

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST
CONVEYING PARTY DATA	
Name	Execution Date
POLYCOR VETRAZZO, INC.	07/17/2014
RECEIVING PARTY DATA	
Name:	LA CAISSE CENTRALE DESJARDINS DU QUÉBEC
Street Address:	2828 LAURIER BOULEVARD
Internal Address:	TOWER 1, SUITE 1625
City:	QUÉBEC CITY
State/Country:	CANADA
Postal Code:	G1V 0B9
PROPERTY NUMBERS Total: 4	
Property Type	Number
Patent Number:	8480802
Patent Number:	8236230
Patent Number:	8137454
Patent Number:	7771529
CORRESPONDENCE DATA	
Fax Number:	(404)221-6501
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	404.577.6000
Email:	ipdocketing@bakerdonelson.com
Correspondent Name:	CARL M. DAVIS II
Address Line 1:	MONARCH PLAZA, SUITE 1600
Address Line 2:	3414 PEACHTREE ROAD NE
Address Line 4:	ATLANTA, GEORGIA 30326
ATTORNEY DOCKET NUMBER:	2922128-6
NAME OF SUBMITTER:	CARL M. DAVIS II
SIGNATURE:	/carl m davis ii/
DATE SIGNED:	08/15/2014
Total Attachments: 17	
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SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Security Agreement") dated as of July 17, 2014 between **Polycor Stone Corporation**, a Delaware corporation, **Georgia Stone Quarries, Inc.**, a Delaware corporation, **Georgia Architectural Stone, Inc.**, a Delaware corporation, **Polycor Vetrazzo, Inc.**, a Delaware corporation, **Polycor Virginia, Inc.**, a Delaware corporation and **Polycor U.S., Inc.**, an Oklahoma corporation (each a "Company"; and collectively, the "Companies"), and **La Caisse centrale Desjardins du Québec**, a Canadian financial institution, licensed under the laws of the Province of Québec, Canada, having the address of 2828 Laurier Boulevard, Tower 1, Suite 1625, Québec City (Québec) G1V 0B9 Canada (the "Secured Party");

WITNESSETH THAT:

WHEREAS, each of the Companies is a Guarantor in favor of the Secured Party pursuant to Guaranty Agreements executed in connection with that certain Loan Offer, dated as of June 26, 2014 and accepted on June 30, 2014 (the "Offer to Finance") and that certain Confirmatory Agreement relating to and confirming the Offer to Finance, dated as of July 17, 2014 (the "Confirmatory Agreement") (the Confirmatory Agreement and the Offer of Finance, as the same may be amended, modified, supplemented, extended or restated from time to time, are collectively referred to herein as the "Credit Agreement"), pursuant to which the Secured Party agreed to grant, in favor of Polycor Inc., Polycor Slabs Inc., Carrières Polycor Inc. and Polycor Granit Curbs Inc. (collectively the "Borrowers"), a revolving term loan of [REDACTED], a revolving loan up to [REDACTED], a foreign exchange line of credit of up to [REDACTED], and a revolving loan up to [REDACTED] (collectively, the "Loans").

WHEREAS, each Company is also party to a Credit Facility for [REDACTED] (the "US Loan") with Caisse centrale Desjardins US Branch (the "US Lender") secured by the same Collateral as defined herein; and

WHEREAS, in order to induce the Secured Party to enter into the Credit Agreement, each of the Companies has agreed to grant a continuing security interest in and to the such Company's respective portion of the Collateral to secure the Companies' obligations under its Guaranty Agreements pursuant to the Credit Agreement;

NOW, THEREFORE, in consideration of the agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

SECTION 1. Definitions

Terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for in the Credit Agreement. Terms used herein that are not defined in the Credit Agreement nor this Security Agreement shall have the meaning provided for in the UCC. The following additional terms, as used herein, have the following respective meanings:

"Accounts" means all "accounts" (as defined in the UCC) now owned or hereafter acquired by the Companies and shall also mean and include all accounts receivable, contract rights, book debts, notes, drafts, and other obligations or indebtedness owing to the Companies arising from the sale, lease, or exchange of goods or other property by it and/or the performance of services by it (including, without limitation, any such obligation that might be characterized as an account, contract right, or general intangible under the Uniform Commercial Code in effect in any jurisdiction) and all of the Company's rights in, to, and under all purchase orders for goods, services, or other property, and all of the Companies' rights to any goods, services, or other property represented by any of the foregoing (including, without limitation, returned or repossessed goods and unpaid seller's rights of rescission, replevin, reclamation, and rights to stoppage in transit) and all monies due to or to become due to any of the Companies under all contracts for the sale, lease, or exchange of goods or other property and/or the performance of services by any of them (whether or not yet earned by performance on the part of the Companies), in each case whether now in existence or hereafter arising or acquired including, without limitation, the right to receive the proceeds of these purchase orders and contracts and all collateral security and guarantees of any kind given by any person or entity with respect to any of the foregoing.

