

03-06-2001



101626454



02-22-2001

U.S. Patent & TMO/TM Mail Rept. Dc #40

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

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
Effective Date
Month Day Year _____
- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Name ST. LOUIS T'S, INC.

Formerly _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____

Citizenship/State of Incorporation/Organization MISSOURI

Execution Date
Month Day Year
10/6/2000

Receiving Party

Mark if additional names of receiving parties attached

Name BANK ONE, MICHIGAN

DBA/AKATA _____

Composed of _____

Address (line 1) 611 WOODWARD AVENUE

Address (line 2) _____

Address (line 3) DETROIT

City

MICHIGAN / USA

State/Country

48226

Zip Code

- Individual General Partnership Limited Partnership
- Corporation Association
- Other _____

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.)

Citizenship/State of Incorporation/Organization MICHIGAN

03/05/2001 BYRNE 00000049 2091695

FOR OFFICE USE ONLY

01 FC: 01

40.00 0P

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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: 002244 FRAME: 0473

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

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)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2,091,695"/>	<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"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<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.



Name of Person Signing Signature Date Signed

GUARANTOR SECURITY AGREEMENT

THIS GUARANTOR SECURITY AGREEMENT, dated as of October 1, 2000 (this "Security Agreement"), is made by St. Louis Ts, Inc. a Missouri corporation (the "Grantor"), in favor of Bank One, Michigan, a Michigan banking corporation, as agent (in such capacity, the "Agent") for the benefit of itself and the banks (the "Lenders") now or hereafter parties to the Credit Agreement described below.

RECITALS

A. Broder Bros., Co., a Michigan corporation (the "Borrower") has entered into an Amended and Restated Credit Agreement dated as of May 3, 2000, as amended by the First Amendment to Credit Agreement dated of even date herewith (as further amended, supplemented, extended, restated or otherwise modified from time to time, including any agreement entered into in substitution therefor, the "Credit Agreement"), with the Lenders and the Agent pursuant to which the Lenders may make Advances (as therein defined) to the Borrower.

B. Under the terms of the Credit Agreement, the Grantor is required to grant to the Agent, for the benefit of itself and the Lenders, a first-priority security interest, subject only to security interests expressly permitted by the Credit Agreement, in and to the Collateral hereinafter described.

AGREEMENT

To secure (a) the prompt and complete payment of all Indebtedness and other obligations of the Borrower or any Subsidiary now or hereafter owing to the Lenders or the Agent under or on account of the Credit Agreement, the Notes, any other Loan Document or any letters of credit, notes or other instruments issued to the Agent or Lenders pursuant thereto, (b) the performance of the covenants under the Credit Agreement, the Collateral Documents and the other Loan Documents and any monies expended by the Agent and the Lenders in connection therewith, (c) the prompt and complete payment of all obligations and performance of all covenants of the Borrower under any interest rate or currency swap agreements or other Interest Rate Protection Agreements with any Lender or any Affiliate of any Lender, (d) the prompt and complete payment of all obligations and performance of all covenants of the Grantor under the Credit Agreement, the Guaranty Agreement, the Collateral Documents and any other documents, agreements or instruments between the Grantor and the Agent or the Lenders given in connection therewith, and (e) the prompt and complete payment of any and all other indebtedness, obligations and liabilities of any kind of the Grantor, the Borrower or any Subsidiary to the Agent and the Lenders, or any of them, in all cases, of any kind or nature, howsoever created or evidenced and whether now or hereafter existing, direct or indirect (including without limitation any participation interest acquired by any Lender in any such indebtedness, obligations or liabilities of the Grantor, the Borrower or any Subsidiary to any other person), absolute or contingent, joint and/or several, secured or unsecured, arising by operation of law or otherwise, and whether incurred by the Grantor, the Borrower or any Subsidiary as principal, surety, endorser, guarantor, accommodation party or otherwise, including without limitation all principal and all interest (including any interest accruing subsequent to any petition filed by or against the Grantor, the Borrower or any Subsidiary under the U.S. Bankruptcy Code), indemnity and reimbursement obligations, charges, expenses, fees, attorneys' fees and disbursements and any other amounts owing thereunder (all of the aforesaid indebtedness, obligations and liabilities of the Grantor, the Borrower or any Subsidiary being herein called

