PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1 Stylesheet Version v1.2 EPAS ID: PAT3064044

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Execution Date
MANNINGTON MILLS, INC.	10/01/2014
AMTICO USA, LLC	10/01/2014
BURKE INDUSTRIES (DELAWARE), INC.	10/01/2014
DEALERS SUPPLY NORTH, INC.	10/01/2014
AMTICO HOLDINGS USA, LLC	10/01/2014
AMTICO HOLDINGS USA LIMITED	10/01/2014
BURKE CUSTOM PROCESSING, INC.	10/01/2014
BURKE FLOORING PRODUCTS, INC.	10/01/2014
BURKE INDUSTRIES, INC.	10/01/2014
BURKE RUBBER COMPANY, INC.	10/01/2014
BURKELINE CONSTRUCTION COMPANY, INC.	10/01/2014
MANETO, INC.	10/01/2014
MANETO TILE LLC	10/01/2014
MANETO (UK) 1 LIMITED	10/01/2014

RECEIVING PARTY DATA

Name:	ROYAL BANK OF CANADA, AS AGENT
Street Address:	20 KING STREET WEST, 4TH FLOOR
City:	TORONTO
State/Country:	CANADA
Postal Code:	M5H 1C4

PROPERTY NUMBERS Total: 31

Property Type	Number
Patent Number:	8592501
Patent Number:	8429870
Patent Number:	8365488
Patent Number:	8006460
Patent Number:	8002003
Patent Number:	7971327
Patent Number:	7918062
Patent Number:	7861753

PATENT

503017443 REEL: 033944 FRAME: 0001

Property Type	Number
Patent Number:	7849655
Patent Number:	7833611
Patent Number:	7384697
Patent Number:	7361401
Patent Number:	7341772
Patent Number:	7299615
Patent Number:	7288306
Patent Number:	7014802
Patent Number:	6936201
Patent Number:	6838147
Patent Number:	6794001
Patent Number:	6753066
Patent Number:	6555216
Patent Number:	6363677
Patent Number:	6316075
Patent Number:	6291078
Patent Number:	6228463
Patent Number:	6218001
Patent Number:	5891564
Patent Number:	5670237
Patent Number:	6609348
Patent Number:	6397544
Patent Number:	5706642

CORRESPONDENCE DATA

Fax Number: (212)303-7064

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.

Phone: 212.318.6824

Email: christinedionne@paulhastings.com

Correspondent Name: CHRISTINE DIONNE C/O PAUL HASTINGS LLP

Address Line 1: 75 EAST 55TH STREET

Address Line 4: NEW YORK, NEW YORK 10022

ATTORNEY DOCKET NUMBER:	78436.00154
NAME OF SUBMITTER:	CHRISTINE DIONNE
SIGNATURE:	/CHRISTINE DIONNE/
DATE SIGNED:	10/14/2014

Total Attachments: 19

source=Mannington Patent Security Agreement (101414)#page1.tif source=Mannington Patent Security Agreement (101414)#page2.tif

source=Mannington Patent Security Agreement (101414)#page3.tif
source=Mannington Patent Security Agreement (101414)#page4.tif
source=Mannington Patent Security Agreement (101414)#page5.tif
source=Mannington Patent Security Agreement (101414)#page6.tif
source=Mannington Patent Security Agreement (101414)#page7.tif
source=Mannington Patent Security Agreement (101414)#page8.tif
source=Mannington Patent Security Agreement (101414)#page9.tif
source=Mannington Patent Security Agreement (101414)#page10.tif
source=Mannington Patent Security Agreement (101414)#page11.tif
source=Mannington Patent Security Agreement (101414)#page12.tif
source=Mannington Patent Security Agreement (101414)#page13.tif
source=Mannington Patent Security Agreement (101414)#page14.tif
source=Mannington Patent Security Agreement (101414)#page15.tif
source=Mannington Patent Security Agreement (101414)#page16.tif
source=Mannington Patent Security Agreement (101414)#page17.tif
source=Mannington Patent Security Agreement (101414)#page18.tif
source=Mannington Patent Security Agreement (101414)#page19.tif

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "Patent Security Agreement") is made and entered into as of October 1, 2014, by the Grantors listed on the signature pages hereto (each, a "Grantor" and collectively, "Grantors"), in favor of Royal Bank of Canada, in its capacity as Agent (together with any successor in such capacity, the "Agent") for the Secured Parties.

