

09-18-1998



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9-14-98

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Conveyance Type

Assignment License

Security Agreement Nunc Pro Tunc Assignment

Merger

Change of Name

Other

Effective Date
Month Day Year
09-02-98

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year
09-02-98

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization

09/17/1998 TTOM11 00000011 2097100

FOR OFFICE USE ONLY

01 1 :451
02 FC:482 40.00 OP
75.00 OP

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 1791 FRAME: 0818

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

(312) 201-3949

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Registration Number(s)

<input type="text" value="2095428"/>	<input type="text" value="1084620"/>	<input type="text"/>
<input type="text" value="1988825"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="2015970"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Carole S. Moorehouse

Carole S. Moorehouse

09/09/98

Name of Person Signing

Signature

Date Signed

PATENT, COPYRIGHT, TRADEMARK AND LICENSE MORTGAGE

THIS PATENT, COPYRIGHT, TRADEMARK AND LICENSE MORTGAGE (the "Mortgage") made as of this 2nd day of September, 1998, by LDI Mfg. Co., Inc., an Indiana corporation, with its chief executive office and principal place of business at 720 Water Street, P.O. Box 400, Logansport, Indiana 46947 ("Mortgagor"), is in favor of Fremont Financial Corporation ("Mortgagee"), with an office at 303 West Madison Street, Suite 500, Chicago, Illinois 60606.

WITNESSETH:

WHEREAS, Mortgagor and Mortgagee are parties to a certain Loan and Security Agreement of even date herewith (the "Loan Agreement"), which Loan Agreement provides (i) for Mortgagee to, from time to time, extend credit to or for the account of Mortgagor and (ii) for the grant by Mortgagor to Mortgagee, of a security interest in certain of Mortgagor's assets, including, without limitation, its patents, patent applications, trademarks, trademark applications, tradenames, service marks, service mark applications, goodwill and licenses;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Mortgagor agrees as follows:

1. Capitalized Terms. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Mortgage of Patents, Copyrights, Trademarks and Licenses. To secure the complete and timely satisfaction of all of the Obligations, Mortgagor hereby assigns, creates a security interest in and pledges to Mortgagee, as and by way of a first mortgage and security interest having priority over all other security interests, all of Mortgagor's right, title and interest in and to all of its now existing and hereafter created or acquired:

(a) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Exhibit A attached hereto and hereby made a part hereof, and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, damages and payments now and hereafter due or payable under or with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (i)-(iv) of this subsection 2(a), are sometimes hereinafter referred to individually as a "Patent" and, collectively, as the "Patents");

(b) copyrights, rights and interests in copyrights, works protectable by copyrights, copyright registrations and copyright applications, including, without limitation, the copyright registrations and applications listed on Exhibit B attached hereto and made a part hereof, and all renewals of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Copyrights");

(c) trademarks, trademark registrations, trademark applications, tradenames and tradestyles, service marks, service mark registrations and service mark registration applications, including, without limitation, the trademarks, tradenames, service marks, registrations and applications for registration listed on Exhibit C attached hereto and hereby made a part hereof, and (i) renewals or extensions thereof, (ii) all income, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, tradenames and tradestyles, service marks and applications and registrations thereof, together with the items described in clauses (i)-(iv) of this subsection 2(b), are sometimes hereinafter referred individually as a "Trademark", and, collectively, as the "Trademarks");

(d) all license agreements with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any registration or application for registration or any other tradename or tradestyle between Mortgagor and any other party, whether Mortgagor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit D attached hereto and hereby made a part hereof (all of the foregoing license agreements and Mortgagor's rights thereunder are referred to collectively as the "Licenses"); and

(e) the goodwill of Mortgagor's business connected with and symbolized by the Trademarks.

Upon the occurrence of an Event of Default, Mortgagee shall have the power, to the extent permitted by law, to sell the Patents, Copyrights, Trademarks and Licenses. Until such time as Mortgagee exercises such right to sell, Mortgagor retains all rights to use the Patents, Copyrights, Trademarks and Licenses in the ordinary course of its business, subject to the terms of this Mortgage.