TRADEMARK
REEL: 002244 FRAME: 0475

[REDACTED] the "Secured Obligations", and all of the documents, agreements and instruments among the Grantor, the Borrower or any Subsidiary, the Agent, the Lenders, or any of them, evidencing or securing the repayment of, or otherwise pertaining to, the Secured Obligations including without limitation the Credit Agreement, the Notes, the Collateral Documents and the other Loan Documents, being herein collectively called the "Operative Documents"), for value received and pursuant to the Credit Agreement, the Grantor hereby grants, assigns and transfers to the Agent for the benefit of the Lenders a first-priority security interest, subject only to Permitted Liens, in and to the following described property whether now owned or existing or hereafter acquired or arising and wherever located (all of which is herein collectively called the "Collateral"):

(a) All of the Grantor's present and future accounts, documents, instruments, general intangibles and chattel paper, including, but without limitation, all accounts receivable, contract rights, all deposit accounts and all monies and claims for money due or to become due to the Grantor, security held or granted to the Grantor, and all assets described in clause (d) below;

(b) All of the Grantor's furniture, fixtures, machinery and equipment, whether now owned or hereafter acquired, and wherever located, and whether used by the Grantor or any other person, or leased by the Grantor to any person and whether the interest of the Grantor is as owner, lessee or otherwise;

(c) All of the Grantor's present and future inventory of every type, wherever located, including but not limited to raw materials, work in process, finished goods and all inventory that is available for leasing or leased to others by the Grantor;

(d) All other present and future assets of the Grantor (whether tangible or intangible), including but not limited to all trademarks, tradenames, service marks, patents, industrial designs, masks, trade names, trade secrets, copyrights, franchises, customer lists, service marks, computer programs, software, tax refund claims, licenses and permits, and the good will associated therewith and all federal, state, foreign and other applications and registrations therefor; all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof now or hereafter in effect, all income, license royalties, damages and payments now and hereafter due or payable under and with respect thereto, including, without limitation, any damages, proceeds or payments for past or future infringements thereof and all income, royalties, damages and payments under all licenses thereof, the right to sue for past, present and future infringements thereof, all right, title and interest of the Grantor as licensor under any of the foregoing whether now owned and existing or hereafter arising, and all other rights and other interests corresponding thereto throughout the world (all of the assets described in this clause (d) collectively referred to as the "Intellectual Property");

(e) All books, records, files, correspondence, computer programs, tapes, disks, cards, accounting information and other data of the Grantor related in any way to the Collateral described in clauses (a), (b), (c) and (d) above, including but not limited to any of the foregoing necessary to administer, sell or dispose of any of the Collateral;

(f) All substitutions and replacements for, and all additions and accessions to, any and all of the foregoing; and

(g) All products and all proceeds of any and all of the foregoing, and, to the extent not otherwise included, all payments under insurance (whether or not the Agent is the loss payee thereof), and any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing.

SECURITY AGREEMENT

-2-

TRADEMARK
REEL: 002244 FRAME: 0476

1. Representations, Warranties, Covenants and Agreements. The Grantor further represents, warrants, covenants, and agrees with the Agent for the benefit of the Lenders as follows:

(a) Ownership of Collateral; Security Interest Priority. At the time any Collateral becomes subject to a security interest of the Agent hereunder, unless the Agent shall otherwise consent, the Grantor shall be deemed to have represented and warranted that (i) the Grantor is the lawful owner of such Collateral and has the right and authority to subject the same to the security interest of the Agent; (ii) other than Liens permitted by the Credit Agreement, none of the Collateral is subject to any Lien other than that in favor of the Agent and there is no effective financing statement or other filing covering any of the Collateral on file in any public office, other than in favor of the Agent. This Security Agreement creates in favor of the Agent a valid first-priority security interest, subject only to Permitted Liens, in the Collateral enforceable against the Grantor and all third parties and securing the payment of the Secured Obligations. All financing statements necessary to perfect such security interest in the Collateral have been delivered by the Grantor to the Agent for filing.