WITNESSETH:

WHEREAS, each Grantor is the owner of certain patents, registered patents and patent applications, has rights under or interests in certain patent license agreements with other parties and has an interest in other patent rights and other items related to the foregoing;

WHEREAS, Mannington Mills, Inc., a New Jersey corporation ("MMI"), Amtico USA, LLC, a Delaware limited liability company ("Amtico USA"), Burke Industries (Delaware), Inc., a Delaware corporation ("BI (DE)"), Dealers Supply North, Inc., a Delaware corporation ("DSN"), the Guarantors party thereto, the Lenders and the Agent, have entered into that certain Credit Agreement, dated as of the date hereof (as may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), in which among other things, the Guarantors agreed to guarantee the full payment and performance of the Obligations (as defined in the Credit Agreement);

WHEREAS, MMI, Amtico USA, BI (DE), DSN, the other Grantors party thereto and the Agent are parties to that certain Security Agreement, dated as of the date hereof (as may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Security Agreement"), in which among other things, the Grantors agreed to grant a continuing security interest in, lien on, assignment of and right to set off against all Collateral (as defined in the Security Agreement); and

NOW, THEREFORE, in consideration of the premises and in order to induce the Lenders and Agent to enter into the Credit Agreement, and to make Loans to MMI and the other Borrowers thereunder and make other financial accommodations, the Grantors hereby agree, for the benefit of Agent and the ratable benefit of the Secured Parties under the Credit Agreement, as follows:

1. <u>Defined Terms</u>.

- (a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement.
- (b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Patent Security Agreement shall refer to this Patent Security Agreement as a whole and not to any particular provision of this Patent Security Agreement, and paragraph references are to this Patent Security Agreement unless otherwise specified.
- (c) All terms defined in this Patent Security Agreement in the singular shall have comparable meanings when used in the plural, and *vice versa*, unless otherwise specified.
- 2. <u>Incorporation of Premises</u>. The premises set forth above are incorporated into this Patent Security Agreement by this reference hereto and are made a part hereof.
- 3. <u>Incorporation of the Credit Agreement</u>. The Credit Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

- 4. <u>Security Interest in Patents</u>. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, each Grantor hereby grants to Agent, for the benefit of the Agent and the Secured Parties, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Grantors':
 - (a) now owned or existing and hereafter acquired or arising patents, registered patents, patent applications, including, without limitation, the patents, registered patents, patent applications listed on Schedule A attached hereto and made a part hereof, together with any goodwill connected with and symbolized by any such patents, registered patents, patent applications, and (i) all renewals thereof, (ii) all income, royalties, proceeds, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, and (iv) all of Grantors' rights corresponding thereto throughout the world (all of the foregoing patents, registered patents and patent applications and goodwill, together with the other items described in clauses (i)-(iv) in this paragraph 4(a), are hereinafter individually and/or collectively referred to as the "Patents");
 - (b) rights under or interests in any patent license agreements with any other party, whether such Grantor is a licensee or licensor under any such license agreement, including, without limitation, the patent license agreements relating to the manufacturing process listed on Schedule A attached hereto and made a part hereof, together with all renewals thereof and any goodwill connected with and symbolized by any such patent license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantors and now or hereafter covered by any such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"); and
 - (c) all other patent rights and all additions, improvements, and accessions to, all substitutions for and replacements of, and all products and proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records describing or used in connection with any and all such rights, interests, assets or property (any or all of the foregoing are hereinafter referred to collectively as "Other Patent Rights").
- 5. Restrictions on Future Agreements. Grantors will not (i) enter into any agreement, including, without limitation, any agreement in which Grantors agree to sell or assign its interest in, or grant any license under, any of the Patents, Licenses or Other Patent Rights, (a) which could reasonably be expected to have a Material Adverse Effect; provided that no Event of Default shall have occurred and be continuing and (b) without the prior written consent of Agent, if an Event of Default shall have occurred and be continuing, and each Grantor further agrees that it will not take any action, and will use its commercially reasonable efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to Agent under this Patent Security Agreement or the rights associated with those Patents, Licenses or Other Patent Rights, or (ii) sell, mortgage, pledge, assign, encumber, grant a security interest in, transfer, license, alienate, assign its interest in, or grant any license under any of the Patents, Licenses or Other Patent Rights except as expressly permitted under the Credit Agreement; provided, however, that such Grantor shall have the right to license the use of the Patents in the ordinary course of its business.
- 6. New Patents, Licenses and Other Patent Rights. Each Grantor represents and warrants that (a) the Patents and Licenses listed on Schedule A of this Patent Security Agreement include

