

Form PTO-1595 (Rev. 03-09)  
OMB No. 0651-0027 (exp. 03/31/2009)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

### RECORDATION FORM COVER SHEET PATENTS ONLY

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)**  
 Gaylord Chemical Company, L.L.C.

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

**2. Name and address of receiving party(ies)**  
 Name: IberiaBank  
 Internal Address: \_\_\_\_\_  
 Street Address: 601 Poydras Street, Suite 2075  
 City: New Orleans  
 State: Louisiana  
 Country: United States of America Zip: 70130

Additional name(s) & address(es) attached?  Yes  No

**3. Nature of conveyance/Execution Date(s):**  
 Execution Date(s) August 14, 2009

Assignment  Merger  
 Security Agreement  Change of Name  
 Joint Research Agreement  
 Government Interest Assignment  
 Executive Order 9424, Confirmatory License  
 Other \_\_\_\_\_

**4. Application or patent number(s):**  This document is being filed together with a new application.

A. Patent Application No.(s)  
 Please See Attached

B. Patent No.(s)  
 Please See Attached

Additional numbers attached?  Yes  No

**5. Name and address to whom correspondence concerning document should be mailed:**  
 Name: Jarred Trauth  
 Internal Address: \_\_\_\_\_  
 Street Address: 201 St. Charles Avenue, Suite 5100  
 City: New Orleans  
 State: Louisiana Zip: 70170-5100  
 Phone Number: 504-582-8158  
 Fax Number: 504-589-8158  
 Email Address: jtrauth@joneswalker.com

**6. Total number of applications and patents involved:** 12

**7. Total fee (37 CFR 1.21(h) & 3.41)** \$ 480.00

Authorized to be charged to deposit account  
 Enclosed  
 None required (government interest not affecting title)

**8. Payment Information**  
 Please see attached Credit Card Payment Form.  
 Deposit Account Number \_\_\_\_\_  
 Authorized User Name \_\_\_\_\_

**9. Signature:** [Signature] 8/14/09  
 Signature Date  
Shawn Kiefer  
 Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 17

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1460, Alexandria, V.A. 22313-1450

OP \$360.00 11901322

**Item 4 (Continued)****PATENTS AND PATENT APPLICATIONS****Patents:**

<b>Docket Number</b>	<b>Country</b>	<b>Title</b>	<b>Status</b>	<b>Application Number</b>	<b>Priority Date</b>	<b>Issued Patent or Patent App. No.</b>	<b>Grant Date</b>
07103.0003US	United States	DMSO Containing Paint Stripping Compositions	Granted	09/512162	2/24/2000	6673157	1/6/2004
07103.9996CA1	Canada	Process And Apparatus For Making Ultra-Pure DMSO	Granted	2371283	04/23/1999	2371283	7/5/2008
07103.0006DE1	Germany	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	04/23/1999	60028959.1	2/8/2007
07103.0006EP1	Europe	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006FR1	France	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006GB1	United Kingdom	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006P1	PCT	Process And Apparatus For Making Ultra-Pure DMSO	Inactive PCT	PCT/US00/10935	4/23/1999		
01703.0006U2	United States	Process And Apparatus For Making Ultra-Pure DMSO	Granted	09/557237	4/23/1999	6414194	7/2/2002
07103.0008US	United States	Methods For Enhanced Extractive Distillation Employing Extractive Distillation Compositions Comprising Sulfolane And Compatibility Agents	Granted	09/448651	10/29/1999	6555726	4/29/2003

Docket Number	Country	Title	Status	Application Number	Priority Date	Issued Patent or Patent App. No.	Grant Date
07103.0009U1	United States	Polyalkylene Glycol Compositions For Enhanced Aromatic Extraction	Granted	09/565170	5/3/2000	6617483	9/9/2003
07103.0010U1*	United States	Sulfone-Sulfoxide Compositions For Enhanced Aromatic Extraction	Granted	09/783705	2/14/2001	6660899	12/9/2003

**U.S. Utility Patent Application:**

Process for preparing low malodor dimethyl sulfoxide. (Investors Kvakovsky, et al., U.S. Patent Application Serial No. 11/901,322, filed 9/17/2007, published as U.S. Patent Publication No. 2009/0005601, published 1/01/2009, and claiming the priority of U.S. Provisional Application Serial No. 60/937.680, filed 6/29/2007.)