(b) Location of Offices, Records and Facilities. The Grantor's chief executive office and chief place of business and the office where the Grantor keeps its records concerning its accounts, contract rights, chattel papers, instruments, general intangibles and other obligations arising out of or in connection with the sale or lease of goods or the rendering of services or otherwise ("Receivables"), and all originals of all leases and other chattel paper which evidence Receivables, are located in the State of Missouri, County of St. Louis, at 11701 Missouri Bottom Road, Hazelwood, Missouri 63042. The Grantor will provide the Agent with prior written notice of any proposed change in the location of its chief executive office. The Grantor's only other offices and facilities are at the locations set forth in Schedule 1(b) hereto. The Grantor will provide the Agent with prior written notice of any change in the locations of its other offices and the facilities at which any assets of the Grantor are located. The tax identification number of the Grantor is 43-1534361. The name of the Grantor is St. Louis T's, Inc., and the Grantor operates under no other names. The Grantor shall not change its name without the prior written consent of the Agent.

(c) Location of Inventory, Fixtures, Machinery and Equipment. (i) All Collateral consisting of inventory is, and will be, located at the locations listed on Schedule 1(c)(i) hereto, and at no other locations without the prior written consent of the Agent. (ii) All Collateral consisting of fixtures, machinery or equipment, is, and will be, located at the locations listed on Schedule 1(c)(ii) hereto, and at no other locations without the prior written consent of the Agent. If the Collateral described in clauses (i) or (ii) is kept at leased locations or warehoused, the Grantor has obtained appropriate landlord's lien waivers or appropriate warehousemen's notices have been sent, each satisfactory to the Agent, unless waived by the Agent.

(d) Liens, Etc. The Grantor will keep the Collateral free at all times from any and all liens, security interests or encumbrances other than Liens permitted by the Credit Agreement and those consented to in writing by the Majority Lenders. The Grantor will not, without the prior written consent of the Agent, sell, lease, license, transfer, assign or otherwise dispose, or permit or suffer to be sold, leased, licensed, transferred, assigned or otherwise disposed, any of the Collateral, except for, prior to an event of default only (notwithstanding any other agreement), the following: inventory sold in the ordinary course of business and other assets permitted to be sold, leased, licensed, transferred, assigned or otherwise disposed under Section 9.5 of the Credit Agreement. The Agent or its attorneys may at any and all reasonable times inspect the Collateral and for such purpose may enter upon any and all premises where the Collateral is or might be kept or located.

SECURITY AGREEMENT

-3-

TRADEMARK
REEL: 002244 FRAME: 0477

(e) Insurance. The Grantor shall keep the tangible Collateral insured at all times against loss by theft, fire and other casualties. Said insurance shall be issued by a company rated A or better by Best and shall be in amounts sufficient to protect the Agent against any and all loss or damage to the Collateral. The policy or policies which evidence said insurance shall be delivered to the Agent upon request, shall contain a lender loss payable clause in favor of the Agent, shall name the Agent for the benefit of the Lenders as an additional insured, as its interest may appear, shall not permit amendment, cancellation or termination without giving the Agent at least 30 days prior written notice thereof, and shall otherwise be in form and substance satisfactory to the Agent. Reimbursement under any liability insurance maintained by the Grantor pursuant to this paragraph 1(e) may be paid directly to the person who shall have incurred liability covered by such insurance, provided that:

(i) if there is any Default or Event of Default (whether before or after any event which caused any reimbursement under any liability insurance) such reimbursement shall be paid to the Agent for application to the Secured Obligations.

(ii) if there is no Default or Event of Default (whether before or after any event which caused any reimbursement under any liability insurance) and such reimbursement is less than \$5,000,000, the Grantor may use the proceeds of such insurance solely to repair or replace the property damaged, provided that if such repair or replacement cannot be accomplished within 180 days after such reimbursement amount is received or if the reimbursement amount is greater than \$5,000,000, the proceeds of such insurance shall be paid to the Agent for application to the Secured Obligations; and, provided, further, upon the request of the Agent, such insurance proceeds that are allowed to be used to repair or replace hereunder may be held by the Agent in a cash collateral account.

(f) Taxes, Etc. The Grantor will pay promptly, and within the time that they can be paid without interest or penalty, any taxes, assessments and similar imposts and charges, not being contested in good faith, which are now or hereafter may become a Lien upon any of the Collateral. If the Grantor fails to pay any such taxes, assessments or other imposts or charges in accordance with this Section, the Agent shall have the option to do so and the Grantor agrees to repay forthwith all amounts so expended by the Agent with interest at the Overdue Rate.

