

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Shur-Co, LLC	12/16/2010

RECEIVING PARTY DATA

Name:	M&I Marshall & Ilsley Bank
Street Address:	651 Nicollet Mall
City:	Minneapolis
State/Country:	MINNESOTA
Postal Code:	55401

PROPERTY NUMBERS Total: 13

Property Type	Number
Application Number:	12418895
Patent Number:	7823515
Patent Number:	7841642
Patent Number:	5938270
Application Number:	12573974
Patent Number:	6513856
Patent Number:	5924758
Patent Number:	5288123
Patent Number:	5487584
Application Number:	61306634
Application Number:	61361001
Application Number:	61391162
Application Number:	61388726

CORRESPONDENCE DATA

501399696

PATENT
REEL: 025598 FRAME: 0298

CH \$520.00 12418895

Fax Number: (612)607-7100

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 6126077345

Email: rhirning@oppenheimer.com

Correspondent Name: Oppenheimer Wolff & Donnelly LLP

Address Line 1: 45 South Seventh Street

Address Line 2: Plaza VII, Suite 3300

Address Line 4: Minneapolis, MINNESOTA 55402

ATTORNEY DOCKET NUMBER:

23251-21

NAME OF SUBMITTER:

Robert M. Hirning

Total Attachments: 11

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of December 21, 2010, is made by and between Shur-Co, LLC, a South Dakota limited liability company, having a business location at the address set forth below next to its signature (the "Debtor"), and M&I Marshall & Ilsley Bank (the "Secured Party") and having a business location at the address set forth below next to its signature.

Recitals

The Debtor and the Secured Party are parties to a Credit Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtor.

The Debtor and the Secured Party are also parties to a Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Security Agreement") granting the Secured Party a security interest in substantially all of its assets in order to secure its Obligations to the Secured Party.

As a condition to extending credit to or for the account of the Debtor, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of the Debtor's right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations (as defined in the Credit Agreement). As set forth in the Security Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a limited liability company duly organized, validly existing and in good standing under the laws of its state of organization, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Debtor.

(b) **Patents.** Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof, or to which the Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall within 60 days provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.

(c) **Trademarks.** Exhibit B accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit B need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to the Debtor's business(es). If after the date hereof, the Debtor owns or controls any Trademarks not listed on Exhibit B (other than common law marks which are not material to the Debtor's business(es)), or if Exhibit B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit B, which upon acceptance by the Secured Party shall become part of this Agreement.

(d) **Affiliates.** As of the date hereof, no Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by the Debtor, constitute Patents or Trademarks. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then the Debtor shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to the Debtor; or

(ii) notify the Secured Party of such item(s) and cause such Affiliate to execute and deliver to the Secured Party a patent and trademark security agreement substantially in the form of this Agreement.

(e) **Title.** The Debtor has title to each Patent and each Trademark listed on Exhibits A and B, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** Except as permitted in the Credit Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.

(g) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(h) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.

(k) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (i) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the limited right (but not the duty) from time to time to (i) create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, (ii) necessary for the Secured Party, after the occurrence and during the continuation of an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the earlier of (a) the termination of the Credit Agreement as provided therein and the payment and performance of all Indebtedness and (b) the termination of this Agreement and the release of Secured Party's Security Interest in the Patents and Trademarks.

4. Debtor's Use of the Patents and Trademarks. The Debtor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): an Event of Default, as defined in the Credit Agreement, shall occur.

6. Remedies. Upon the occurrence and during the continuation of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Credit Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Minnesota without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Indebtedness.

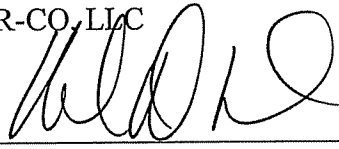
THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

Shur-Co, LLC
2309 Shur-Lok Street
PO box 713
Yankton, SD 57078

SHUR-CO, LLC

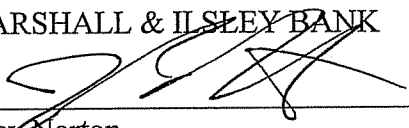
By


Michael T. Davies
Its President

M&I Marshall & Ilsley Bank
651 Nicollet Mall
Minneapolis, Minnesota 55401

M&I MARSHALL & ILSLEY BANK

By


Jeffrey Norton
Its Senior Vice President

Minnesota
STATE OF ~~SOUTH DAKOTA~~)
COUNTY OF *Hennepin*)

The foregoing instrument was acknowledged before me this 16th day of December, 2010, by Michael T. Davies, the President of Shur-Co, LLC, a South Dakota limited liability company, on behalf of the corporation.




