



10-22-1999

of Commerce  
mark Office  
IARK



101178114

10-20-99

**RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

**Submission Type**

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

**Conveyance Type**

- Assignment  License
  - Security Agreement  Nunc Pro Tunc Assignment
  - Merger  Change of Name
  - Other
- Effective Date  
Month Day Year

**Conveying Party**

Mark if additional names of conveying parties attached

Name  Execution Date   
Month Day Year

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

**Receiving Party**

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

10/22/1999 DNGUYEN 00000031 1335504

**FOR OFFICE USE ONLY**

01 FC:481 40.00 OP  
02 FC:482 225.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

**TRADEMARK  
REEL: 001977 FRAME: 0597**

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="1,335,504"/>	<input type="text" value="1,334,236"/>	<input type="text" value="1,286,009"/>
<input type="text" value="1,082,475"/>	<input type="text" value="659,839"/>	<input type="text" value="659,840"/>
<input type="text" value="861,369"/>	<input type="text" value="1,290,978"/>	<input type="text" value="1,301,545"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

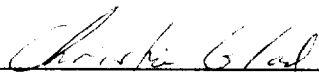
Authorization to charge additional fees:

Yes

No

**Statement and Signature**

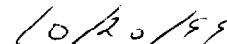
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.



Name of Person Signing



Signature



Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

**Trademark Application Number(s) or Registration Number(s)**

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Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

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<input type="text" value="1,115,627"/>	<input type="text"/>	<input type="text"/>
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## PATENT AND TRADEMARK SECURITY AGREEMENT

This **PATENT AND TRADEMARK SECURITY AGREEMENT** ("Agreement"), dated as of August 30, 1999, is entered into between **SAFEGUARD INVESTMENT CORPORATION**, a Delaware corporation ("Guarantor") and **FOOTHILL INCOME TRUST, L.P.**, a Delaware limited partnership ("Lender"), in light of the following:

A. Borrower and Lender are, contemporaneously herewith, entering into that certain Term Loan and Security Agreement, dated as of even date (as may hereafter be amended, supplemented or restated from time to time in accordance with the terms thereof, "Loan Agreement"); and

B. Guarantor is a wholly-owned subsidiary of the Borrower;

C. In order to induce Lender to extend financial accommodations to Borrower pursuant to the Loan Agreement and in consideration thereof, and in consideration of any loans or other financial accommodations heretofore or hereafter extended by Lender to Borrower, whether pursuant to the Loan Agreement or otherwise, Borrower has agreed to cause Guarantor to execute and deliver a guaranty in favor of Lender which will secure the Obligations (as defined in the Loan Agreement). In connection therewith, Guarantor and Lender are contemporaneously herewith entering into that certain Guaranty and Security Agreement, dated as of even date (as may hereafter be amended, supplemented or restated from time-to-time in accordance with the terms thereof, the "Guaranty") and other instruments, documents and agreements contemplated thereby or related thereto;

D. Guarantor is the owner of certain intellectual property, identified below, in which Guarantor is granting a security interest to Lender.

E. Pursuant to the terms of the Guaranty, Guarantor and Lender are entering into this Agreement as additional security for the Guaranteed Obligations (as defined in the Guaranty).

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

### 1. DEFINITIONS AND CONSTRUCTION.

**1.1 Definitions.** All initially capitalized terms used but not defined in this Agreement shall have the meanings assigned to such terms in the Loan Agreement. In addition, the following terms, as used in this Agreement, have the following meanings:

"Code" means the New York Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute.

