

Form PTO-1595 (Rev. 03/05)
OMB No. 0651-0027 (exp. 6/30/2005)U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET

PATENTS ONLY

6737-105

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To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

The Faucet-Queens Inc.

2. Name and address of receiving party(ies)

Name: Madison Capital Funding LLC, as agent

Internal Address: _____

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

3. Nature of conveyance/Execution Date(s):

Execution Date(s) Dec 31, 2007☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Joint Research Agreement☐ Government Interest Assignment☐ Executive Order 9424, Confirmatory License☐ Other _____Street Address: 30 S. Wacker Dr.City: ChicagoState: ILCountry: USA Zip: 60606Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application or patent number(s):

A. Patent Application No.(s)

☐ This document is being filed together with a new application.

B. Patent No.(s)

Additional numbers attached? ☒ Yes ☐ No

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

Name: Laura KonrathInternal Address: Winston & Strawn LLPStreet Address: 35 W. Wacker Dr.City: ChicagoState: IL Zip: 60601Phone Number: 312-558-6352Fax Number: 312-558-5700Email Address: lkonrath@winston.com6. Total number of applications and patents involved: 207. Total fee (37 CFR 1.21(h) & 3.41) \$ 800☐ Authorized to be charged by credit card☒ Authorized to be charged to deposit account☐ Enclosed☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____

Expiration Date _____

b. Deposit Account Number 232428Authorized User Name Laura Konrath

9. Signature:

Laura Konrath

Signature

Date

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: ☐Documents to be recorded (including cover sheet) should be faxed to (703) 306-5895, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, V.A. 22313-1450

CH \$800.00 232428 10980065

SCHEDULE 1

PATENTS

Continuation
Item 4

UNITED STATES:

<u>Patent Name</u>	<u>Patent Number</u>
Tape Measure with Pencil	D504,077
Level with Keyhole Finder	D504,834
Cordless Drill	D513,160
Plunger Handle	D466,661
Plunger Caddy	D449,951
Snowman Carabiner	D511,963
Christmas Tree Carabiner	D513,698
Plunger and Caddy	D452,401
Reindeer Keychain	D517,309
Level with Adjustable Fastener Locators	7,210,243
Screwdriver with Hammer End	D523,234
Screwdriver with Hammer End	7,086,109
Hammer with Mallet Head and Measuring Handle	D517,888
Hammer with Mallet Head and Measuring Handle	Application No. 10/980,065
Hammer	D513,160
Hammer	D520,568
Keychain with Light	D522,234
Hammer with Mallet Head and Measuring Handle	Application No. 11/670,672
LED Scissors	Application No. 29/281,350
Level with Adjustable Fastener Locators	Application No. 11/678,842

CANADA:

<u>Patent Name</u>	<u>Patent Number</u>
Level with Keyhole Finder	110,283
Tape Measure with Pencil	110,320
Level with Adjustable Fastener Locators	Application No. 2,523,314
Screwdriver with Hammer End	Application No. 2,523,445
Hammer with Mallet Head and Measuring Handle	Application No. 2,523,258
Scissors with LED Lights	Application No. 122,322

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PATENT SECURITY AGREEMENT

(PATENTS, PATENT APPLICATIONS AND PATENT LICENSES)

WHEREAS, The Faucet-Queens Inc., a Delaware corporation (herein referred to as "Grantor"), owns the Patents listed on Schedule 1 annexed hereto, and is a party to the Patent Licenses listed on Schedule 1 annexed hereto;

WHEREAS, reference is made to that certain Credit Agreement dated as of December 31, 2007 (as amended, restated, supplemented or modified from time to time, the "Credit Agreement") among Grantor, the financial institutions from time to time party thereto (together with their respective successors and assigns, "Lenders") and Madison Capital Funding LLC, as agent for the Lenders (the "Agent"); and

WHEREAS, pursuant to the terms of the Guarantee and Collateral Agreement dated as of December 31, 2007 (as amended, restated, supplemented or modified from time to time, the "Collateral Agreement") among Grantor, the other grantors party thereto and Madison Capital Funding LLC, as agent for the secured parties referred to therein (in such capacity, together with its successors in such capacity pursuant to the terms of such Collateral Agreement, the "Grantee"), Grantor has granted to Grantee for the ratable benefit of such secured parties a continuing security interest in or other Lien on substantially all the assets of the Grantor, including all right, title and interest of Grantor in, to and under the Patent Collateral (as defined below), whether now owned or existing or hereafter acquired or arising, to secure its Secured Obligations (as defined in the Collateral Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee, to secure its Secured Obligations, a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether presently existing or hereafter arising or acquired:

(i) each Patent (as defined in the Collateral Agreement) owned by Grantor, including, without limitation, each Patent and Patent application referred to in Schedule 1 hereto;

(ii) each Patent License (as defined in the Collateral Agreement) to which Grantor is a party, including, without limitation, each Patent License identified in Schedule 1 hereto; and

(iii) all proceeds of and revenues from the foregoing, including, without limitation, all proceeds of and revenues from any claim by Grantor against third parties for past, present or future infringement of any Patent, including, without limitation, any Patent referred to in Schedule 1 hereto, and all rights and benefits of Grantor under any Patent License, including, without limitation, any Patent License identified in Schedule 1 hereto.

Grantor hereby irrevocably constitutes and appoints the Grantee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in the Grantee's discretion, so long as any Event of Default (as defined in the Credit Agreement) shall have occurred and be continuing, to take with respect to the Patent Collateral any and all appropriate action which Grantor might take with respect to the Patent Collateral and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Patent Security Agreement and to accomplish the purposes hereof.


Except to the extent permitted in the Collateral Agreement or the Credit Agreement, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the foregoing Patent Collateral.

The foregoing security interest is granted in conjunction with the security interests granted to the Grantee pursuant to the Collateral Agreement. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its officer thereunto duly authorized as of the 31 day of December, 2007.

THE FAUCET-QUEENS INC.

By: 
Name: WILLIAM SCHMIDT
Title: PRESIDENT/CEO

ACKNOWLEDGED:

MADISON CAPITAL FUNDING LLC,
as Agent

By: _____
Name:
Title:

[Signature Page to Patent Security Agreement]

CH11:20211187.1


IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its officer thereunto duly authorized as of the ____ day of December, 2007.

THE FAUCET-QUEENS INC.

By: _____
Name:
Title:

ACKNOWLEDGED:

MADISON CAPITAL FUNDING LLC,
as Agent

By: 
Name: Devon M. Russell
Title: Managing Director

SCHEDULE 1**PATENTS****UNITED STATES:**

<u>Patent Name</u>	<u>Patent Number</u>
Tape Measure with Pencil	D504,077
Level with Keyhole Finder	D504,834
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Hammer	D520,568
Keychain with Light	D522,234
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LED Scissors	Application No. 29/281,350
Level with Adjustable Fastener Locators	Application No. 11/678,842

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Screwdriver with Hammer End	Application No. 2,523,445
Hammer with Mallet Head and Measuring Handle	Application No. 2,523,258
Scissors with LED Lights	Application No. 122,322

WINSTON & STRAWN LLP

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Fax Number: 312-558-5700

FROM: Laura Konrath
312-558-6352DATE: January ²², 2008

CHARGEBACK:

11028

6737/105

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COMMENTS

CONFIRMATION OF RECEIPT REQUESTED

Enclosed: -Facsimile Cover Sheet
 -Cover Letter
 -Recordation Cover Sheet
 -Schedule of U.S. Patents
 -Patent Security Agreement

IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL AS SOON AS POSSIBLE. THANK YOU.
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PATENT
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3

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January 10, 2008

VIA TELECOPIER

U.S. Patent & Trademark Office
Assignment Division
Box Assignments
1213 Jefferson Davis Hwy.
Suite 320
Washington, DC 20231

Re: Client #6737/105 – Madison Capital/Faucet Queens

Dear Commissioner:

Enclosed is a Patent Security Agreement. Please file the enclosed with the Patent Assignment Department of the U.S. Patent and Trademark Office.

Please deduct \$ 800 from Deposit Account #232428. When the filing process is completed, please send the file-stamped document to:

Fax to Laura Konrath c/o Winston & Strawn (312) 558-5700 or send via email to lkonrath@winston.com

Should you require any additional information, please do not hesitate to call.
Thank you for your attention to this matter.

Very truly yours,
WINSTON & STRAWN LLP


Laura L. Konrath
Senior Legal Assistant

LLK:cl
Enclosures