

08-30-2001

Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

101829614

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): 8-74-01
Code 3, Inc.
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other _____
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Lehman Commercial Paper Inc.
Internal
Address: 3 World Financial Center, 10th Fl.
Street Address: 200 Vesey Street
City: New York State: NY Zip: 10285
 Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State New York
 Other _____
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____
Execution Date: August 14, 2001

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
(See attached Rider)

B. Trademark Registration No.(s)
(See attached Rider) 75577025
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Code 3, Inc.
Internal Address: Att: Ronald Recker
Street Address: 107 East Industrial Dr.
08/29/2001 AHMED1 00000140 75577025
01 FC:181 40.00 DP
02 FC:182 625.00 DP
City: New Haven State: MO Zip: 63068-2902

6. Total number of applications and registrations involved: 26
7. Total fee (37 CFR 3.41).....\$ 665.00
 Enclosed
 Authorized to be charged to deposit account
8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
Paul E. Dans [Signature] August 24, 2001
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 9

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

Rider to Recordation Form Cover Sheet for Code 3, Inc.

Item 4. Trademark Application No.(s)

<u>Mark</u>	<u>Application No.</u>	<u>Application Date</u>
Code 360	75-577,025	October 26, 1998
D-Tech	75-166,824	November 16, 2000
Tactical Takedown	75-577,013	October 26, 1998
Take Control	75-747,716	June 5, 2001

Trademark Registration No.(s)

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Arrowstik	1,703,008	July 28, 1992
Astro Flash	935,596	13 June 1972 (renewed)
Code 3	1,796,241	October 5, 1993
Code 3	1,198,503	June 22, 1982
Dashlaser	1,706,543	August 11, 1992
Deckblaster	1,783,329	July 20, 1993
Excalibur	2,285,285	October 12, 1999
Fire-Flash II	1,917,224	September 5, 1995
Force 4	1,284,193	July 3, 1984
Intensity	1,801,503	October 26, 1993
Interclear	1,551,778	August 15, 1989
MX 7000	2,353,337	May 30, 2000
Nightprobe	2,330,183	March 14, 2000
Nova Flash	1,339,110	June 4, 1985

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Saf-T-III	1,725,328	October 20, 1992
SofTouch/ SofWare	1,851,887	August 30, 1994
Squad Shield	1,730,308	November 3, 1992
Stingray	1,747,005	January 19, 1993
Tuf-Flash	1,035,730	16 March 1976 (renewed)
Ultra-Lite	1,800,021	October 19, 1993
V-Con	1,474,008	January 26, 1998
Vibra-Shield	1,903,499	July 4, 1995

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, **CODE 3, INC.**, a Missouri corporation (**"Grantor"**), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

RECITALS

(A) By a senior credit agreement dated July 4, 2001 (the **"Senior Credit Agreement"**) and a mezzanine loan agreement dated July 4, 2001 (the **"Mezzanine Loan Agreement"**) Lehman Commercial Paper Inc., as Facility Agent and Mezzanine Agent, the Lenders (as defined in the Senior Credit Agreement) and Mezzanine Lenders (as defined in the Mezzanine Loan Agreement) have made available certain credit facilities to Seton House Acquisition Limited, a company incorporated in England and Wales with registered number 4228155 (the **"Principal Borrower"**) and wholly owned subsidiary of Seton House Group Limited, a company incorporated in England and Wales with registered number 4230439 (the **"Parent"**);

(B) Certain banks (the **"Hedging Banks"**) will be providing hedging facilities to the Principal Borrower pursuant to certain hedging instruments (**"Hedging Instruments"**);

(C) Lehman Commercial Paper Inc. has been appointed as security agent (**"Security Agent"**) to hold all security granted by the Parent and certain of its subsidiaries for the benefit of the Security Agent, the Lenders, the Mezzanine Lenders and the Hedging banks (collectively, the **"Security Beneficiaries"** and each, a **"Security Beneficiary"**) in connection with the **"Finance Documents"** (as defined in the Senior Credit Agreement) and as Security Agent is and shall be the "secured party" as such term is defined in the Uniform Commercial Code as in effect from time to time in any applicable jurisdiction (the "UCC");

(D) Grantor, among others, has executed an Accession Deed to the Finance Documents for the purposes, inter alia, of providing a guarantee of all or certain of the obligations owed under the Finance Documents;

(E) By an intercreditor deed dated July 4, 2001 (the **"Intercreditor Deed"**), the Security Beneficiaries and the other parties thereto have established the relative rights and preferences to all payments and collateral governed by the Finance Documents, including this Security Agreement;

(F) Pursuant to the terms of a Security Agreement dated as of August 20, 2001 (as amended, supplemented or otherwise modified from time to time, the **"Security Agreement"**), among Grantor, Security Agent (the **"Secured Party"**) and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

(G) It is a condition to the obligations of the Security Beneficiaries to enter into the Finance Documents that each Grantor execute and deliver the Security Agreement and this Grant;

(H) References in this Agreement to the Finance Documents, together with all other agreements, instruments and other documents relating thereto, will be deemed to include references to those agreements as they may be amended, amended and restated, supplemented, modified, varied, renewed, extended, replaced or novated from time to time (including, without limitation, by way of increase of the facilities made available thereunder). Similarly, references in this Agreement to Secured Obligations will be deemed to include any and all obligations which a Grantor or the Grantors may have under or in connection with the Finance Documents as the same may be so amended, amended and restated, supplemented, modified, varied, renewed, extended, replaced or novated from time to time.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks (including service marks), logos, federal and state trademark registrations and applications made by such Pledgor (except for "intent to use" applications for trademark or service mark registrations filed in the United States Patent and Trademark Office pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, unless and until an Amendment to Allege Use or a Statement of Use under Section 1(c) or 1(d) of said Act has been filed), common law trademarks and trade names owned by or assigned to such Pledgor and all registrations and applications for the foregoing, including, without limitation, the registrations and applications listed on Schedule A hereto, along with any and all (i) renewals thereof, (ii) income, royalties, damages and payments now or hereafter due and/or payable thereunder and with respect thereto, including, without limitation, damages, claims and payments for past or future infringements thereof, and (iii) rights to sue for past, present and future infringements thereof (collectively, the "**Trademarks**"); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term

“proceeds” includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor’s rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Trademark Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

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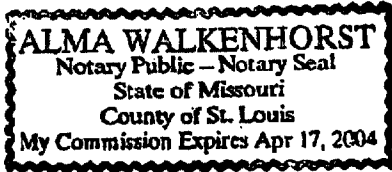
3144263130

IN WITNESS WHEREOF Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 14th day of Aug., 2001.

CODE 3, INC.

By John M. Kusek
Name: JOHN M. KUSEK
Title: PRESIDENT/CEO

Subscribed and affirmed before me this 14th Day of August 2001.



*Alma Walkenhorst
Notary Public*

"Express Mail" mailing label No. EL 75312389805

Date of Deposit August 24, 2001

I hereby certify that this paper or fee is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 on the date indicated above and is addressed to the Commissioner of Patents and Trademarks, Washington, D.C. 20231.

Beth Akcis
(Typed or printed name of person mailing paper or fee)

Beth Akcis
(Signature of person mailing paper or fee)

**SCHEDULE A
TO
GRANT OF TRADEMARK SECURITY INTEREST**

United States Trademarks

Grantor: Code 3, Inc.

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