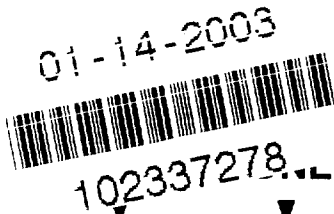


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(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)
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1-14-03

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):

Navarro Group, Ltd. Inc.

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

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: December 11, 2002

2. Name and address of receiving party(ies)

Name: Capital TempFunds, Inc.

Internal Address: _____

Suite 300

Street Address: One Brixham Green

15800 John J. Delaney Drive

City: Charlotte State: NC Zip: 28277

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

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

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

B. Patent No.(s)

6,052,052

Additional numbers attached? ☐ Yes ☒ No

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

Name: Gary M. Krasna

Internal Address: Suite 210

Street Address: 3010 N. Military Trail

City: Boca Raton State: FL Zip: 33431

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

☒ Enclosed

☐ Authorized to be charged to deposit account

8. Deposit account number:

(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.

Gary M. Krasna

Name of Person Signing

Signature

1/10/03

Date

Total number of pages including cover sheet, attachments, and documents: 8

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

01/14/2003 DBYRME 00000181 6052052
01 FC:8021

PATENT
REEL: 013634 FRAME: 0937

TRADEMARK AND LETTERS PATENT SECURITY AGREEMENT

THIS TRADEMARK AND LETTERS PATENT SECURITY AGREEMENT (this "Agreement") is made as of the 11th day of December, 2002, by and between **NAVARRO GROUP, LTD. INC.**, a Florida corporation, with its principal place of business and chief executive office at 1341 S.W. 21st Terrace, Fort Lauderdale, Florida 33312 (the "Borrower"), and **CAPITAL TEMPFUNDS, INC.**, a North Carolina corporation with an office at One Brixham Green, 15800 John J. Delaney Drive, Suite 300, Charlotte, NC 28277-2843 (the "Secured Party").

RECITALS

WHEREAS, the Borrower has entered into a Loan and Security Agreement of even date herewith (the "Loan Agreement") with the Secured Party, pursuant to which the Secured Party has extended a revolving loan to the Borrower under the terms and condition set forth in said Loan Agreement;

WHEREAS, it is a condition precedent to borrowings under the Loan Agreement that the Borrower shall have granted the security interest contemplated by this Agreement; and

WHEREAS, unless otherwise defined or the context otherwise requires, the defined terms used herein shall have the same meanings assigned to them in the Loan Agreement;

NOW, THEREFORE, in consideration of the foregoing and in order to induce the Secured Party to lend funds as contemplated by the Loan Agreement, the Borrower hereby agrees with the Secured Party as follows:

1. **Grant of Security Interest.** In order to secure (i) the payment of all principal of and interest on the Loan Agreement as and when the same becomes due and payable (whether by lapse of time, acceleration or otherwise), (ii) the payment of all interest, fees and charges payable by the Borrower under the terms of the Loan Agreement, (iii) the payment of all other present and future indebtedness, obligations and liabilities arising under, and the observance and performance of all present and future covenants and agreements contained in the Loan Agreement, and (iv) the payment in full of all reasonable out-of-pocket expenses and charges, legal or otherwise including reasonable attorney's fees, suffered or incurred by the Secured Party in collecting or enforcing payment of the obligations outstanding under the Loan Agreement or any or all of the other foregoing indebtedness or in realizing upon, protecting or preserving any collateral security for the Loan Agreement or such other indebtedness (all of such indebtedness, obligations and liabilities referred to in the immediately foregoing clauses (i) through (iv) being defined by reference in the Loan Agreement as, and being hereinafter collectively referred to as, the "Obligations"), Borrower does hereby grant to Secured Party a security interest in, all of Borrower's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to the trademarks and service marks, including registrations

and applications therefor, trade names and Letters Patents which may issue from the pending applications listed on Schedule A attached hereto and incorporated herein and all after-acquired Trademarks and all after-acquired Letters Patent (both as defined in Section 2(a) hereof), together with (a) all renewals thereof, (b) all present and future rights of Borrower under all present and future license agreements relating thereto, whether Borrower is licensee or licensor thereunder, (c) all income, royalties, damages and payments now or hereafter due and/or payable to Borrower thereunder or with respect thereto, including, without limitation, damages and payments for past, present and future infringement thereof, (d) all of Borrower's present and future claims, causes of action and rights to sue for past, present or future infringements thereof, (e) the business and goodwill to which all of such trademarks and service marks including registrations and applications therefor, and trade names are appurtenant, (f) all rights corresponding thereto throughout the world, and (g) proceeds of all of the foregoing (all of the foregoing collectively, the "Trademarks").