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This **INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this "Agreement"), is entered into as of August 14, 2009 (the "Effective Date"), by **GAYLORD CHEMICAL COMPANY, L.L.C.**, a Louisiana limited liability company, with a taxpayer identification number of 56-261-3694 ("Borrower"), in favor of **IBERIABANK**, a Louisiana banking corporation ("Lender").

### RECITALS

A. Pursuant to that certain Loan Agreement of even date herewith, by and between Lender and Borrower (the "Loan Agreement"), Lender has agreed to extend to Borrower credit under two facilities, a closed-end construction line of credit up to but not exceeding the sum of **FOURTEEN MILLION and NO/100 DOLLARS (\$14,000,000.00)**, a revolving line of credit in the amount of **TWO MILLION FIVE HUNDRED THOUSAND and NO/100 DOLLARS (\$2,500,000.00)** (collectively, the "Loan"), and a Standby Letter of Credit in favor of GCC Southeastern Corporation (the "Letter of Credit"); and

B. In order to secure the full and punctual payment and performance of the Obligations (as defined below), Borrower has agreed to execute and deliver this Agreement and to grant a continuing security interest in and to, and collateral assignment of, the Collateral (as hereafter defined).

### AGREEMENT

In consideration of the premises and covenants herein contained, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower hereby agrees in favor of Lender as follows:

#### ARTICLE 1 GENERAL TERMS

Section 1.1 Terms Defined Above. As used in this Agreement, the terms defined above shall have the meanings indicated.

Section 1.2 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Collateral" has the meaning set forth in Section 2.1.

"Event of Default" means an "Event of Default" as defined in the Loan Agreement.

"Lien" means any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether such interest is based on jurisprudence, statute or contract, and including, without limitation, the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes.

"Loan Documents" has the meaning specified in the Loan Agreement.

“Obligations” means all present and future “Obligations,” as such term is defined in the Loan Agreement, which includes, without limitation, Borrower’s obligations under the Loan, the Loan Agreement, and any other Loan Document, including any agreement evidencing Borrower’s reimbursement obligations in connection with the Letter of Credit or any future letters of credits, as each may be amended, modified, restated or refinanced from time to time, whether such obligations are liquidated or unliquidated, secured or unsecured, contingent or otherwise, whether now existing or hereafter arising.

“Patents” has the meaning set forth in Section 2(a).

“Permitted Licenses” is defined in Section 2.4.

“Person” shall mean the individual, partnership, joint venture, corporation, business trust, unincorporated association, limited liability company, any government or any department or agency thereof, or any other type of entity whatsoever.

“Proceeds” means all cash and non-cash consideration, in whatever form, receivable or received from or upon the sale, lease, license, exchange, assignment, licensing or other disposition of, or realization upon, the Collateral, including, without limitation (i) all “proceeds” as defined in Section 9-102(a)(64) of the UCC, (ii) all rights arising out of Collateral (including, without limitation (a) all claims against third parties for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any Collateral, and (b) all claims of Borrower against third parties for loss or nonconformity of, or interference with the use of, defects or infringement of rights in, or damage to or destruction of, any Collateral), (iii) any and all accounts, chattel paper, instruments, general intangibles, cash, royalties and other proceeds, payable to or for the account of Borrower with respect to any of the Collateral, (iv) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of Borrower with respect to any of the Collateral, (v) any condemnation or requisition payments with respect to any Collateral, and (vi) any and all proceeds of proceeds.

“PTO” means the United States Patent and Trademark Office.

“Security Interests” means the security interests in the Collateral and Proceeds granted hereunder by Borrower in favor of Lender securing the Obligations.

“Trademarks” has the meaning set forth in Section 2.1(b).

“UCC” means the Uniform Commercial Code, Commercial Laws - Secured Transactions (Louisiana Revised Statutes 10:9-101 through 9-710) in the State of Louisiana, as amended from time to time.

Section 1.3 Terms Defined in UCC. All uncapitalized terms which are defined in the UCC and not otherwise defined herein shall have the same meanings herein, except where the context otherwise requires.

