

PATENT ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Wood-Mode, Incorporated	03/09/2006
RECEIVING PARTY DATA	
Name:	Wachovia Bank, National Association
Street Address:	One South Broad Street, PA 4830
City:	Philadelphia
State/Country:	PENNSYLVANIA
Postal Code:	19107
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	6913156
CORRESPONDENCE DATA	
Fax Number:	(215)405-2574
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	215-977-2574
Email:	ssplaver@wolfblock.com
Correspondent Name:	Stacy L. Splaver
Address Line 1:	1650 Arch Street
Address Line 2:	22nd Floor
Address Line 4:	Philadelphia, PENNSYLVANIA 19103
ATTORNEY DOCKET NUMBER:	FIR166-129135
NAME OF SUBMITTER:	Stacy L. Splaver

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Total Attachments: 12
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Security Agreement") is made effective as of the 9th day of March, 2006 by and between **WOOD-MODE, INCORPORATED**, a Pennsylvania corporation ("Assignor"), and **WACHOVIA BANK, NATIONAL ASSOCIATION**, or its successors, in its capacity as agent ("Agent") for those Lenders identified in the Loan Agreement (as hereafter defined).

BACKGROUND

A. In accordance with the terms of that certain Amended and Restated Loan Agreement of even date herewith by and between Assignor, Agent and the Lenders identified therein (as the same may be amended, modified, supplemented, extended and/or renewed, the "**Loan Agreement**"), Lenders agreed to extend to Assignor (i) a revolving line of credit in the maximum principal amount of Twenty-Five Million Dollars (\$25,000,000.00); and (ii) a term loan in the original principal amount of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000.00).

B. The Loan Agreement provides, *inter alia*, that Assignor will grant to Agent for the pro rata benefit of Lenders a security interest in all of Assignor's assets, including, without limitation, its patents, patent rights, patent applications, servicemarks, trademarks, servicemark and trademark applications, tradenames, goodwill, copyrights and licenses.

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement.

2. **Security Interest.**

(a) **Security Interest in Patents, Copyrights and Licenses.** To secure the complete and timely payment and satisfaction of all Lender Indebtedness, Assignor hereby collaterally assigns, mortgages, pledges and grants to Agent for the pro rata benefit of Lenders a 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 law, all of Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively, with items named in **Section 2(b)** below, the "**Collateral**"):

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents and patent applications listed on **Exhibit "A"**, attached hereto and made a part hereof, and (A) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof,

(C) the right to sue for past, present and future infringements thereof, and (D) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (A)-(D), are sometimes hereinafter individually and/or collectively referred to as the "**Patents**");

(ii) copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by Assignor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on **Exhibit "B"** 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 with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (C) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the "**Copyrights**"); and

(iii) license agreements with any other party, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on **Exhibit "C"** attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "**Licenses**").

(b) **Security Interest in Trademarks.** To secure the complete and timely payment and satisfaction of all Lender Indebtedness, Assignor hereby mortgages, pledges and grants to Agent for the pro rata benefit of Lenders a 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 law, all of Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed: servicemarks, trademarks, servicemark and trademark registrations, tradenames, servicemark and trademark applications, and all goodwill attendant thereto, including, without limitation, the servicemarks, trademarks and applications listed on **Exhibit "D"**, 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 with respect thereto, including without limitation, damages and payments for past or future infringements thereof, (C) the right to sue for past, present and future infringements thereof, and (D) all rights corresponding thereto throughout the world (all of the foregoing servicemarks, trademarks, servicemark and trademark registrations, servicemark and tradenames and applications together with the items described in clauses (A)-(D), are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**").

3. **Restrictions on Future Agreements.** Assignor agrees that until all Lender Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, Assignor will not, without Agent's prior written consent, enter into any agreement (including, without limitation, any license or royalty agreement) which is inconsistent with Assignor's obligations under this Security Agreement or the Loan Agreement, and Assignor further agrees that it will not take any action, or permit any action to be taken by others, subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights of Agent and/or Lenders under this Security Agreement.

4. **New Patents, Trademarks, and Licenses.** Assignor represents and warrants that the Patents, Copyrights, Licenses and Trademarks listed on **Exhibits "A", "B", "C" and "D"**, respectively, constitute all of the patents, copyrights, licenses, trademarks and applications now owned by Assignor. If, before all Lender Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, Assignor shall (a) obtain rights to any new patentable inventions, trademarks, servicemarks, trademark registrations, tradenames, copyrights or licenses, or (b) become entitled to the benefit of any patent or trademark or copyright application, trademark, trademark registration, servicemark, tradename, copyright or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of **Section 2** above shall automatically apply thereto and Assignor shall give to Agent prompt written notice thereof. Assignor hereby authorizes Agent and/or Lenders to modify this Security Agreement by amending **Exhibit "A", "B", "C" and/or "D"**, as applicable, to include any future patents, patent applications, trademarks, trademark registrations, servicemarks, trademark applications, tradenames, copyrights and licenses which are Patents, Copyrights, Licenses or Trademarks, as applicable, under **Section 2** above or under this **Paragraph 4**. Assignor hereby agrees to provide to Agent and/or any Lender such assignment or other documentation as Agent and/or any Lender may request to record such Lender's lien on such future Patents, Copyrights, Licenses or Trademarks.

