

05-28-2002

FORM PTO-1594 (Modified)
(Rev. 6-93)
OMB No. 0951-0011 (exp. 4/94)
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TMDS/REV03



Docket No.:
Y

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To the Honorable Commissioner of Pat. attached original documents or copy thereof.

1. Name of conveying party(ies): **O I P E**
Excel Industries, Inc.

Individual(s)
 General Partnership
 Corporation-State **Kansas**
 Other

Additional names(s) of conveying party(ies) Yes No



2. Name and address of receiving party(ies):

Name: **U.S. Bank National Association**

Internal Address: _____

Street Address: **425 Walnut Street**

City: **Cincinnati** State: **OH** ZIP: **45202**

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other **National Baking Association**

If assignee is not domiciled in the United States, a domestic designation is Yes N
 (Designations must be a separate document from Additional name(s) & address(es) Yes N

3. Nature of conveyance: **12/18/01**

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: **December 10, 2001**

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)
78/086,756 76/223,847 76/340,648

Additional numbers Yes No

B. Trademark Registration No.(s)
1,360,128 1,985,194 2,217,900
1,717,536 2,232,866 2,307,355

Additional numbers Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: **Jean-Marc Brun, Esquire**

Internal Address: _____

Vorys Sater Seymour and Pease, LLP

Street Address: **1828 L Street, N.W.; 11th Floor**

City: **Washington** State: **DC** ZIP: **20036**

6. Total number of applications and registrations involved: **9**

7. Total fee (37 CFR 3.41): \$ **240.00**

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
22-0585

12/20/2001 BYRNE 00000123 78086756
 OR FC:481 40.00 DP
 OR FC:482 200.00 DP

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 document.

Jean-Marc Brun **December 17, 2001**
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and **13**

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made between EXCEL INDUSTRIES, INC., a Kansas corporation, having an office at 200 South Ridge Road, Hesston, Kansas 67062-2097 ("Borrower"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Bank" or "the Bank").

WITNESSETH

WHEREAS, Borrower and the Bank have entered into a Financing Agreement of even date herewith, providing for the making of Loans (as defined in the Financing Agreement) and the issuance of Letters of Credit (as defined in the Financing Agreement) (as used in this Agreement, the term "Financing Agreement" means the Financing Agreement described above in this paragraph, as the same may be amended, modified, extended, renewed, replaced or supplemented from time to time);

NOW THEREFORE, in consideration of the foregoing and other benefits accruing to Borrower, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby covenants and agrees with, and makes the following representations and warranties to the Bank as follows:

1. DEFINITIONS.

1.1 Financing Agreement. Any capitalized term used but not defined in this Agreement shall have the meaning ascribed thereto in the Financing Agreement.

1.2 Other Definitional Provisions; Construction. Unless otherwise specified,

(i) As used in this Agreement, accounting terms relating to Borrower not defined in this Agreement have the respective meanings given to them in accordance with GAAP.

(ii) References to the Uniform Commercial Code, or UCC, mean as enacted in the particular jurisdiction(s) encompassed by the reference.

(iii) The definition of any document or instrument includes all schedules, attachments and exhibits thereto and all renewals, extensions, supplements, restatements and amendments thereof. All Schedules and Exhibits attached to this Agreement are incorporated into, made and form an integral part of, this Agreement for all purposes.

(iv) "Hereunder," "herein," "hereto," "this Agreement" and words of similar import refer to this entire document; "including" is used by way of illustration and not by way of limitation, unless the context clearly indicates the contrary; the singular includes the plural and conversely; and any action required to be taken by Borrower is to be taken promptly, unless the context clearly indicates the contrary.

(v) All of the uncapitalized terms contained in this Agreement which are defined under the Code will, unless the context indicates otherwise, have the meanings provided for now or hereafter in the Code.

(vi) "material item of the Trademark Collateral" means the mark "Hustler" and each item of the Trademark Collateral unless, with respect to the applicable item of Trademark Collateral, the goodwill of the business connected with and symbolized by such application, registration, trademark or service mark is not necessary in the conduct of Borrower's business.

