

05-31-2001

5-24.01



EET

101734337

attached original document or copy

To the Honorable Commissioner thereof.

1. Name of conveying party(ies):
 SST Industries, Inc.
 119 Northeast Drive
 Loveland, OH 45140
 Individual (s) Association (banking)
 General Partnership Limited Partnership
 Corporation - State of Ohio
 Other _____

2. Name and Address of receiving party(ies):
 Name: Bank One, Michigan
 Internal Address: Bank One Tower
 Street Address: 8044 Montgomery Road
 City Cincinnati State OH Zip 45236
 Individual (s) citizenship _____
 Association a Michigan banking association
 General Partnership _____
 Limited Partnership _____
 Corporation - State _____
 Other _____

Additional name(s) of conveying party(ies) attached?
 Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: April 30, 2001

If assignee is not domiciled in the United States, a domestic representative designation is attached:
 Yes No N/A
 (Designation must be a separate document from Assignment)
 Additional name(s) & address(es) attached? Yes No

4. Application number(s) or trademark number(s)
 A. Trademark Application No.(s)
75/106,645
 B. Trademark Registration No.(s)

 Additional numbers attached? Yes No

5. Name and address of person to whom correspondence concerning document should be mailed:
 Name: Charma L. Murphy, Legal Assistant
 Internal Address: Porter, Wright, Morris & Arthur
 Street Address: 41 South High Street
 City: Columbus State: OH ZIP: 43215

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$ 40.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____
 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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 documents.

Karen K. Hammond
 Name of Person Signing

Signature

May 22, 2001
 Date

Total number of pages comprising cover sheet: 1

Do not detach this portion
Mail documents to be recorded with required cover sheet information to:

05/30/2001 870411 00000258 75106645
 01 FC:481 40.00 09

Director - U.S. Patent and Trademark Office
Box Assignment s
Washington, DC 20231

**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

THIS TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (this "Agreement") is made as of the 30th day of April, 2001, between SST Industries, Inc., an Ohio corporation, having a mailing address at 119 Northeast Drive, Loveland, Ohio 45140 ("Assignor") and Bank One, Michigan, a Michigan chartered banking association, having a mailing address at Bank One Tower, 8044 Montgomery Road, Cincinnati, Ohio 45236 ("Lender").

PRELIMINARY STATEMENT. Assignor has executed and delivered its certain promissory notes to Lender in connection with extensions of credit made by Lender pursuant to a certain Loan and Security Agreement dated as of even date herewith, between *inter alia*, Assignor and Lender (as amended and modified from time to time, the "Loan Agreement"). Terms defined in the Loan Agreement and not otherwise defined herein are used herein with the meanings ascribed to such terms in the Loan Agreement. In order to induce Lender to execute and deliver the Loan Agreement, Assignor has agreed to grant a security interest in and collaterally assign to Lender certain trademark rights.

Pursuant to the Loan Agreement, Assignor has granted to Lender a lien on and security interest in, *inter alia*, machinery, equipment formulations, manufacturing procedures, quality control procedures, product specifications, goodwill, customer lists and trade secrets (collectively, the "Other Assets") relating to products sold under the Trademarks, whereby Lender shall have the right to foreclose on the Trademarks and the Other Assets in the event of the occurrence and continuance of an Event of Default, as that term is defined in the Loan Agreement, in order that the owner of the Trademarks may continue the publication, marketing and distribution of products to be sold under the Trademarks and maintain substantially the same product specifications and quality as maintained by Assignor. This Agreement is executed pursuant and subject to the terms of the Loan Agreement.

NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with Lender as follows:

1. Assignment of Trademarks. (a) To secure the complete and timely satisfaction of all Obligations of Assignor to Lender, Assignor hereby grants, assigns and conveys to Lender a continuing security interest in all of its right, title and interest in and to any and all now owned or existing or hereafter acquired, created or arising trade names, trademarks, service marks, designs, trademark, service mark and trade name registrations, and applications for registration (including registrations resulting therefrom), logos and other business identifiers, domestic and foreign, and all rights of whatever kind appurtenant thereto (whether pursuant to a license or otherwise), including without limitation all of those used by the Assignor in whole or in part in conducting its business and including without limitation the marks, names, applications and registrations

which are listed in Schedule A attached hereto, together with all proceeds and rights to receive income therefrom (such as, without limitation, licenses, royalties and proceeds of infringement suits), the right (but not the obligation) to register claims under any law and to apply for, renew and extend the same, the right to sue for past, present, and future infringements, the common law rights therein, goodwill of the businesses to which they relate and the rights to apply for registrations therefor throughout the world (collectively the "Trademarks"), and the goodwill of the business to which each of the Trademarks relates.