substantially all of the registered patents, patent applications and manufacturing process Licenses now owned by such Grantor, (b) to its actual knowledge, the issued Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the issued Patents; (c) to its actual knowledge, each of the issued Patents is valid and enforceable; (d) to its actual knowledge, there is no infringement by others of the issued Patents and (e) no liens, claims or security interests have been granted by such Grantor to any Person in such Patents, Licenses and Other Patent Rights, other than to Agent under the Credit Agreement. If, prior to the termination of this Patent Security Agreement, any Grantor shall (i) obtain rights to any new registered patents, patent applications, (ii) become entitled to the benefit of any registered patents, patent applications, patent licenses, patent license renewals, whether as licensee or licensor or Other Patent Rights, or (iii) enter into any new patent license agreement, the provisions of paragraph 4 above shall automatically apply thereto. Each Grantor shall give to Agent prompt written notice of events described in clauses (i), (ii) or (iii) of the preceding sentence. Each Grantor hereby authorizes Agent to modify this Patent Security Agreement by amending Schedule A to include any future registered patents, patent applications, patent license agreements or license renewals (with regards to patent, relating to the manufacturing process), whether as licensee or licensor, which are Patents or Licenses under paragraph 4 above or under this paragraph 6.

- 7. <u>Royalties</u>. Each Grantor hereby agrees that the use by Agent on behalf of the Secured Parties of the Patents, Licenses and Other Patent Rights as authorized hereunder in connection with the exercise of its remedies under <u>paragraph 15</u> hereof, pursuant to Section 9.10 of the Credit Agreement or pursuant to Section 23 of the Security Agreement shall be coextensive with Grantors' rights thereunder and with respect thereto and without any liability for royalties or other related charges from Agent to Grantors.
- 8. Right to Inspect. Agent may at all reasonable times (and at any time when a Default or Event of Default exists) have access to, examine, audit, make copies (at Grantors' expense) and extracts from and inspect Grantors' premises and examine Grantors' books, records and operations relating to the Patents, Licenses and Other Patent Rights, including, without limitation, Grantors' quality control processes; provided, that in conducting such inspections and examinations, Agent shall use reasonable efforts not to unnecessarily disturb the conduct of Grantors' ordinary business operations. From and after the occurrence of an Event of Default, each Grantor agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such reasonable additional product quality controls as Agent or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold by any Grantor under the Patents, Licenses or Other Patent Rights or in connection with which such Patents, Licenses or Other Patent Rights are used. Each Grantor agrees not to change the quality of such products in any material adverse respect except (i) as necessary in its reasonable business judgment; provided that no Event of Default shall have occurred and be continuing or (ii) with Agent's prior and express written consent which consent will not be unreasonably withheld.
- 9. <u>Nature and Continuation of Agent's Security Interest</u>; Termination of Agent's <u>Security Interest</u>. This Patent Security Agreement is made for collateral security purposes only. This Patent Security Agreement shall create a continuing security interest in the Patents, Licenses and Other Patent Rights and shall remain in full force and effect until the payment in full of all of the Obligations and termination of the Credit Agreement. Upon payment in full of all of the Obligations and termination of the Credit Agreement, this Patent Security Agreement shall terminate and Agent shall promptly execute and deliver to Grantors, at Grantors' expense, all termination statements and other instruments as may be necessary or proper to terminate Agent's security interest in the Patents, Licenses and Other Patent Rights, subject to any disposition thereof which may have been made by Agent pursuant to this Patent Security Agreement, the Security Agreement or the Credit Agreement.

