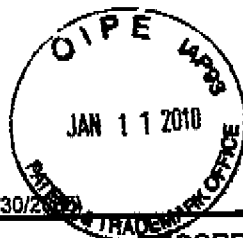


Form PTO-1595 (Rev. 07/05)
OMB No. 0651-0027 (exp. 6/30/2009)



01-14-2010

DEPARTMENT OF COMMERCE
Patent and Trademark Office



RECORDATION F

PATENT

103586334

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

WRC Management, Inc.
850 Wellington Avenue
Cranston, RI 02910

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

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

Execution Date(s) 5/4/09

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☐ Other

2. Name and address of receiving party(ies)

Name: Bank of America, N.A.

Internal Address:

Street Address: 111 Westminster Street

City: Providence

State: RI

Country: USA Zip: 02903

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

4. Application or patent number(s):

A. Patent Application No.(s)

See Attached Addendum

☐ This document is being filed together with a new application.

B. Patent No.(s)

Additional numbers attached? ☒ Yes ☐ No

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

Name: Steven P. DeLuca, Esq.

Internal Address:

Wieck DeLuca & Gemma Incorporated

Street Address: 56 Pine Street
Suite 700

City: Providence

State: RI Zip: 02903

Phone Number: (401) 454-8708

Fax Number: (401) 454-8755

Email Address: sdeluca@wdglaw.com

6. Total number of applications and patents involved:

7. Total fee (37 CFR 1.21(h) & 3.41) \$

- ☐ Authorized to be charged by credit card
☐ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers

Expiration Date

01/13/2010 LUELLER 00000062 6557220

b. Deposit Account Number

Authorized User Name

9. Signature:

Steven P. DeLuca
Signature

Date

Roderick H. Lucite, President
Name of Person Signing

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

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, V.A. 22313-1450

Addendum**Continuation of Item 4**

Patent / Publication Number	Title
6,557,220	Security clutch with self-centering spring
6,317,941	Security clutch
6,389,662	Security clutch with unitary trigger and spring
D488,087	Security clutch with bent triggers
5,513,502	Ear clip for earring
4,425,687	Safety clasp for jewelry
4,314,389	Double fold over jewelry clasp
US20090083952	Hinged clip

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Ratification of Security Agreement

December 31, 2009

Bank of America, N. A.
111 Westminister Street
Providence, Rhode Island 02903

RE: **Bank of America, N. A.'s ("Lender") \$1,057,523 Term Loan ("Term Loan") to WRC Management, Inc. ("WRC") and Roderick H. Lichtenfels ("RHL"); and \$3,000,000 Mortgage Loan ("Mortgage Loan") to WRC, RHL and 800 Waterman Avenue LLC ("800")**

Ladies and Gentlemen:

Pursuant to a Security Agreement executed by the WRC in favor of Lender dated May 4, 2009 (as the same has been and may hereafter be ratified, the "Security Agreement"), WRC granted to the Lender a first perfected security interest in all of its assets (excluding only inventory) as security for all of the obligations of WRC and RHL to Lender including, without limitation, WRC's and RHL's obligations in connection with that certain term loan in the amount of Five Hundred Thousand and 00/100 (\$500,000.00) Dollars and that certain receivables loan in the amount of Seven Hundred Thirty-Nine Thousand One Hundred Eighty-Nine and 87/100 (\$739,189.87) Dollars.

WRC, RHL, 800 and Lender desire to restructure the loans referenced above to, among other things, (i) refinance existing indebtedness with the Term Loan for the benefit of WRC and RHL; and (ii) create the Mortgage Loan for the benefit of WRC, RHL and 800.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and as an inducement to Lender to extend the Term Loan and the Mortgage Loan as aforesaid, WRC hereby: (i) agrees that the term "Obligations" as defined in the Security Agreement, shall include but not be limited to the Term Loan and the Mortgage Loan, and all extensions, renewals and modifications thereof; (ii) agrees that all references in the Security Agreement to the Loan Documents shall be deemed to refer to each of the documents, instruments and agreements by and between any one or more of WRC, RHL, 800 and Lender of even date herewith or hereafter entered into with respect to either or both of the Term Loan or the Mortgage Loan; (iii) agrees that all references to the Security Agreement in the Loan Documents shall be deemed to refer to the Security Agreement, as ratified hereby; and (iv) ratifies, confirms and approves the Security Agreement.

Ratification of Security Agreement
Page 2
December 31, 2009

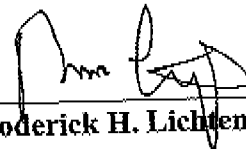
WRC further acknowledges, agrees and certifies that as of the date hereof: (i) the Security Agreement, as ratified hereby, is and remains in full force and effect and evidences the valid and binding obligations of WRC enforceable in accordance with its terms, and (ii) there are no defenses, setoffs or counterclaims which would reduce or diminish WRC's liability to Lender under the Security Agreement, as ratified hereby.

