

03-12-1999



RECORDATION FORM COVER :  
PATENTS ONLY

100978814

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 ☒ Security Agreement  
☐ License ☐ Change of Name  
☐ Merger ☐ Other   
**U.S. Government**  
(For Use ONLY by U.S. Government Agencies)  
☐ Departmental File ☐ Secret File

Conveying Party(ies)

☐ Mark if additional names of conveying parties attached  
Execution Date  
Month Day Year  
06/30/99

Name (line 1) Cooperheat, Inc.

Name (line 2)

Second Party

Name (line 1)

Execution Date  
Month Day Year

Name (line 2)

Receiving Party

☐ Mark if additional names of receiving parties attached

Name (line 1) Dresdner Bank AG, New York and Grand Cayman Branches

Name (line 2)

Address (line 1) 75 Wall Street

Address (line 2)

Address (line 3) New York

New York

10005

City

State/Country

Zip Code

☐ 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 is attached. (Designation must be a separate document from Assignment.)

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)

03/10/1999 DNGUYEN 00000175 4701770

FOR OFFICE USE ONLY

01 FC:581

80.00 DP

file OK

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

PATENT  
REEL: 9798 FRAME: 0578

**Correspondent Name and Address**

Area Code and Telephone Number (202) 637-2275

Name Brain L. Saliman, Esq.

Address (line 1) Latham & Watkins

Address (line 2) 1001 Pennsylvania Avenue, N.W.

Address (line 3) Suite 1300

Address (line 4) Washington, D.C. 20004-2505

**Pages**

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

# 27

**Application Number(s) or Patent Number(s)**

☐ Mark if additional numbers attached

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

**Patent Application Number(s)**

**Patent Number(s)**


4,701,770	4,615,675	

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

**Patent Cooperation Treaty (PCT)**

Enter PCT application number  
only if a U.S. Application Number  
has not been assigned.

PCT		PCT		PCT	
PCT		PCT		PCT	

**Number of Properties**

Enter the total number of properties involved.

# 2

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$

80.00

Method of Payment:  
Deposit Account

Enclosed ☒

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.

Cathleen Calkins

Name of Person Signing



Signature

3/4/99

Date

**COOPERHEAT PATENT COLLATERAL ASSIGNMENT** (this "*Agreement*"), dated as of June 30, 1997, made by COOPERHEAT, INC., a Delaware corporation ("*Borrower*") in favor of DRESDNER BANK AG, NEW YORK AND GRAND CAYMAN BRANCHES, as collateral agent (in such capacity, "*Collateral Agent*") for the Agents, the Issuing Bank (as such terms are defined in the Credit Agreement described below), the several banks and other financial institutions (the "*Lenders*") from time to time parties to the Credit Agreement, dated as of June 30, 1997 (as the same may be amended, supplement or otherwise modified from time to time, the "*Credit Agreement*"), among Borrower, MQS Inspection, Inc., MQS Acquisition, Inc. and CHT Acquisition, Inc., as borrowers and cross-guarantors, the Lenders, Dresdner Bank AG, New York and Grand Cayman Branches as the Issuing Bank for the Letters of Credit (the "*Issuing Bank*" and, together with the Lenders, the "*Banks*"), and the Agents. The Collateral Agent, the other Agents, the Lenders and the Issuing Bank are collectively referred to herein as the "*Banks*."

### RECITALS

**WHEREAS**, the Lenders have severally agreed to make Loans to Borrower and the other borrowers (the "*Other Borrowers*") under the Credit Agreement, and the Issuing Bank has agreed to issue Letters of Credit for the benefit of such parties upon the terms and subject to the conditions set forth in the Credit Agreement; and

**WHEREAS**, it is a further condition precedent to the obligation of the Lenders to make any Loans to Borrower and the Other Borrowers under the Credit Agreement, and it is a further condition precedent to the obligation of the Issuing Bank to issue any Letters of Credit to such parties, that Borrower shall have executed and delivered this Agreement to Collateral Agent, for the ratable benefit of the Banks, to secure payment and performance of all obligations and liabilities of the Borrower and the Other Borrowers under the Credit Agreement and the other Credit Documents.