"Collateral" has the meaning set forth in Section 3.

"Default" means any default under this Security Agreement, or any Default (as defined therein) under the Credit Agreement, which remains uncured after any applicable cure period.

"Documents" means all "documents" (as defined in the UCC) or other receipts covering, evidencing, or representing goods, now owned or hereafter acquired, by the Companies.

"Equipment" means all "equipment" (as defined in the UCC) now owned or hereafter acquired by the Companies, including, without limitation, all motor vehicles, trucks, and trailers.

"Excluded Property" means all property as described in Exhibit "A" attached hereto and the JEG Blocks.

"General Intangibles" means all "general intangibles" (as defined in the UCC) now owned or hereafter acquired by the Companies, including, without limitation, all obligations or indebtedness owing to any of the Companies (other than Accounts) from whatever source arising, and all patent licenses, patents, trademark licenses, trademarks, rights in intellectual property, goodwill, trade names, service marks, mask works, trade secrets, copyrights, permits, and licenses, including, but not limited to, those items listed on Exhibit "C" attached hereto.

"Instruments" means all "instruments," "chattel paper" or "letters of credit" (each as defined in the UCC) evidencing, representing, arising from or existing in respect of, relating to, securing, or otherwise supporting the payment of, any of the Accounts, including, without limitation, promissory notes, drafts, bills of exchange, and trade acceptances, now owned or hereafter acquired by any of the Companies.

"Inventory" means all "inventory" (as defined in the UCC), now owned or hereafter

acquired by any of the Companies, wherever located, except for the JEG Blocks, and shall also mean and include, without limitation, all raw materials and other materials and supplies, work-in-process, and finished goods and any products made or processed therefrom and all substances, if any, commingled therewith or added thereto.

"JEG Blocks" means certain identified Cherokee marble blocks comprising not less than [REDACTED] cubic feet, as such blocks are more specifically described on Exhibit "A-1" attached hereto;

"Proceeds" means all proceeds of, and all other profits, rentals or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing, or other disposition of, or realization upon, collateral, including, without limitation, all claims of the Companies against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance insuring any collateral, and any condemnation or requisition payments with respect to any collateral, in each case whether now existing or hereafter arising.

"Secured Obligations" means all obligations of the Companies to the Secured Party, as primary obligor, guarantor or surety, whether currently existing or hereafter incurred or created, including, without limitation, (a) all principal of and interest (including, without limitation, any interest that accrues after the commencement of any case, proceeding, or other action relating to the bankruptcy, insolvency, or reorganization of any of the Companies) on any advance to any of the Companies under the Credit Agreement; (b) all other amounts payable by the Companies under the Credit Agreement; (c) all other amounts payable by the Companies hereunder; and (d) any renewals or extensions of any of the foregoing.

"Security Interests" means the security interests granted pursuant to Section 3 of this Security Agreement, as well as all other security interests created or assigned as additional security for the Secured Obligations pursuant to the provisions of this Security Agreement.

"UCC" means the Uniform Commercial Code as in effect on the date hereof in Georgia; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the Security Interests in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than Georgia, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

SECTION 2. Representations and Warranties

Each Company, for itself, represents and warrants as follows:

(A) Such Company has good title to all of its portion of the Collateral, free and clear of any liens other than any liens permitted under the Credit Agreement and the US Loan. Such Company has taken all actions necessary under the UCC to perfect its interest in any Accounts purchased by it or in which it otherwise has an interest, as against its assignors and creditors of its assignors.