2. GRANT OF SECURITY. As security for the full, prompt and complete performance of the Obligations, Borrower hereby pledges and grants to the Bank a continuing security interest in, and Lien on, Borrower's entire right, title and interest in and to the Trademark Collateral. As used in this Agreement, "Trademark Collateral" means, collectively: all of Borrower's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed: trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service mark applications, including each mark, registration, and application listed on Schedule I, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and in the future due or payable under or with respect thereto, including damages and payment for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, (iv) all rights corresponding thereto throughout the world, (v) the Trademark License Rights (as defined below) and (vi) together in each case with the goodwill of Borrower's business connected with the use of, and symbolized by, the Trademark Collateral. Without limiting any other rights or interests set forth or granted in any of the other Loan Documents, the Trademark Collateral excludes any U.S. intent to use trademark applications until evidence of use of the mark has been filed and accepted by the U.S. Patent and Trademark Office.

3. LICENSE; SECURITY INTEREST.

3.1 Grant of Licenses. Borrower hereby grants, assigns and conveys to the Bank Borrower's entire right, title and interest in, to and under all license agreements with any Person, whether Borrower is licensor or licensee under any such license agreement, including the licenses listed on Schedule I, with respect to any trademarks, service marks, and trade names and all rights thereto and thereunder (such rights as licensor or licensee sometimes referred to in this Agreement collectively as the "Trademark License Rights").

3.2 License by the Bank. In consideration of Borrower's agreement to perform, comply with, and observe each of the terms of this Agreement and to pay and discharge the Obligations, the Bank, grants to Borrower, without recourse, representation or warranty, a personal, non-transferrable exclusive license, to exercise the Trademark License Rights (such right and license referred to in this Agreement as the "License"). Upon the occurrence and during the continuation of an Event of Default and upon notice from the Bank to Borrower terminating the License: (i) the License will automatically and immediately terminate without any further notice or demand (which Borrower expressly waives), (ii) all rights and interests of Borrower in, to and under the License will revert to the Bank, and (iii) the Bank shall have all

other rights and remedies provided in this Agreement and in the other Loan Documents. If the Event of Default is cured to the Bank's satisfaction or is waived in writing by the Bank, then, without any further action on the part of the Bank, the License will immediately revert with Borrower on the cessation of the Event of Default subject to the terms of this Agreement.

3.3 Security Interest in the License. As security for the full and prompt payment and performance of all of the Obligations, Borrower hereby assigns, pledges and grants to the Bank a continuing security interest in, and Lien on, all of the right, title and interest of Borrower in and to the License.

4. REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants that:

(i) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademark Collateral and the License free and clear of any Liens, including any releases and covenants by Borrower not to sue any other Person in respect of the Trademark Collateral or the License, except as otherwise disclosed on Schedule I and except for U.S. intent to use trademark applications.

(ii) Set forth in Schedule I is a complete and accurate list of all the Trademark License Rights, trademarks, trade names, service marks, trademark and service mark registrations, U.S. intent to use trademark applications and applications for trademark or service mark registrations owned by Borrower.

(iii) Each trademark, service mark, trade name, trademark and service mark registration, and application for trademark or service mark registration identified in Schedule I is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, except as otherwise disclosed in Schedule I, and each registered trademark and service mark and each application for trademark and service mark registration is valid, registered or registrable and enforceable. Borrower has notified the Bank in writing of all prior uses of any material item of the Trademark Collateral of which Borrower is aware which could lead to such item becoming invalid or unenforceable, including prior unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such item.

(iv) Borrower has not granted any license, release, covenant not to sue, or non-assertion assurance to any Person with respect to any part of the Trademark Collateral except as otherwise disclosed on Schedule I.

(v) Borrower has used reasonable and proper statutory notice in connection with its use of each registered trademark and service mark.

(vi) The Trademark License Rights are in full force and effect, and Borrower is not in default under any of the Trademark License Rights and no event has occurred which with notice, the passage of time, the satisfaction of any condition, or all of them, might constitute a default by Borrower under the Trademark License Rights.

(vii) Except for the recording of this Agreement with the United States Patent and Trademark Office and the filing of applicable perfecting documents with the State of Kansas, no authorization, consent, approval or other action by, and no notice to or filing or recording with, any Governmental Authority is currently or is reasonably expected to be required either (a) for the grant by Borrower of the Lien granted hereby or for the execution, delivery or performance of this Agreement by Borrower, or (b) for the perfection of or the exercise by the Bank of its rights and remedies under this Agreement.