(g) Further Assurances. The Grantor will do all acts and things and will execute all financing statements and writings reasonably requested by the Agent to establish, maintain and continue a perfected and valid security interest of the Agent in the Collateral, and will promptly on demand pay all reasonable costs and expenses of filing and recording all instruments, including the costs of any searches deemed necessary by the Agent, to establish and determine the validity and the priority of the Agent's security interests. A carbon, photographic or other reproduction of this Security Agreement or any financing statement covering the Collateral shall be sufficient as a financing statement if the Grantor does not promptly execute a financing statement upon request of the Agent.

(h) List of Patents, Copyrights, Mask Works and Trademarks. Attached hereto as Schedule 1(h)(i) is a list of all patents and patent applications owned by the Grantor. Attached hereto as Schedule 1(h)(ii) is a list of all registered copyrights and all mask works and applications therefor owned by the Grantor. Attached hereto as Schedule 1(h)(iii) is a list of all trademarks and service marks owned by the Grantor. If the Grantor at any time owns any additional patents, copyrights, mask works, trademarks or any applications therefor not listed on such schedules, the Grantor shall give the Agent prompt written notice thereof and hereby authorizes the Agent to modify this Agreement by amending Schedules 1(h)(i), 1(h)(ii) and 1(h)(iii) to include all future patents, copyrights, mask works, trademarks and applications therefor and agrees to execute all further instruments and agreements, if any, if requested by the Agent to evidence the Agent's interest therein.

SECURITY AGREEMENT

-4-

TRADEMARK
REEL: 002244 FRAME: 0478

(i) Maintenance of Tangible Collateral. The Grantor will cause the tangible Collateral material to the conduct of its business to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with any manufacturer's manual, and shall forthwith, or, in the case of any loss or damage to any of the tangible Collateral as quickly as practicable after the occurrence thereof, make or cause to be made all repairs, replacements, and other improvements which are necessary or desirable to such end. The Grantor shall promptly furnish to the Agent a statement respecting any loss or damage to any of the tangible Collateral.

(j) Special Rights Regarding Receivables. The Agent or any of its agents may, at any time and from time to time in its sole discretion and irrespective of the existence of any event of default under this Security Agreement, verify, directly with each person (collectively, the "Obligors") which owes any Receivables to the Grantor, the Receivables in any reasonable manner. The Agent or any of its agents may, at any time from time to time after and during the continuance of an event of default under this Security Agreement, notify the Obligors of the security interest of the Agent in the Collateral and/or direct such account debtors that all payments in connection with such obligations and the Collateral be made directly to the Agent in the Agent's name. If the Agent or any of its agents shall collect such obligations directly from the Obligors, the Agent or any of its agents shall have the right to resolve any disputes relating to returned goods directly with the Obligors in such manner and on such terms as the Agent or any of its agents shall deem appropriate. The Grantor directs and authorizes any and all of its present and future account debtors to comply with requests for information from the Agent, the Agent's designees and agents and/or auditors, relating to any and all business transactions between the Grantor and the Obligors. The Grantor further directs and authorizes all of its Obligors upon receiving a notice or request sent by the Agent or the Agent's agents or designees to pay directly to the Agent any and all sums of money or proceeds now or hereafter owing by the Obligors to the Grantor, and any such payment shall act as a discharge of any debt of such Obligor to the Grantor in the same manner as if such payment had been made directly to the Grantor. The Grantor agrees to take any and all action as the Agent may reasonably request to assist the Agent in exercising the rights described in this Section.

(k) Maintenance of Intellectual Property and Other Intangible Collateral. The Grantor shall preserve and maintain all rights of the Grantor and the Agent in all material Intellectual Property and all other material intangible Collateral, including without limitation the payment of all maintenance fees, filing fees and the taking of all appropriate action at the Grantor's expense to halt the infringement of any of the Intellectual Property or other Collateral, provided that, with respect to halting the infringement of any Intellectual Property or other Collateral, the Grantor does not need to take all such appropriate action if the Grantor has, or after event of default the Majority Lenders have, reasonably determined that it is not in its best interest to demand or enforce cessation of such infringement or other conduct because it is either not material or because the adverse consequences to the Grantor would outweigh the benefits gained by such demand or enforcement.

2. Events of Default. The occurrence of any Event of Default under the Credit Agreement shall be deemed an event of default under this Security Agreement.