WITNESS:



WRC Management, Inc.

By:



Roderick H. Lichtenfels
President

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SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement"), dated as of the 4th day of May, 2009 ("Date of Agreement"), is entered into by and between **Bank of America, N.A.**, a national banking association (the "Secured Party"), the office of which is located at 111 Westminster Street, Providence, Rhode Island 02903 ("Secured Party's Address"), and **WRC Management, Inc.**, a Rhode Island corporation (the "Debtor"), the office of which is located at 850 Wellington Avenue, Cranston, Rhode Island 02910 (the "Debtor's Address").

In consideration of any loan made or to be made by the Secured Party to the Debtor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

1.1 "Borrowers" shall collectively mean the Debtor and **Roderick H. Lichtenfels**, jointly and severally.

1.2 "Collateral" shall mean all assets and property of the Debtor of every kind excluding inventory and including, but not limited to:

1.2(a) Receivables, Equipment, Patents, Trademarks and Copyrights (all as hereinafter defined);

1.2(b) All ledger sheets, files, records, documents and instruments (including, without limitation, computer programs, tapes and related electronic data processing software) evidencing an interest in or relating to the other Collateral; and

1.2(c) All instruments, documents, securities, cash, property and the proceeds of any of the foregoing, now owned or hereafter acquired by the Debtor or in which the Debtor now has or may hereafter acquire an interest, which now or hereafter are at any time in possession or control of the Secured Party or in transit by mail or carrier to or from the Secured Party or in the possession of any third party acting on behalf of the Secured Party, without regard to whether the Secured Party received the same in pledge, for safekeeping, as agent for collection or transmission or otherwise or whether the Secured Party had conditionally released the same; and

1.2(d) All claims by the Debtor against third parties for infringement of the Patents, Trademarks and/or Copyrights; and

1.2(e) Any and all municipal, state or federal licenses and permits on which the Debtor now is or may hereafter be named or in which the Debtor now has or may hereafter have an interest.

1.3 "Equipment" shall mean all machinery and equipment and furniture and fixtures of the Debtor including automotive equipment now owned or hereafter acquired by the Debtor, and used or acquired for use in the business of the Debtor, together with all accessions thereto and all substitutions and replacements thereof and parts therefor; all cash and non-cash proceeds.

1.4 "Event of Default" shall mean the occurrence of an Event of Default under the Loan Agreement (as hereinafter defined).

1.5 "Loan Agreement" shall mean that certain Loan Agreement by and between the Borrowers and the Secured Party of even date herewith, as the same may be amended and/or restated from time to time.

1.6 "Obligations" shall mean all indebtedness, obligations and liabilities of the Borrowers or any of them to the Secured Party of every kind and description, direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising, regardless of how the same arise or by what instrument, agreement or book account they may be evidenced, or whether evidenced by any instrument, agreement or book account; including, without limitation, the Loans (as defined in the Loan Agreement), all loans (including any loan by renewal or extension), all indebtedness, all undertakings to take or refrain from taking any action, all indebtedness, liabilities or obligations owing from the Borrowers or any of them to others which the Secured Party may have obtained by purchase, negotiation, discount, assignment or otherwise, and all interest, taxes, fees, charges, expenses and attorneys' fees chargeable to the Borrowers or any of them or incurred by the Secured Party under this Agreement, or any other document or instrument delivered in connection herewith.

1.7 "Patents" shall mean (a) any patents or patent rights in which the Debtor now has or may hereafter acquire an interest, and all right, title and interest of the Debtor therein and thereto, and all applications, registrations and recordings thereof; and (b) all reissues, extensions or renewals thereof; and (c) all goodwill associated therewith.

1.8 "Receivables" shall mean all accounts, contract rights, instruments, documents, chattel paper, general intangibles (including, without limitation, choses in action, tax refunds, insurance proceeds and the name and any trade names of the Debtor); any other obligations or indebtedness owed to the Debtor from whatever source arising; all rights of the Debtor to receive any payments in money or kind; all guarantees of Receivables and security therefor; all cash or non cash proceeds of all of the foregoing; all of the right, title and interest of the Debtor in and with respect to the goods, services or other property which gave rise to or

which secure any of the Receivables and insurance policies and proceeds relating thereto, and all of the rights of the Debtor as an unpaid seller of goods or services, including, without limitation, the rights of stoppage in transit, replevin, reclamation and resale, and all of the foregoing, whether now existing or hereafter created or acquired.

1.9 "Trademarks" shall mean any trademarks and trade names in which the Debtor now has or may hereafter acquire an interest, and all right, title and interest of the Debtor therein and thereto, and all applications, registrations and recordings thereof; all reissues, extensions or renewals thereof; all goodwill associated therewith; and all licenses thereof and the royalties associated therewith.