"Collateral" means:

(i) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created or acquired by Guarantor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(ii) Each of the patents and patent applications which are presently, or in the future may be, owned, issued or acquired by Guarantor, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(iii) All of Guarantor's right to the trademarks and trademark registrations listed on Schedule A, attached hereto, as the same may be updated hereafter from time to time;

(iv) All of Guarantor's right, title, and interest, in and to the patents and patent applications listed on Schedule B, attached hereto, as the same may be updated hereafter from time to time;

(v) All of Guarantor's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Guarantor or in the name of Lender for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(vi) All of Guarantor's right, title, and interest in all patentable inventions, and to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Guarantor or in the name of Lender for past, present, and future infringements

of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(vii) All general intangibles relating to the foregoing; and

(viii) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

**1.2 Construction.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, and the term "including" is not limiting. The words "hereof," "herein," "hereby," "hereunder," and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Any initially capitalized terms used but not defined herein shall have the meaning set forth in the Loan Agreement. Any reference herein to any of the Loan Documents includes any and all alterations, amendments, extensions, modifications, renewals, or supplements thereto or thereof, as applicable. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Lender or Guarantor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Guarantor, Lender, and their respective counsel, and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of Lender and Guarantor.

## **2. GRANT OF SECURITY INTEREST.**

Guarantor hereby grants to Lender a security interest in all of Guarantor's right, title, and interest in and to the Collateral to secure the Secured Obligations.

## **3. REPRESENTATIONS, WARRANTIES AND COVENANTS.**

Guarantor hereby represents, warrants, and covenants that:

### **3.1 Trademarks; Patents.**

(i) A true and complete schedule setting forth all trademark registrations owned or controlled by Guarantor, together with a summary description consisting of the mark, the registration date and registration number or filing date and serial number, as applicable, is set forth on Schedule A;

(ii) A true and complete schedule setting forth all patent and patent applications assigned to Guarantor, together with a summary description

consisting of titles, issue date, patent number and names of inventors, is set forth on Schedule B;

**3.2 Validity; Enforceability.** Each of the patents and trademarks is valid and enforceable, and Guarantor is not presently aware of any past, present, or prospective claim by any third party that any of the patents or trademarks are invalid or unenforceable, or that Guarantor is infringing any patent or trademark rights of any third person, or of any basis for any such claims;

**3.3 Title.** Guarantor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the patents, patent applications, trademarks, and trademark registrations, free and clear of any liens, charges, and encumbrances, including pledges, assignments, licenses, shop rights, and covenants by Guarantor not to sue third persons, except for Permitted Liens, as defined in the Loan Agreement;

**3.4 Notice.** Guarantor has used and will continue to use proper statutory notice in connection with its use of each of its material patents and trademarks;

**3.5 Quality.** Guarantor has used and will continue to use consistent standards of high quality (which may be consistent with Guarantor's past practices) in the manufacture, sale, and delivery of products and services sold or delivered under or in connection with the trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of the trademarks;

**3.6 Perfection of Security Interest.** Except for the filing of financing statements in the State of Delaware and filings with the United States Patent and Trademark Office necessary to perfect the security interests created hereunder, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required and no consent is required from, and no notice required to be given to, any third party either for the grant by Guarantor of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Guarantor or for the perfection of or the exercise by Lender of its rights hereunder to the Collateral in the United States.

#### **4. AFTER-ACQUIRED PATENT OR TRADEMARK RIGHTS.**

If Guarantor shall obtain rights to any new trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Agreement shall automatically apply thereto. Guarantor shall give prompt notice in writing to Lender with respect to any such new trademarks or patents, or renewal or extension of any trademark registration, and Guarantor may, from time to time, amend Schedules A and B to this

Agreement to reflect such after acquired patent and trademarks. Guarantor shall bear any expenses incurred in connection with future patent applications or trademark registrations.

## **5. LITIGATION AND PROCEEDINGS.**

Guarantor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings, or other action for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Guarantor shall provide to Lender any information with respect thereto requested by Lender. Lender shall provide at Guarantor's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Guarantor's becoming aware thereof, Guarantor shall notify Lender of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office or any United States, state, or foreign court regarding Guarantor's claim of ownership in any of the patents or trademarks, its right to apply for the same, or its right to keep and maintain such patent or trademark rights.

