### Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

#### **CONVEYING PARTY DATA**

Name	Execution Date
The Merchant of Tennis, Inc.	09/28/2007

#### **RECEIVING PARTY DATA**

Name:	Comerica Bank
Street Address:	75 E. Trimble Road
City:	San Jose
State/Country:	CALIFORNIA
Postal Code:	95113

#### PROPERTY NUMBERS Total: 2

Property Type	Number
Patent Number:	D353092
Patent Number:	D412631

#### **CORRESPONDENCE DATA**

Fax Number: (734)627-4744

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 313-963-6420

Email: schultz@millercanfield.com

Correspondent Name: Joni M. Thrower

Address Line 1: 150 West Jefferson Ave

Address Line 2: Suite 2500

Address Line 4: Detroit, MICHIGAN 48226

ATTORNEY DOCKET NUMBER:	125055-470
NAME OF SUBMITTER:	Joni M. Thrower

Total Attachments: 4

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## AGREEMENT (Patents)

This Agreement (Patents) (this "<u>Agreement</u>") dated as of September 28, 2007 ("<u>Effective Date</u>") is made between the undersigned (individually each the "<u>Debtor</u>" and collectively the "<u>Debtors</u>") and COMERICA BANK, a Michigan banking corporation, as agent for and on behalf of the Lenders.

#### Preliminary Statement

- A. THE MERCHANT OF TENNIS, INC., a California corporation (the "Borrower") as Borrower, certain financial institutions (the "Lenders"), and Agent intend to enter into a Credit Agreement of even date herewith (with all of its modifications, supplements, restatements, extensions, and renewals in effect from time to time, the "Credit Agreement"). The Credit Agreement sets forth the terms and conditions for loans and other extensions of credit to be made by the Lenders to or for the account of Borrower, including without limitation a \$32,500,000 Revolving Credit, a \$2,500,000 Term Loan, and Letters of Credit of up to \$5,000,000 in aggregate stated amount.
- B. In connection with the Credit Agreement, the Debtors have executed and delivered the Security Agreement, dated as of the date hereof, to the Secured Party (as amended or otherwise modified from time to time, the "Security Agreement").
- C. As a condition precedent to the making of the Advances under the Credit Agreement, the Debtors are required to execute and deliver this Agreement and to further confirm the grant to the Secured Party for the benefit of the Lenders a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Secured Obligations.

Accordingly, for good and valuable consideration the receipt of which is hereby acknowledged, and in order to induce the Lenders to make Advances (including the initial Advance) to the Borrower pursuant to the Credit Agreement, Debtors agree as follows:

- SECTION 1. <u>Definitions</u>. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.
- SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the prompt and complete payment and performance when due of all of the Secured Obligations, each Debtor hereby mortgages, pledges and hypothecates to the Secured Party, and grants to the Secured Party a security interest in, all of the following property of such Debtor (the "Patent Collateral") whether now owned or hereafter acquired or existing:
  - (a) all letters patent, patentable inventions and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including each patent and patent application referred to in Item A of Attachment 1 hereto;
  - (b) all patent licenses, including each patent license referred to in Item B of Attachment 1 hereto;

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- (c) all reissues, divisions, continuations, continuations-in-part, extensions, renewals, improvements and reexaminations of any of the items described in the foregoing clauses (a) and (b); and
- (d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue and all claims against third parties for past, present or future infringements of any patent or patent application, including any patent or patent application referred to in Item A of Attachment 1 hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Attachment 1 hereto, and all rights corresponding thereto throughout the world.
- SECTION 3. <u>Security Agreement</u>. This Agreement has been executed and delivered by the Debtors for the purpose of registering the security interest of the Secured Party in the Patent Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world ("<u>Registration Offices</u>"). The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party under the Security Agreement as security for the discharge and performance of the Secured Obligations. The Security Agreement (and all rights and remedies of the Secured Party thereunder) shall remain in full force and effect in accordance with its terms.
- SECTION 4. Release of Security Interest. Upon payment in full of all Secured Obligations and when all commitments to extend any credit under the Credit Agreement have been terminated, the Secured Party shall, at the Debtors' expense, deliver to the applicable Debtor any Collateral held by Secured Party hereunder and execute and deliver to such Debtor all instruments and other documents, and take such other action, as may be necessary or proper to evidence the release of the lien on and security interest in the Patent Collateral which has been granted hereunder.
- SECTION 5. <u>Acknowledgment</u>. The Debtors acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.
- SECTION 6. <u>Loan Documents, etc.</u> This Agreement is a Related Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.
- SECTION 7. <u>Counterparts</u>. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[Signatures follow on succeeding pages]

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This Agreement (Patents) is executed and delivered as of the Effective Date.

DIVERSIFIED REPACKAGING

**CORPORATION** 

a California corporation

Name: Jeffrie A. Green

Title: President

Comerica Bank, as Agent

Gah Y. Huey Andrick

Its: Vice President

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Security Agreement (Patents)

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# ATTACHMENT I (Item A)

	ISSUE DATE	TITLE	INVENTOR(S)	PATENT NO.
1.	12/06/94	Blister Pack /	Jeffrie Green	D353092
2.	8/10/99	Display Box with Display Racks /	Jeffrie Green	D412631

Security Agreement (Patents)

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**RECORDED: 10/04/2007**