3. Warranties, Representations and Covenants. Mortgagor warrants and represents to Mortgagee, that:

(a) No Patent, Copyright, Trademark or License has been adjudged invalid or unenforceable or has been canceled, in whole or in part, and each such Patent, Copyright, Trademark and License is presently subsisting;

(b) Each of the Patents, Copyrights, Trademarks and Licenses is valid and enforceable;

(c) Mortgagor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Copyrights, Trademarks and Licenses, free and clear of any liens, charges and encumbrances, including without limitation licenses, shop rights and covenants by Mortgagor not to sue third persons;

(d) Mortgagor has adopted, used and is currently using, or has a bona fide intention to use, all of the Trademarks;

(e) Mortgagor has no notice of any suits or actions commenced or threatened with reference to the Patents, Copyrights, Trademarks or Licenses; and

(f) Mortgagor has the right to execute and deliver this Mortgage and perform its terms.

4. Restrictions on Future Agreements. Mortgagor agrees that until the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated, Mortgagor shall not sell or assign its interest in, or grant any license under, the Patents, Copyrights, Trademarks or Licenses, or enter into any other agreement with respect to the Patents, Copyrights, Trademarks or Licenses which is inconsistent with the obligations under this Mortgage, without the prior written consent of Mortgagee, and Mortgagor further agrees that it shall not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Mortgagee under this Mortgage.

5. New Patents, Copyrights, Trademarks, and Licenses. Mortgagor represents and warrants that the Patents, Copyrights, Trademarks and Licenses listed on Exhibits A, B, C, and D respectively, constitute all of the Patents, Copyrights and Trademarks now owned, and Licenses granted by or to Mortgagor. If, before the Obligations shall have been satisfied in full or before the Loan Agreement has been terminated, Mortgagor shall (a) obtain rights to any new patentable inventions, Patents, Copyrights, Trademarks or Licenses, or (b) become entitled to the benefit of any Patents, Copyrights, Trademarks, or Licenses or any improvement on any Patent, the provisions of this Mortgage above shall automatically apply thereto and Mortgagor shall give to Mortgagee prompt written notice thereof.

Mortgagor hereby authorizes Mortgagee to modify this Mortgage by amending Exhibits A, B, C, and D as applicable, to include any such Patents, Copyrights, Trademarks and Licenses.

6. Royalties; Term. The term of the mortgages granted herein shall extend until the earlier of (a) the expiration of each of the respective Patents, Copyrights, Trademarks and Licenses assigned hereunder, and (b) the date on which the Obligations have been paid in full and the Loan Agreement has been terminated. Upon the occurrence of an Event of Default, Mortgagor agrees that the use by Mortgagee of all Patents, Copyrights, Trademarks and Licenses shall be worldwide and without any liability for royalties or other related charges from Mortgagee to Mortgagor.

7. Grant of License to Mortgagor. Unless and until an Event of Default shall have occurred, Mortgagee hereby grants to Mortgagor the exclusive, nontransferable right and license to use the Trademarks in the ordinary course of its business, to exercise Mortgagee's rights under the Licenses, and to make, have made, use and sell the inventions disclosed and claimed in the Patents for Mortgagor's own benefit and account and for none other. Mortgagor shall use the Trademarks only on goods of at least as high quality as the goods on which Mortgagor or its predecessor used the goods prior to the date hereof. Mortgagor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Mortgagor in this Section 7, without the prior written consent of Mortgagee. From and after the occurrence of an Event of Default, Mortgagor's license with respect to the Patents, Copyrights, Trademarks and Licenses set forth in this Section 7 shall terminate forthwith, and Mortgagee shall have, in addition to all other rights and remedies given it by this Mortgage, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code (or such other applicable laws) as enacted in any of the jurisdictions in which the Patents, Copyrights, Trademarks or Licenses may be located.