2. **Covenants, Warranties and Representations.** The Borrower covenants, warrants and represents that:

(a) To the best of Borrower's knowledge, the Trademarks and Letters Patent listed on Schedule A constitute all of the trademarks, service marks, registrations, applications and trade names registered or filed in the United States and Letters Patents applications pending in the United States and now owned by Borrower. If, before the Obligations shall have been satisfied in full, Borrower shall (i) obtain or discover rights to any new or existing trademarks, service marks, registrations, applications, trade names or patentable inventions registered or filed in the United States, or (ii) become entitled to the benefit of any trademarks, service marks, registrations, applications, trade names or license renewals registered or filed in the United States (each, "after-acquired Trademarks") or any Letters Patent (each, "after-acquired Patents"), the security interest of Secured Party granted hereunder shall automatically attach thereto and Borrower shall give to Secured Party prompt written notice thereof.

(b) Borrower agrees not to sell or assign its interest in the Trademarks or Letters Patent, without the prior written consent of Secured Party.

(c) Until the Obligations shall have been satisfied in full, Borrower will not, without Secured Party's prior written consent, enter into any agreement which is inconsistent with Borrower's obligations under the Loan Agreement and Borrower further agrees that it will not knowingly take any action, or knowingly permit any action to be taken by others subject to its control, including licensees, or knowingly fail to take any action, which would materially adversely affect the validity of the rights of Secured Party and under this Loan Agreement.

(d) Until the Obligations shall have been satisfied in full, except as otherwise agreed by Secured Party in writing, Borrower will maintain, preserve and protect the Trademarks and Letters Patent free of any material conflict with the rights of any other person. Without limitation of the foregoing, Borrower shall have the duty to the extent reasonable, appropriate and consistent with

acceptable business practices (i) to pay all taxes, fees or other amounts necessary to maintain in full force and effect all of the Trademarks, (ii) to prosecute diligently any trademark and patent applications relating to the Trademarks and the Letters Patent pending as of the date hereof or thereafter until this Agreement is no longer in effect, (iii) to make application on trademarks which have not been registered but which may be registered in the United States, as appropriate and consistent with past practices, and (iv) to preserve and maintain all rights in trademark applications, trademarks and trademark registrations of the Trademarks, and in all patent applications of the Letters Patent. Borrower will take all steps as reasonably required by Secured Party to perfect any security interest acquired by Secured Party pursuant to this Agreement, including, without limitation, filing and recording such new security agreements or financing statements as may be reasonably required by Secured Party. Any expenses incurred in connection with such applications shall be borne by Borrower, and Secured Party shall have no obligations or liability to pay any taxes or fees, nor shall Secured Party have any duties in connection with application or maintenance of rights in the Trademarks and Letters Patent.

(e) The registered Trademarks set forth on Schedule A are subsisting and have not been adjudged invalid or unenforceable in whole or in part, and each of the Trademarks is valid and enforceable; there are no claims known to the Borrower currently asserted that the use of any of the registered Trademarks does or may violate the rights of any third person; no claims are currently asserted directly against Borrower or to the best of Borrower's knowledge its predecessors that the use of any of the registered Trademarks does or may violate the rights of any third person; the Borrower is the sole and exclusive owner of the entire right, title, and interest in and to each of the registered Trademarks in connection with the goods or services for which they are used; and the Borrower has the unqualified right to enter into this Agreement and to perform its terms.

3. **Rights and Remedies.** Every Event of Default (as defined in the Loan Agreement) shall constitute an "Event of Default" hereunder. Upon the occurrence of any Event of Default, Secured Party may, upon reasonable written notice, exercise any or all of the following rights and remedies, all of which are cumulative and enforceable alternatively, successively or concurrently:

(a) Sell, assign or grant any license under the Trademarks and/or the Letters Patent upon such terms and under such conditions as Secured Party, in its sole discretion, may determine.

(b) Sue for, collect and receive all income, royalties, damages and payments at any time due and/or payable under the Trademarks and/or the Letters Patent and any licenses thereunder.

(c) Sue in its own name to enforce the Trademarks and/or the Letters Patent and any licenses thereunder. If Secured Party shall commence any such suit, Borrower shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement.

4. **Power of Attorney.** Borrower hereby designates and appoints Secured Party and its designees as attorney-in-fact of Borrower, irrevocably and with power of substitution, with authority effective upon the occurrence of any Event of Default, to endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Secured Party in the use of the Trademarks and/or Letters Patent, to take any other actions with respect to the Trademarks and/or Letters Patent, as Secured Party deems in the best interest of Secured Party; to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks and/or Letters Patent to any person; and to perform all other acts necessary and advisable, in Secured Party's sole discretion, to carry out and enforce this Agreement and the Loan Agreement. All acts of said attorney or designee are hereby ratified and approved by Borrower. This power of attorney is coupled with an interest and is irrevocable so long as any of the Obligations remain unpaid.