(B) Such Company has not performed any acts that might prevent the Secured Party from enforcing any of the terms of this Security Agreement or that would limit the Secured Party in any such enforcement. Except pursuant to the US Loan, no financing statement, mortgage, deed to secure debt or security agreement, or similar or equivalent document or instrument covering all or any part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect a lien on such Collateral. No person or entity named as secured party in any financing statement contemplated in connection with the Credit Agreement has any lien on any of the Collateral. No Collateral is in the possession of any person or entity (other than such Company) asserting any claim thereto or security interest therein, except that the Secured Party or its designee may have possession of Collateral as contemplated hereby.

(C) When UCC financing statements in appropriate form have been filed in the appropriate offices, to the extent that a security interest therein may be perfected by filing pursuant to the UCC, the Security Interests shall constitute valid and perfected security interests in the Collateral (except Inventory in transit), in each case except for the US Loan prior to all other liens and rights of others therein.

(D) Except as may be otherwise expressly stated elsewhere in this Security Agreement, the chief executive office for such Company is as listed in Section 11 of this Security Agreement.

SECTION 3. The Security Interests

(A) In order to secure the full and punctual payment of the Secured Obligations in accordance with the terms thereof, and to secure the performance of all of the obligations of each of the Companies hereunder, and under the Credit Agreement, each of the Companies hereby hypothecates, assigns, pledges, and grants to the Secured Party a continuing security interest in and to all right, title, and interest of such respective Company in the following property, whether now owned or existing or hereafter acquired or arising and regardless of where located, excepting therefrom only the Excluded Property (all such collateral other than the Excluded Property being collectively referred to as the "Collateral")

- (1) Accounts;
- (2) Inventory;
- (3) Furniture;
- (4) Fixtures which are attached to or situated upon the real property more particularly described on **Exhibit "B"** hereto;
- (5) General Intangibles;
- (6) Documents;

- (7) Instruments;
 - (8) Equipment;
 - (9) All books and records of the Company pertaining to any of the Collateral;
- and
- (10) All Proceeds of, attachments, or accessions to, or substitutions for all or any of the Collateral described in clauses (1) through (9) of this Section 3(A).

(B) The Security Interests are granted as security only and shall not subject the Secured Party to, or transfer or in any way affect or modify, any obligation or liability of any of the Companies with respect to any of the Collateral or any transaction in connection therewith.

SECTION 4. Further Assurances; Covenants

Each Company, for itself, covenants as follows:

(A) Such Company will not, without giving the Secured Party thirty (30) days prior written notice, change (i) the locations of its places of business and its chief executive office, or (ii) the locations where it keeps or holds any Collateral or records relating thereto from the location where such Collateral is located on the date of this Security Agreement, or (iii) its name, identity, or corporate structure in any manner. If any such change occurs, such Company shall, at its cost and expense, cooperate with the Secured Party and cause to be filed or recorded additional financing statements, amendments, or supplements to existing financing statements, continuation statements, or other documents required to be recorded or filed in order to perfect and protect the Security Interests.

(B) Such Company will, from time to time, at its expense, execute, deliver, file, and record any statement, assignment, instrument, document, agreement, or other paper and take any other action (including, without limitation, any filings of financing or continuation statements under the UCC) that the Secured Party may from time to time reasonably determine to be necessary or desirable in order to create, preserve, upgrade in rank (to the extent required hereby), perfect, confirm, or validate the Security Interests or to enable the Secured Party to obtain the full benefits of this Security Agreement, or to enable the Secured Party to exercise and enforce any of its rights, powers, and remedies hereunder with respect to any of the Collateral. At the request of the Secured Party, such Company will use reasonable efforts to obtain the consent of any person or entity that is necessary or desirable to effect the pledge hereunder of any right, title, claims, and benefits now owned or hereafter acquired by such Company in and to any General Intangible or licensed trademark. Such Company hereby authorizes the Secured Party to prepare and file financing statements or continuation statements without any other act or consent of such Company being necessary. Such Company agrees that a carbon, photographic, or other reproduction of this Security Agreement or of a financing statement is sufficient as a financing statement. Such Company shall pay the costs of, or incidental to, any recording or filing of any financing or continuation statements concerning the Collateral or portion thereof.

(C) If any Collateral is at any time in the possession or control of any warehouseman, bailee or any of such Company's agents or processors, such Company shall, upon the request of the Secured Party, notify such warehouseman, bailee, agent, or processor of the Security Interests created hereby and to hold all such Collateral for the Secured Party's account subject to the Secured Party's instructions.