3. Remedies. Upon the occurrence of any event of default specified in Paragraph 2 hereof, the Agent shall have and may exercise any one or more of the rights and remedies provided to it under this Security Agreement or any of the other Operative Documents or provided by law, including but not limited to all of the rights and remedies of a secured party under the Uniform Commercial Code, and the Grantor hereby agrees to assemble the Collateral and make it available to the Agent at a place to be designated by the Agent which is reasonably convenient to both parties, authorizes the Agent to take possession of the Collateral with or without demand and in accordance with applicable law and to sell

SECURITY AGREEMENT

-5-

TRADEMARK
REEL: 002244 FRAME: 0479

and dispose of the same at public or private sale and to apply the proceeds of such sale to the costs and expenses thereof (including reasonable attorneys' fees and disbursements incurred by the Agent) and then to the payment and satisfaction of the Secured Obligations. Any requirement of reasonable notice shall be met if the Agent sends such notice to the Grantor, by registered or certified mail, at least 5 days prior to the date of sale, disposition or other event giving rise to a required notice. The Agent or any Lender may be the purchaser at any such sale. The Grantor expressly authorizes such sale or sales of the Collateral in advance of and to the exclusion of any sale or sales of or other realization upon any other collateral securing the Secured Obligations. The Agent shall have no obligation to preserve rights against prior parties. The Grantor hereby waives as to the Agent and each Lender any right of subrogation or marshaling of such Collateral and any other collateral for the Secured Obligations. To this end, the Grantor hereby expressly agrees that any such collateral or other security of the Grantor or any other party which the Agent may hold, or which may come to any of the Lenders or any of their possession, may be dealt with in all respects and particulars as though this Security Agreement were not in existence. The parties hereto further agree that public sale of the Collateral by auction conducted in any county in which any Collateral is located or in which the Agent or the Grantor does business after advertisement of the time and place thereof shall, among other manners of public and private sale, be deemed to be a commercially reasonable disposition of the Collateral. The Grantor shall be liable for any deficiency remaining after disposition of the Collateral.

4. Special Remedies Concerning Certain Collateral.

(a) Upon the occurrence of any event of default, the Grantor shall, if requested to do so in writing, and to the extent so requested (i) promptly collect and enforce payment of all amounts due the Grantor on account of, in payment of, or in connection with, any of the Collateral, (ii) hold all payments in the form received by the Grantor as trustee for the Agent, without commingling with any funds belonging to the Grantor, and (iii) forthwith deliver all such payments to the Agent with endorsement to the Agent's order of any checks or similar instruments.

(b) Upon the occurrence of any event of default, the Grantor shall, if requested to do so, and to the extent so requested, notify all Obligors and other persons with obligations to the Grantor on account of or in connection with any of the Collateral of the security interest of the Agent in the Collateral and direct such account debtors and other persons that all payments in connection with such obligations and the Collateral be made directly to the Agent. The Agent itself may, upon the occurrence of an event of default, so notify and direct any such account debtor or other person that such payments are to be made directly to the Agent.

(c) Upon the maturity (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations, the occurrence of an event of default and the exercise of rights and remedies under this Security Agreement by the Agent, for purposes of assisting the Agent in exercising its rights and remedies provided to it under this Security Agreement, the Grantor (i) hereby irrevocably constitutes and appoints the Agent its true and lawful attorney, for and in the Grantor's name, place and stead, to collect, demand, receive, sue for, compromise, and give good and sufficient releases for, any monies due or to become due on account of, in payment of, or in connection with the Collateral, (ii) hereby irrevocably authorizes the Agent to endorse the name of the Grantor, upon any checks, drafts, or similar items which are received in payment of, or in connection with, any of the Collateral, and to do all things necessary in order to reduce the same to money, (iii) with respect to any Collateral, hereby irrevocably assents to all extensions or postponements of the time of payment thereof or any other indulgence in connection therewith, to each substitution, exchange or release of Collateral, to the addition or release of any party primarily or secondarily liable, to the acceptance of partial payments thereon and the settlement, compromise or adjustment (including adjustment of insurance payments) thereof, all in such

SECURITY AGREEMENT

-6-

TRADEMARK
REEL: 002244 FRAME: 0480

manner and at such time or times as the Agent shall deem advisable and (iv) hereby irrevocably authorizes the Agent to notify the post office authorities to change the address for delivery of the Grantor's mail to an address designated by the Agent, and the Agent may receive, open and dispose of all mail addressed to the Grantor. Notwithstanding any other provisions of this Security Agreement, it is expressly understood and agreed that the Agent shall have no duty, and shall not be obligated in any manner, to make any demand or to make any inquiry as to the nature or sufficiency of any payments received by it or to present or file any claim or take any other action to collect or enforce the payment of any amounts due or to become due on account of or in connection with any of the Collateral.