## ARTICLE 2 SECURITY INTEREST

Section 2.1 Grant of Security Interest. To secure the full and punctual payment and performance of all present and future Obligations, Borrower hereby grants and conveys to Lender a continuing security interest in, security title to and lien upon, all of Borrower’s right, title and interest in and to the following property, whether now existing or hereafter acquired (collectively, the “Collateral”):

(a) all United States and foreign patents and patent applications (including, without limitation, the patents and patent applications identified on Schedule A attached hereto and incorporated herein, as amended in accordance with this Agreement from time to time, together with all reissues, divisions, continuations, continuations-in-part, renewals and extensions and the inventions disclosed therein, and all rights corresponding thereto or accruing thereunder throughout the world and to make, use, lease, sell and otherwise transfer the inventions disclosed therein (collectively, the "Patents");

(b) all United States and foreign trademarks, trade names, domain names, trade dress, service marks, trademark and service mark registrations, and applications for trademark or service mark registration and any renewals thereof (including without limitation each trademark, trade name, domain name and service mark registration and application identified in Schedule A attached hereto and incorporated herein, as amended in accordance with this Agreement from time to time, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark and service mark (collectively, the "Trademarks");

(c) All rights under or interests in any license agreements or contracts with any other Person in which Borrower is the licensor and that relate to the Patents or Trademarks, including, without limitation, all income, royalties and payments now or hereafter due under such license agreements;

(d) all rights to sue for past, present and future infringement of any of the Patents or Trademarks; and

(e) all Proceeds of any of the foregoing.

Section 2.2 Collateral Assignment. In addition to, and not in limitation of, the grant of the Security Interests in Section 2.1, Borrower does hereby assign, transfer, and set over, unto Lender, and its successors and assigns, as collateral security for all Obligations, and does hereby grant Lender, a continuing lien on, and continuing collateral assignment of, whether now owned, or hereafter acquired, all of its right, title and interest in and to (a) the Collateral, (b) any derivative works based upon such Collateral, and (c) all Proceeds thereof; provided that such grant, assignment, transfer, conveyance and set over shall become effective only at the election of Lender following the occurrence of an Event of Default that is continuing at the time of such election.

(a) The rights hereby assigned to Lender, its successors and assigns, include, without limitation, if an Event of Default has occurred and is continuing, the right to take possession of the Collateral, to exercise all rights of Borrower with respect to the Collateral, including, without limitation:

(i) the right to license all or a portion of the Collateral to any party, including Lender;

(ii) the right to use the Collateral; and

(iii) the right to further assign the rights of Lender herein in respect of the Collateral.

(b) It is expressly agreed that Lender, and its successors and assigns, shall have no obligation whatsoever to perform or fulfill any obligations of Borrower with respect to the Collateral, to make any inquiry as to the nature or sufficiency of any payment received by Lender, to present or file any claim, instrument, or other document, to license the Collateral, or to take any other action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled hereunder at any time. Further, after the effectiveness of such grant, assignment, transfer, conveyance

and set over of any of the Collateral and Proceeds, the use by Lender of any of such Collateral and Proceeds shall be without any liability for royalties or other related charges.

(c) Unless and until an Event of Default has occurred and is continuing and this grant has been revoked in writing by Lender, Lender hereby grants to Borrower the right to (i) ask, require, demand and receive any and all monies due or to become due under or arising out of the Collateral, (ii) file claims, institute suits or other proceedings to collect amounts owed under or otherwise enforce the Borrower's rights under the Collateral, (iii) prepare, execute, deliver and accept all notices and communications with respect to the Collateral, and (iv) take all other actions and execute and deliver all other documents relating to the Collateral.

(d) For the avoidance of doubt, in the event that the provisions of Section 2.1 conflict with the provisions of this Section, to the extent that the provisions of Section 2.1 are enforceable, such provisions shall govern Lender's interest in the Collateral.

**Section 2.3 Continuation of Security Interest.** This Agreement shall create a continuing security interest in the Collateral, which shall remain in effect until terminated in accordance with Section 8.7, subject to reinstatement in accordance with Section 8.9.