1.10 "Copyrights" shall mean (a) all copyrights in which the Debtor now has or may hereafter acquire an interest, and all right, title and interest of the Debtor therein and thereto, and all applications, registrations and recordings thereof; and (b) all reissues, extensions or renewals thereof; and (c) all goodwill associated therewith; and (d) all licenses thereof and the royalties associated therewith.

To the extent not defined in this Section 1, unless the context otherwise requires, all other terms contained in this Agreement shall have the meanings attributed to them by Article 9 of the Uniform Commercial Code in force in the State of Rhode Island on the Date of Agreement, to the extent the same are used or defined therein.

2. REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party, and such representations and warranties shall survive and shall be deemed to be continuing representations and warranties so long as any Obligations shall remain outstanding, as follows:

2.1 The Debtor has been duly incorporated and is existing in good standing under the laws of its jurisdiction and is duly qualified and in good standing in those jurisdictions where the conduct of its business or the ownership of its properties requires qualification; the Debtor has the power and authority to own the Collateral, to enter into and perform this Agreement and any other document or instrument delivered in connection herewith and to incur the Obligations.

2.2 The Debtor utilizes no trade names in the conduct of its business, except as set forth in Section 10 of this Agreement; has not changed its name, been the surviving entity in a merger, acquired any business, or changed the location of its chief place of business or chief executive office or the location of its records with respect to Receivables; or changed the location of the Equipment; except as set forth in Section 10 hereof.

2.3 The execution and performance of this Agreement and any other document or instrument delivered in connection herewith will not result in the creation or imposition of any

lien or encumbrance upon any of the Collateral (immediately, with the passage of time, or with the giving of notice and the passage of time), except in favor of the Secured Party pursuant hereto.

2.4 This Agreement and any document or instrument delivered in connection herewith and the transactions contemplated hereby or thereby have been duly authorized, and/or executed and delivered, as appropriate; and this Agreement and such other documents and instruments constitute valid and legally binding obligations of the Debtor and are enforceable against the Debtor in accordance with their respective terms.

2.5 The Debtor is the owner of the Collateral free and clear of all security interests, encumbrances and liens, except liens which arise by operation of law with respect to obligations of the Debtor which are not yet due and payable and except as may be specifically set forth in Section 10 hereof; and the Debtor will defend the Collateral against all claims and demands of all persons at any time claiming an interest therein except as may be specifically set forth in Section 10 hereof.

2.6 The Debtor has filed all federal, state and local tax returns and other reports it is required to file and has paid or made adequate provision for payment of all such taxes, assessments and other governmental charges.

2.7 No representation, warranty or statement by the Debtor contained herein or in any certificate or other document furnished or to be furnished by the Debtor pursuant hereto contains or at the time of delivery shall contain any untrue statement of material fact, or omits, or shall omit at the time of delivery, to state a material fact necessary to make it not misleading.

3. FURTHER SPECIFIC REPRESENTATIONS, WARRANTIES AND COVENANTS

The Debtor hereby further represents and warrants to and covenants with the Secured Party, as follows:

3.1 With respect to Equipment:

3.1.1 The Equipment is in the possession of the Debtor at the Debtor's Address or at the location(s) set forth in Section 10 hereof and that said location(s), if not owned by the Debtor, are leased by the Debtor as set forth in Section 10; if Equipment is or shall be affixed to any real estate, including any buildings owned or leased by the Debtor or used by the Debtor in the operation of its business, the Debtor shall provide the Secured Party with disclaimers and waivers necessary to make the security interest in the Equipment valid against the Debtor and other persons holding an interest in such real estate.

3.1.2 The Debtor shall keep and maintain all Equipment in good operating condition and repair, make all necessary repairs thereto and replacement of parts thereof so that the value and operating efficiency thereof shall at all times be maintained and preserved; and the Debtor shall keep complete and accurate books and records with respect to Equipment, including maintenance records.

3.1.3 The Debtor shall deliver to the Secured Party any and all evidence of ownership of, and certificates of title to, any and all of the Equipment.

3.1.4 The Debtor shall not, without the prior written consent of the Secured Party, sell, offer to sell, lease or in any other manner dispose of any Equipment (other than as permitted by the Loan Agreement).

3.1.5 The Debtor shall notify the Secured Party in writing no later than thirty (30) days prior to any change of any location where the Equipment is or may be kept and shall provide the Secured Party with a landlord's agreement from the owner of any such new location, containing a waiver of any so-called landlord's lien and otherwise in form and substance satisfactory to the Secured Party, no later than thirty (30) days prior to any such change of location.