## **6. POWER OF ATTORNEY.**

Guarantor grants Lender power of attorney, having the full authority, and in the place of Guarantor and in the name of Guarantor, from time to time following an Event of Default in Lender's discretion, to take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of this Agreement: to endorse Guarantor's name on all applications, documents, papers, and instruments necessary for Lender to use or maintain the Collateral; to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral; to file any claims or take any action or institute any proceedings that Lender may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Lender's rights with respect to any of the Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

## **7. RIGHT TO INSPECT.**

Guarantor grants to Lender and its employees and agents the right to visit Guarantor's plants and facilities which manufacture, inspect, or store products sold under any of the patents or trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

## **8. EVENTS OF DEFAULT.**

Any of the following events shall be an Event of Default:



**8.1 Guaranty/Loan Agreement.** An Event of Default shall occur as defined in the Guaranty or the Loan Agreement;

**8.2 Misrepresentation.** Any representation or warranty made herein by Guarantor or in any document furnished to Lender by Guarantor under this Agreement is incorrect in any material respect when made or when reaffirmed; and

**8.3 Breach.** Guarantor fails to observe or perform any covenant, condition, or agreement to be observed or performed pursuant to the terms hereof which materially and adversely affects Lender.

## **9. SPECIFIC REMEDIES.**

Subject to the Intercreditor Agreement, upon the occurrence of any Event of Default, Lender shall have, in addition to other rights given by or available at law or in equity, in this Agreement, the Loan Agreement, or in any other Loan Document, all of the rights and remedies with respect to the Collateral of a secured party under the Code and the PPSA, including the following:

**9.1 Notification.** Lender may notify licensees to make royalty payments on license agreements directly to Lender;

**9.2 Sale.** Lender may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Lender deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Guarantor five (5) days prior to such disposition. Guarantor shall be credited with the net proceeds of such sale only when they are actually received by Lender, and Guarantor shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. If the sale is to be a public sale, Lender shall also give notice of the time and place by publishing a notice one time at least five (5) days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, Lender may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Secured Obligations as a credit on account of the purchase price of any collateral payable by Lender at such sale.

## **10. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.**

**THE VALIDITY OF THIS AGREEMENT, ITS CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT, AND THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER,**

GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES. THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK OR, AT THE SOLE OPTION OF LENDER, IN ANY OTHER COURT IN WHICH LENDER SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. EACH OF GUARANTOR AND LENDER WAIVES, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 10. GUARANTOR AND LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. GUARANTOR AND LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

## 11. GENERAL PROVISIONS.

**11.1 Effectiveness.** This Agreement shall be binding and deemed effective when executed by Guarantor and Lender.

**11.2 Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, however, that Guarantor may not assign this Agreement or any rights or duties hereunder without Lender's prior written consent and any prohibited assignment shall be absolutely void. Lender may assign this Agreement and its rights and duties hereunder and no consent or approval by Guarantor is required in connection with any such assignment.

**11.3 Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each section applies equally to this entire Agreement.

**11.4 Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Lender or Guarantor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been

reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

**11.5 Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

**11.6 Amendments in Writing.** This Agreement can only be amended by a writing signed by both Lender and Guarantor.

**11.7 Counterparts; Telefacsimile Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile also shall deliver a manually executed counterpart of this Agreement but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

**11.8 Fees and Expenses.** Guarantor shall pay to Lender on demand all costs and expenses that Lender pays or incurs in connection with the negotiation, preparation, consummation, administration, enforcement, and termination of this Agreement, including: (a) reasonable attorneys' and paralegals' fees and disbursements of counsel to Lender; (b) costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) for any amendment, supplement, waiver, consent, or subsequent closing in connection with this Agreement and the transactions contemplated hereby; (c) costs and expenses of lien and title searches; (d) taxes, fees, and other charges for filing this Agreement at the United States Patent and Trademark Office, or for filing financing statements, and continuations, and other actions to perfect, protect, and continue the security interest created hereunder; (e) sums paid or incurred to pay any amount or take any action required of Guarantor under this Agreement that Guarantor fails to pay or take; (f) costs and expenses of preserving and protecting the Collateral; and (g) costs and expenses (including reasonable attorneys' and paralegals' fees and disbursements) paid or incurred to enforce the security interest created hereunder, sell or otherwise realize upon the Collateral, and otherwise enforce the provisions of this Agreement, or to defend any claims made or threatened against the Lender arising out of the transactions contemplated hereby (including preparations for the consultations concerning any such matters). The foregoing shall not be construed to limit any other provisions of this Agreement or the Loan Documents regarding costs and expenses to be paid by Guarantor. The parties agree that reasonable attorneys' and paralegals' fees and costs incurred in enforcing any judgment are recoverable as a separate item in addition to fees and costs incurred in