**Section 2.4 Title to Collateral.** Other than existing non-exclusive licenses to the Collateral and future licenses granted by Borrower in accordance with this Agreement and in the ordinary course of business (collectively, "Permitted Licenses"), the security interest granted to Lender in and to the Collateral is a first priority security interest, granted free from all Liens. Except for Permitted Licenses or as otherwise approved in writing by Lender, Borrower shall not sell or assign the Collateral or enter into any agreements affecting the Collateral which are inconsistent with this Agreement or which restrict or impair Lender's right to realize upon the security interest granted under this Agreement.

**Section 2.5 Further Assurances; Appointment of Lender as Attorney-in-Fact.** Upon Lender's reasonable request, Borrower, at its expense, shall execute and deliver, or cause to be executed and delivered, to Lender any and all documents and instruments, in form and substance satisfactory to Lender, and take any and all action, to perfect and continue perfection of or provide notice of Lender's security interest in the Collateral. Borrower hereby irrevocably designates, constitutes and appoints Lender as Borrower's true and lawful attorney-in-fact with full power and authority, and authorizes Lender, in Borrower's name, but only 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, if Borrower refuses or fails to timely do so, including, without limitation, (i) to sign any documents, instruments or financing statements and perform all other acts to perfect or continue the perfection of or to provide notice of Lender's security interest in the Collateral, (ii) to assign, pledge, convey or otherwise transfer title of the Collateral to any Person, (iii) to grant or issue any exclusive or nonexclusive license to the Collateral to any Person, (iv) to defend, settle, adjust or institute any action, suit or proceeding with respect to the Collateral, (v) to assert or retain any rights under any license agreement or contract with respect to the Collateral, and (vi) to execute any and all applications, documents, papers and instruments to use the Collateral. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated.

### ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender as follows:

Section 3.1 Collateral Enforceable. None of the Patents or Trademarks have been adjudged invalid or unenforceable, in whole or in part, and, Borrower has no knowledge of any facts or circumstances that could reasonably render the Patents or Trademarks invalid, unenforceable or the intellectual property subject to the Patents not patentable.

Section 3.2 Title. Borrower is the sole and exclusive owner of the Patents and Trademarks, free and clear of any Liens (other than Permitted Licenses), and no financing statement, assignment or other instrument covering any of the Collateral is on file in any recording office of any jurisdiction or the PTO. Schedule A identifies all of the Patents and Trademarks owned by Borrower. To the best of Borrower's knowledge, each of the Patents and each of the Trademarks identified on Schedule A is subsisting, and each of the patent and trademark applications listed on Schedule A has been filed in conformity with applicable rules and procedures of the PTO and will be prosecuted in conformity therewith so as not to become improperly abandoned.

Section 3.3 Existing Licenses. Borrower has not granted to any party an exclusive license to all or any portion of the Collateral.

Section 3.4 No Violation. Each Permitted License is, on the Effective Date and to the best of the knowledge of Borrower, in full force and effect, and Borrower is not in material default of any of its obligations under such licensing agreements and, other than the parties to such licensing agreements, no other Person has any rights in or to any of the Collateral under such Permitted Licenses.

Section 3.5 Power. Borrower has the right, power and authority to grant to Lender a security interest in all of the Collateral pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

Section 3.6 No Inconsistent Agreements. Borrower has not performed any acts or signed any agreements, nor is Borrower subject to any decrees or judgments, which might prevent Lender from enforcing any of the terms of this Agreement or which would limit Lender in any such enforcement, except for any agreements granting Permitted Liens a copy of which has been provided to Lender contemporaneously herewith.

#### ARTICLE 4 BORROWERS COVENANTS

Section 4.1 Future Licenses. Borrower shall not grant to any party an exclusive license to all or any portion of the Collateral.

Section 4.2 Adverse Encumbrances. Borrower will not assign or pledge or encumber the whole or any part of the right, title and interest hereby assigned to anyone other than Lender, its successors and assigns, and it will not take or omit to take any action, the taking or omission of which might result in any alteration or impairment of said rights or collateral assignment granted in Section 2.2.