- 10. <u>Duties of Grantors</u>. Each Grantor shall have the duty, to the extent desirable in the normal conduct of Grantors' business, to: (i) prosecute diligently any patent application that is part of the Patents pending as of the date hereof or thereafter until the termination of this Patent Security Agreement, (ii) make application for patents and (iii) use commercially reasonable efforts to maintain in full force and effect the Patents, Licenses and Other Patent Rights that are or shall be necessary or economically desirable in the operation of Grantors' business. Each Grantor further agrees not to abandon any Patents or (except in the ordinary course of Grantors' business) License (x) if such event could reasonably be expected to have a Material Adverse Effect; <u>provided</u> that no Event of Default shall have occurred and be continuing and (y) without the prior written consent of Agent, if an Event of Default shall have occurred and be continuing. Any expenses incurred in connection with the foregoing shall be borne by Grantors.
- Agent's Right to Sue. From and after the occurrence of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Licenses and Other Patent Rights and, if Agent shall commence any such suit, each Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement. Each Grantor shall, upon demand, promptly reimburse Agent for all reasonable costs and expenses incurred by Agent in the exercise of its rights under this paragraph 11 (including, without limitation, Attorney Costs).
- 12. <u>Waivers</u>. Agent's failure, at any time or times hereafter, to require strict performance by any Grantor of any provision of this Patent Security Agreement shall not waive, affect or diminish any right of Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between such Grantor and Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Grantors contained in this Patent Security Agreement shall be deemed to have been suspended or waived by Agent unless such suspension or waiver is in writing signed by an officer of Agent and directed to Grantors specifying such suspension or waiver.
- Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Patent Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Patent Security Agreement in any jurisdiction.
- 14. <u>Modification</u>. This Patent Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in <u>paragraph 6</u> hereof or by a writing signed by the parties hereto.
- Event of Default, each Grantor hereby irrevocably designates, constitutes and appoints Agent (and all Persons designated by Agent in its sole and absolute discretion) as such Grantor's true and lawful attorney-in-fact, and authorizes Agent and any of Agent's designees, in such Grantor's or Agent's name, from and after the occurrence of an Event of Default, to (i) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Patents, Licenses or Other Patent Rights, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Licenses or Other Patent Rights to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents, Licenses (to the extent

permitted under such License) or Other Patent Rights to anyone on commercially reasonable terms, (iv) revise, update, amend, complete, file or record the Assignment of Patents and Patent Licenses Registrations and Applications attached as Exhibit A hereto, as Agent may determine to be necessary or desirable to assign or otherwise transfer the Patents, Licenses and Other Patent Rights covered by this Patent Security Agreement to any Person, including, without limitation, Agent or any Secured Party and (v) take any other actions with respect to the Patents, Licenses or Other Patent Rights as Agent deems in its best interest. Agent shall take no action pursuant to subparagraphs (i), (ii), (iii), (iv), or (v) of this paragraph 15 without taking like action with respect to the entire goodwill of Grantors' business connected with the use of, and symbolized by, such Patents, Licenses or Other Patent Rights. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations shall have been paid in full and the Credit Agreement shall have been terminated. Each Grantor acknowledges and agrees that this Patent Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Credit Agreement or the Security Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

