

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
SFCA, INC.	04/09/2008

RECEIVING PARTY DATA	
Name:	FCC, LLC d/b/a First Capital
Street Address:	125 TownPark Drive
Internal Address:	Suite 190
City:	Kennesaw
State/Country:	GEORGIA
Postal Code:	30144

PROPERTY NUMBERS Total: 16

Property Type	Number
Patent Number:	7028353
Patent Number:	6704949
Patent Number:	6934981
Patent Number:	7331072
Patent Number:	5146631
Patent Number:	6907627
Patent Number:	7275996
Patent Number:	7070188
Patent Number:	7334624
Application Number:	11387587
Application Number:	10752171
Application Number:	10854531
Application Number:	11728507
PCT Number:	US0308469

CH \$640.00 7028353

Application Number:	11208244
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Application Number:	11211949
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CORRESPONDENCE DATA

Fax Number: (678)553-2693
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: (678) 553-2692
Email: withersS@gtlaw.com
Correspondent Name: Sarah Withers
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ATTORNEY DOCKET NUMBER:	069528.016500 (WITHERS)
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NAME OF SUBMITTER:	Sarah Withers
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Total Attachments: 10

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of April 9, 2008, is made by and among SFCA, INC., a Delaware corporation ("Borrower"), and FCC, LLC, d/b/a First Capital, a Florida limited liability company ("Lender").

Recitals

Borrower and Lender are parties to a Loan and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Loan Agreement") setting forth the terms on which Lender may now or hereafter extend credit to or for the account of Borrower.

As a condition to extending credit to or for the account of Borrower, Lender has required the execution and delivery of this Agreement by Borrower.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Loan Agreement) which Borrower may now or at any time hereafter owe to Lender, whether such debt, 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, the Obligations (as defined in the Loan Agreement).

"Patents" means all of Borrower's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on **Exhibit A**.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of Borrower's right, title and interest in and to: (a) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (b) licenses, fees or royalties with respect to each, (c) the right to sue for past, present and future infringement, dilution and damages therefor, (d) and licenses thereunder, all as

presently existing or hereafter arising or acquired, including, without limitation, the marks listed on **Exhibit B**.

2. Security Interest. Borrower hereby irrevocably pledges and assigns to, and grants Lender a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Loan Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of Borrower. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Borrower represents, warrants and agrees as follows:

(a) **Patents.** **Exhibit A** accurately lists all Patents owned or controlled by Borrower as of the date hereof, or to which Borrower has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, Borrower owns, controls or has a right to have assigned to it any Patents not listed on **Exhibit A**, or if **Exhibit A** ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then Borrower shall within 30 days provide written notice to Lender with a replacement **Exhibit A**, which upon acceptance by Lender shall become part of this Agreement.

(b) **Trademarks.** **Exhibit B** accurately lists all Trademarks owned or controlled by Borrower as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to Borrower's or any Affiliate's business(es). If after the date hereof, Borrower owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to Borrower's or any Affiliate's business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Borrower shall promptly provide written notice to Lender with a replacement **Exhibit B**, which upon acceptance by Lender shall become part of this Agreement.

(c) **Affiliates.** As of the date hereof, no Affiliate of Borrower owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Borrower, constitute Patents or Trademarks. If after the date hereof any Affiliate of Borrower owns, controls, or has a right to have assigned to it any such items, then Borrower shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to Borrower; or (ii) notify Lender of such item(s) and cause such Affiliate to

execute and deliver to Lender a patent and trademark security agreement substantially in the form of this Agreement.

(d) **Title.** Borrower has absolute title to each Patent listed on **Exhibit A** and each Trademark listed on **Exhibit B** that lists Borrower as the owner, free and clear of all Liens except Permitted Liens. Borrower (i) will have, at the time Borrower acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(e) **No Sale.** Borrower will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without Lender's prior written consent.

(f) **Defense.** Borrower will, at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(g) **Maintenance.** Borrower will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business, including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Borrower covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Lender: (i) sufficient written notice, of at least 30 days, to allow Lender to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) **Lender's Right to Take Action.** If Borrower fails to perform or observe any of its covenants or agreements set forth in this Section 3, or if Borrower notifies Lender that it intends to abandon a Patent or Trademark, Lender may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Borrower (or, at Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) **Costs and Expenses.** Borrower shall pay Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with or as a result of Lender's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Lender at the default rate of interest provided for Revolving Loans in the Loan Agreement.

(j) **Power of Attorney.** To facilitate Lender's taking action under subsection (h) and exercising its rights under Section 6, Borrower hereby irrevocably appoints (which appointment is coupled with an interest) Lender, or its delegate, as the attorney-in-fact of Borrower 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 Borrower, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Borrower under this Section 3, or, necessary for Lender, after a Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Borrower 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 termination of the Loan Agreement as provided therein and the payment and performance of all Obligations.

4. **Borrower's Use of the Patents and Trademarks.** Borrower shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and 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 Default exists.