5. **Termination.** The security interest granted herein shall terminate upon the indefeasible satisfaction in full of the Obligations.

6. **Notices.** Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the Loan Agreement, in the manner and within the time specified in the Loan Agreement.

7. **Further Assurances.** Borrower shall execute any further or additional documents reasonably required by the Secured Party to effectuate the purposes and intent of this Agreement.

8. **Choice of Law.** This Agreement shall be construed according to the laws of the State of North Carolina.

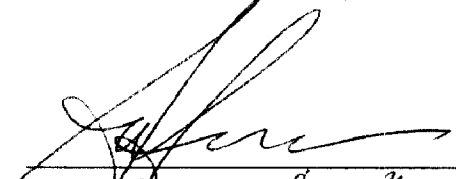
9. **Severability.** If any of the provisions of this Agreement are judicially determined to be in conflict with any law of the State of North Carolina, or otherwise judicially determined to be unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable from and shall not invalidate any other provisions of this Agreement.

10. **Successors and Assigns.** The terms, covenants, and conditions contained in this Agreement shall inure to the benefit of Borrower and its successors and assigns and shall be binding upon the Secured Party and its successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Trademark and Letters Patent Security Agreement to be duly executed under seal, intending it to be a sealed instrument, as of the day and year first above written.

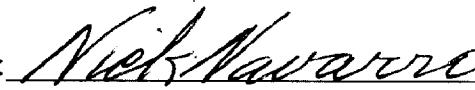
[SEAL]

ATTEST or WITNESS:



Notary Public

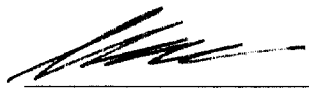
NAVARRO GROUP, LTD. INC.,
a Florida corporation

By: 

Nicholas G. Navarro, President

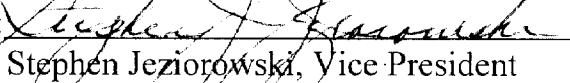
[SEAL]

ATTEST or WITNESS:



Notary Public

CAPITAL TEMPFUNDS, INC.,
c/o Capital Factors, Inc., as servicing agent

By: 

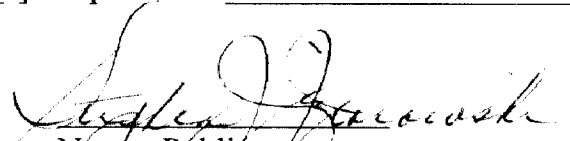
Stephen Jeziorowski, Vice President

STATE OF FLORIDA

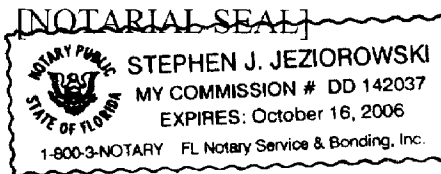
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of December, 2002 by Nicholas G. Navarro as President of NAVARRO GROUP, LTD. INC., on behalf of the corporation. He ☒ is personally known to me or ☐ has produced _____, as identification.

My Commission Expires:



Notary Public,
Print Name: _____
Commission Number: _____

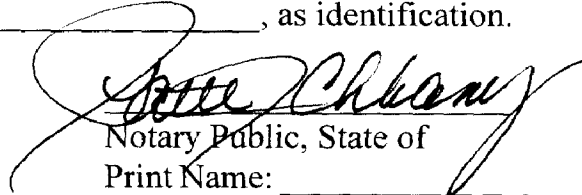


STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 16th day of December, 2002 by Stephen Jeziorowski, a Vice President of Capital Factors, Inc., a Florida corporation, as servicing agent for CAPITAL TEMPFUNDS, INC., on behalf of the corporation. He is personally known to me or [X] has produced _____, as identification.

My Commission Expires:


Notary Public, State of
Print Name: _____
Commission Number: _____



Patti Jeanette Chivany
My Commission DD069636
Expires January 30, 2006

[NOTARIAL SEAL]

**SCHEDULE A
TO
TRADEMARK AND LETTERS PATENT SECURITY AGREEMENT**

List of Trademarks and Letters Patent

<u>Trademark</u>	<u>Registration No.</u>	<u>Date of Issuance</u>
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N/A

<u>Trademark Application</u>	<u>Application No.</u>	<u>Date of Application</u>	<u>Class of Goods</u>
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N/A

<u>Patent</u>	<u>Registration No.</u>	<u>Date of Issuance</u>
Portable Alarm System	6,052,052	4/18/00

<u>Patent Application</u>	<u>Application No.</u>	<u>Filing Date</u>
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