire

Internal Address:

Eckert Seamans Cherin & Mellott, LLC

Street Address: 600 Grant Street, 44th Floor

City: Pittsburgh State: PA Zip: 15219

6. Total number of applications and registrations involved:

16

7. Total fee (37 CFR 3.41) \$ 415.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

02-2556

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

DO NOT USE THIS SPACE

9. 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.

David V. Radack Name of Person Signing

Signature

4/8/04 Date

Total number of pages including cover sheet, attachments, and document: 12

04/13/2004 ECDOPER 00000126 022556

Mail documents to be recorded with required cover sheet information to: 76493665 Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

01 FC:8521 40.00 DA 02 FC:8522 375.00 DA

TRADEMARK REEL: 002947 FRAME: 0425

ATTACHMENT TO FORM PTO-1594

A. Trademark Application Nos.

| <u>Mark</u> | <u>Serial No.</u> | <u>Filing Date</u> |
|---------------|-------------------|--------------------|
| Value First | 76/493,665 | 2/27/2003 |
| Cynthia Royce | 76/503,565 | 4/2/2003 |
| Photo-Toons | 76/503,566 | 4/2/2003 |
| T-Thompson | 76/503,567 | 4/2/2003 |
| Cynthia Royce | 76/503,568 | 4/2/2003 |
| Digipockets | 76/540,519 | 8/27/2003 |

B. Trademark Registration Nos.

| <u>Mark</u> | <u>Reg. No.</u> | <u>Reg. Date</u> |
|----------------------------|-----------------|------------------|
| Phototrac | 1,847,709 | 8/2/1994 |
| Album Works by Thompson | 2,087,614 | 8/12/1997 |
| Photo Works by Thompson | 2,123,223 | 12/23/1997 |
| Thompson & Design | 2,189,473 | 9/15/1998 |
| Scrapworks | 2,213,095 | 12/22/1998 |
| Design Your Own Album | 2,217,987 | 1/12/1999 |
| Bristol Collection | 2,224,816 | 2/16/1999 |
| Bug Bites | 2,576,737 | 6/4/2002 |
| Thompson & "T" Design | 2,741,661 | 7/29/2003 |
| Your Memories For Life | 2,773,501 | 10/14/2003 |

**AMENDED AND RESTATED
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

This Amended and Restated Patent, Trademark and Copyright Security Agreement (the "Agreement"), dated as of February 23, 2004, is entered into by and between THOMPSON PRODUCTS, INC., a Delaware corporation (the "Pledgor"), and CITIZENS BANK OF MASSACHUSETTS, as Agent for the Banks referred to below (the "Secured Party").

Reference is made to that certain Credit Agreement dated of as of March 2, 1998 (as restated, amended, modified, waived or supplemented to but not including the date hereof, the "Existing Credit Agreement") by and among the Pledgor, Thompson Products Holdings, Inc., a Massachusetts corporation, PNC Bank, National Association as Agent, and the Banks party thereto.

WITNESSETH THAT:

WHEREAS, the obligations and all indebtedness of the Pledgor under the Existing Credit Agreement are secured pursuant to a patent, trademark and copyright security agreement given in connection with the Existing Credit Agreement (the "Existing PTC Security Agreement"); and

WHEREAS, the obligations, liabilities, and indebtedness of the Pledgor subject to the Existing Credit Agreement have been continued and shall hereafter be governed by that certain Second Amended and Restated Credit Agreement, dated as of the date hereof, by and among the Pledgor, Thompson Products Holdings, Inc., Thompson Products Hong Kong Limited, the Banks identified therein and Citizens Bank of Massachusetts as successor Agent to PNC Bank, National Association, as amended, restated, modified, waived, and supplemented from time to time (the "Credit Agreement"); and

WHEREAS, pursuant to the Credit Agreement, the Banks have agreed to provide certain loans and financial accommodations to the Pledgor; and

WHEREAS, the parties desire that all liens and security interests which secured indebtedness, obligations, and liabilities of the Borrower and the Pledgor under the Existing Credit Agreement and the documents related thereto shall continue to secure the indebtedness, obligations, and liabilities of the Pledgor under the Credit Agreement and the other Loan Documents (as defined therein) and, accordingly, this Agreement renews, amends and restates the Existing PTC Security Agreement; and

WHEREAS, the obligation of the Banks to make Loans under the Credit Agreement is subject to the condition, among others, that the Pledgor secure its obligations to the Banks under the Credit Agreement in the manner set forth herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Amendment and Restatement; No Novation.