Agent shall have, in addition to all other rights and remedies given it by the terms of this Patent Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the UCC as enacted in any jurisdiction in which the Patents, Licenses or Other Patent Rights may be located or deemed located. Upon the occurrence of an Event of Default and the election by Agent to exercise any of its remedies under Part 6 of Article 9 of the UCC with respect to the Patents, Licenses and Other Patent Rights, each Grantor agrees to assign, convey and otherwise transfer title in and to the Patents, Licenses and Other Patent Rights to Agent or any transferee of Agent and to execute and deliver to Agent or any such transferee all such agreements, documents and instruments (in addition to the Assignment of Patents and Patent Licenses Registrations and Applications attached as Exhibit A hereto) as may be necessary, in Agent's determination, to effect such assignment, conveyance and transfer. All of Agent's rights and remedies with respect to the Patents, Licenses and Other Patent Rights, whether established hereby, by the Credit Agreement, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default, Agent may exercise any of the rights and remedies provided in this Patent Security Agreement, the Credit Agreement and any other Loan Document.

- 16. <u>Successors and Assigns</u>. This Patent Security Agreement shall be binding upon each Grantor and its successors and assigns, and shall inure to the benefit of Agent and its successors and assigns. Each Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession to the extent that any of the foregoing are considered to be a successor or assignee of such Grantor; <u>provided</u>, <u>however</u>, that Grantors shall not voluntarily assign or transfer its rights or obligations hereunder without Agent's prior written consent.
- 17. <u>Submission to Jurisdiction</u>. Each Grantor and each other party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Patent Security Agreement or any other Loan Document shall affect any right that the Agent or any Lender may

otherwise have to bring any action or proceeding relating to this Patent Security Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction in the courts of any jurisdiction in connection with the exercise of any rights under any Security Document.

- 18. <u>Venue</u>. Each Grantor and each other party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Requirements of Law, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Patent Security Agreement or any other Loan Document in any court referred to in <u>Paragraph 17</u> above. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Requirements of Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.
- 19. <u>Service of Process</u>. Each Grantor and each other party hereto irrevocably consents to service of process in any action or proceeding arising out of or relating to any Loan Document, in the manner provided for notices (other than telecopier) in <u>Section 10.01</u> of the Credit Agreement. Nothing in this Patent Security Agreement or any other Loan Document will affect the right of any party hereto to serve process in any other manner permitted by applicable Requirements of Law.
- 20. WAIVER OF Jury TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS PATENT SECURITY AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS PATENT SECURITY AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.
- 21. <u>Notices</u>. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Credit Agreement.
- 22. <u>Agent's Duty</u>. Agent shall not have any duty with respect to the Patents, Licenses or Other Patent Rights. Without limiting the generality of the foregoing, Agent shall not be under any obligation to take any steps necessary to preserve rights in the Patents, Licenses or Other Patent Rights against any other parties, but may do so at its option, and all expenses incurred in connection therewith shall be for the sole account of Grantors and added to the Obligations secured hereby.
- 23. <u>Paragraph Titles</u>. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.
- 24. <u>Execution in Counterparts</u>. This Patent Security Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
- 25. <u>Further Assurances</u>. Each Grantor hereby covenants and agrees that it shall execute and deliver such documents and instruments, and hereby authorizes Agent, in its own name or on

behalf of Grantors, to execute and deliver such documents and instruments, at Grantors' expense, as Agent deems necessary or proper to give effect to the provisions of this Patent Security Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

MANNINGTON MILLS, INC.,

as a Grantor

By:

Name: Francis J. Nopris

Title: Senior Vice President - Treasury,

Risk & Administration

AMTICO USA, LLC.

as a Grantor

By:

Name: Kevin P. Igo

Title: President

BURKE INDUSTRIES (DELAWARE), INC.,

as a Grantor

By:

