

12/16/03

12-19-2003



Form PTO-1594
(Rev. 10/02)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):

James Crystal Enterprises, L.L.C.

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company
- Association
- Limited Partnership

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

2. Name and address of receiving party(ies)

Name: Wells Fargo Foothill, Inc.

Internal Address: Suite 3000W

Street Address: 2450 Colorado Avenue

City: Santa Monica State: CA Zip: 90404

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State California
- 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
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: 12-5-03

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) _____

2,495,529 and 2,788,678

Additional number(s) attached Yes No

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

Name: Donna J. Hunter, Paralegal

Internal Address: Paul, Hastings, Janofsky

& Walker LLP

Street Address: 600 Peachtree Street, N.E.

Suite 2400

City: Atlanta State: GA Zip: 30308-2222

6. Total number of applications and registrations involved: _____

2

7. Total fee (37 CFR 3.41).....\$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

16-0752

2003 DEC 16 AM 8:48
OPR/FINANCE

9. Signature.

Donna J. Hunter

Name of Person Signing

Signature

December 8, 2003

Date

13

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

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

TRADEMARK
REEL: 002882 FRAME: 0636

12/18/2003 DBYRNE 00000278 2495529
City Atlanta State GA Zip 30308-2222
01 FC:852
02 FC:852

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is made as of December 5, 2003, by each of the parties listed on the signature pages hereof, as pledgors (collectively, the "Pledgors", and individually, a "Pledgor") and Wells Fargo Foothill, Inc., a California corporation, as lender (the "Lender").

WITNESSETH:

WHEREAS, James Crystal, Inc., a Delaware corporation (the "Parent") and certain subsidiaries of the Parent party thereto as borrowers (the "Borrowers" and each a "Borrower"), and the Lender are parties to that certain Loan and Security Agreement of even date herewith, (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") pursuant to which the Lender has agreed to make certain loans and other financial accommodations to the Borrowers from time to time pursuant to the terms and conditions thereof; and

WHEREAS, each Pledgor is a Borrower or a direct or indirect Subsidiary of a Borrower and each Pledgor has determined that its execution, delivery and performance of this Agreement directly benefits, and is within the corporate, partnership, limited liability company or other purposes, as applicable, and in the best interests of, such Pledgor; and

WHEREAS, the Lender is willing to make loans and other financial accommodations to the Borrowers as provided for in the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), but only upon the condition, among others, that each Pledgor shall have executed and delivered this Agreement, to secure the prompt and complete payment, observance and performance of, among other things, all covenants, agreements and liabilities of the Borrowers under the Loan Documents (as defined in the Loan Agreement) and all now existing or hereafter arising Obligations (as defined in the Loan Agreement) of the Borrowers by the granting of the security interest contemplated by this Agreement;

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms.

(a) Capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement to the extent not otherwise defined or limited herein.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Grant of Security Interest in Trademarks, Patents, Copyrights and Licenses. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, each Pledgor hereby grants to the Lender a continuing security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of such Pledgor's right, title and interest in and to such Pledgor's now owned or existing and hereafter acquired or arising:

(a) (i) trademarks, service names, trade dress, logos, trade names and corporate names and, in each case, registrations and applications for registration thereof, including registered trademarks, trademark applications, registered service marks and service mark applications, including, without limitation, the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 1 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of such Pledgor's business symbolized by the foregoing and connected therewith, and (E) all of such Pledgor's rights corresponding thereto throughout the world (all of the foregoing trademarks, service names, trade dress, logos, trade names and corporate names, registered trademarks and trademark applications, service marks, registered service marks and service mark applications, together with the items described in clauses (A)-(E) in this paragraph 4(a)(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(b) (i) patents and patent applications, including, without limitation, the patents and patent applications listed on Schedule 2 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, and (D) all of such Pledgor's rights corresponding thereto throughout the world (all of the foregoing patents and patent applications, together with the items described in clauses (A)-(D) in this paragraph 4(b)(i), are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(c) (i) copyrights and copyright registrations, including, without limitation, the copyright registrations and recordings thereof and all applications in connection therewith listed on Schedule 3 attached hereto and made a part hereof, and (A) all reissues, continuations, extensions or renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of such Pledgor's business symbolized by the foregoing and connected therewith and (E) all of such Pledgor's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this paragraph 4(c)(i), are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all products and proceeds of any and all of the foregoing, including, with limitation, license royalties and proceeds of infringement suits.

(d) rights under or interest in any patent, trademark, copyright or other intellectual property, including Software, license agreements with any other party, whether such Pledgor is a licensee or licensor under any such license agreement and the right to use the foregoing in connection with the enforcement of the Lender's rights under the Loan Agreement, including without limitation, the right to prepare for sale and sell any and all Inventory and Equipment now or hereafter owned by such Pledgor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this paragraph 4(d), the grant of a security interest in the Licenses shall not include any license agreement in effect as of the date hereof which by its terms prohibits the grant of the security interest contemplated by this Agreement or the assignment of Pledgor's rights under the License; provided, however, that upon the termination of such prohibitions for any reason whatsoever, the provisions of this paragraph 4(d) shall be deemed to apply thereto automatically.