(D) Such Company shall keep complete and accurate books and records relating to the Collateral, and stamp or otherwise mark such books and records in such manner as the Secured Party may reasonably request in order to reflect the Security Interests.

(E) Such Company will promptly deliver and pledge each Instrument to the Secured Party, appropriately endorsed to the Secured Party without recourse, provided that so long as no Default shall have occurred and be continuing under the Credit Agreement or this Security Agreement, the Company may retain for collection in the ordinary course any Instruments received by it in the ordinary course of business and the Secured Party shall, promptly upon request of such Company, make appropriate arrangements for making any other Instrument pledged by such Company available to it for purposes of presentation, collection, or renewal (any such arrangement to be effected, to the extent deemed appropriate to the Secured Party, against trust receipt or like document).

(F) Such Company shall use its reasonable best efforts to cause to be collected from its account debtors, as and when due, any and all amounts owing under or on account of each Account (including, without limitation, delinquent Accounts, such Accounts to be collected in accordance with lawful collection procedures and such Company's standard procedures) and apply forthwith upon receipt thereof all such amounts as are so collected to the outstanding balance of such Account, except that, unless a Default has occurred under the Credit Agreement or this Security Agreement and is continuing and the Secured Party is exercising its rights hereunder to collect Accounts, such Company may allow in the ordinary course of business as adjustments to amounts owing under its Accounts (i) an extension or renewal of the time or times of payment, or settlement for less than the total unpaid balance, which such Company finds appropriate in accordance with prudent business judgment and (ii) a refund or credit due as a result of returned or damaged merchandise or product, all in accordance with such Company's ordinary course of business consistent with its historical collection practices. The costs and expenses (including, without limitation, attorneys' fees) of collection, whether incurred by such Company or the Secured Party, shall be borne by such Company.

(G) Upon the occurrence and during the continuance of any Default under the Credit Agreement or this Security Agreement, upon the request of the Secured Party, such Company will promptly notify (and such Company hereby authorizes the Secured Party so to notify) each account debtor in respect of any Account or Instrument that such Collateral has been assigned to the Secured Party hereunder, and that any payments due or to become due in respect of such Collateral are to be made directly to the Secured Party or any designee specified by the Secured Party.

(H) Without the prior written consent of the Secured Party, such Company will not (a) sell, lease, exchange, assign, or otherwise dispose of, or grant any option with respect to, any

Collateral other than Inventory and obsolete or worn-out property and equipment and, in the case of any such sale or exchange, the Security Interests created hereby in such item (but not in any Proceeds arising from such sale or exchange) shall cease immediately without any further action on the part of the Secured Party; or (b) create, incur, or suffer to exist any lien with respect to any Collateral or portion thereof.

(I) Such Company will, promptly upon request, provide to the Secured Party all information and evidence it may reasonably request concerning its portion of the Collateral, and in particular its Accounts, to enable the Secured Party to enforce the provisions of this Security Agreement.

SECTION 5. General Authority

Each Company hereby irrevocably appoints the Secured Party its true and lawful attorney-in-fact, with full power of substitution, in the name of such Company, the Secured Party, or otherwise, for the sole use and benefit of the Secured Party, but at such Company's expense, to the extent permitted by law to exercise, at any time and from time to time while a Default has occurred and is continuing under the Credit Agreement or this Security Agreement, all or any of the following powers with respect to all or any of the Collateral:

- (i) to demand, sue for, collect, receive, and give acquittance for any and all monies due or to become due thereon or by virtue thereof,
- (ii) to settle, compromise, compound, prosecute, or defend any action or proceeding with respect thereto,
- (iii) to sell, transfer, assign, or otherwise deal in or with it or the proceeds or avails thereof, as fully and effectually as if the Secured Party were the absolute owner thereof, and
- (iv) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto;

provided that the Secured Party shall give such Company not less than ten (10) days' prior written notice of the time and place of any sale or other intended disposition of any of such Company's Collateral, except any such Collateral that is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market. Each Company agrees that such notice constitutes "reasonable notification" within the meaning of Section 11-9-611 of the Georgia UCC.