Name: Francis J. Worris

Title: Assistant Secretary & Treasurer

DEALERS SUPPLY NORTH, INC.,

as a Grantor

By:

Name: Francis (. Norvis

Title: Secretary & Preasurer

AMTICO HOLDINGS USA, LLC,

as a Grantor

By:

Mamo/Kevin P. Igo

Title: President

REEL: 033944 FRAME: 0011

AMTICO HOLDINGS USA LIMITED,

as a Grantor

Ву:

Name: Kevin/P. Igo

Title: Director

BURKE CUSTOM PROCESSING, INC.,

as a Grantor

By:

Name: Francis J. Norris

Title: Assistant Secretary & Treasurer

BURKE FLOORING PRODUCTS, INC.,

as a Grantor

By:

Name: Francis J. Norpis

Title: Assistant Secretary & Treasurer

BURKE INDUSTRIES, INC.,

as a Grantor

By:

Name: Francis J. Norris/

Title: Assistant Secretary & Treasurer

BURKE RUBBER COMPANY, INC.,

as a Grantor

By:

Name: Francis A Norris

Title: Assistant Secretary & Treasurer

REEL: 033944 FRAME: 0012

BURKELINE CONSTRUCTION COMPANY, INC.,

as a Grantor

By:

Name: Francis J. Nofris

Title: Assistant Secretary & Treasurer

MANETO, INC.,

as a Grantor

By:

Name: Kevin P. Igo

Title: President

MANETO TILE LLC,

as a Grantor

By:

Name: Kevin P. Igo

Title: Operating Manager

MANETO (UK) I LIMITED,

as a Grantor

By:

Name: Kevin P. Ige

Title: Director

ROYAL BANK OF CANADA,

as Agent

By:

Name:

Title: A

Sanagar, Aggrey

Schedule A

to Patent Security Agreement¹

Registered Patents

U.S. Patents

Patent No.	Filing Date	Issue Date	Inventors	Title
8,592,501	June 3, 2011	November 26, 2013	Phan, Tam T.; Chen, Hao A.; Bradway, Dennis	Floor covering composition containing renewable polymer
8,429,870	November 30, 2010	April 30, 2013	Chen, Hao A.; Whispell, John M.	Connecting system for surface coverings
8,365,488	February 23, 2011	February 5, 2013	Chen, Hao. A.	Methods and systems for decorating bevel and other surfaces of laminated floorings
8,006,460	July 29, 2008	August 30, 2011	Chen, Hao A.; Whispell, John M.; Wan, Ji-Min	Floor covering with interlocking design
8,002,003	November 30, 2010	August 23, 2011	Walker, Andrew Nicholas	Dual-edge irregular bevel-cut system and method
7,971,327	March 8, 2007	July 5, 2011	Deringor, Gungor J.; Dryden, Sam Cantey	Process and system for sub-dividing a laminated flooring substrate
7,918,062	January 10, 2007	April 5, 2011	Chen, Hao A.	Methods and systems for decorating bevel and other surfaces of laminated floorings
7,861,753	December 15, 2008	January 4, 2011	Walker, Andrew Nicholas	Dual-edge irregular bevel-cut system and method

^I Sheppard to provide schedules.