### AGREEMENT

**NOW, THEREFORE**, to induce (i) Collateral Agent and the Banks to enter into the Credit Agreement, (ii) the Lenders to make Loans to Borrower and the Other Borrowers under the Credit Agreement, and (iii) the Issuing Bank to issue Letters of Credit to Borrower and the Other Borrowers under the Credit Agreement, Borrower hereby agrees with Collateral Agent, for the ratable benefit of the Banks, as follows:

1. *Defined Terms*. (a) Unless otherwise defined in this Agreement, capitalized terms shall have the meanings given them in the Credit Agreement. The following terms shall have the following meanings:

"*Code*": the Uniform Commercial Code as from time to time in effect in the State of New York.

**"Patents"**: all of the patents, and patent applications owned by Borrower, or in which Borrower acquires any assignable right or interest, at any time prior to the termination of this Agreement.

(b) The provisions of Section 1.2 of the Credit Agreement are incorporated herein by reference as if fully set forth herein.

**2. Collateral Assignment.** As collateral security for the prompt and complete payment and performance when and as due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, Borrower hereby grants, assigns and conveys to Collateral Agent, for the ratable benefit of the Banks, the entire right, title and interest in and to all of the following (the "*Collateral*"):

- (a) all of Patents (including, without limitation, the Patents set forth on Schedule 1 to this Agreement and all reissues, divisions, continuations, renewals, extensions and continuations-in-part of any Patents);
- (b) all income, royalties, damages and payments now and hereafter due or payable with respect to any Patents (including, without limitation, payments received under any licenses entered into in connection with any Patent or patentable invention and damages and payments for past or future infringements of any Patent or patentable invention);
- (c) the right to sue for past, present and future infringements of any Patent or patentable invention;
- (d) all foreign rights corresponding to the Patents throughout the world;
- (e) all assignable agreements, whether written or oral, providing for the grant by or to Borrower of any assignable right to manufacture, use or sell any invention covered by a Patent, including, without limitation, any agreement referred to in Schedule 1 to this Agreement; and
- (f) all products and proceeds of the foregoing.

**3. License.** Unless and until there shall have occurred and be continuing a Default or an Event of Default, Collateral Agent hereby grants to Borrower the exclusive right and license under the Collateral to make, have made for it, use and sell the inventions disclosed and claimed in the Patents for Borrower's own benefit and account. Borrower agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Borrower in this Section 3, without the prior written consent of Collateral Agent other than any sale, assignment, or sublicense made or granted in the ordinary course of Borrower's business to a person not an Affiliate of Borrower. Collateral Agent acknowledges that the transfer to Collateral Agent, for the ratable benefit of the Banks, under Section 2 of this Agreement is to secure payment of all Obligations and performance of all duties under the Credit Agreement and the other Credit Documents and such transfer shall not constitute a present transfer of ownership of the Collateral notwithstanding the grant of the license to Borrower under this Section 3.

4. *Restrictions on Future Agreements.* Until this Agreement has terminated, Borrower will not without Collateral Agent's prior written consent, (a) enter into any agreement (including, without limitation, any license or sublicense agreement) that is inconsistent with Borrower's obligations under this Agreement, the Credit Agreement or any other Credit Document, (b) knowingly take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, resulting in for example the abandonment of any Patent), that would materially adversely affect the validity or enforceability of the rights transferred to Collateral Agent, for the ratable benefit of the Banks, under this Agreement, or (c) enter into any other contractual obligations with respect to the Collateral (other than licenses or sublicenses entered into in the ordinary course of business) that may restrict or inhibit Collateral Agent's rights to sell or otherwise dispose of the Patents or any part thereof after the occurrence of a Default or an Event of Default and during the continuance of a Default or an Event of Default.

5. *New Patents.* If, before the termination of this Agreement, Borrower shall (i) (a) obtain any Patent or apply for any Patent after the Closing Date in the United States Patent and Trademark Office or any similar office or agency in any other country or (b) obtain assignable rights to or an interest in any Patents or new patentable inventions, or (ii) become entitled to the benefit of any patent application, Patent or any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, Collateral Agent, for the ratable benefit of the Banks, shall have a valid first priority security interest in each such Patent and patent application. In the event that Borrower becomes the owner of, or acquires any assignable right to or interest in, any Patent, or patent application after the Closing Date, Borrower shall (i) promptly notify Collateral Agent and update Schedule 1 to this Agreement to the extent necessary to accurately identify each such Patent and patent application, and (ii) provide Collateral Agent with a copy of each such updated schedule.