SECTION 6. Remedies Upon Default

(A) If any Default has occurred and is continuing under the Credit Agreement or this Security Agreement, the Secured Party may exercise all rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) and, in addition, the Secured Party may, without being required to give any notice, except as herein provided or as may be required by law, sell the Collateral or any part thereof at public or private sale, for cash, upon

credit, or for future delivery, and at such price or prices as the Secured Party may deem satisfactory. The Secured Party may be the purchaser of any or all of the Collateral so sold at any public sale (or, if the Collateral or portion thereof is of a type customarily sold in a recognized market or is of a type that is the subject of widely distributed standard price quotations, at any private sale) and thereafter hold it, absolutely, free from any right or claim of whatsoever kind. Each Company, as applicable, will execute and deliver such documents and take such other action as the Secured Party deems necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale the Secured Party shall have the right to deliver, assign, and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the Collateral so sold to it absolutely, free from any claim or right of whatsoever kind, including any equity or right of redemption of any such applicable Company and any such Company, to the extent permitted by law, hereby specifically waives all rights of redemption, stay, or appraisal that it has or may have under any law now existing or hereafter adopted. The notice (if any) of such sale required by Section 5 shall (1) in case of a public sale, state the time and place fixed for such sale, and (2) in the case of a private sale, state the day after which such sale may be consummated. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Secured Party may fix in the notice of such sale. At any such sale the Collateral or portion thereof may be sold in one lot as an entirety or in separate parcels, as the Secured Party may determine. The Secured Party shall not be obligated to make any such sale pursuant to any such notice. The Secured Party may, without notice or publication, adjourn any public or private sale or cause it to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which it may be so adjourned. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Secured Party until the selling price is paid by the purchaser thereof, but the Secured Party shall not incur any liability in case of the failure of such purchaser to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice. The Secured Party, 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, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction.

(B) For the purpose of enforcing any and all rights and remedies under this Security Agreement the Secured Party, upon the occurrence and during the continuance of a Default under the Credit Agreement or this Security Agreement, may (i) require any such applicable Company to, and any such Company agrees that it will, at its expense and upon the request of the Secured Party, forthwith assemble all or any part of the Collateral as directed by the Secured Party and make it available at a place designated by the Secured Party that is, in its opinion, reasonably convenient to the Secured Party and any such Company, whether at the premises of any such Company or otherwise, (ii) to the extent permitted by applicable law, enter, with or without process of law and without breach of the peace, any premise where any of the Collateral is or may be located, and without charge or liability to it seize and remove such Collateral from such premises, (iii) have access to and use any such Company's books and records relating to the Collateral or any applicable portion thereof, and (iv) prior to the disposition of any such Collateral, store or transfer it without charge in or by means of any storage or transportation facility owned or leased by any such Company, process, repair, or recondition it or otherwise prepare it for disposition in any manner and to the extent the Secured Party deems appropriate to preserve and

enhance its value and, in connection with such preparation and disposition, use, as a licensee (or if no decline in the value of any such Collateral would result, otherwise) without charge any trademark, trade name, copyright, patent, or technical process used by any such Company.

SECTION 7. Limitation on Duty of Secured Party in Respect of Collateral

Beyond the safe custody thereof in accordance with applicable law, the Secured Party shall have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if any such Collateral is accorded treatment substantially equal to that which it accords its own property of like nature, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee, or other agent or bailee selected by the Secured Party in good faith and in the absence of gross negligence.

SECTION 8. Application of Proceeds

Upon the occurrence and during the continuance of a Default under the Credit Agreement or this Security Agreement, the proceeds of any sale of, or other realization upon, all or any part of the Collateral shall be applied by the Secured Party in the following order of priorities:

first, to payment of the expenses of such sale or other realization, including reasonable compensation to the Secured Party and its agents and counsel in connection therewith, and all expenses, liabilities, and advances incurred or made by the Secured Party in connection therewith, and any other unreimbursed expenses for which the Secured Party is to be reimbursed pursuant to the Credit Agreement;

second, to the payment of accrued but unpaid interest on the Secured Obligations;

third, to the payment of unpaid principal of the Secured Obligations;

fourth, to the payment of all other Secured Obligations, until all Secured Obligations shall have been paid in full; and

finally, to payment to any such applicable Company or its successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining from such proceeds.

Secured Party may make distributions hereunder in cash or in kind or in any combination thereof.