3.2 With respect to Receivables:

3.2.1 The address of the chief executive office and chief place of business of the Debtor is the Debtor's Address and the Debtor has no other places of business except as set forth in Section 10 hereof. All records pertaining to the Receivables (including computer records) are kept at the Debtor's Address, except as set forth in Section 10 hereof; and the Debtor will notify the Secured Party, no later than thirty (30) days prior to any change in address of the chief executive office or chief place of business of the Debtor or of the change of the location where records pertaining to Receivables are kept, and shall, upon the request of the Secured Party, provide the Secured Party with a landlord's agreement from the owner of any such new location, containing a waiver of any so-called landlord's lien and otherwise in form and substance satisfactory to the Secured Party, no later than thirty (30) days prior to any such change of location.

3.2.2 All books, records and documents relating to any of the Receivables (including computer records) are and will be genuine and in all respects what they purport to be and the amount of each of the Receivables shown on the books and records of the Debtor is and will be the correct amount actually owing or to be owing at maturity of such of the Receivables.

3.2.3 Until the Secured Party directs otherwise, the Debtor shall collect the Receivables.

3.2.4 The Debtor shall notify the Secured Party if any Receivables arise out of contracts with the United States or any department, agency or instrumentality thereof, and the Debtor shall execute any instruments and take any steps to perfect the assignment of the rights of the Debtor to the Secured Party as required under the Federal Assignment of Claims Act or any similar act or regulation.

3.2.5 The Debtor shall provide the Secured Party, at its request, from time to time with: confirmatory assignment schedules; copies of all invoices relating to the Receivables; and such further information and/or schedules as the Secured Party may reasonably require, all in a form satisfactory to the Secured Party.

3.3 With respect to Patents, Trademarks and Copyrights:

3.3.1 The Debtor shall perform all acts and execute all documents, including, without limitation, assignments for security in form suitable for filing with the United States Patent and Trademark Office and the United States Copyright Office and in any other jurisdiction where the Patents, Trademarks and/or Copyrights are registered, requested by the Secured Party at any time to evidence, perfect and maintain the security interest in the Collateral granted hereunder and, to the extent permitted by law, the Debtor hereby authorizes the Secured Party to execute and file one or more financing statements (and similar documents) or copies thereof or of this Agreement with respect to the Collateral.

3.3.2 Except to the extent that the Secured Party shall consent, the Debtor (either itself or through licensees) shall maintain the Patents, Trademarks and Copyrights in full force and effect in the jurisdictions in which those Patents, Trademarks and Copyrights are currently in effect, free from any claim of abandonment for non-use and the Debtor shall not (and shall not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any of the Patents, Trademarks and/or Copyrights may or shall become invalidated.

3.3.3 In no event shall the Debtor, either itself or through any agent, employee, licensee or designee, file an application for the registration of any of the Patents or Trademarks covered hereby with the United States Patent and Trademark Office or in any other jurisdiction, file an application for the registration of any of the Copyrights covered hereby with the United States Copyright Office or in any other jurisdiction, or grant or assign to any party a license to use any of the Patents, Trademarks or Copyrights, unless it first informs the Secured Party, and, upon request of the Secured Party, executes and delivers any and all assignments, agreements, instruments, documents and papers as the Secured Party requests to evidence the Secured Party's interest in such Patents, Trademarks and Copyrights and the goodwill relating thereto or represented thereby and, to the extent permitted by law, the Debtor hereby constitutes the Secured Party its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations are paid in full.

3.3.4 The Debtor shall take all steps necessary in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office, to maintain each application and registration of the Patents, Trademarks and Copyrights in the Debtor's name, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings.

3.3.5 The Debtor shall use consistent standards of quality in its manufacture of products sold under the Patents, Trademarks and/or Copyrights.

4. GRANT OF SECURITY INTEREST

To secure the payment and performance of the Obligations, the Debtor hereby pledges, assigns and transfers to the Secured Party, and grants to the Secured party a continuing security interest in and to and mortgage on, all of the Collateral.

5. GENERAL COVENANTS

The Debtor covenants and agrees that so long as any Obligations remain outstanding the Debtor shall:

5.1 Not mortgage, pledge, grant or permit to exist a security interest in, or lien or encumbrance upon, any of the Collateral except in favor of the Secured Party or as set forth in Section 10 hereof or as otherwise permitted by the Loan Agreement;

5.2 Permit the Secured Party, through its authorized attorneys, accountants and representatives, to inspect and examine the Collateral and the books, accounts, records, ledgers and assets of every kind and description of the Debtor with respect thereto at all reasonable times and upon reasonable notice;

5.3 Promptly notify the Secured Party of any condition or event which constitutes, or would constitute with the passage of time or giving of notice or both, an Event of Default under this Agreement, and promptly inform the Secured Party of any events or change in the financial condition of the Debtor occurring since the date of the last financial statements of the Debtor delivered to the Secured Party, which individually or cumulatively when viewed in light of prior financial statements, are reasonably likely to result in a material adverse change in the financial condition of the Debtor;

5.4 Maintain in good standing its existence in its jurisdiction of organization and its status as an entity qualified to do business in those jurisdictions where the Debtor is required to be qualified;