6. *Representations and Warranties.* Borrower hereby represents, warrants, covenants and agrees that on the Closing Date and on each Borrowing Date:

(a) Except as otherwise provided in this Agreement or any other Credit Document, it is and will continue to be the owner of all its right, title and interest in the Patents free from any Liens other than Permitted Liens.

(b) It has the full right and power to grant the security interest in the Collateral to Collateral Agent, for the benefit of the Banks, as and to the extent provided by this Agreement.

(c) It has made no previous assignment, transfer or agreements in conflict with this Agreement or constituting a present or future assignment, transfer, or encumbrance on any of the Patents, except as permitted in the Credit Agreement.

(d) Until this Agreement has terminated, it will not execute and, except as otherwise permitted by the Credit Agreement or any other Credit Document, will not cause there to be on file in any public office, any financing statement or other document or instruments evidencing or giving notice of any Lien with respect to the Patents other than Permitted Liens.

(e) To the knowledge of Borrower, no material infringement or unauthorized use presently is being made of any of the Patents that could materially adversely affect the fair market value of the Collateral or the benefits, rights or powers granted to Collateral Agent, for the ratable benefit of

the Banks, pursuant to this Agreement or the validity, priority and perfection of the security interests granted in the Collateral pursuant to this Agreement or the remedies of Collateral Agent, for the ratable benefit of the Banks, under this Agreement and Borrower will continue to maintain monitoring and enforcement practices that fully and adequately protect the Patents.

(f) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or part.

(g) Each Patent is subsisting, unexpired, enforceable and has not been abandoned. To Borrower's knowledge, no holding, decision or judgment has been rendered by any Governmental Authority directed to any Patent that would limit, cancel or question the validity of such Patent and no action or proceeding is pending that seeks to limit, cancel or question the validity of any Patent.

(h) Borrower's chief executive office and chief place of business is set forth on Schedule 2 to this Agreement as amended pursuant to Section 8(c) of this Agreement.

(i) Schedule 1 to this Agreement, as amended pursuant to Section 4 of this Agreement, accurately identifies all of the Patents and patent applications owned by, or pending on behalf of Borrower and all other Patents in which Borrower has acquired any assignable right or interest.

7. *Royalties.* Borrower hereby agrees that the permitted use by Collateral Agent in accordance with the terms of this Agreement, for the ratable benefit of the Banks, of all Patents shall be worldwide without any liability for royalties or other related charges from Collateral Agent or any of the Banks to Borrower.

8. *Duties of Borrower.* (a) Borrower shall (i) prosecute diligently any patent application that is part of the Patents pending as of the Closing Date or thereafter until this Agreement has terminated, (ii) make application on patents as Borrower reasonably determines to be appropriate, (iii) take all reasonable steps to preserve and maintain all rights in patents, patent applications, that are part of the Patents, (iv) not abandon any right to file a patent application nor any pending patent application unless the Borrower reasonably determines it appropriate to do so, (v) not expressly abandon any Patent without the consent of Collateral Agent, and (vi) promptly notify the Collateral Agent of any unauthorized use or event or action in the Borrower's knowledge that may materially infringe on the fair market value of any Collateral. Any expenses incurred in connection with the applications referred to in this Section 8 shall be borne by Borrower. Borrower agrees to retain an experienced patent attorney for the filing and prosecution of all such applications and related proceedings.

(b) Borrower shall maintain the security interests created in favor of Collateral Agent, for the ratable benefit of the Banks, in the Collateral pursuant to this Agreement as valid and duly perfected first priority security interests, subject only to Permitted Liens, and shall defend such security interests as may be reasonably necessary to protect such interests against claims and demands of all Persons whomsoever. At any time and from time to time, upon the written request of Collateral Agent, and at the sole expense of Borrower, Borrower shall promptly and duly execute and deliver such further instruments and documents and take such further actions as Collateral Agent may request for the purposes of obtaining or preserving all of the benefits, rights and powers granted to Collateral Agent and the Banks

pursuant to this Agreement. In addition, Borrower shall, and shall cause all of its Subsidiaries to, execute and deliver such further documents and instruments and take such further actions as are necessary or desirable, or that are reasonably requested by Collateral Agent, to create and maintain in favor of Collateral Agent, for the ratable benefit of the Banks, valid and duly perfected first priority security interests in all of the Collateral under all applicable laws and to defend such security interests from all persons whomsoever.