The Existing PTC Security Agreement is hereby amended and restated in its entirety hereby, and this Agreement is not intended to constitute and does not constitute an interruption, suspension of continuity, satisfaction, discharge of prior duties, novation or termination of the liens, security interests, indebtedness, loans, liabilities, expenses or obligations under the Existing Credit Agreement or the Existing PTC Security Agreement. The Pledgor and the Secured Party acknowledge and agree that the Existing PTC Security Agreement has continued to secure the indebtedness, loans, liabilities, expenses, and obligations under the Existing Credit Agreement since the date of the execution of the Existing PTC Security Agreement, and that this Agreement is intended to preserve all rights and benefits arising under the Existing PTC Security Agreement.

2. Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the respective meanings given to them in the Credit Agreement.

3. To secure the full payment and performance of all Obligations and other liabilities of the Pledgor now or hereafter existing under the Credit Agreement and the other Loan Documents, including, without limitation, principal, interest, fees, expenses, costs and expenses of enforcement, reasonable attorney's fees and expenses, and obligations under indemnification provisions in the Loan Documents (collectively, the "Secured Obligations"), Pledgor hereby grants, and conveys a security interest to Secured Party in the entire right, title and interest of Pledgor in and to all trade names, patent applications, patents, trademark applications, trademarks and copyrights, whether now owned or hereafter acquired by Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of the patents, trademarks and copyrights relate (collectively, the "Patents, Trademarks and Copyrights").

4. Pledgor covenants and warrants that:

(a) the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the best of Pledgor's knowledge, each of the Patents, Trademarks and Copyrights is valid and enforceable;

(c) except as set forth on Schedule B hereto and except for Permitted Liens, Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by Pledgor not to sue third persons;

(d) Pledgor has the corporate power and authority to enter into this Agreement and perform its terms;

(e) no claim has been made to Pledgor or, to the knowledge of Pledgor, any other person that the use of any of the Patents, Trademarks and Copyrights does or may violate the rights of any third party;

(f) Pledgor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Patents, Trademarks and Copyrights; and

(g) Pledgor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Patents, Trademarks and Copyrights, except for those Patents, Trademarks and Copyrights that are hereafter allowed to lapse in accordance with Paragraph 11 hereof.

5. Pledgor agrees that, until all of the Secured Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Pledgor's obligations under this Agreement, without Secured Party's prior written consent which shall not be unreasonably withheld, except that Pledgor may license technology in the ordinary course of business without the Secured Party's consent to suppliers and customers to facilitate the manufacture and use of Pledgor's products.

6. If, before the Secured Obligations shall have been indefeasibly satisfied in full and the Commitments have terminated, Pledgor shall own any new trademarks or any new copyrightable or patentable inventions, or any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation in part of any Patent, Trademark or Copyright or any improvement on any Patent, Trademark or Copyright, the provisions of this Agreement shall automatically apply thereto and Pledgor shall give to Secured Party prompt notice thereof in writing. Pledgor and Secured Party agree to modify this Agreement by amending Schedule A to include any future patents, patent applications, trademark applications, trademarks, copyrights or copyright applications and the provisions of this Agreement shall apply thereto.

7. Secured Party shall have, in addition to all other rights and remedies given it by this Agreement and those rights and remedies set forth in the Credit Agreement, those allowed by Law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks and Copyrights may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is continuing, Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Pledgor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Agent shall designate by notice to the Pledgor, Boston, Massachusetts or elsewhere, the whole or from time to time any part of the Patents, Trademarks and Copyrights, or any interest which Pledgor may have therein and, after deducting from the proceeds of sale or other disposition of the Patents, Trademarks and Copyrights all expenses (including fees and expenses for brokers and attorneys), shall apply the remainder of such proceeds toward the payment of the Secured Obligations as the Secured Party, in its sole discretion, shall determine. Any remainder of the proceeds after

payment in full of the Secured Obligations shall be paid over to Pledgor. Notice of any sale or other disposition of the Patents, Trademarks and Copyrights shall be given to Pledgor at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents, Trademarks and Copyrights is to be made, which Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party may, to the extent permissible under applicable Law, purchase the whole or any part of the Patents, Trademarks and Copyrights sold, free from any right of redemption on the part of Pledgor, which right is hereby waived and released.

8. If any Event of Default shall have occurred and be continuing, Pledgor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party, as Secured Party may select in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, with the power to endorse Pledgor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Patents, Trademarks and Copyrights, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under the Patents, Trademarks and Copyrights to any third person, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of the Patents, Trademarks and Copyrights to any third Person. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the life of this Agreement.