(b) This Agreement is made for collateral security purposes only, and in furtherance of the grant of a security interest provided in paragraph 1(a), Assignor hereby assigns and conveys to Lender all of its right, title and interest in and to the Trademarks, which assignment and conveyance shall be evidenced by an Assignment of Marks, Registrations and Applications to be executed contemporaneously herewith, as the same may be amended and modified from time to time pursuant to paragraph 4 hereof or otherwise (the "Assignment"), the form of which is attached hereto as Exhibit 1; provided, however, that such assignment and conveyance shall be and become of force and effect only, and shall immediately and automatically become of force and effect without further action, upon notice to Assignor by Lender of the occurrence of an Event of Default, and Lender shall be authorized to record the Assignment with the Patent and Trademark Office only after the furnishing of such notice. Unless and until Lender provides Assignor with notice of an Event of Default under the Loan Agreement, Assignor shall own the title to the Trademarks and shall have the exclusive, non-transferable right to use the Trademarks on and in connection with products sold by Assignor, for Assignor's own benefit and account and for none other.

2. Representations and Warranties. Assignor covenants and warrants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable, and, except as disclosed in Schedule 6.8 to the Loan Agreement, are not subject to or a subject of any pending or, to the best of Assignor's knowledge, threatened litigation;

(b) To the best of Assignor's knowledge, each of the Trademarks is valid and enforceable;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

(d) Except as disclosed in Schedule 6.12 to the Loan Agreement, Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by Assignor not to sue third persons;

(e) Assignor has the unqualified right to enter into this Agreement and perform its terms;

(f) Assignor will use for the duration of this Agreement, notice in connection with its use of the Trademarks;

(g) Assignor will use for the duration of this Agreement, reasonably consistent standards of quality in its publication, marketing and distribution of products sold under the Trademarks;

(h) Schedule A attached hereto identifies all of the Trademarks that Assignor owns or of which Assignor is entitled to the benefit; and

(i) Assignor agrees not to sell or assign its interest in, or grant any license under the Trademarks, without the prior written consent of Lender, which shall not be unreasonably withheld, conditioned or delayed.

3. Lender's Right to Inspect. Assignor hereby grants to Lender and its employees and agents the right to visit Assignor's plants and facilities which publish or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto upon reasonable notice to Assignor and at reasonable times during regular business hours. Assignor shall use commercially reasonable efforts to do any and all acts required in good faith by Lender to ensure Assignor's compliance with paragraph 2(g).

4. Rights to New Trademarks. If, before the Obligations shall have been satisfied in full and Assignor has no further right to obtain extensions of credit pursuant to the Loan Agreement, Assignor shall obtain rights to any new trade names, trademarks, service marks, designs, or trademark, service mark and trade name registrations or applications, the provisions of paragraph 1 shall automatically apply to such new Trademarks and Assignor shall give Lender prompt written notice thereof.

Assignor authorizes Lender to modify this Agreement, without the signature of Assignor, by amending Schedule A and the Assignment to include any new Trademarks covered by paragraphs 1 and 4 hereof.

5. Remedies upon Default. Upon Lender's provision of notice to Assignor of the occurrence of an Event of Default, as that term is defined in the Loan Agreement, Assignor's ownership and rights in the Trademarks shall terminate forthwith, and Lender shall have, in addition to all other rights and remedies given it by this Agreement, those provided in the Loan Agreement and those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located.

6. Termination of Agreement. At such time as Assignor shall completely satisfy all of the Obligations, this Agreement shall terminate and Lender shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.

7. Fees and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Assignor on demand by Lender.

8. Duties of the Assignor. Assignor agrees that, until all of the Obligations shall have been satisfied in full and Assignor shall have no further right to obtain extensions of credit pursuant to the Loan Agreement, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Lender's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Assignor further agrees that at any time and from time to time, at the expense of Assignor, Assignor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Lender may in good faith request, in order to perfect and protect the security interest and collateral assignment granted or purported to be granted hereby or to enable Lender to exercise its rights and remedies hereunder.

Assignor shall have the duty to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full and Assignor shall have no further right to obtain extensions of credit pursuant to the Loan Agreement, to make federal application on registrable but unregistered Trademarks consistent with the best interests of Assignor's business and in accordance with Assignor's customary practices, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred relating to Assignor's or Lender's use of or rights to the Trademarks shall be borne by Assignor. After an Event of Default, the Assignor shall not abandon any Trademark without the consent of the Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

Assignor shall have the right, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event Lender may, if necessary, be joined as a nominal party to such suit if Lender shall have been

satisfied that it is not thereby incurring any risk of liability because of such joinder. Assignor shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorney's fees, incurred by Lender in the fulfillment of the provisions of this paragraph 8.