5. **Royalties; Term.** Assignor hereby agrees that the use by Agent and/or Lenders of all Patents, Copyrights, Licenses and Trademarks as described herein shall be worldwide and without any liability for royalties or other related charges from Agent and/or Lenders to Assignor. The term of the security interest granted herein shall extend until the earlier of (a) the expiration of each of the respective Patents, Copyrights, Licenses and Trademarks assigned hereunder, or (b) the date on which all Lender Indebtedness has been paid in full and the Loan Agreement is terminated.

6. **Agent 's Right to Inspect.** Agent and/or Lenders shall have the right, at any time and from time to time, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. Assignor agrees that Agent and/or Lenders, or a conservator appointed by Agent and/or Lenders, shall have the right to establish such additional product quality controls as Agent and/or Lenders, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Trademarks. Assignor agrees (a) not to sell or assign its interest in, or grant any license under, the Patents, Copyrights, Licenses or Trademarks, without the prior written consent of Agent; (b) to maintain the quality of any and all products in connection with which the Trademarks and/or Copyrights are used, consistent with quality of said products as of the date hereof; (c) not to adversely change the quality of said products without Agent's express written consent; and (d) to provide Agent, upon request, with a certificate of an officer of Assignor certifying Assignor's compliance with the foregoing.

7. **Termination.** This Security Agreement is made for collateral purposes only. Upon payment in full of all Lender Indebtedness and termination of the Loan Agreement, Agent shall execute and deliver to Assignor a termination of Agent's security interest granted herein and all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patents, Copyrights, Licenses and Trademarks, subject to any disposition thereof which may have been made by Agent pursuant hereto.

8. **Duties of Assignor.** Assignor shall have the duty (a) to prosecute diligently any patent, trademark and copyright application pending as of the date hereof or thereafter until all Lender Indebtedness shall have been paid in full and the Loan Agreement is terminated, (b) to make application on unpatented but patentable inventions and on trademarks and copyrights, as appropriate, and (c) to preserve and maintain all rights in patent applications and patents of the Patents, in trademark applications, trademarks and trademark registrations of the Trademarks and in copyright applications and copyrights of the Copyrights. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor will not abandon any right to file a patent, trademark or copyright application, or any pending patent, trademark or copyright application or any Patent, Trademark, License or Copyright without the prior consent of the Agent.

9. **Event of Default.** Upon the occurrence of an Event of Default, Agent and/or Lenders may, without further notice to or consent of Assignor, and in addition to all other rights and remedies available to Agent and/or Lenders, immediately record all assignments previously executed and delivered to Agent by Assignor and/or execute and record with all applicable offices (including, without limitation, the Patent and Trademark Office) an absolute assignment to Agent and/or Lenders by Assignor of all rights, title and interest of Assignor, in and to the Collateral. Assignor hereby authorizes and agrees that Agent and/or Lenders may, through the power of attorney granted in **Section 14** hereof, upon the occurrence of an Event of Default irrevocably execute and deliver in Assignor's name any and all such assignments and agreements and to take any and all other actions in Assignor's name as Agent and/or Lenders shall deem reasonable or appropriate to transfer and convey all right, title and interest of Assignor in and to the Collateral to Agent and/or Lenders or any other person or entity selected by Agent and/or Lenders.

10. **Agent's and/or Lenders' Right to Sue.** Agent and/or Lenders shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Patents, Copyrights and/or Trademarks, and any licenses thereunder, and, if Agent and/or Lenders shall commence any such suit, Assignor shall, at the request of Agent and/or Lenders, do any and all lawful acts and execute any and all proper documents required by Agent and/or Lenders in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Agent and/or Lenders for all costs and expenses incurred by Agent and/or Lenders in the exercise of its rights under this **Section 10**.

11. **Waivers.** No course of dealing between Assignor and Agent and/or Lenders, nor any failure to exercise, nor any delay in exercising, on the part of Agent and/or Lenders, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. **Severability.** The provisions of this Security Agreement are severable, and if any clause or provision shall be 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 thereof, 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 Security Agreement in any jurisdiction.

13. **Modification.** This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in **Section 4** hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney; Effect on Loan Agreement.** All of Agent's and/or Lenders' rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Assignor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power to (a) endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Agent to protect, evidence or perfect its security interest in the Patents, Trademarks, Copyrights and Licenses, (b) upon the occurrence of an Event of Default, endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Agent to enforce its security interest in the Patents, Trademarks, Copyrights and Licenses, (c) upon the occurrence of an Event of Default, take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Agent and/or Lender reasonably deems in the best interest of the Agent and/or Lenders, (d) upon the occurrence of an Event of Default, grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to anyone, including Agent and/or Lenders, and/or (e) upon the occurrence of an Event of Default, assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights or Licenses to anyone, including Agent and/or Lenders. Agent may also act under such power of attorney to take the actions referenced in **Section 4**. Agent hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all Agent Indebtedness shall have been paid in full and the Loan Agreement shall have been terminated. Assignor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent and/or Lenders under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Security 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 applicable jurisdiction.