LEGAL_US_E # 112176741.2

Patent No.	Filing Date	Issue Date	Inventors	Title
7,849,655	July 27, 2005	December 14, 2010	Chen, Hao A.; Whispell, John M.;	Connecting system for surface coverings
7,833,611	February 23, 2007	November 16, 2010	Phan, Tam Thi Minh; Chen, Hao A.; Bradway, Dennis H.	Olefin based compositions and floor coverings containing the same
7,384,697	June 29, 2001	June 10, 2008	Chen, Hao A.; Rufus; Isaac B.	Surface coverings containing aluminum oxide
7,361,401	December 30, 2004	April 22, 2008	Desai, Peter; Chen, Hao A.; Zerebecki, Nicholas	Surface coverings containing fused recycled material and processes of making the same
7,341,772	February 19, 2004	March 11, 2008	Guess, Roy E.	Carpet using unused yarn
7,299,615	June 17, 2005	November 27, 2007	Kersey, Brandon	Variable twist level yarn using fluid twisting
7,288,306	August 25, 2004	October 30, 2007	Kersey, Brandon	Textile substrate having low variable twist yarn
7,014,802	April 7, 1999	March 21, 2006	Eby, John; Chen, Hao A.; Burns, Jr., Alonso M.	Methods to make a surface covering having a natural appearance
6,936,201	September 7, 2001	August 30, 2005	Desai, Peter; Chen, Hao A.; Zerebecki, Nicholas	Surface coverings containing fused recycled material and processes of making the same
6,838,147	January 12, 1999	January 4, 2005	Burns, Jr., Alonzo M.; Chen, Hao A.; Zerebecki, Nicholas; Patterson, Charles	Surface covering backing containing polymeric microspheres and processes of making the same
6,794,001	July 25, 2002	September 21,	Chen, Hao A; Hu,	Flooring with a 2-part

Patent No.	Filing Date	Issue Date	Inventors	Title
		2004	Yuhong; Huang, Tianjian; Judd, Richard; Rufus, Isaac	adhesive
6,753,066	December 28, 2000	June 22, 2004	Eby, John M.; Chen, Hao A.; Burns, Jr., Alonzo M.	Surface coverings having a natural appearance and methods to make a surface covering having a natural appearance
6,555,216	December 29, 2000	April 29, 2003	Chen, Hao A.; Judd, Richard; Rufus, Isaac B.; Shultz, Jeffrey R.	Contrasting gloss surface coverings optionally containing dispersed wear-resistant particles and methods of making the same
6,363,677	April 10, 2000	April 2, 2002	Chen, Hao A.; Whispell, John M.	Surface covering system and methods of installing same
6,316,075	February 3, 1999	November 13, 2001	Desai, Peter; Chen, Hao A.; Zerebecki, Nicholas	Surface coverings containing fused recycled material and processes of making the same
6,291,078	October 22, 1997	September 18, 2001	Chen, Hao A.; Rufus, Isaac B.	Surface coverings containing aluminum oxide
6,228,463	July 29, 1998	May 8, 2001	Chen, Hao A.; Judd, Richard; Rufus, Isaac B.; Shultz, Jeffrey R.	Contrasting gloss surface coverings optionally containing dispersed wear-resistant particles and methods of making the same
6,218,001	January 28, 1998	April 17, 2001	Chen, Hao A.; Judd, Richard; Rufus, Isaac B.	Surface coverings containing dispersed wear-resistant particles and methods of making the same

Patent No.	Filing Date	Issue Date	Inventors	Title
5,891,564	December 11, 1996	April 6, 1999	Shultz, Jeffrey R; Crispin, Barry C.	Decorative surface coverings
5,670,237	June 7, 1995	September 23, 1997	Shultz, Jeffrey R.; Crispin, Barry C.	Method for making a surface covering product and products resulting from said method

Patent No.	Registration Date	Inventor	Title
6,609,348	August 26, 2003	Desai, Peter	Method for assembling a repeating series of tiles
6,397,544	June 2, 2002	Desai, Peter	Method for making a repeating series of tiles
5,706,642	January 13, 1998	Haselwander, John G.	Variable twist level yarn

Foreign Patents

Patent No.	Date Issued	Country	Title
317426	January 23, 2014	Mexico	Dual-edge irregular bevel-cut system and method
190765	August 20, 2014	EPO	Connecting system for surface coverings
ZL200880013370.1	September 4, 2013	China	Olefin based compositions and floor coverings containing the same
2,651,687	June 25, 2013	Canada	Methods and systems for decorating bevel and other surfaces of laminated floorings
2,676,201	October 23, 2012	Canada	Olefin based compositions and floor coverings containing the