8. Mortgagee's Right to Inspect. Mortgagee shall have the right, at any time and from time to time during normal business hours and prior to payment in full of the Obligations and termination of the Loan Agreement, to inspect Mortgagor's premises and to examine Mortgagor's books, records and operations, including, without limitation, Mortgagor's quality control processes. Mortgagor agrees (a) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof and (b) to provide Mortgagee, upon Mortgagee's request from time to time, with a certificate of an officer of Mortgagor certifying Mortgagor's compliance with the foregoing. Upon the occurrence of an Event of Default, Mortgagor agrees that Mortgagee, or a conservator appointed by Mortgagee, shall have the right to establish such additional product quality controls as Mortgagee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Mortgagor under the Trademarks.

9. Release of Mortgage. This Mortgage is made for collateral purposes only. Upon payment in full of the Obligations and termination of the Loan Agreement, Mortgagee shall execute and deliver to Mortgagor all deeds, assignments and other

instruments, and shall take such other actions, as may be necessary or proper to re-vest in Mortgagor full title to the Patents, Copyrights, Trademarks, and Licenses, subject to any disposition thereof which may have been made by Mortgagee pursuant hereto or pursuant to the Loan Agreement.

10. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Mortgagor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' and paralegals' fees and legal expenses, incurred by Mortgagee in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Patents, Copyrights, Trademarks and Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Copyrights, Trademarks and Licenses, shall be borne by and paid by Mortgagor on demand by Mortgagee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the then applicable rate as provided in Section 2.5 of the Loan Agreement.

11. Duties of Mortgagor. Mortgagor shall have the duty (a) to prosecute diligently any patent, trademark or service mark applications pending as of the date hereof or thereafter until the Obligations shall have been paid in full, (b) to make application on unpatented but patentable inventions and on trademarks and service marks, as appropriate, (c) to preserve and maintain all rights in the Patents, Copyrights, Trademarks and Licenses, and (d) to ensure that the Patents, Trademarks and Licenses are and remain enforceable. Any expenses incurred in connection with Mortgagor's obligations under this Section 11 shall be borne by Mortgagor. Mortgagor shall not abandon any right to file a patent, copyright, trademark or service mark application, or abandon any pending patent application, or any other Patent, Copyright, Trademark or License without the prior written consent of Mortgagee.

12. Mortgagee's Right to Sue. After the occurrence of an Event of Default, Mortgagee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Copyrights, Trademarks and Licenses, and, if Mortgagee shall commence any such suit, Mortgagor shall, at the request of Mortgagee, do any and all lawful acts and execute any and all proper documents required by Mortgagee in aid of such enforcement and Mortgagor shall promptly, upon demand, reimburse and indemnify Mortgagee for all reasonable costs and expenses incurred by Mortgagee in the exercise of its rights under this Section 12.

13. Waivers. No course of dealing between Mortgagor and Mortgagee, nor any failure to exercise, nor any delay in exercising, on the part of Mortgagee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder

preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Mortgage 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 thereof, 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 Mortgage in any jurisdiction.

15. Modification. This Mortgage cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

16. Cumulative Remedies; Power of Attorney; Effect on Loan Agreement. All of Mortgagee's rights and remedies with respect to the Patents, Copyrights, Trademarks and Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Upon the occurrence of an Event of Default, Mortgagor hereby authorizes Mortgagee to make, constitute and appoint any officer or agent of Mortgagee as Mortgagee may select, in its sole discretion, as Mortgagor's true and lawful attorney-in-fact, with power to (a) endorse Mortgagor's name on all applications, documents, papers and instruments necessary or desirable for Mortgagee in the use of the Patents, Copyrights, Trademarks and Licenses, or (b) take any other actions with respect to the Patents, Copyrights, Trademarks and Licenses as Mortgagee deems to be in its best interest, or (c) grant or issue any exclusive or non-exclusive license under the Patents, Copyrights, Trademarks or Licenses to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Copyrights, Trademarks or Licenses to anyone. Mortgagor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Obligations shall have been paid in full and the Loan Agreement, including any amendments thereto, has been terminated. Mortgagor acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Mortgagee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies. Mortgagee shall have, in addition to all other rights and remedies given it by the terms of this Mortgage and the Loan Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code (or such other applicable law) as enacted in any jurisdiction in which the Patents, Copyrights, Trademarks or Licenses may be located.