15. **Binding Effect; Benefits.** This Security Agreement shall be binding upon the Assignor and its successors and assigns, and shall inure to the benefit of Agent and/or Lenders and their nominees, successors and assigns.

16. **Governing Law.** This Security Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of law principles.

[SIGNATURES ON FOLLOWING PAGE]

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

ASSIGNOR

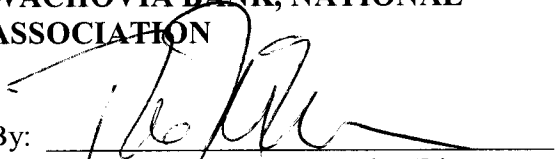
WOOD-MODE, INCORPORATED

By: 

Robert L. Gronlund,
Chief Executive Officer

AGENT

**WACHOVIA BANK, NATIONAL
ASSOCIATION**

By: 

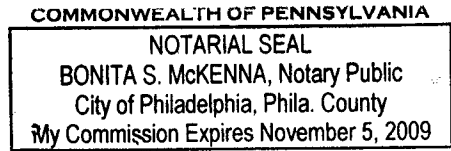
Thomas M. Harper, Managing Director

COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF PHILADELPHIA :

On this 9th day of March, 2006, before me, a Notary Public, personally appeared Robert L. Gronlund, who acknowledged himself/herself to be the duly acting Chief Executive Officer of **Wood-Mode, Incorporated** and that he as such Chief Executive Officer, being duly authorized to do so, executed the foregoing Intellectual Property Security Agreement for the purposes therein contained by signing his name as such on behalf of the Assignor.

Bonita S. McKenna

Notary Public
My Commission Expires:



COMMONWEALTH OF PENNSYLVANIA :
: ss:
COUNTY OF PHILADELPHIA :

On this 9th day of March, 2006, before me, a Notary Public, personally appeared Thomas M. Harper, who acknowledged himself/herself to be a duly acting Managing Director of **Wachovia Bank, National Association** and that he as such Managing Director, being duly authorized to do so, executed the foregoing Intellectual Property Security Agreement for the purposes therein contained by signing his name as such on behalf of the Agent.

Bonita S. McKenna

Notary Public
My Commission Expires:

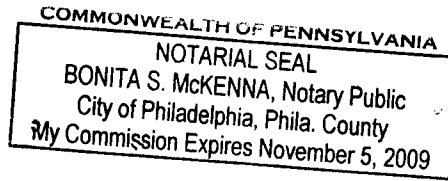


EXHIBIT "A"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patents

<u>Patent</u>	<u>Registration No.</u>	<u>Registration Date</u>
Organizing System for Drawers and Cabinets	6,913,156	07/05/2005

EXHIBIT "B"**TO****INTELLECTUAL PROPERTY SECURITY AGREEMENT****Copyrights**

<u>Copyright</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Owner</u>
Wood-Mode, Incorporated computerized dealer profile : user's guide	TX-3-485-169	02/26/1993	Wood-Mode Cabinetry
A taste of Wood-Mode : a collection of recipes from the Wood-Mode family	TX-3-501-001	01/26/1993	Wood-Mode Cabinetry
Wood-Mode : style & theme guide	VA-406-149	02/12/1990	Wood-Mode, Inc.
A half century of fine cabinetmaking	TX-3-510-582	01/28/1993	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
A taste of Wood-Mode, recipe for design / all recipes courtesy of McCormick/Schilling Spices	VA-507-223	02/07/1992	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Wood-Mode fine custom cabinetry : [no.]L107-0291	VA-462-674	03/15/1991	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Wood-Mode fine custom cabinetry : [no.]L107-0689	VA-361-143	07/10/1989	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Wood-Mode fine custom cabinetry	VA-360-900	07/10/1989	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]

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Wood-Mode fine custom cabinetry : [no.]L107-886	VA-246-915	09/26/1986	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Wood-Mode fine custom cabinetry, Newport	VA-239-811	09/26/1986	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Wood-Mode cabinetry : manufacturing and construction features...with the Wood-Mode touch	VA-796-97	04/09/1981	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Work places...with the Wood-Mode touch	VA-796-96	04/09/1981	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]
Baths, with the Wood- Mode touch	VA-784-90	04/09/1981	Foltz Wessinger, Inc. [Wood-Mode Cabinetry]

EXHIBIT "C"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Licenses

None.

EXHIBIT "D"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademarks

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Wood-Metal	0,635,925	10/16/1956
Wood-Mode	0,646,505	06/04/1957
Classic Modulares	0,966,048	08/14/1973
Roomscaping	0,968,913	09/18/1973
Brookhaven	1,524,521	02/14/1989
Wood-Mode Fine Custom Cabinetry	1,639,117	03/26/1991

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