LEGAL_US_E # 112176741.2

			same
101547792B	December 14, 2011	China	Methods and systems for decorating bevel and other surfaces of laminated flooring
1604059	August 31, 2011	EPO	Carpet using unused yarn
		(validated in Germany)	
101268241B	June 22, 2011	China	Connecting system for surface coverings
2,503,553	October 12, 2010	Canada	A surface covering panel with printed pattern
2,644,121	October 5, 2010	Canada	A process and system for sub dividing a laminated flooring substrate
275,365	April 21, 2010	Mexico	A surface covering panel with printed pattern
268,476	July 20, 2009	Mexico	Carpet using unused yarn
2,518,648	May 19, 2009	Canada	Carpet using unused yarn
2,410,390	January 15, 2008	Canada	Surface coverings containing fused recycled material and processes of making the same
2,435,518	September 11, 2007	Canada	Flooring with a 2-part adhesiv
1146182	August 29, 2007	EPO (validated in Belgium, Great Britain, and Germany)	Surface covering system and method of installing same
1556561	April 22, 2009	EPO (validated in Belgium and Germany)	A surface covering panel with printed pattern

2,283,835	March 18, 2003	Canada	Contrasting gloss surface coverings and surface coverings optionally containing dispersed wear-resistant particles and methods of making the same
2,284,751	February 11, 2003	Canada	Surface coverings containing fused recycled material and processes of making the same
2,282,572	September 24, 2002	Canada	A surface covering backing containing polymeric microspheres and processes of making the same
2,177,512	January 2, 2001	Canada	Decorative surface coverings and methods for making the same
199,195	October 20, 2000	Mexico	Decorative surface coverings and methods for producing the same

License Agreements

Grantor as Licensee

1/1/06 – License from UniLin for laminate Products

12/11/06 – Interface, Inc. Settlement and Cross License Agreement for carpet backing

8/25/08 – License Agreement with Tac Fast for Adura LOCnGO products

11/20/09 – License under Settlement Agreement with Metroflor for Adura LOCnGO products

2/4/10 – License from Valinge for laminate products

4/13/10 – License from Congoleum for resilient flooring tiles; non-exclusive and royalty-free

5/1/10 – License from Pergo AG, Pergo LLC for joints for flooring panels; royalty payable by Borrower flat fee plus

12/19/11 - License from Valinge for wood flooring products; license fee payable by

LEGAL_US_E # 112176741.2

Borrower

Grantor as Licensor

2/7/05 – Losetas Asfalticas, S.A. de S.V. (Vinylasa) Exclusive Supply Agreement with Patent License for vinyl composition tile products (Less than \$500,000 in annual purchases)

3/10/05 - Pharr Yarns, LLC Supply Agreement with Patent License for yarn processing

12/11/06 – Interface, Inc. Settlement and Cross License Agreement for carpet backing

LEGAL_US_E # 112176741.2

Exhibit A Patent Security Agreement

ASSIGNMENT OF PATENT AND PATENT LICENSE REGISTRATIONS AND APPLICATIONS WHEREAS, _____ ("Assignor"), has adopted, used and is using certain Patents and Patent Licenses listed on Schedule A annexed hereto and has made applications to use certain Patents and Patent Licenses listed on such Schedule, such Schedule being made a part hereof (the Patents and Patent Licenses, collectively, the "Patents and Licenses"), all of which are registered or filed in the United States Patent and Trademark Office. NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, Assignor hereby assigns to ______ all of its right, title and interest in and to each of the Patents and Licenses together with the goodwill of the business symbolized by the Patents and Licenses, and their respective federal registrations. DATED: ________, ATTEST: By

Title:

LEGAL_US_E # 112176741.2

PATENT REEL: 033944 FRAME: 0022

RECORDED: 10/14/2014