SECTION 9. Expenses

If any Company fails to comply with the provisions of the Credit Agreement or this Security Agreement, such that the value of any Collateral or the validity, perfection, rank, or value of any Security Interest is thereby diminished or potentially diminished or put at risk, the Secured Party may effect such compliance on behalf of such Company, and the Companies shall be jointly and severally liable to reimburse the Secured Party for the costs thereof within ten (10) business days of demand therefor. All insurance expenses and all reasonable expenses of protecting, storing, warehousing, appraising, insuring, handling, maintaining, and shipping any of the Collateral, any and all excise, property, sales, and use taxes imposed by any state, federal, or local authority on any of the Collateral, or in respect of the sale or other disposition thereof, shall be borne and paid by the Companies; and if the Companies fail to promptly pay any portion thereof when due, the Secured Party may, at its option, but shall not be required to, pay them and charge one or more of the Companies' accounts therefor, and the Companies agree to be jointly and severally liable to reimburse the Secured Party therefor on demand. All sums so paid or incurred by the Secured Party for any of the foregoing and any and all other sums for which the Companies may become liable hereunder and all reasonable costs and expenses (including attorneys' fees, legal expenses, and court costs) reasonably incurred by the Secured Party in enforcing or protecting the Security Interests or any of their rights or remedies under this Security Agreement, shall, together with interest thereon until paid at the rate applicable to advances made under the Credit Agreement, be additional Secured Obligations hereunder.

SECTION 10. Termination of Security Interests

Upon the repayment in full of all Secured Obligations and the termination or fulfillment of the Credit Agreement, the Security Interests shall terminate and all rights to the Collateral shall revert to the respective Company, this Security Agreement shall terminate and no longer be of any force and effect, and each Company shall be authorized to file terminations of any financing statements or other lien notices in favor of Secured Party appearing on any public records.

SECTION 11. Notices

All notices, approvals, requests, demands, and other communications hereunder shall be given in accordance with the following:

COMPANIES:

Polycor Stone Corporation
200 Georgia Marble Lane
Tate, GA 30177

Georgia Stone Quarries, Inc.
200 Georgia Marble Lane
Tate, Georgia 30177

Georgia Architectural Stone, Inc.
200 Georgia Marble Lane
Tate, Georgia 30177

Polycor Vetrazzo, Inc.

200 Georgia Marble Lane
Tate, Georgia 30177

Polycor Virginia, Inc.

d/b/a Alberene Soapstone Company
42 Alberene Loop
Schuyler, VA 22969

Polycor U.S., Inc.

2200 NW 50th Street
Suite 139
Oklahoma City, OK 73112

with copy to:

Yves Rochette
KSA, Attorneys, LLP
5790, boul. Étienne-Dallaire, Bureau 205
Lévis (Québec) G6V 8V6

with copy to:

Ben Shapiro, Esq.
Baker, Donelson, Bearman, Caldwell and Berkowitz, PC
Suite 1600, Monarch Plaza
3414 Peachtree Road, NE
Atlanta, Georgia 30326

SECURED PARTY:

Mr. Sylvain Dugré

La Caisse centrale Desjardins du Québec
2828 Laurier Boulevard, Tower 1, Suite 1625
Québec City (Québec) G1V 0B9 Canada

with copy to :

Alexandre Turcotte

Avocat/Associate
Norton Rose Fulbright Canada S.E.N.C.R.L., s.r.l. / LLP
Complexe Jules-Dallaire / Tour Norton Rose Fulbright
2828, boulevard Laurier, bureau 1500, Québec, QC G1V 0B9, Canada

SECTION 12. Waivers; Non-Exclusive Remedies

No failure on the part of the Secured Party to exercise, and no delay in exercising and no

course of dealing with respect to, any right under the Credit Agreement or this Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Secured Party of any right under the Credit Agreement or this Security Agreement preclude any other or further exercise thereof or the exercise of any other right. The rights in this Security Agreement and the Credit Agreement are cumulative and are not exclusive of any other remedies provided by law.

SECTION 13. Successors and Assigns

This Security Agreement is for the benefit of the Secured Party and its successors and assigns, and in the event of an assignment of all or any of the Secured Obligations, the rights hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This Security Agreement shall be binding on each Company and its respective successors and assigns, jointly and severally.

SECTION 14. Changes in Writing

Neither this Security Agreement nor any provision hereof may be changed, waived, discharged, or terminated orally, but only in writing signed by each of the Companies and the Secured Party.