5. **Defaults.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called a "Default"): (a) a Default, as defined in the Loan Agreement, shall occur; or (b) Borrower shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** While a Default exists, Lender may, at its option, take any or all of the following actions:

(a) Lender may exercise any or all remedies available under the Loan Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

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

7. **Miscellaneous.** This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Lender. A waiver signed by Lender shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or

enforcement of any of Lender's rights or remedies. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Borrower under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. Lender shall not be obligated to preserve any rights Borrower may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Borrower and Lender and their respective participants, successors and assigns and shall take effect when signed by Borrower and delivered to Lender, and Borrower waives notice of Lender's acceptance hereof. Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of Lender to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement authorized by Borrower shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Georgia without regard to conflicts of law provisions. 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.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date first written above.

SFCA, INC.

By: *James P. Malandra*
James P. Malandra, Chief Financial Officer

FCC, LLC, d/b/a FIRST CAPITAL

By: _____
David G. Walker, Senior Vice President

STATE OF MD)
)
COUNTY OF Montgomery

The foregoing instrument was acknowledged before me this 8 day of April, 2008, by James P. Malandra, Chief Financial Officer of SFCA, Inc., a Delaware corporation, on behalf of such corporation.

Therese E. Johnston
Notary Public

STATE OF GEORGIA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of April, 2008, by David G. Walker, a Senior Vice President of FCC, LLC, d/b/a First Capital, a Florida limited liability company on behalf of such limited liability company.

Notary Public

[SIGNATURE PAGE TO PATENT AND TRADEMARK SECURITY AGREEMENT]

EXHIBIT A

PATENTS

<u>Owner</u>	<u>Country</u>	<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
SFCA, Inc.	United States	Adjustable Bed Rail	7,028,353	4/18/2006
SFCA, Inc.	Canada	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	2,480,706	7/18/2006
SFCA, Inc.	United States	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom; Combination bassinet, changing table and bedside sleeper	6,704,949	3/16/2004
SFCA, Inc.	United States	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom; Combination bassinet, changing table and bedside sleeper	6,934,981	8/30/2005
SFCA, Inc.	United States	Convertible bed having components serving multiple functions	7,331,072	2/19/2008
SFCA, Inc.	United States	Convertible crib, toddler and twin bed	5,146,631	9/15/1992
SFCA, Inc.	United States	Foldable crib and method for using same	6,907,627	6/21/2005
SFCA, Inc.	United States	Infant swing	7,275,996	10/2/2007
SFCA, Inc.	United States	Mechanism for selectively locking swingably mounted wheel assemblies	7,070,188	7/4/2006
SFCA, Inc.	United States	Safety gate	7,334,624	2/26/2008

PATENT APPLICATIONS

<u>Owner</u>	<u>Country</u>	<u>Title</u>	<u>Reference/ Serial No.</u>	<u>Filing Date</u>
SFCA, Inc.	United States	Adjustable bed rail	11/387,587	3/23/2006
SFCA, Inc.	United States	Amusement device for an infant crib or the like	10/752,171	1/6/2004
SFCA, Inc.	Canada	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	SIM2-PT008.1CA.1	N/A
SFCA, Inc.	Canada	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	2,468,572	5/27/2004
SFCA, Inc.	European Union	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	03745146.5	3/18/2003
SFCA, Inc.	Mexico	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	PA/A/2004/00 9192	3/18/2003
SFCA, Inc.	Mexico	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	PA/A/2004/00 5084	5/27/2004
SFCA, Inc.	Mexico	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	MX/A/2007/0 05528	5/27/2004
SFCA, Inc.	United States	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	10/854,531	5/26/2004
SFCA, Inc.	United States	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	11/728,507	3/26/2007
SFCA, Inc.	WIPO	Bassinet selectively rockable when mounted upon a support as well as displaced therefrom	PCT/US03/08 469	3/18/2003
SFCA, Inc.	United States	Bedside bassinet with adjustable top enclosure	SIM2-PT015	N/A
SFCA, Inc.	Canada	Collapsible play yard	2,514,354	7/29/2005

<u>Owner</u>	<u>Country</u>	<u>Title</u>	<u>Reference/ Serial No.</u>	<u>Filing Date</u>
SFCA, Inc.	Canada	Convertible bed having components serving multiple functions	2,472,500	6/25/2004
SFCA, Inc.	Canada	Foldable crib and method for using same	2,469,501	5/28/2004
SFCA, Inc.	Mexico	Foldable crib and method for using same	PA/A/2004/00 5135	5/28/2004
SFCA, Inc.	United States	Infant swing	11/208,244	8/19/2005
SFCA, Inc.	United States	Juvenile furniture electronic amusement device	11/211,949	8/25/2006
SFCA, Inc.	Canada	Safety gate	SIM2- PT007.1CA.1	N/A
SFCA, Inc.	Canada	Safety gate	2,472,977	7/6/2004