(c) Borrower shall not permit any of the changes described below unless (x) at least 10 days prior to such change, Collateral Agent shall have received written notice of such change and an updated copy of each schedule to this Agreement required to be updated as result of such change, and (y) all filings and notices have been made to maintain in favor of Collateral Agent, for the ratable benefit of the Banks, valid and duly perfected first priority security interests in the Collateral, subject to no Liens other than those created pursuant to the Credit Documents:

(i) Change the location of its chief executive office and chief place of business from that set forth on Schedule 2 to this Agreement, as amended; or

(ii) Change its name, identity or corporate structure to such an extent that any financing statement filed in favor of Collateral Agent in connection with this Agreement would become inaccurate or misleading.

9. *Remedies.* (a) If a Default or an Event of Default shall have occurred and be continuing and upon notice by the Collateral Agent to the Borrower, Collateral Agent on behalf of the Banks may exercise, in addition to all other rights and remedies granted to Collateral Agent and the Banks in this Agreement, any Credit Document, and any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code (whether or not the Code applies to any part of the Collateral) and any other applicable laws. Without limiting the generality of the foregoing, Collateral Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon Borrower, any Other Borrower under the Credit Agreement, or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral or any part thereof, or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of Collateral Agent or any Bank or elsewhere upon such terms and conditions as it may reasonably deem advisable and at such commercially reasonable prices as it may reasonably deem best, for cash or on credit or for future delivery without assumption of any credit risk. Collateral Agent or any Bank shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of (to the extent permitted by law) any right or equity of redemption in Borrower, which right or equity is (to the extent permitted by law) hereby waived or released. Collateral Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses incurred therein or incidental to the care or safekeeping of any of the Collateral or reasonably relating to the Collateral or the rights of Collateral Agent and the Banks under this Agreement (including, without limitation, attorney' fees and disbursements) to the payment in whole or in part of the Obligations in accordance with the provisions of the Credit Agreement. If any notice of a proposed sale or other

disposition of Collateral shall be required by law, such notice shall be in writing and deemed reasonable and proper if given at least 10 days before such sale or other disposition.

(b) Borrower waives and agrees not to assert any rights or privileges that it may acquire under Section 9-112 of the Code. Borrower shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations and the fees and disbursements of any attorneys employed by Collateral Agent or any Bank to collect such deficiency.

**10. Collateral Agent's Appointment as Attorney-in-Fact; Collateral Agent's Performance of Borrower's Obligations.** (a) Borrower hereby irrevocably constitutes and appoints Collateral Agent and any officer or agent of Collateral Agent (each, an "Attorney") with full power of substitution, as its true and lawful attorney-in-fact, with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name from time to time in Collateral Agent's discretion, for the purpose of carrying out the terms of this Agreement, to, upon the occurrence and during the continuance of a Default or an Event of Default (i) take any and all appropriate action and (ii) to any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, Borrower hereby gives each Attorney the power and right, on behalf of Borrower, without notice to or assent by Borrower, to do the following upon the occurrence and during the continuance of a Default or an Event of Default to the extent permitted by law:

(i) to execute and deliver any and all agreements, instruments, documents, and papers as Collateral Agent may reasonably request to evidence the security interest of Collateral Agent, for the ratable benefit of the Banks, in any Collateral;

(ii) to pay or discharge taxes and Liens levied or placed on or threatened against any of the Collateral;

(iii) to execute, in connection with any sale provided for in Section 9 of this Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral and any part thereof; and