Section 4.3 After Acquired Collateral. Should Borrower, or any subsidiary thereof, have or obtain an ownership interest in any United States or foreign patent or trademark or patent or trademark application that is not now identified on Schedule A: (i) the provisions of this Agreement shall automatically apply to such item, and such items shall automatically become part of the Collateral, and shall be a Patents or Trademarks (as appropriate), as defined herein; (ii) Borrower shall, within three months after acquiring or becoming aware of such ownership interest, (A) give written notice thereof to Lender, (B) take all reasonable and appropriate steps to protect such Patents or Trademarks, including,



without limitation, by filing applications for their registration with the PTO, and (C) prepare, execute and file in the PTO, within the requisite time period, all documents that necessary to perfect Lender's Security Interest therein.

#### ARTICLE 5 AUTHORIZATION TO FILE; FURTHER ASSURANCES

Borrower hereby authorizes Lender to file any and all documents or instruments necessary to perfect and to maintain the perfection of the security interests created by this Agreement, including the filing of one or more financing statements, and to make any and all further filings with the PTO, or any other party, that Lender may deem necessary or prudent. Borrower shall, at Borrower's expense, take any and all further steps and execute any and all further documents reasonably requested by Lender to insure that Lender receives the benefits intended to be conferred by this Agreement.

#### ARTICLE 6 FUTURE RIGHTS

If, prior to the termination of this Agreement, Borrower shall obtain rights to any reissue, division, continuation, continuation-in-part, renewal or extension of any of the Patents or Trademarks, the provisions of Section 2(a) shall automatically apply thereto and such reissue, division, continuation, continuation-in-part, renewal or extension shall constitute Collateral for purposes of this Agreement. Borrower hereby authorizes Lender to modify, amend or supplement Schedule A to include any such reissue, division, continuation, continuation-in-part, renewal or extension and to record such modified, amended or supplemented Schedule A, together with this Agreement, in the recording office of any jurisdiction or the PTO.

#### ARTICLE 7 REMEDIES

Section 7.1 Remedies. Upon the occurrence and during the continuation of an Event of Default, in addition to any remedy available at law or in equity, Lender shall have the following remedies, provided that the exercise of any such remedy shall not affect the then existing rights of any licensee under any Permitted Licenses, except that Lender shall become payee under all such Permitted Licenses:

(a) without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, (i) withdraw all cash in any Deposit account in the possession or control of Lender, and apply such cash and other cash, if any, then held by it as Collateral or Proceeds against the Obligations or (ii) sell the Collateral and the Proceeds or any part thereof at public or private sale, for cash, upon credit or for future delivery, and at such price or prices as such Lender may deem satisfactory. Any Lender may be the purchaser of any or all of the Collateral and Proceeds so sold at any public sale (or, if the Collateral and Proceeds is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale). Borrower will execute and deliver such documents and take such other action as any Lender deems necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale Lender shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral and Proceeds so sold. Each purchaser at any such sale shall hold the Collateral and Proceeds so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of Borrower which may be waived, and Borrower, to the extent permitted by law, hereby specifically waives all rights of redemption, stay or appraisal which it has or may have under any law now existing or hereafter adopted.

(b) instead of exercising the power of sale herein conferred upon it, may proceed by a suit or suits at law or in equity to foreclose the Security Interests and sell the Collateral and Proceeds, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction. FOR THE PURPOSES OF LOUISIANA EXECUTORY PROCESS PROCEDURES, BORROWER DOES HEREBY ACKNOWLEDGE THE OBLIGATIONS AND CONFESS JUDGMENT IN FAVOR OF LENDER FOR THE FULL AMOUNT OF THE OBLIGATIONS. Borrower does by these presents consent and agree that upon the occurrence and during the continuance of any Event of Default it shall be lawful for any Lender to cause the Collateral and Proceeds to be seized and sold under executory or ordinary process, at such Lender's sole option, without appraisal, appraisal being hereby expressly waived, in one lot as an entirety or in separate parcels or portions as such Lender may determine, to the highest bidder, and otherwise exercise the rights, powers and remedies afforded herein and under applicable Louisiana law. Any and all declarations of fact made by authentic act before a Notary Public in the presence of two witnesses by a person declaring that such facts lie within his knowledge shall constitute authentic evidence of such facts for the purpose of executory process. Borrower hereby waives in favor of Lender: (a) the benefit of appraisal as provided in Louisiana Code of Civil Procedure Articles 2332, 2336, 2723 and 2724, and all other laws conferring the same; (b) the demand and three days delay accorded by Louisiana Code of Civil Procedure Article 2721; (c) the notice of seizure required by Louisiana Code of Civil Procedure Articles 2293 and 2721; (d) the three days delay provided by Louisiana Code of Civil Procedure Articles 2331 and 2722; and (e) the benefit of the other provisions of Louisiana Code of Civil Procedure Articles 2331, 2722 and 2723, not specifically mentioned above. In the event the Collateral (or Proceeds) or any part thereof is seized as an incident to an action for the recognition or enforcement of this Agreement by executory process, ordinary process, sequestration, writ of fieri facias, or otherwise, the court issuing any such order shall, if petitioned for by any Lender, direct the applicable sheriff to appoint as a keeper of the Collateral and Proceeds, any Lender or any agent designated by any Lender at the time such seizure is effected. This designation is pursuant to Louisiana Revised Statutes 9:5136-9:5140.2 and Lender shall be entitled to all the rights and benefits afforded thereunder as the same may be amended. The keeper shall be entitled to receive as compensation, in excess of its reasonable costs and expenses incurred in the administration or preservation of the Collateral and Proceeds, an amount equal to four (4%) percent of the gross revenues and other amounts received by the keeper, payable on a monthly basis. The designation of keeper made herein shall not be deemed to require Lender to seek the appointment of such a keeper.