5.5 If the Debtor shall now or hereafter maintain an employee benefit plan covered by Section 4021(a) of the Employee Retirement Income Security Act of 1974

(hereinafter referred to as "ERISA") relating to plan termination insurance, promptly: (a) notify the Secured Party of the filing of notice with the Pension Benefit Guaranty Corporation (hereinafter referred to as the "PBGC") pursuant to Section 4041 of ERISA that the plan is to be terminated; and (b) notify the Secured Party of the institution of proceedings by the PBGC under Section 4042 of ERISA;

5.6 Pay or deposit promptly when due all sales, use, excise, personal property, income, withholding, corporate, franchise and other taxes, assessments and governmental charges upon or relating to its ownership or use of any of the Collateral and submit to the Secured Party proof satisfactory to the Secured Party that such payments and/or deposits have been made; except only taxes, assessments and other governmental charges and levies not yet delinquent or which are payable without penalty or interest or (if foreclosure, distraint, sale or other similar proceeding shall not have been commenced) which are being contested in good faith by appropriate proceedings diligently conducted, if such reservation or other appropriate provision, if any, as shall be required by generally accepted accounting principles shall have been made therefor;

5.7 At any time and from time to time upon request of the Secured Party, execute and deliver to the Secured Party, in form and substance satisfactory to the Secured Party, such documents as the Secured Party shall deem necessary or desirable to perfect or maintain perfected the security interest of the Secured Party in the Collateral or which may be necessary to comply with the provisions of the law of the State of Rhode Island or the law of any other jurisdiction in which the Debtor may then be conducting business or in which any of the Collateral may be located; and

5.8 Maintain casualty insurance coverage on the Collateral in such amounts and of such types as may be reasonably requested by the Secured Party, and in any event, as are ordinarily carried by similar businesses; and, in the case of all policies insuring property in which the Secured Party shall have a security interest of any kind whatsoever, all such insurance policies shall provide that the proceeds thereof shall be payable to the Secured Party. The Debtor has a right of free choice of agent and insurer through or by which such insurance is to be placed, subject only to the requirements that such insurer be authorized to do business in each state where the Collateral is located and have a licensed resident agent therein and that such insurer's financial condition is reasonably satisfactory to the Secured Party. All said policies or certificates thereof, including all endorsements thereof and those required hereunder, shall be deposited with the Secured Party; and such policies shall contain provisions that no such insurance may be canceled or decreased without thirty (30) days prior written notice to the Secured Party; and, in the event of acquisition of additional insurable Collateral, the Debtor shall cause such insurance coverage to be increased or amended in such manner and to such extent as prudent business judgment would dictate. If the Debtor shall at any time or times hereafter fail to obtain and/or maintain any of the policies of insurance required herein, or fail to pay any premium in whole or in part relating to any such policies, the Secured Party may, but shall not be obligated to, obtain and/or cause to be maintained insurance coverage with respect to the Collateral, including, at the

Collateral, including, at the Secured Party's option, the coverage provided by all or any of the policies of the Debtor and pay all or any part of the premium therefor, without waiving any Event of Default by the Debtor, and any sums so disbursed by the Secured Party shall be additional obligations of the Debtor to the Secured Party payable on demand. The Secured Party shall have the right to settle and compromise any and all claims under any of the policies required to be maintained by the Debtor hereunder and the Debtor hereby appoints the Secured Party as its attorney-in-fact, with power to demand, receive and receipt for all monies payable thereunder, to execute in the name of the Debtor or the Secured Party or both any proof of loss, notice, draft or other instruments in connection with such policies or any loss thereunder and generally to do and perform any and all acts as the Debtor, but for this appointment, might or could perform.

6. EVENT OF DEFAULT AND ACCELERATION

If any Event of Default shall occur, then or at any time thereafter, the Secured Party may declare all Obligations to be immediately due and payable, without notice, protest, presentment or demand, all of which are hereby expressly waived by the Debtor.

7. RIGHTS AND REMEDIES

The Secured Party shall have, by way of example and not of limitation, the power to exercise any and all of the rights and remedies enumerated in any one or more of this Agreement, the Loan Agreement, and each of the documents, instruments and Agreements executed in connection therewith or related thereto, or available to the Secured Party under applicable law, from and after the occurrence of an Event of Default.