5. FURTHER ASSURANCES.

5.1 Required Borrower Actions. Borrower will from time to time, at its expense, promptly execute and deliver all further instruments, documents and agreements take all further action, that may be necessary or desirable, or that the Bank may reasonably request, in order to (i) continue, perfect and protect the security interests and Liens granted or purported to be granted by this Agreement or (ii) enable the Bank to exercise and enforce its rights and remedies under this Agreement with respect to any part of the Trademark Collateral and the License, or both.

5.2 Financing Statements. Without limiting the generality of Section 5.1, the Bank is authorized by Borrower (i) to file one or more financing statements disclosing Bank's security interest and Lien under this Agreement without Borrower's signature appearing thereon and to correct or complete, or to cause to be corrected or completed, any financing statements, continuation statements or other such documents as have been filed naming Borrower as debtor and Bank as secured party and (ii) to give notice to any creditor or landlord of Borrower or to any other Person to whom Bank may reasonably determine it is necessary or desirable under applicable law to give notice to perfect or preserve Bank's interests in the Trademark Collateral. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Trademark Collateral or any part thereof or the License will be sufficient as a financing statement.

5.3 Further Information. Borrower will furnish to the Bank from time to time statements and schedules further identifying and describing the Trademark Collateral and the License and all other reports in connection with the Trademark Collateral and the License as the Bank may reasonably request, all in reasonable detail.

5.4 Additional Ownership Interests. Borrower agrees that, should it obtain an ownership interest in any of the Trademark License Rights, or in any trademark, service mark, trade name, trademark or service mark registration, or application for trademark or service mark registration, which is not now identified in Schedule I, (i) Borrower will give prompt written notice thereof to the Bank, (ii) the provisions of Section 2 shall automatically apply to any such Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, and (iii) any such Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, together with the goodwill of the business connected with the use of the mark and symbolized by it, shall automatically become part of the Trademark Collateral. Borrower authorizes the Bank to modify this Agreement by amending Schedule I to

include any of the Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, which becomes part of the Trademark Collateral under this Section 5.4.

5.5 Maintenance of Rights. With respect to each material item of the Trademark Collateral, Borrower will take all necessary steps in any proceeding before the United States Patent and Trademark Office (or any similar office or agency in any other country or any political subdivision of that country) or in any court (i) to maintain and pursue any trademark application now or in the future included in the Trademark Collateral and (ii) to maintain each registered trademark, service mark, and trademark or service mark registration, and to pursue each application for trademark or service mark registration now or hereafter included in the Trademark Collateral, including the filing of applications for renewal, the payment of maintenance fees, and the participation in opposition, interference and infringement proceedings. To the extent necessary to the conduct of its business, Borrower agrees to take corresponding steps with respect to each new or other registered trademark, service mark trademark or service mark registration, and application for trademark or service mark registration to which Borrower is now or later becomes entitled. Any expenses incurred in connection with such activities shall be borne by Borrower. Borrower shall not abandon any right to file an application for trademark or service mark registration, or abandon any pending application, registration, trademark or service mark, unless the goodwill of the business connected with and symbolized by such application, registration, trademark or service mark is not necessary in the conduct of Borrower's business.

5.6 Notification. Borrower will notify the Bank immediately and in writing if Borrower learns (i) that any of the Trademark Collateral may become abandoned or dedicated; (ii) of any adverse determination or any development (including the institution of any proceeding in the United States Patent and Trademark Office or any other U.S. or foreign court or tribunal of any kind) regarding any material item of the Trademark Collateral; or (iii) that Borrower is or potentially could be in default of any of the Trademark License Rights.

5.7 Infringement. If Borrower becomes aware that any item of the Trademark Collateral is infringed or misappropriated by any Person, Borrower will promptly notify the Bank and will, if necessary under the circumstances, promptly sue for infringement or misappropriation and for recovery of all damages caused by the infringement or misappropriation, and will take all such other actions as Borrower deems appropriate under the circumstances to protect the Trademark Collateral. Any expense incurred in connection with the foregoing activities shall be borne by Borrower.

5.8 Statutory Notice. Borrower will continue to use reasonable and proper statutory notice in connection with its use of each registered trademark or service mark.