17. Binding Effect; Benefits. This Mortgage shall be binding upon Mortgagor and its respective successors and permitted assigns, and shall inure to the benefit of Mortgagee and its successors, nominees and assigns.

18. GOVERNING LAW. THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

19. Consent to Forum and Waivers. TO INDUCE MORTGAGEE TO MAKE THE LOAN, AS EVIDENCED BY THE LOAN AGREEMENT AND THIS AGREEMENT, MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO MORTGAGEE'S SOLE AND ABSOLUTE ELECTION, ALL SUITS, ACTIONS OR OTHER PROCEEDINGS IN ANY WAY, MANNER OR RESPECT ARISING OUT OF OR FROM OR RELATED TO THIS AGREEMENT OR ANY DOCUMENTS EXECUTED IN CONNECTION HEREWITH, SHALL BE SUBJECT TO LITIGATION IN COURTS HAVING SITUS WITHIN CHICAGO, ILLINOIS. MORTGAGOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN CHICAGO, ILLINOIS. MORTGAGOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT AGAINST MORTGAGOR BY MORTGAGEE IN ACCORDANCE WITH THIS SECTION. MORTGAGOR AND MORTGAGEE HEREBY WAIVE, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY. MORTGAGOR FURTHER WAIVES ANY BOND OR SURETY OR SECURITY UPON SUCH BOND WHICH MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF MORTGAGEE.

20. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

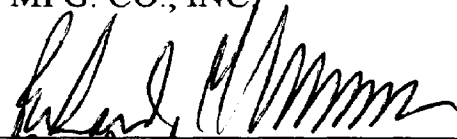
21. Further Assurances. Mortgagor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Mortgagee shall reasonably request from time to time in order to carry out the purpose of this Mortgage and agreements set forth herein.

22. Survival of Representations. All representations and warranties of Mortgagor contained in this Mortgage shall survive the execution and delivery of this Mortgage and shall be remade on the date of each borrowing under the Loan Agreement.

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage in favor of Mortgagee as of the date first written above.

LDI MFG. CO., INC

By
Its



President 2080

Agreed and Accepted this
2nd day of September, 1998.

FREMONT FINANCIAL CORPORATION

By: *Jeffrey J. Much*
Its: *Asst Vice President*

EXHIBIT A

Patents

<u>Patent Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
Kitchen exhaust hood grease extractor	5,472,342	12/05/95
Conveyor oven exhaust system	5,421,320	06/06/95
Low air volume kitchen exhaust hood	4,738,244	04/19/88
Hood system for conveyORIZED cooking oven	4,738,243	04/19/88
Kitchen exhaust apparatus	4,462,387	07/31/84
Removable flow director for kitchen exhaust system	4,200,087	04/29/80
Exhaust hood for a rotisserie oven	D 358,876	05/30/95
Hot air and fume director for conveyor oven	D 309,659	07/31/90
Smoke director for a conveyor system	D 300,557	04/04/89
Fresh air duct for a kitchen exhaust system	D 271,329	11/08/83

EXHIBIT B

Copyrights

<u>Copyright Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
Sup-Ex energy saving kitchen exhaust hood systems (registered under name Logansport Distributors, Inc. [LDI Manufacturing Company])	TX1193989	09/26/83

EXHIBIT C

Trademarks

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
MAGIC WASH	2095428	09/09/97
TOP SERGEANT	1988825	07/23/96
LDI GREASE GOBBLER	2015970	11/12/96
SUP-EX	1084620	02/07/78

EXHIBIT D

Licenses

None.