(c) in addition to and without limiting any of the foregoing, upon the occurrence and during the continuation of an Event of Default, Lender shall have the right, but shall not be obligated to, bring suit, or take such other action as the Lender deems necessary or advisable, to enforce or protect any of the Collateral, in which event Borrower shall do any and all acts and execute any and all documents required by the Lender to assist in such enforcement. To the extent that the Lender shall elect not to bring suit to enforce such Collateral, Borrower agrees to use all reasonable measures, whether by action, suit, proceeding or otherwise, to prevent the material infringement, misappropriation or violation of the Collateral by other Persons.

**Section 7.2 Costs of Enforcement.** Upon demand, Borrower shall pay all sums paid or incurred by Lender for any of the foregoing and any and all other sums for which Borrower may become liable hereunder, together with all costs and expenses (including reasonable attorneys' fees, legal expenses and court costs) incurred by Lender in enforcing or protecting the Security Interests or any of its rights or remedies under this Agreement or the other Collateral Documents, and such amounts shall accrue interest at the rate of 12% per annum.

## ARTICLE 8 MISCELLANEOUS

Section 8.1 Binding Effect. This Agreement (i) shall be binding upon Borrower and its successors and assigns, and (ii) shall inure, together with all rights and remedies of Lender hereunder, to the benefit of Lender and its successors, transferees and assigns. Notwithstanding the foregoing, Borrower shall not be entitled to assign its obligations under this Agreement without the prior written consent of Lender.

Section 8.2 Notices. Any notice or communication required or permitted hereunder shall be provided pursuant to the Loan Agreement.

Section 8.3 Governing Law, Jurisdiction and Venue. Except as required by mandatory provisions of law and except to the extent that the perfection or non-perfection of the security interest created hereunder, in respect of the Collateral, is governed by federal law or the laws of a jurisdiction other than the State of Louisiana, this Agreement, and the rights and obligations of the parties hereunder shall be governed by and be construed in accordance with the laws of the State of Louisiana. Borrower hereby submits to jurisdiction in the State of Louisiana for any action or cause of action arising out of or in connection with the Loan Documents and this Agreement and agrees that venue for any such action shall be at the election of Lender in either the state or federal courts seated in Jefferson Parish, Louisiana or Tuscaloosa County, Alabama. Borrower hereby waives, and agrees to waive, any and all rights under the law of any state to object to personal jurisdiction or venue within the foregoing jurisdictions. Notwithstanding the foregoing, nothing contained in this Agreement shall prevent Lender from bringing any action or exercising any right in any other county, state or jurisdiction against any security for the Loan, any Collateral (as defined in the Loan Agreement) or any of Borrower's properties. Initiating such action or proceeding or taking any such action in any other state shall in no event constitute a waiver by Lender of any of the foregoing.

Section 8.4 Entire Agreement; Amendments. This Agreement, together with the Schedule A attached hereto, constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by a written agreement signed by Borrower and Lender.