9. At such time as Pledgor shall have indefeasibly paid in full all of the Secured Obligations and the Commitments and the Letter of Credit shall have terminated, this Agreement shall terminate and Secured Party shall execute and deliver to Pledgor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Pledgor full title to the Patents, Trademarks and Copyrights, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorney's fees and expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances, the protection, maintenance or preservation of the Patents, Trademarks and Copyrights, or the defense or prosecution of any actions or proceedings arising out of or related to the Patents, Trademarks and Copyrights, shall be borne and paid by Pledgor within fifteen (15) days of demand by Secured Party, and if not paid within such time, shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

11. Pledgor shall have the duty, through counsel reasonably acceptable to Secured Party, to prosecute diligently any patent applications of the Patents, Trademarks and Copyrights pending as of the date of this Agreement if commercially reasonable or thereafter until the Secured Obligations shall have been indefeasibly paid in full and the Commitments shall have terminated, to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of Pledgor to

do so) and to preserve and maintain all rights in patent applications and patents of the Patents, including without limitation the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by Pledgor. Pledgor shall not abandon any Patent, Trademark or Copyright without the consent of Secured Party, which shall not be unreasonably withheld.

12. Pledgor shall have the right, with the consent of Secured Party, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its own name, and to join Secured Party, if necessary, as a party to such suit so long as Secured Party is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents, Trademarks and Copyrights and any licenses thereunder. Pledgor shall promptly, upon demand, reimburse and indemnify Secured Party for all damages, costs and expenses, including reasonable legal fees, incurred by Secured Party as a result of such suit or joinder by Pledgor.

13. No course of dealing between Pledgor and Secured Party, nor any failure to exercise nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Credit Agreement or other Loan Documents shall operate as a waiver of such right, power or privilege, nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. All of Secured Party's rights and remedies with respect to the Patents, Trademarks and Copyrights, whether established hereby or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and may be exercised singularly or concurrently.

15. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any clause or provision of this Agreement in any jurisdiction.

16. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Paragraph 5.

17. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided however that Pledgor may not assign or transfer any of its rights or obligations hereunder or any interest herein and any such purported assignment or transfer shall be null and void.

18. This Agreement shall be governed by and construed in accordance with the internal Laws of the Commonwealth of Massachusetts without regard to its conflicts of law principles.

[Signatures Begin on Next Page]

[SIGNATURE PAGE 1 OF 1 TO AMENDED AND RESTATED PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by
their respective officers or agents thereunto duly authorized, as of the date first above written.

ATTEST:

THOMPSON PRODUCTS, INC.

Todd H. Whittier
Name: Todd H. Whittier

By: [Signature]
Title: President

CITIZENS BANK OF MASSACHUSETTS

Todd H. Whittier
Name: Todd H. Whittier

By: [Signature]
Title: President

**SCHEDULE A
TO
AMENDED AND RESTATED
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF REGISTERED PATENTS, TRADEMARKS,
TRADE NAMES AND COPYRIGHTS**

Patents

Borrower owns no patents and has pending a U.S. Patent Application Ser. No. 10/385308 titled "Album Page", John P. Jordan, Inventor, filed March 10, 2003. Apart from express and implied licenses accompanying software, machinery and equipment, Borrower has no material patent licenses.

Trademarks

The Borrower owns the following registered trademarks:

| Mark | Registration | Registration Date |
|----------------|--------------|-------------------|
| Phototrac | 1,847,709 | August 2, 1994 |
| Album Works by | 2,087,614 | August 12, 1997 |

| | | |
|----------------------------|-----------|--------------------|
| Thompson | | |
| Photo Works by Thompson | 2,123,223 | December 23, 1997 |
| Thompson & Design | 2,189,473 | September 15, 1998 |
| Scrapworks | 2,213,095 | December 22, 1998 |
| Design Your Own Album | 2,217,987 | January 12, 1999 |
| Bristol Collection | 2,224,816 | February 16, 1999 |
| Bug Bites | 2,576,737 | June 4, 2002 |
| Thompson & "T" Design | 2,741,661 | July 29, 2003 |
| Your Memories For Life | 2,773,501 | October 14, 2003 |

The Borrower has applications pending to register the following trademarks in the U.S. Patent and Trademark Office:

| Mark | Serial Number | Filing Date |
|---------------|---------------|-------------------|
| Value First | 76/493665 | February 27, 2003 |
| Cynthia Royce | 76/503565 | April 2, 2003 |
| Photo-Toons | 76/503566 | April 2, 2003 |
| T-Thompson | 76/503567 | April 2, 2003 |
| Cynthia Royce | 76/503568 | April 2, 2003 |
| Digipockets | 76/540519 | August 27, 2003 |

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**SCHEDULE B
TO
AMENDED AND RESTATED
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF LIENS, CHARGES AND ENCUMBRANCES
OTHER THAN PERMITTED LIENS**

NONE