(iv) (A) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to Collateral Agent or as Collateral Agent shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any part of the Collateral; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to protect, preserve, or realize upon the Collateral or any part thereof and to enforce any other right in respect of any part of the Collateral; (D) to defend any suit, action or proceeding brought against Borrower with respect to any part of the Collateral; (E) to settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, to give such discharges or releases as Collateral Agent may deem appropriate; (F) to assign, license or sublicense any Collateral throughout the world for such term or terms, on such conditions, and in such manner, as Collateral Agent shall in its sole discretion determine; and (G) to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any part of the Collateral as fully and completely as though Collateral Agent were the absolute owner thereof for all purposes, and to do, at Collateral Agent's option and Borrower's expense, at any time, or from time to time, all acts and things that Collateral



Agent reasonably deems necessary to protect, preserve or realize upon the Collateral or any part thereof and the security interests of Collateral Agent, for the ratable benefit of the Banks, and to effect the intent of this Agreement, all as fully and effectively as Borrower might do.

(b) If Borrower fails to perform or comply with any of its agreements contained in this Agreement, any Attorney may, at the option of Collateral Agent but without any obligation so to do, perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The reasonable expenses of Collateral Agent incurred in connection with any actions taken pursuant to this Section 10, together with interest thereon at a rate per annum equal to the Default Rate on Base Rate Loans then in effect from the date payment is demanded by Collateral Agent to the date reimbursed by Borrower, shall be payable by Borrower to Collateral Agent on demand.

(d) Borrower hereby ratifies all actions taken by each Attorney pursuant to this Section 10. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

11. *Duty of Collateral Agent.* Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the Code or otherwise, shall be to deal with it in the same manner as Collateral Agent deals with similar property for its own account. None of Collateral Agent, any Bank or any of their respective directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any of the Collateral upon the request of Borrower, any Other Borrower under the Credit Agreement or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on Collateral Agent and the Banks under this Agreement are solely to protect the interests of Collateral Agent and the Banks in the Collateral and shall not impose any duty upon Collateral Agent or any Bank to exercise any such powers. Collateral Agent and the Banks shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act under or with respect to this Agreement, except for their own gross negligence or willful misconduct (as determined in a final non-appealable judgment by a court of competent jurisdiction).

12. *Execution of Financing Statements.* If Collateral Agent requests, pursuant to Section 9-402(2)(e) of the Code, that the Borrower file financing statements with respect to the Collateral and Borrower fails to comply with Collateral Agent's request, pursuant to Section 9-402 of the Code, Borrower authorizes Collateral Agent to file financing statements with respect to the Collateral without the signature of Borrower in such form and in such filing offices as Collateral Agent reasonably determines appropriate to perfect the security interests granted to Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

13. *Authority of Collateral Agent.* Borrower acknowledges that the rights and responsibilities of Collateral Agent under this Agreement with respect to any action taken by Collateral Agent or the exercise or non-exercise by Collateral Agent of any option, voting right, request, judgment or other right or remedy provided for in this Agreement or resulting or arising out of this Agreement shall, as between Collateral Agent and the Banks, be governed by the Credit Agreement and by such

other agreements with respect thereto as may exist from time to time among them but, as between Collateral Agent and Borrower, Collateral Agent shall be conclusively presumed to be acting as agent for the Banks with full and valid authority so to act or refrain from acting.

14. *Notices.* All notices, requests and demands to or upon Collateral Agent or Borrower under this Agreement shall be given or made in accordance with the Credit Agreement.

15. *Termination and Release.* (a) This Agreement and the security interest created in favor of Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement shall terminate when all of the Obligations have been fully and indefeasibly paid and when the Banks have no further Commitments under the Credit Agreement and no Letters of Credit are outstanding or unreimbursed, at which time Collateral Agent shall execute and deliver to Borrower, or to such person or persons that Borrowers shall reasonably designate, all deeds assignments and other instruments as may be necessary or proper to re-vest in Borrower full title to the Collateral, subject to any disposition thereof that may have been made by Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement. Such reassignment and redelivery shall be without warranty by or recourse to Collateral Agent or any of the Banks, and shall be at the expense of Borrower.