Section 8.5 Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction such validity, illegality or unenforceability in such jurisdiction shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other provisions of this Agreement.

Section 8.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original of this Agreement and all of which taken together shall constitute one and the same Agreement.

Section 8.7 Termination and Release. Upon the final payment in full (either by cash payment or conversion of the Notes into an equity interest of Borrower) of the Obligations, this Agreement and the security interest created hereby shall terminate, and Lender shall execute and deliver such documents and instruments and take such further action reasonably requested by Borrower, to evidence termination of the security interest granted by Borrower to Lender hereunder, including, without limitation, the execution and recordation of all termination statements and other instruments necessary or advisable to terminate and cancel such security interest in the recording offices of any jurisdiction or with the PTO.

Section 8.8 Recordation of Agreement. Borrower hereby acknowledges and agrees that this Agreement may be recorded with the PTO.


Section 8.9 Reinstatement. The granting of a security interest in, and collateral assignment of, the Collateral and the other provisions hereof shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by Lender or is paid by any Lender, in whole or in part, in good faith settlement of a pending or threatened avoidance claim, whether upon the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made. The provisions of this Section shall survive repayment of the Obligations and the termination or expiration of this Agreement in any manner.

*[The Remainder of this Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the parties hereto have duly executed this Intellectual Property Security Agreement, as of the date first above written.


**COMPANY:**

GAYLORD CHEMICAL COMPANY, L.L.C.

By:   
Name: Paul Dennis  
Title: Manager

**LENDER:**

IBERIABANK

By:   
Name: Susan Perain  
Title: Vice President

**Schedule A  
to Intellectual Property Security Agreement**

**PATENTS**

**Patents:**

Docket Number	Country	Title	Status	Application Number	Priority Date	Issued Patent or Patent App. No.	Grant Date
07103.0003US	United States	DMSO Containing Paint Stripping Compositions	Granted	09/512162	2/24/2000	6673157	1/6/2004
07103.9996CA1	Canada	Process And Apparatus For Making Ultra-Pure DMSO	Granted	2371283	04/23/1999	2371283	7/5/2008
07103.0006DE1	Germany	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	04/23/1999	60028959.1	2/8/2007
07103.0006EP1	Europe	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006FR1	France	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006GB1	United Kingdom	Process And Apparatus For Making Ultra-Pure DMSO	Granted	926294	4/23/1999	1173417	6/21/2006
07103.0006P1	PCT	Process And Apparatus For Making Ultra-Pure DMSO	Inactive PCT	PCT/US00/10935	4/23/1999		
01703.0006U2	United States	Process And Apparatus For Making Ultra-Pure DMSO	Granted	09/557237	4/23/1999	6414194	7/2/2002
07103.0008US	United States	Methods For Enhanced Extractive Distillation Employing Extractive Distillation	Granted	09/448651	10/29/1999	6555726	4/29/2003

Docket Number	Country	Title	Status	Application Number	Priority Date	Issued Patent or Patent App. No.	Grant Date
		Compositions Comprising Sulfolane And Compatibility Agents					
07103.0009U1	United States	Polyalkylene Glycol Compositions For Enhanced Aromatic Extraction	Granted	09/565170	5/3/2000	6617483	9/9/2003
07103.0010U1*	United States	Sulfone-Sulfoxide Compositions For Enhanced Aromatic Extraction	Granted	09/783705	2/14/2001	6660899	12/9/2003

U.S. Utility Patent Application:

Process for preparing low malodor dimethyl sulfoxide. (Investors Kvakovsky, et al., U.S. Patent Application Serial No. 11/901,322, filed 9/17/2007, published as U.S. Patent Publication No. 2009/0005601, published 1/01/2009, and claiming the priority of U.S. Provisional Application Serial No. 60/937.680, filed 6/29/2007.)

Trademarks:

Federal

Registration No.

GAYLORD CHEMICAL CORPORATION GC AND DESIGN

1698639

EXACT-S®

1649204

ENVIRO-S®

1742587

"GC (STYLIZED)"

1749669

PROCIPIENT®

3,463,504

Louisiana

"G" with a "C" inside (Pantone 193U color-red)

DBE 56-5042

EXACT-S

DBE 56-5018