5. Remedies Cumulative. No right or remedy conferred upon or reserved to the Agent under any Operative Document is intended to be exclusive of any other right or remedy, and every right and remedy shall be cumulative in addition to every other right or remedy given hereunder or now or hereafter existing under any applicable law. Every right and remedy of the Agent under any Operative Document or under applicable law may be exercised from time to time and as often as may be deemed expedient by the Agent. To the extent that it lawfully may, the Grantor agrees that it will not at any time insist upon, plead, or in any manner whatever claim or take any benefit or advantage of any applicable present or future stay, extension or moratorium law, which may affect observance or performance of any provisions of any Operative Document; nor will it claim, take or insist upon any benefit or advantage of any present or future law providing for the valuation or appraisal of any security for its obligations under any Operative Document prior to any sale or sales thereof which may be made under or by virtue of any instrument governing the same; nor will the Grantor, after any such sale or sales, claim or exercise any right, under any applicable law to redeem any portion of such security so sold.

6. Conduct No Waiver. No waiver of default shall be effective unless in writing executed by the Agent and waiver of any default or forbearance on the part of the Agent in enforcing any of its rights under this Security Agreement shall not operate as a waiver of any other default or of the same default on a future occasion or of such right.

7. Governing Law; Consent to Jurisdiction; Definitions. This Security Agreement is a contract made under, and shall be governed by and construed in accordance with, the law of the State of Michigan applicable to contracts made and to be performed entirely within such State and without giving effect to choice of law principles of such State. The Grantor agrees that any legal action or proceeding with respect to this Security Agreement or the transactions contemplated hereby may be brought in any court of the State of Michigan, or in any court of the United States of America sitting in Michigan, and the Grantor hereby submits to and accepts generally and unconditionally the jurisdiction of those courts with respect to its person and property, and irrevocably appoints Michael Brode, at the Borrower's address set forth in the Credit Agreement, as its agent for service of process and irrevocably consents to the service of process in connection with any such action or proceeding by personal delivery to such agent or to the Grantor or by the mailing thereof by registered or certified mail, postage prepaid to the Grantor at the Borrower's address set forth in the Credit Agreement. Nothing in this paragraph shall affect the right of the Agent to serve process in any other manner permitted by law or limit the right of the Agent to bring any such action or proceeding against the Grantor or its property in the courts of any other jurisdiction. The Grantor hereby irrevocably waives any objection to the laying of venue of any such suit or proceeding in the above described courts. Terms used but not defined herein shall have the respective meanings ascribed thereto in the Credit Agreement. Unless otherwise defined herein or in the Credit Agreement, terms used in Article 9 of the Uniform Commercial Code in the State of Michigan are used herein as therein defined on the date hereof. The headings of the various subdivisions hereof are for convenience of reference only and shall in no way modify any of the terms or provisions hereof.

SECURITY AGREEMENT

-7-

TRADEMARK
REEL: 002244 FRAME: 0481

8. Notices. All notices, demands, requests, consents and other communications hereunder shall be delivered in the manner described in the Credit Agreement.

9. Rights Not Construed as Duties. The Agent neither assumes nor shall it have any duty of performance or other responsibility under any contracts in which the Agent has or obtains a security interest hereunder. If the Grantor fails to perform any agreement contained herein, the Agent may but is in no way obligated to itself perform, or cause performance of, such agreement, and the reasonable expenses of the Agent incurred in connection therewith shall be payable by the Grantor under paragraph 12. The powers conferred on the Agent hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and accounting for monies actually received by it hereunder, the Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

10. Amendments. None of the terms and provisions of this Security Agreement may be modified or amended in any way except by an instrument in writing executed by each of the parties hereto.

11. Severability. If any one or more provisions of this Security Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected, impaired or prejudiced thereby.

12. Expenses. (a) The Grantor agrees to indemnify the Agent from and against any and all claims, losses and liabilities growing out of or resulting from this Security Agreement (including, without limitation, enforcement of this Security Agreement), except claims, losses or liabilities resulting from the Agent's gross negligence or willful misconduct.