(b) All Collateral used, sold, transferred or otherwise disposed of by Borrower in accordance with the terms of the Credit Agreement and the other Credit Documents (including, without limitation, pursuant to a waiver or amendment of the terms of the Credit Agreement and the other Credit Documents), shall be used, sold, transferred or otherwise disposed of free and clear of the Lien and the security interest created under this Agreement. In connection with any such sale, transfer or disposition of Collateral, (i) Collateral Agent shall deliver to Borrower, or to such person or persons as Borrower shall reasonably designate, all Uniform Commercial Code termination statements and similar documents prepared by Borrower at Borrower's expense that Borrower shall reasonably request to evidence the release of the Liens and security interests created under this Agreement with respect to such Collateral, and (ii) any representation, warranty or covenant contained in this Agreement relating to such Collateral shall no longer be deemed to be made with respect to such used, sold, transferred or otherwise disposed Collateral.

16. *Severability.* Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

17. *Amendments in Writing, No Waiver; Cumulative Remedies.* (a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with the provisions of Section 11.11 of the Credit Agreement and pursuant to a written instrument executed by Borrower and Collateral Agent; *provided, however,* that the schedules to this Agreement shall be amended and updated by Borrower as and to the extent required by this Agreement.

(b) Neither Collateral Agent nor any Bank shall by any act (except by a written instrument pursuant to Section 17(a) of this Agreement) or delay be deemed to have waived any right or remedy under this Agreement or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions of this Agreement. No failure to exercise, nor any delay in exercising, on

the part of Collateral Agent or any Bank, any right, power or privilege under this Agreement shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Collateral Agent or any Bank of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy that Collateral Agent or such Bank would otherwise have on any future occasion.

(c) The rights and remedies provided to Collateral Agent and the Banks in this Agreement are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

18. *Section Headings.* The section and subsection headings used in this Agreement are for convenience of reference only and are not to affect the construction of this Agreement or be taken into consideration in the interpretation of this Agreement.

19. *Successors and Assigns.* This Agreement shall be binding upon the successors and assigns of Borrower and shall inure to the benefit of Borrower, Collateral Agent and the Banks and their successors and assigns; *provided, however*, that Borrower may not assign any of its rights, or delegate any of its duties or obligations, under this Agreement without the prior written consent of Collateral Agent.

20. **GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

IN WITNESS WHEREOF, Borrower has duly executed and delivered this Agreement  
as of the day and year first above written.

COOPERHEAT, INC.

By: Gerald C. Allen  
Name:  
Title:

Schedules:

Schedule 1: Patents  
Schedule 2: Location of Chief Executive Office and Chief Place of Business

STATE OF NEW YORK

)  
)ss.:  
)

COUNTY OF New York

On the 30th day of June in the year 1997, before me personally came person signing to me known to be the person described in and who executed the foregoing instrument, and acknowledged that (s)he executed the same.

  
Notary Public

MARIA A. VARGAS  
Notary Public, State of New York  
No. 01VA5072319  
Qualified in Kings County  
Commission Expires January 27, 1999

**PATENTS**

<u>Patent No.</u>	<u>Patent Description/Title</u>	<u>Date Registered</u>
-------------------	---------------------------------	------------------------

SEE ATTACHED

**Patent Applications**

<u>Docket No.</u>	<u>Description/Title</u>	<u>Date Filed</u>
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SEE ATTACHED

**Servicemarks**

Thermojet

U.S. Registration No. 1741770

Cooperheat

Thailand Registration No. 237722/BOR2232

South Korea Registration No. 24435

**Trade Names**

Cooperknit

**Licenses**

SEE ATTACHED

**LOCATION OF CHIEF EXECUTIVE OFFICE  
AND CHIEF PLACE OF BUSINESS**

1021 Centennial Avenue  
Piscataway, New Jersey 08854

\*

LOCATION:

PROJECT: Cooperheat

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 10. Litigation, Claims and Proceedings, including Oppositions and Cancellations Relating To The Patents, Patent Applications, Technology and Know-How for the Last Three (3) Years

NONE

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LOCATION:

PROJECT: Cooperative

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 11. Customer Supply Agreements for Proprietary Product. Potentially  
Based on Third-Party Know How.