7.1 The Secured Party, and any officer or agent of the Secured Party is hereby constituted and appointed as true and lawful attorney-in-fact of the Debtor with power: (i) to notify or require the Debtor to notify any and all account debtors or parties against which the Debtor has a claim that the Receivables have been assigned to the Secured Party and/or that the Secured Party has a security interest therein and that all payments should be made to the Secured Party; (ii) to endorse the name of the Debtor upon any instruments of payment (including payments made under any policy of insurance) that may come into possession of the Secured Party in full or part payment of any amount owing to the Secured Party; (iii) to sign and endorse the name of the Debtor upon any invoice, freight or express bill, bill of lading, storage or warehouse receipt, drafts against account debtors or other obligors and to sign and endorse the name of the Debtor on any assignments, verifications and notices in connection with Receivables, and any instrument or document relating thereto or to rights of the Debtor therein; (iv) to notify the post office authorities to change the address for delivery of mail of the Debtor to an address designated by the Secured Party and to receive, open and dispose of all mail addressed to the Debtor; (v) to send requests for verification to account debtors or other obligors; (vi) to license, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, subject to any existing licenses, any of the Patents, Trademarks and Copyrights, for such term or terms, on such conditions, and in such manner, as the Secured Party shall in its sole discretion

discretion determine; (vii) to enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of the Debtor in, to and under any one or more licenses of the Patents, Trademarks and/or Copyrights, and take or refrain from taking any action under any thereof, and the Debtor hereby releases the Secured Party from, and agrees to hold the Secured Party free and harmless from and against any claims arising out of, any action taken or omitted to be taken with respect to any such licenses except for the Secured Party's own gross negligence or willful misconduct; (viii) to execute and deliver on behalf of the Debtor, one or more instruments of assignment of the Patents, Trademarks and/or Copyrights (or any application or registration thereof), in form suitable for filing, recording or registration in the United States Patent and Trademark Office, the United States Copyright Office or in any other jurisdiction; (ix) to bring suit and/or otherwise to pursue any claims that the Debtor may have against any third party for infringement of the Patents, Trademarks and/or Copyrights; and (x) to sell, assign, sue for, collect or compromise payment of all or any part of the Collateral in the name of the Debtor or in its own name, or make any other disposition of Collateral, or any part thereof, which disposition may be for cash, credit or any combination thereof, and the Secured Party may purchase all or any part of the Collateral at public or, if permitted by law, private sale, and in lieu of actual payment of such purchase price, may set-off the amount of such price against the Obligations; granting to the Secured Party, as the attorney-in-fact of the Debtor, full power of substitution and full power to do any and all things necessary to be done in and about the premises as fully and effectually as the Debtor might or could do but for this appointment, and hereby ratifying all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Neither the Secured Party nor its agents shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law in its capacity as such attorney-in-fact unless such acts, omissions, errors or mistakes are the result of gross negligence or willful misconduct on the part of the Secured Party or its agents, as applicable. This power of attorney is coupled with an interest and shall be irrevocable so long as any Obligations shall remain outstanding.

7.2 The Secured Party shall have the right to enter and/or remain upon the premises of the Debtor, without any obligation to pay rent to the Debtor or others, or any other place or places where any of the Collateral is located and kept and: (a) remove Collateral therefrom to the premises of the Secured Party or agent of the Secured Party, for such time as the Secured Party may desire, in order to maintain, collect, sell and/or liquidate the Collateral; or (b) use such premises, together with materials, supplies, books and records of the Debtor, to maintain possession and/or the condition of the Collateral, and to prepare the Collateral for selling, liquidating or collecting. The Secured Party may require the Debtor to assemble the Collateral and make it available to the Secured Party at a place to be designated by the Secured Party which is reasonably convenient to both parties.

7.3 The Secured Party shall have the right to set-off, at any time from and after the occurrence of an Event of Default without notice to the Debtor, any and all deposits or other sums at any time or times credited by or due from the Secured Party to the Debtor, whether in a

special account or other account or represented by a certificate of deposit (whether or not matured) which deposits and other sums shall at all times constitute additional security for the Obligations.

7.4 The Secured Party shall have, in addition to any other rights and remedies contained in this Agreement, and any other agreements, guarantees, notes, instruments and documents heretofore, now or at any time or times hereafter executed by the Debtor and delivered to the Secured Party, all of the rights and remedies of a secured party under the Uniform Commercial Code in force in the State of Rhode Island, all of which rights and remedies shall be cumulative, and none exclusive, to the extent permitted by law. Without limiting the generality of the foregoing, the Debtor authorizes the Secured Party to file financing statements as, when and where deemed necessary or desirable by the Secured Party to perfect, maintain perfection of, continue or otherwise protect the security interest granted hereunder.

7.5 Any notice required to be given by the Secured Party of a sale or other disposition or other intended action by the Secured Party with respect to any of the Collateral, or otherwise, made in accordance with the terms of this Agreement at least seven (7) days prior to such proposed action, shall constitute fair and reasonable notice to the Debtor of any such action. In the event that any of the Collateral is used in conjunction with any real estate, the sale of the Collateral in conjunction with and as one parcel with any such real estate shall be deemed to be a commercially reasonable manner of sale. The net proceeds realized by the Secured Party upon any such sale or other disposition, after deduction of the expenses of retaking, holding, preparing for sale, selling or the like and reasonable attorneys' fees and any other expenses incurred by the Secured Party, shall be applied toward satisfaction of the Obligations hereunder. The Secured Party shall account to the Debtor for any surplus realized upon such sale or other disposition and the Debtor shall remain liable for any deficiency. The commencement of any action, legal or equitable, shall not affect the security interest of the Secured Party in the Collateral until the Obligations hereunder or any judgment therefor are fully paid.