SECTION 15. LAW

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF GEORGIA, EXCEPT AS OTHERWISE REQUIRED BY MANDATORY PROVISIONS OF LAW AND EXCEPT TO THE EXTENT THAT REMEDIES PROVIDED BY THE LAWS OF ANY JURISDICTION OTHER THAN GEORGIA ARE GOVERNED BY THE LAWS OF SUCH JURISDICTION.

SECTION 16. Severability

If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Secured Party in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

SECTION 17. Counterparts

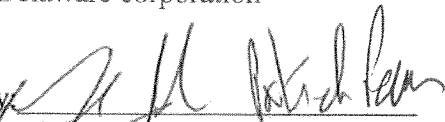
This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Security Agreement by signing any such counterpart.

[Signatures begin on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

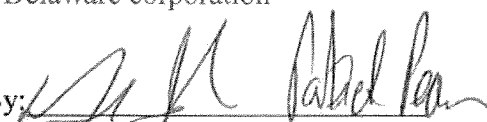
COMPANIES:

Polycor Stone Corporation,
a Delaware corporation

By: 
Name: _____
Its: _____

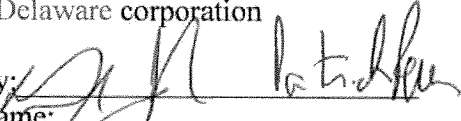
(Corporate Seal)

Georgia Stone Quarries, Inc.,
a Delaware corporation

By: 
Name: _____
Its: _____

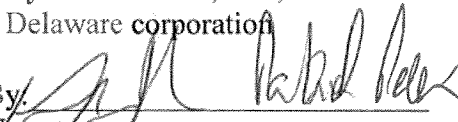
(Corporate Seal)

Georgia Architectural Stone, Inc.,
a Delaware corporation

By: 
Name: _____
Its: _____

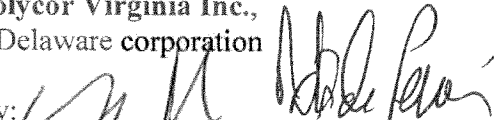
(Corporate Seal)

Polycor Vetrazzo, Inc.,
a Delaware corporation

By: 
Name: _____
Its: _____


(Corporate Seal)

Polycor Virginia Inc.,
a Delaware corporation

By: 
Name: _____
Its: _____

(Corporate Seal)

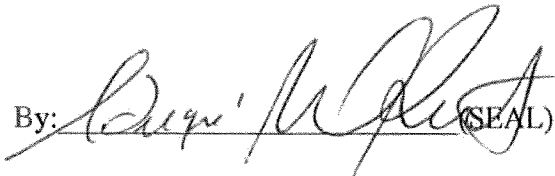
Polycor U.S., Inc.
an Oklahoma corporation

By: 
Name: _____
Its: _____

(Corporate Seal)

SECURED PARTY:

La Caisse centrale Desjardins du Québec,
a Canadian financial institution, licensed
under the laws of the Province of Québec,
Canada

By:  (SEAL)

Name: _____

Its: _____

EXHIBIT "A"

[REDACTED]

EXHIBIT "B"

[REDACTED]

EXHIBIT "C"

Trademark					
Brand	Number	Reg. Date	Origin	Holder	Image
VETRAZZO	78481780	2006-03-21	US	Polycor Vetrazzo, Inc.	

Brevets/Patents			
Brevet	Number	Reg. Date	Holder
Cementitious composition incorporating high levels of glass aggregate for producing solid surfaces	US2012234208	2012-03-19	Polycor Vetrazzo
Cementitious composition incorporating high levels of glass aggregate for producing solid surfaces	WO2012011924 CA2806364	2010-07-23	Polycor Vetrazzo
Cementitious composition incorporating high levels of glass aggregate for producing solid surfaces	US2011290154	2011-08-12	Polycor Vetrazzo
Method of producing a cementitious sheet – form material having a high level of glass aggregate and a solid surface	US2011037200	2010-07-23	Polycor Vetrazzo
Cementitious composition incorporating high levels of glass aggregate for producing solid surfaces	US7771529	2005-08-31	Georgia Architectural Stone; Georgia Stone Quarries; Polycor Vetrazzo; Regions Bank
Pivoting guide pulley stand for wire saw	US7150277	2005-11-12	Georgia Stone Quarries