obtaining the judgment and that the recovery of such attorneys' and paralegals' fees and costs is intended to survive any judgment, and is not to be deemed merged into any judgment.

**11.9 Notices.** Except as otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing and shall be governed by the provisions of Section 12 of the Loan Agreement.

**11.10 Termination By Lender.** After termination of the Loan Agreement and when Lender has received payment and performance, in full, of all Secured Obligations, Lender shall execute and deliver to Guarantor a termination of all of the security interests granted by Guarantor hereunder.

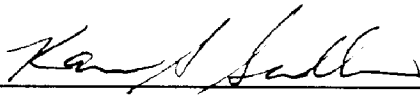
**11.11 Integration.** This Agreement, together with the other Loan Documents, reflect the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

**11.12 Intercreditor Agreement.** This Agreement, including the right of Lender to exercise remedies hereunder, shall be subject to the terms and conditions of the Intercreditor Agreement. Notwithstanding the foregoing or any reference to the Intercreditor Agreement herein, Guarantor agrees and acknowledges that neither this Agreement nor the Intercreditor Agreement provides Guarantor with any rights as a third party beneficiary or otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

**FOOTHILL INCOME TRUST, L.P.,**  
a Delaware limited partnership

By: FIT GP, LLC, its General Partner

By:   
Title: Managing Member

**SAFEGUARD INVESTMENT  
CORPORATION,**  
a Delaware corporation

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**11.12 Intercreditor Agreement.** This Agreement, including the right of Lender to exercise remedies hereunder, shall be subject to the terms and conditions of the Intercreditor Agreement. Notwithstanding the foregoing or any reference to the Intercreditor Agreement herein, Guarantor agrees and acknowledges that neither this Agreement nor the Intercreditor Agreement provides Guarantor with any rights as a third party beneficiary or otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

**FOOTHILL INCOME TRUST, L.P.,**  
a Delaware limited partnership

By: FIT GP, LLC, its General Partner

By: \_\_\_\_\_  
Title: Managing Member

**SAFEGUARD INVESTMENT  
CORPORATION,**  
a Delaware corporation

By: *Harold A. [Signature]*  
Title: *Secretary*

EXHIBIT "A"

**REGISTERED TRADEMARKS**

**UNITED STATES**

<u>Trademark</u>	<u>Registration Date</u>	<u>Registration No.</u>
Clean Trim	05/14/85	1,335,504
Color Master	05/07/85	1,334,236
Design Only	07/17/84	1,286,009
Quick Claim	01/17/78	1,082,475
Timemaster	03/25/58	659,839
Timemaster and Design	03/25/58	659,840
Safeguard and Design	12/03/68	861,369
Color Sentry	08/21/84	1,290,978
Fast Form	10/23/84	1,301,545
Centurion 300	03/27/79	1,115,627

**PENDING TRADEMARK APPLICATIONS**

Trademark

Filing Date

Serial No.

None.



Exhibit "B"

**PATENTS**

**UNITED STATES**

<u>Patent Description/Title</u>	<u>Issue Date</u>	<u>Patent No.</u>	<u>Name of Inventor</u>
Combined Writing Board and Pad Holder	April 22, 1980	Des. 254,794	Eric R. Hayman John C. Hensel Ingomar O. Koch
Checkbook Cover	June 22, 1982	Des. 265,021	Eric R. Hayman Scott R. Penniman
Wallet-Sized Checkbook	June 1, 1982	4,332,400	Eric R. Hayman