NONE

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Page 12

**LOCATION:**

**PROJECT: Cooperheal**

**DISCLOSURE SCHEDULE IV**

**PATENTS AND TECHNOLOGY**

**Item 12. Description of any Royalty Agreements**

**NONE**

LOCATION:

PROJECT: Cooperheal

DISCLOSURE SCHEDULE IV

PATENTS

Item 1. Patents and Patent Applications Owned Exclusively by the Business

CODE	DOCKET NO.	APPLICATION S.N./PATENT NO.	ISSUE DATE EXPIRE DATE	TITLE	COMMENTS
USA		4,615,675	10/7/86	Furnace Channel Heating Method and Apparatus	

JUN 30 '97 13:09

LOCATION:

PROJECT: Cooperical

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 2. Patents and Patent Applications Owned Jointly By The Business and a Third Party

CODE	LICENSOR	LICENSEE	PATENT OR TECHNOLOGY	CONTRACT, AMENDMENT AND EXPIRATION DATES	ASSIGNABILITY	COMMENTS
				NONE		

LOCATION:

PROJECT: Coepthical

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 3. Unfiled Patent Applications Owned By Or Licensed Or Assignable To The Business

CODE	LICENSOR	LICENSEE	PATENT OR TECHNOLOGY	CONTRACT, AMENDMENT AND EXPIRATION DATES	ASSIGNABILITY	COMMENTS
NONE						

LOCATION:

PROJECT: Cooperheat

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 4. License of Patents and Technology Granted To The Business By Others

CODE	APPLICATION SN/PATENT NO	ISSUE DATE EXPIRE DATE	TITLE	COMMENTS
1 USA	Heat Tracing Assignments			Cooperheat no longer sells heat tracing products
2 USA	4701598	10/20/87	Heat Tracing Tape and Power Control	USA Patent
3 USA	0123476b1	1/25/89	Heat Tracing Tape and Power Control	German Patent
4 USA	0123476a3		Heat Tracing Tape and Power Control	Austria Patent
5 USA	123476	1/25/89	Heat Tracing Tape and Power Control	European Patent
6 USA	1202660	4/1/86	Heat Tracing Tape and Power Control	Canadian Patent
7 USA	84302434		Heat Tracing Tape and Power Control	
8 USA	84302434		Heat Tracing Tape and Power Control	
9 USA	123476		Heat Tracing Tape and Power Control	

LOCATION:

PROJECT: Coopers and Lybrand

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 5. Licenses of Patents and Technology  
Granted To Others By The Business

CODE	DOCKET NO.	APPLICATION S.N./PATENT NO.	ISSUE DATE EXPIRE DATE	TITLE	COMMENTS
					The Heal Tracing Division Sale Agreement to Mike Haden gives him use of the patents.

JUN 30 '97 13:10

PATENT  
REEL: 9798 FRAME: 0600

LOCATION:

PROJECT: Cooperative

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 6. Secrecy and Screening Agreements Related to the Business

CODE	LICENSEE	PATENT OR TECHNOLOGY	ISSUE AND AMEND DATE(S)	EXPIRE DATE	ASSIGNABILITY	COMMENTS
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NONE

JUN 30 '97 13:10



LOCATION:

PROJECT: Cooperheat

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 7. Interferences

CODE	DESCRIPTION	ASSIGNABILITY	COMMENTS
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NONE

JUN 30 '97 13:11

PATENT  
REEL: 9798 FRAME: 0602

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LOCATION:

PROJECT: Cooperical

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 8. Settlement Agreements

CODE:	OTHER PARTY	DESCRIPTION	CONTRACT DATE(S)	ASSIGNABILITY	COMMENTS
					NONE

JUN 30 '97 13:11

PATENT  
REEL: 9798 FRAME: 0603

JUN 30 '97 13:11

LOCATION:

PROJECT: Copectral

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 9. Joint Development Agreements Related to the Business

CODE:	OTHER PARTY	DESCRIPTION	CONTRACT DATE(S)	ASSIGNABILITY	COMMENTS
					NONE

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LOCATION:

PROJECT: Cooperheat

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 10. Litigation, Claims and Proceedings, including Oppositions and Cancellations Relating To The Patents, Patent Applications, Technology and Know-How for the Last Three (3) Years

NONE

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PATENT  
REEL: 9798 FRAME: 0605

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dec00p04.wmf/2/197

LOCATION:

PROJECT: Cooperative

DISCLOSURE SCHEDULE IV

PATENTS AND TECHNOLOGY

Item 11. Customer Supply Agreements for Proprietary Product, Potentially  
Based on Third-Party Know How

NONE

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