5. Restrictions on Future Agreements. No Pledgor shall, without the Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and each Pledgor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which would in any material respect adversely affect the validity or enforcement of the rights granted to the Lender under this Agreement or the rights associated with the Trademarks, Patents, Copyrights or Licenses.

6. New Trademarks, Copyrights, Patents and Licenses. Each Pledgor restates the representations and warranties made by such Pledgor in the Loan Agreement with respect to the Intellectual Property identified under paragraph 4 above. If, prior to the termination of this Agreement, such Pledgor shall (i) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) obtain rights to or become entitled to the benefit of any new patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, (iii) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (iv) obtain rights

to or become entitled to the benefit of any new trademark, patent, copyright or other intellectual property license agreements, whether as licensee or licensor, or license renewals, or (v) enter into any new license agreement, the provisions of paragraph 4 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). Each Pledgor shall give to the Lender prompt written notice of events described in clauses (i), (ii), (iii), and (iv) of the preceding sentence. Each Pledgor hereby authorizes the Lender to modify this Agreement unilaterally (i) by amending Schedule 1 to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under paragraph 4 above or under this paragraph 6, (ii) by amending Schedule 2 to include any future patents and patent applications, which are Patents under paragraph 4 above or under this paragraph 6, (iii) by amending Schedule 3 to include any future copyrights and copyright registrations and recordings thereof and all applications in connection therewith, which are Copyrights under paragraph 4 above or under this paragraph 6, and (iv) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule 1 thereto, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and containing on Schedule 2 thereto, as the case may be, such future patents and patent applications, and containing on Schedule 3, as the case may be, such future copyrights and copyright registrations.

7. Royalties. Each Pledgor hereby agrees that the use by the Lender of the Trademarks, Patents, Copyrights and Licenses as authorized hereunder in connection with the Lender's exercise of its rights and remedies under paragraph 16 or pursuant to any Loan Document shall be coextensive with such Pledgor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Lender to such Pledgor.

8. Further Assignments and Security Interest. Each Pledgor agrees (a) not to sell or assign any of its interests in, or grant any security interest in or license under, the Trademarks, Copyrights or Patents in favor of any Person other than the Lender without the prior and express written consent of the Lender and (b) not to sell or assign its interests in the Licenses without the prior and express written consent of the Lender.

9. Nature and Continuation of the Lender's Security Interest; Termination of the Lender's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks, Patents, Copyrights and Licenses and shall terminate only when the Obligations have been paid in full in cash and the Loan Agreement and the other Loan Documents have been terminated. When this Agreement has terminated, the Lender shall promptly execute and deliver to the appropriate Pledgor, at the appropriate Pledgor's expense, all termination statements and other instruments as may be necessary or proper to terminate the Lender's security interest in the Trademarks, Patents, Copyrights and Licenses, subject to any disposition thereof which may have been made by the Lender pursuant to this Agreement or any other agreement between the Pledgors and the Lender.

10. Duties of each Pledgor. Each Pledgor shall have the duty, to the extent desirable by such Pledgor in the normal conduct of such Pledgor's business, (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently

any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of such Pledgor's rights in the Trademarks, Patents, Copyrights and Licenses. Each Pledgor further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of such Pledgor's business without the prior written consent of the Lender, and (ii) to use its best efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of such Pledgor's business. Any expenses incurred in connection with the foregoing shall be borne by the appropriate Pledgor. The Lender shall not have any duty with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, the Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other Person, but the Lender may do so at its option from and after the occurrence and during the continuance of a Default or an Event of Default, and all expenses incurred in connection therewith (including, without limitation, reasonable fees and expenses of attorneys and other professionals for the Lender) shall be for the sole account of the Pledgors and shall be added to the Obligations secured hereby.

11. Indemnification by the Pledgors. Each Pledgor hereby agrees to indemnify and hold harmless the Lender for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against the Lender in connection with or in any way arising out of or related to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by any Pledgor or any other Person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any Person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them); unless with respect to any of the above, such Person to be indemnified is judicially determined to have acted or failed to act with gross negligence or willful misconduct. The indemnification in this paragraph shall survive the termination of this Agreement.

12. The Lender's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, the Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if the Lender shall commence any such suit, the appropriate Pledgor shall, at the request of the Lender, do any and all lawful acts and execute any and all proper documents reasonably required by the Lender in aid of such enforcement. The appropriate Pledgor shall, upon demand, promptly reimburse the Lender for all costs and expenses incurred by the Lender in the exercise of its rights under this paragraph 12 (including, without limitation, reasonable fees and expenses of attorneys and other professionals for the Lender).