8. GENERAL PROVISIONS

8.1 The failure of the Secured Party at any time or times hereafter to require strict performance by the Debtor of any of the provisions, warranties, terms and conditions contained in this Agreement or in any other agreement, guaranty, note, instrument or document now or at any time or times hereafter executed by the Debtor and delivered to the Secured Party shall not waive, affect or diminish any right of the Secured Party at any time or times hereafter to demand strict performance thereof; and, no rights of the Secured Party hereunder shall be deemed to have been waived by any act or knowledge of the Secured Party, its agents, officers or employees, unless such waiver is contained in an instrument in writing signed by an officer of the Secured Party and directed to the Debtor specifying such waiver. No waiver by the Secured Party of any of its rights shall operate as a waiver of any other of its rights or any of its rights on a future occasion.

8.2 Any demand or notice required or permitted to be given hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement

8.3 This Agreement contains the entire understanding between the parties hereto with respect to the transactions contemplated herein and this Agreement shall not be modified except in writing signed by or on behalf of the parties hereto.

8.4 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law; should any portion of this Agreement be declared invalid for any reason in any jurisdiction, such declaration shall have no effect upon the remaining portions of this Agreement. Furthermore, the entirety of this Agreement shall continue in full force and effect in all other jurisdictions and said remaining portions of this Agreement shall continue in full force and effect in the subject jurisdiction as if this Agreement had been executed with the invalid portions thereof deleted.

8.5 In the event the Secured Party seeks to take possession of any or all of the Collateral by court process, the Debtor hereby irrevocably waives any bonds and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and waives any demand for possession prior to the commencement of any suit or action to recover with respect thereto.

8.6 The provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, administrators, successors and assigns of the Secured Party and the Debtor, provided, however, the Debtor may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the Secured Party.

8.7 This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Rhode Island and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said state. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND INTERPRETED AND DETERMINED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF RHODE ISLAND (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW.) THE DEBTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY (A) SUBMITS TO PERSONAL JURISDICTION IN THE STATE OF RHODE ISLAND OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, (B) AGREES THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT ONLY IN A COURT HAVING JURISDICTION AND VENUE AT PROVIDENCE, RHODE ISLAND, AND (C) WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE (I) TO OBJECT TO JURISDICTION WITHIN THE STATE OF RHODE ISLAND OR VENUE IN ANY PARTICULAR FORUM WITHIN THE STATE OF RHODE ISLAND, AND (II) TO THE RIGHT, IF ANY, TO CLAIM OR RECOVER ANY SPECIAL, EXEMPLARY, PUNITIVE OR

CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN ACTUAL DAMAGES. EACH OF THE DEBTOR AND THE SECURED PARTY HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY WAIVES THE RIGHT, IF ANY, TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENTS, INSTRUMENTS OR AGREEMENTS EXECUTED IN CONNECTION HERewith OR RELATED HERETO, OR BASED ON ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS, ACTIONS OR OMISSIONS OF ANY SUCH PARTIES (WHETHER WRITTEN OR ORAL). THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE SECURED PARTY TO MAKE THE LOAN. NOTHING CONTAINED HEREIN, HOWEVER, SHALL PREVENT THE SECURED PARTY FROM BRINGING ANY SUIT, ACTION OR PROCEEDING OR EXERCISING ANY RIGHTS AGAINST ANY SECURITY AND AGAINST THE DEBTOR, AND AGAINST ANY PROPERTY OF THE DEBTOR, IN ANY OTHER STATE. INITIATING SUCH SUIT, ACTION OR PROCEEDING OR TAKING SUCH ACTION IN ANY STATE SHALL IN NO EVENT CONSTITUTE A WAIVER OF THE AGREEMENT CONTAINED HEREIN THAT THE LAWS OF THE STATE OF RHODE ISLAND SHALL GOVERN THE RIGHTS AND OBLIGATIONS OF THE DEBTOR AND THE SECURED PARTY HEREUNDER OR THE SUBMISSION HEREIN MADE BY THE DEBTOR TO PERSONAL JURISDICTION WITHIN THE STATE OF RHODE ISLAND. THE DEBTOR AGREES THAT, IN ADDITION TO ANY METHODS FOR SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO THE DEBTOR AT THE ADDRESS SET FORTH ABOVE, AND SERVICE SO MADE SHALL BE COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL BE SO MAILED. THE DEBTOR FURTHER IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO THE APPOINTMENT OF A RECEIVER UPON THE OCCURRENCE OF AN EVENT OF DEFAULT UNDER ANY ONE OR MORE OF THE NOTE, THIS AGREEMENT OR THE SECURITY DOCUMENTS.