9. Appointment as Attorney-In-Fact. In the event of the occurrence of an Event of Default under the Loan Agreement, Assignor hereby irrevocably authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary to assign, pledge, convey or otherwise transfer or dispose of all of Assignor's right, title and interest in and to the Trademarks to Lender or any other party, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable for the life of this Agreement. The rights and powers conferred upon Lender under this Agreement are solely to protect its interest in the Trademarks and shall not impose any duty upon Lender to exercise any such rights or powers. Lender shall be accountable only for amounts that Lender actually receives as a result of the exercise of such rights and powers and neither Lender nor any of its officers, directors, employees or agents shall be responsible to Assignor for any act or failure to act, except for Lender's own gross negligence or willful misconduct.

10. Right to Enforce Trademarks. If Assignor fails to comply with any of its obligations hereunder, Lender may do so in Assignor's name or in Lender's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Lender in full for all expenses, including reasonable attorney's fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

11. Cumulative Rights and Remedies; Waiver. All of Lender's rights and remedies with respect to the Trademarks, 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.

No course of dealing between Assignor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, 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.

12. Enforceability; Governing Law. The provisions of this 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 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 Agreement in any jurisdiction. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Ohio.

13. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 4.

14. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties; provided, however, that the foregoing provisions shall not invalidate or otherwise modify the restriction imposed on Assignor hereunder with respect to transferring any part of or interest in the Trademarks.


15. Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provisions of this Agreement.

IN WITNESS WHEREOF, Assignor and Lender have executed this instrument as of the date set forth above.

ASSIGNOR:

SST Industries, Inc.

By: 

Its: 

LENDER:

Bank One, Michigan

By: 

Steven M. Kuhn, Vice President

CERTIFICATES OF ACKNOWLEDGEMENT

STATE OF OHIO
COUNTY OF HAMILTON, SS:

On this 30th day of April, 2001, before me, a Notary Public in and for said County and State, personally appeared C Winfield Scott, known to me to be the person who as President of SST Industries, Inc., the company which executed the foregoing instrument, did sign the same, and acknowledge to me that he did so sign said instrument in the name and upon behalf of said company as such officer, and by authority of the resolution of its Board of Directors; and that the same is his free act and deed as such officer, and the free and corporate act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Susan E. Portwood
Notary Public



SUSAN E. PORTWOOD
Notary Public, State of Ohio
My Commission Expires 03-16-04

STATE OF OHIO
COUNTY OF HAMILTON, SS:

On this 30th day of April, 2001, before me, a Notary Public in and for said County and State, personally appeared Steven M. Kuhn, who acknowledged himself to be the Vice President of Bank One, Michigan, the Michigan chartered banking association which executed the foregoing instrument and who acknowledged that he, as such officer of said association, being duly authorized by the Board of Directors of said association, did execute the foregoing instrument for and on behalf of said association and that such signing is the free act and deed of said association for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Susan E. Portwood
Notary Public



SUSAN E. PORTWOOD
Notary Public, State of Ohio
My Commission Expires 03-16-04

SCHEDULE A

<u>Mark</u>	<u>Registration/ Application No.</u>	<u>Filing Date</u>	<u>Registration Date</u>
SST (Published)	75/106,645	05-20-96	N/A

EXHIBIT 1
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

ASSIGNMENT OF MARKS, REGISTRATIONS AND APPLICATIONS

WHEREAS, SST Industries, Inc., an Ohio corporation, having a mailing address at 119 Northeast Drive, Loveland, Ohio 45140 ("Assignor") is the owner of the trademark registrations and the trademark applications identified by serial number shown in Schedule A (collectively "the Marks"); and

WHEREAS, Assignor and Assignee have entered into a Trademark Collateral Assignment and Security Agreement dated as of April 30, 2001, (the "Security Agreement");

WHEREAS, Bank One, Michigan, a Michigan chartered banking association, having a mailing address at Bank One Tower, 8044 Montgomery Road, Cincinnati, Ohio 45236 ("Assignee"), is desirous of acquiring the Marks;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, subject to the terms and conditions of the Security Agreement, Assignor does hereby assign unto Assignee all right, title and interest in and to the Marks, including all claims for damages for past infringement, together with the goodwill of the businesses symbolized by the Marks.

SST INDUSTRIES, INC.

By: _____

Its: _____

EXHIBIT 1
CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF OHIO
COUNTY OF HAMILTON, SS:

On this ____ day of April, 2001, before me, a Notary Public in and for said County and State, personally appeared _____, known to me to be the person who as _____ of SST Industries, Inc., the company which executed the foregoing instrument, did sign the same, and acknowledge to me that he did so sign said instrument in the name and upon behalf of said company as such officer, and by authority of the resolution of its Board of Directors; and that the same is his free act and deed as such officer, and the free and corporate act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public