13. Waivers. The Lender's failure, at any time or times hereafter, to require strict performance by any Pledgor of any provision of this Agreement shall not waive, affect or diminish any right of the Lender thereafter to demand strict compliance and performance

therewith nor shall any course of dealing between any Pledgor and the Lender have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of any Pledgor contained in this Agreement shall be deemed to have been suspended or waived by the Lender unless such suspension or waiver is in writing signed by an officer of the Lender, and directed to the Pledgor to which such suspension or waiver applies and specifying such suspension or waiver.

14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Modification. Neither this Agreement nor any provision hereof may be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or in a written instrument signed by the parties hereto.

16. Power of Attorney; Cumulative Remedies.

(a) Each Pledgor hereby irrevocably designates, constitutes and appoints the Lender (and all officers and agents of the Lender designated by the Lender in its sole and absolute discretion) as such Pledgor's true and lawful attorney-in-fact, and authorizes the Lender and any of the Lender's designees, in such Pledgor's or the Lender's name, upon the occurrence and during the continuation of an Event of Default to take any action and execute any instrument necessary or reasonably advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse such Pledgor's name on all applications, documents, papers and instruments necessary or desirable for the Lender in the use of the Trademarks, Patents, Copyrights or Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, the Patents, the Copyrights or the Licenses to any Person, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks, Patents, Copyrights or Licenses to any Person, and (iv) take any other actions with respect to the Trademarks, Patents, Copyrights or Licenses as the Lender deems in its best interest for the payment of the Obligations. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. Each Pledgor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Lender under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) The Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks, Patents, Copyrights or Licenses may be located or deemed located. Upon the occurrence and during the continuance of an Event of Default and the election by the

Lender to exercise any of its rights and remedies under the Uniform Commercial Code as in effect in any jurisdiction, with respect to the Trademarks, Patents, Copyrights or Licenses, each Pledgor agrees to assign, convey and otherwise transfer title in and to the Trademarks, Patents, Copyrights and Licenses, to the Lender or any transferee of the Lender and to execute and deliver to the Lender or any such transferee all such agreements, documents and instruments as may be necessary, in the Lender's sole discretion, to effect such assignment, conveyance and transfer. All of the Lender's rights and remedies with respect to the Trademarks, Patents, Copyrights and Licenses, whether established hereby, by the Loan Agreement or by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. To the extent permitted by applicable law, each Pledgor agrees that any notification of intended disposition of any of the Trademarks, Patents, Copyrights or Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that the Lender may give any shorter notice that is commercially reasonable under the circumstances.

17. Successors and Assigns. This Agreement shall be binding upon each Pledgor, its successors and assigns, and shall inure to the benefit of the Lender and its nominees, successors and assigns. Each Pledgor's successors and assigns shall include, without limitation, a receiver or a trustee; provided, however, that such Pledgor shall not voluntarily assign or transfer its rights or obligations hereunder without the Lender's prior written consent.

18. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the laws and decisions of the State of New York without reference to the conflicts or choice of law principles thereof.

19. Notices. All notices or other communications hereunder shall be given in the form and manner and to the addresses set forth in the Loan Agreement.

20. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

21. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of a counterpart hereof via facsimile transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

22. Merger. This Agreement, together with the other Loan Documents, represents the final agreement of each of the Pledgors and the Lender with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between any Pledgor and the Lender.

23. Effectiveness. This Agreement shall become effective on the date and year first written above.

[The remainder of this page is intentionally left blank.]

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

Sworn to and subscribed
before me this 5th day
of December, 2003

JAMES CRYSTAL ENTERPRISES, L.L.C.,
a Delaware limited liability company, as a Pledgor

By: [Signature]
Name: James C. Hilliard
Title: President

[Signature]
NOTARY PUBLIC
My Commission Expires:

DONNA J. HUNTER
Notary Public, Gwinnett County, Georgia
My Commission Expires April 7, 2005

Sworn to and subscribed
before me this 5th day
of December, 2003

WELLS FARGO FOOTHILL, INC.,
as Lender

By: [Signature]
Name: KATY J. BROOKS
Title: Vice President

[Signature]
NOTARY PUBLIC
My Commission Expires:

DONNA J. HUNTER
Notary Public, Gwinnett County, Georgia
My Commission Expires April 7, 2005

SCHEDULE 1

Current Trademarks and Trademark Applications

<u>PLEDGOR</u>	<u>COUNTRY</u>	<u>MARK</u>	<u>REGISTRATION NO.</u>	<u>APP/REG DATE</u>
James Crystal Enterprises, L.L.C.	U.S.A.	South Florida Moneywatch.com	2,495,529	10/09/01
James Crystal Enterprises, L.L.C.	U.S.A.	Moneywatch Radio Network	2,788,678	12/2/03

Trade Names

None.

Trademarks Not Currently In Use

None.

SCHEDULE 2

Patents

None.

Patent Applications

None.

SCHEDULE 3

Copyrights

None.