

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
Grayling Industries, Inc.	12/17/2012
RECEIVING PARTY DATA	
Name:	OCM FIE, LLC, AS COLLATERAL AGENT
Street Address:	1301 AVENUE OF THE AMERICAS, 34TH FLOOR
Internal Address:	C/O OAKTREE CAPITAL MANAGEMENT
City:	NEW YORK
State/Country:	NEW YORK
Postal Code:	10019
PROPERTY NUMBERS Total: 4	
Property Type	Number
Patent Number:	6533121
Patent Number:	6315849
Patent Number:	5536077
Patent Number:	5553933
CORRESPONDENCE DATA	
Fax Number:	6175269899
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	6175269628
Email:	cslattery@proskauer.com
Correspondent Name:	Christine Slattery
Address Line 1:	Proskauer Rose LLP
Address Line 2:	One International Place
Address Line 4:	Boston, MASSACHUSETTS 02110
ATTORNEY DOCKET NUMBER:	55813/010
NAME OF SUBMITTER:	Christine Slattery

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Total Attachments: 5

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This **INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this “**Agreement**”) is made as of December 17, 2012 (the “**Effective Date**”) between the signatory hereto (the “**Grantor**”) in favor of **OCM FIE, LLC**, as collateral agent for the Secured Parties (in such capacity, the “**Collateral Agent**”) (as defined in the Pledge and Security Agreement referred to below).

RECITALS:

WHEREAS, reference is made to that certain Pledge and Security Agreement, dated as of July 11, 2012 (as it may be amended, restated, supplemented or otherwise modified from time to time, the “**Pledge and Security Agreement**”), by and among the Grantor, the other grantors party thereto and the Collateral Agent; and

WHEREAS, under the terms of the Pledge and Security Agreement, the Grantor has (i) as collateral security for the Secured Obligations, granted to the Collateral Agent a security interest in and continuing lien on all of the Grantor’s right, title and interest in, to and under the Collateral (as defined in the Pledge and Security Agreement), including, without limitation, certain Intellectual Property of the Grantor and (ii) agreed to execute this Agreement for recording with the United States Patent and Trademark Office and other applicable Governmental Authorities.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Grantor and the Collateral Agent agree as follows:

Section 1. Grant of Security. As collateral security for the Secured Obligations, the Grantor hereby grants to the Collateral Agent a security interest in and continuing lien on all of the Grantor’s right, title and interest in, to and under the following (collectively, the “**Intellectual Property Collateral**”):

(a) All United States and foreign patents and certificates of invention, or similar industrial property, design or plant rights, and with respect to any and all of the foregoing: (i) all registrations, provisional applications and applications referred to in **Schedule 1** hereto; (ii) all reissues, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations therefor; (iii) all rights corresponding thereto throughout the world; (iv) all inventions and improvements described therein; (v) all rights to sue for past, present and future infringements thereof; and (vi) all Proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages, and proceeds of suit (collectively, the “**Patents**”).

(b) All United States, and foreign trademarks, trade names, corporate names, company names, business names, fictitious business names, Internet domain names, service marks, certification marks, collective marks, logos, other source or business identifiers, designs and general intangibles of a like nature, and with respect to any and all of the foregoing: (i) all registrations and applications referred to in **Schedule 1** hereto; (ii) all extensions or renewals thereof; (iii) all of the goodwill of the business associated with the use of and symbolized thereby; (iv) the right to sue for past, present and future infringement or dilution of any of the foregoing or for any injury to goodwill, and (v) all Proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages, and proceeds of suit, but excluding any “intent-to-use” trademark application, filed pursuant to Section 1(b) of the Lanham Act, 17 USC. § 1051(b), prior to the filing of a “Statement of Use” or “Amendment to Allege Use” with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of the security interest of the Collateral Agent, for the benefit of the Secured Parties, with respect thereto would impair

the validity or enforceability of such intent-to-use trademark application or any registration that issues from such intent-to-use application under applicable federal law (collectively, the “**Trademarks**”).]

(c) All agreements, licenses and covenants, providing for the granting of any right in or to Patents or Trademarks or otherwise providing for a covenant not to sue or permitting co-existence (in the case of Trademarks) (whether the Grantor is licensee or licensor thereunder) regarding a Patent or Trademark, including, without limitation, (i) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations of any of the foregoing, (ii) all income, royalties, damages and other payments now and hereafter due and/or payable to the Grantor with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof), (iii) all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto, and (iv) any and all proceeds of the foregoing.

Section 2. Recordation. The Grantor authorizes and requests that the Commissioner of Patents and Trademarks and any other applicable government officer record this Agreement.

Section 3. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (*i.e.*, “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 4. Governing Law. This Agreement and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

Section 5. Conflict Provision. This Agreement has been entered into in conjunction with the provisions of the Pledge and Security Agreement and the Credit Agreement. The rights and remedies of each party hereto with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Pledge and Security Agreement and the Credit Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Intellectual Property Security Agreement are in conflict with the Pledge and Security Agreement or the Credit Agreement, the provisions of the Pledge and Security Agreement or the Credit Agreement shall govern.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

GRAYLING INDUSTRIES, INC.

By: 
Name: Edward D. Herring
Title: Secretary

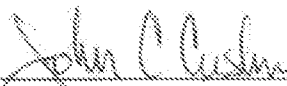
[Signature page to Intellectual Property Security Agreement (Patents and Trademarks)]

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OCM FIE, LLC, as Collateral Agent

By: Oaktree Capital Management, L.P.,
managing member

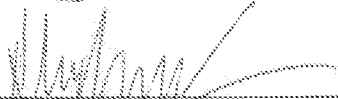
By:



Name: John C. Cushman

Title: Authorized Signatory

By:



Name: Shabbir Rashid

Title: Authorized Signatory

Signature Page to Intellectual Property Security Agreement (Patents and Trademarks)

SCHEDULE 1 TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

A. Patents

1. US Patent 6533121 issued March 18, 2003 – Palletized bulk bag (FIBC with inflatable channels for lifting) – Expiration: April 25, 2019
2. US Patent 6315849 issued November 13, 2001 – Method for joining flexible sheets to tubes (top and tube assembly method) – Expiration: November 12, 2018
3. US Patent 5536077 issued July 16, 1996 – Safety glovebag and method for making the same (QT glovebag) – Expiration: July 15, 2013
4. US Patent 5553933 issued September 10, 1996 – Safety glove bag and method of making same
5. Flexible Container Liner – Application No. 13/650,667, dated October 12, 2012.
6. Drum Liner and Method of Manufacturing Same – Application No. 13/693,924, dated December 4, 2012
7. Pressurized Liner – Application No. 13/273,386, dated October 14, 2011

B. Trademarks

1. CONTROL (Reg. No. 3879842)
2. CONTROL (Reg. No. 1591554)
3. GRAYLING Logo (Reg. No. 2519740)



4. GUARDIAN (Reg. No. 1942289)
5. AVAIL (Reg. No. 1541372)