Notary Public

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ___ day of December, 2010, by Jeffrey Norton, a Senior Vice President of M&I Marshall & Ilsley Bank, on behalf of the bank.

Notary Public

EXHIBIT A

PATENTS

DBC Ref.	Title	Country	Patent/Applic. No.	Status
	Rail Car Extension System	US	12418895	Published 10/22/2009, Publication No. 20090260538
	Rail Car Extension System	Canada	2,663,473	
	Rail Car Cover System	US	7,823,515	Patented
	Rail Car Cover System	Canada	2,675,058	
	Rail Car Cover System	Australia	2209203192	
	Rail Car Cover System	European	2,154,045	
S801.102.102	Retractable Tarping System	US	7,841,642	Patented
S801.102.211	Retractable Tarping System	Canada	2,639,719	Pending
S801.109.101	Quick Release Bow-to-Cable Connector for a Covering System	US	5,938,270	Patented
S801.109.211	Quick Release Bow-to-Cable Connector for a Covering System	Canada	2,245,753	Patented
S801.110.101	Electric Hopper Door Opener	US	12/573,974	Pending
S801.110.141	Motorized Hopper Door Actuation System	Australia	2010206080	Pending

DBC Ref.	Title	Country	Patent/Applic. No.	Status
S801.110.211	Motorized Hopper Door Actuation System	Canada	2,716,165	Pending
S801.111.101	Roll Assist Mechanism for Tarp Systems	US	6,513,856	Patented
	Roll Assist Mechanism for Tarp Systems	US	5,924,758	Patented
	Roll Assist Mechanism for Tarp Systems	Canada	2,242,125	
S801.112.101	Bow Cover	US	5,288,123	Patented
S801.113.101	Swing Away Support System for a Covering	US	5,487,584	Patented
S801.113.211	Swing Away Support System for a Covering	Canada	2,116,787	Patented
S801.114.101	Motorized Hopper Door Actuator	US	N/A	Unfiled
S801.115.101	Wireless Transmitter for Truck and Trailer Accessories	US	61/306,634	Deadline to file non-provisional and foreign patent applications 2/22/11
S801.117.101	Tarp Stop Attachment System	US	61/361,001	Deadline to file non-provisional and foreign patent applications 7/2/11
S801.125.101	Wireless Transmitter for Truck and Trailer Accessories	US	61/391,162	Deadline to file non-provisional and foreign patent applications 10/8/11

DBC Ref.	Title	Country	Patent/Applic. No.	Status
S801.126.101	Motor System for Tarp Assembly	US	61/388,726	Deadline to file non-provisional and foreign patent applications 10/1/11
S801.127.101	Tarping Assembly Motor Mount	US	N/A	Unfiled

EXHIBIT B
TRADEMARKS

Registered Trademarks – USA	Registration No.	Country
SMARTTRANSMITTER	3,839,492	U.S.
PROTRAP (word and design)	3,711,846	U.S.
PROTRAP (block letters)	3,711,847	U.S.
SHUR-MATIC	2,340,830	U.S.
SHUR-PRO	2,332,313	U.S.
SHURCO	2,103,202	U.S.
SHUR-CO.	2,142,070	U.S.

Non-Registered Trademarks - USA	Registration No.	Country
SHUR-LITE (cancelled)	2,340,913	U.S.
SHUR-TRAK (abandoned)	N/A	U.S.
COVER-PRO (cancelled)	2,335,573	U.S.

Registered Trademarks – Foreign	Registration No.	Country
SHUR-MATIC	TMA567054	Canada
SHUR-LITE	TMA567055	Canada
SHUR-PRO	TMA555301	Canada
COVER-PRO	TMA555315	Canada
SHURCO (design)	TMA517296	Canada