(b) The Grantor will, upon demand, pay to the Agent an amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, which the Agent may incur in connection with (i) the administration of this Security Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of the Agent hereunder or under the Operative Documents, or (iv) the failure of the Grantor to perform or observe any of the provisions hereof.

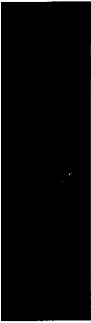
13. Successors and Assigns; Termination. This Security Agreement shall create a continuing security interest in the Collateral and shall be binding upon the Grantor, its successors and assigns, and inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and its successors, transferees and assigns. Upon the payment in full in immediately available funds of all of the Secured Obligations (other than contingent indemnification obligations not yet due and payable) and the termination of all commitments to lend and letters of credit outstanding under the Operative Documents, the security interest granted hereunder shall terminate and all rights to the Collateral shall revert to the Grantor.

14. Waiver of Jury Trial. The Agent and the Lenders, in accepting this Security Agreement, and the Grantor, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waive any right any of them may have to a trial by jury in any litigation based upon or arising out of this Security Agreement or any related instrument or agreement or any of the transactions contemplated by this Security Agreement or any course of conduct, dealing, statements (whether oral or written) or actions of any of them. Neither the Agent, the Lenders nor the Grantor shall

SECURITY AGREEMENT

-8-

TRADEMARK
REEL: 002244 FRAME: 0482



seek to consolidate, by counterclaim or otherwise, any such action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by either the Agent, the Lenders or the Grantor except by a written instrument executed by all of them.

SECURITY AGREEMENT

-9-

TRADEMARK
REEL: 002244 FRAME: 0483

IN WITNESS WHEREOF, the Grantor has caused this Security Agreement to be duly executed as of the day and year first set forth above.

ST. LOUIS TS, INC.

By: _____

Its: _____

Accepted and Agreed:

BANK ONE, MICHIGAN, as Agent and on behalf of the Lenders

By: _____

Its: _____

DETROIT 7-3363 551034

SECURITY AGREEMENT

-10-

TRADEMARK
REEL: 002244 FRAME: 0484

IN WITNESS WHEREOF, the Grantor has caused this Security Agreement to be duly executed as of the day and year first set forth above.

ST. LOUIS TS, INC.

By: _____

Its: _____

Accepted and Agreed:

BANK ONE, MICHIGAN, as Agent and
on behalf of the Lenders

By: Thomas A. Demm
Its: FIRST VICE PRESIDENT

DETROIT 7-3363 531054

SECURITY AGREEMENT

-10-

TRADEMARK
REEL: 002244 FRAME: 0485

SCHEDULE 1(b) TO SECURITY AGREEMENT

List of Other Office and Facility Locations

None, but see Schedule 1(c)(i) hereof.

TRADEMARK
REEL: 002244 FRAME: 0486

SCHEDULE 1(c)(i) TO SECURITY AGREEMENT

List of Inventory Locations

Address	City	County	State	Name of Lessor
11701 Missouri Bottom Rd.	Hazelwood	St. Louis	Missouri	Balke Properties
5400 Bircher Blvd.	St. Louis	St. Louis	Missouri	Sheehan Cos. Inc.

TRADEMARK
REEL: 002244 FRAME: 0487

**SCHEDULE (1)(c)(ii) TO SECURITY
AGREEMENT**

List of Fixtures, Machinery and Equipment Locations

Address	City	County	State	Name of Lessor
11701 Missouri Bottom Rd.	Hazelwood	St. Louis	Missouri	Balke Properties

TRADEMARK
REEL: 002244 FRAME: 0488

SCHEDULE 1(h)(i) TO SECURITY AGREEMENT

Patents and Applications

None.

TRADEMARK
REEL: 002244 FRAME: 0489

SCHEDULE 1(h)(ii) TO SECURITY AGREEMENT

Copyrights, Maskworks and Applications

None.

TRADEMARK
REEL: 002244 FRAME: 0490

SCHEDULE 1(h)(iii) TO SECURITY AGREEMENT

Trademark and Service Marks

Certificate of Registration of the United States Patent and Trademark Office for the service mark, "SUCCESS THROUGH SIMPLICITY", registered on August 26, 1997 under registration number 2091695.

RECORDED: 02/22/2001

**TRADEMARK
REEL: 002244 FRAME: 0491**