8.8 If, prior hereto and/or at any time or times hereafter, the Secured Party shall employ counsel in connection with the execution and consummation of the transactions contemplated by this Agreement or to commence, defend or intervene, file a petition, complaint, answer, motion or other pleadings, or to take any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) relating to this Agreement, the Collateral or any other agreement, guaranty, note, instrument or document heretofore, now or at any time or times hereafter executed by the Debtor and delivered to the Secured Party, or to protect, collect, lease, sell, take possession of or liquidate any of the Collateral, or to attempt to enforce or to enforce any security interest in any of the Collateral, or to enforce any rights of the Secured Party hereunder, whether before or after the occurrence of any Event of Default, or to collect any of the Obligations, then in any of such events, all of the reasonable attorneys' fees arising from such services, and any expenses, costs and charges relating thereto, shall be part of the Obligations, payable on demand and secured by the Collateral.

8.9 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

8.10 Each reference herein to the Secured Party shall be deemed to include its successors and assigns, and each reference to the Debtor and any pronouns referring thereto as used herein shall be construed in the masculine, feminine, neuter, singular or plural, as the context may require, and shall be deemed to include the legal representatives, successors and assigns of the Debtor, all of whom shall be bound by the provisions hereof.

8.11 The section headings herein are included for convenience only and shall not be deemed to be a part of this Agreement.

9. ASSIGNMENT BY THE SECURED PARTY

The Secured Party may, from time to time, without notice to the Debtor, sell, assign, transfer or otherwise dispose of all or any part of the Obligations and/or the Collateral therefor. In such event, each and every immediate and successive purchaser, assignee, transferee or holder of all or any part of the Obligations and/or the Collateral shall have the right to enforce this Agreement, by legal action or otherwise, for its own benefit as fully as if such purchaser, assignee, transferee or holder were herein by name specifically given such rights. The Secured Party shall have an unimpaired right to enforce this Agreement for its benefit with respect to that portion of the Obligations of the Debtor the Secured Party has not sold, assigned, transferred or otherwise disposed of.

10. ADDITIONAL INFORMATION

Information, if any, required to be set forth herein by Sections 2.2, 2.5, 3.1.1 and/or 3.2.1 hereof, as applicable, shall be inserted in the following spaces:

2.2 (The Debtor's trade names, prior names, predecessor in merger, businesses acquired and/or other locations):

Fictitious Business Name:

None.

Other Locations:

None.

2.5 (The Debtor's other security interests, encumbrances and liens):

Security interest in inventory in favor of Richard Land, Esq., in his capacity as receiver of B.A. Ballou & Co. Inc.

3.1.1 (Address of other places of business of the Debtor and of the location of Equipment other than at the Debtor's Address and owner and description of all leased premises):

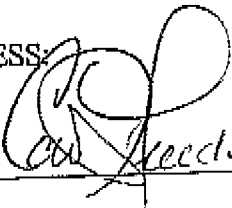
None.

3.2.1 (Address of other place(s) of business of the Debtor and place(s) where records (including computer records) with respect to Receivables are kept other than the Debtor's Address:

None.


IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

WITNESS:

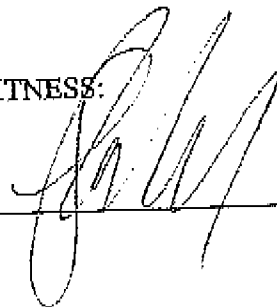


WRC Management, Inc.

By:

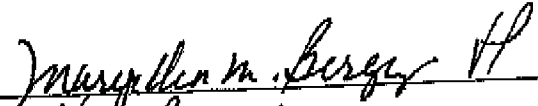

Roderick H. Lichtenfels
President

WITNESS:



Bank of America, N.A.

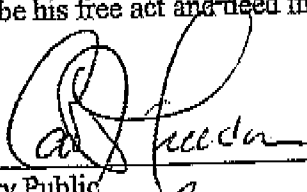
By:


Title: Vice President

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STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In Providence, on the 4th day of May, 2009, before me personally appeared Roderick H. Lichtenfels, President of WRC Management, Inc., to me known and known by me to be the person executing the foregoing instrument, for and on behalf of WRC Management, Inc., and he acknowledged said instrument by him executed to be his free act and deed in said capacity, and the free act and deed of WRC Management, Inc.


Notary Public

Print Name:

Carl J. Freedman

My commission expires:

8-10-09

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In Providence, on the 4th day of May, 2009, before me personally appeared Margaret M. Bayless, Vice President of Bank of America, N.A., to me known and known by me to be the person executing the foregoing instrument, for and on behalf of Bank of America, N.A., and he acknowledged said instrument by him executed to be his free act and deed in said capacity, and the free act and deed of Bank of America, N.A.


Notary Public

Print Name:

Steven J. Baker

My commission expires:

7/8/9

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