6. TRANSFERS AND OTHER LIENS. Borrower shall not:

(i) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Trademark Collateral or the License, except to the extent, if any, as expressly permitted by the Financing Agreement, except that Borrower may license any Trademark Collateral in the

ordinary course of Borrower's business, provided that such license is necessary or desirable in the conduct of Borrower's business;

(ii) create or suffer to exist any Liens upon or with respect to any of the Trademark Collateral or the License except to the extent, if any, as otherwise disclosed in Schedule I, or to the extent, if any, as otherwise expressly permitted by the Financing Agreement; or

(iii) take any other action in connection with any of the Trademark Collateral or the License that could impair the value of the interests or rights of Borrower or the Bank in, to or under the Trademark Collateral or the License.

7. POWER OF ATTORNEY. Borrower hereby irrevocably appoints the Bank as Borrower's attorney-in-fact, with full authority in Borrower's place, stead and on behalf of Borrower and in Borrower's name or otherwise, from time to time in the Bank's sole and absolute discretion, to take any action and to execute any instrument that the Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including:

(i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any and all of the Trademark Collateral;

(ii) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (i) above; and

(iii) to file any claims or take any action or institute any proceedings that the Bank may deem necessary or desirable for the collection of any of the Trademark Collateral or otherwise to enforce the rights of the Bank with respect to any of the Trademark Collateral or the License.

8. THE BANK MAY PERFORM.

8.1 Performance by the Bank. If Borrower fails to perform any of its obligations contained in this Agreement, the Bank may itself perform, or cause the performance of, such obligations, and the expenses of the Bank incurred in connection therewith shall be payable by Borrower under Section 11.2 of this Agreement.

8.2 Inspections. The Bank, or its designated representatives, shall have the right, at all times to inspect Borrower's premises and to examine Borrower's books, records and operations relating to the Trademark Collateral.

8.3 The Bank May Bring Suit. The Bank will have the right, but in no way will be obligated, to bring suit in its own name or in the name of Borrower to enforce any part of the Trademark Collateral or the Trademark License Rights. Borrower will at the reasonable request of the Bank do any and all lawful acts and sign any and all proper documents required by the Bank in aid of the Bank's enforcement actions. On the Bank's demand, Borrower will promptly

reimburse and indemnify the Bank for all costs and expenses incurred by the Bank in the exercise of its rights under this Section 8.

9. THE BANK'S DUTIES. The powers conferred on the Bank under this Agreement are solely to protect its interests in the Trademark Collateral and the License and shall not impose any duty upon the Bank to exercise any such powers. Except for the safe custody of any Trademark Collateral in its custody and possession and the accounting for moneys actually received by it hereunder, the Bank will have no duty as to any of the Trademark Collateral, the License or as to the taking of any necessary steps to preserve rights against other parties or any other rights pertaining to any Trademark Collateral. The Bank shall be deemed to have exercised reasonable care in the custody and preservation of the Trademark Collateral and the License in its possession if the Trademark Collateral and the License are accorded treatment substantially equal to that which the Bank accords its own property.

10. REMEDIES. If any Event of Default occurs and is continuing:

(i) The Bank may exercise in respect of the Trademark Collateral and the License, in addition to other rights and remedies provided for in this Agreement or otherwise available to the Bank, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Trademark Collateral) and also may (a) exercise any and all rights and remedies of Borrower under or otherwise in respect of either the Trademark Collateral or the License, or both; (b) require Borrower to, and Borrower, at its expense, will immediately on the Bank's request, assemble all or any part of the documents embodying the Trademark Collateral as directed by the Bank and make the documents available to the Bank at a place to be designated by the Bank which is reasonably convenient to both the Bank and Borrower; (c) license the Trademark Collateral or any part thereof, or assign its rights to the Trademark License Rights to any Person, and (d) without notice, except as specified below, sell the Trademark Collateral or any part thereof at public or private sale, at any of the Bank's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Bank may deem commercially reasonable. In the event of any sale, assignment, or other disposition of any of the Trademark Collateral, the goodwill of the business connected with and symbolized by any Trademark Collateral subject to such disposition shall be included, and Borrower will supply to the Bank or its designee Borrower's know-how and expertise relating to the manufacture and sale of products or the provision of services relating to any Trademark Collateral subject to such disposition, and Borrower's customer lists and other records relating to such Trademark Collateral and to the distribution of such products and services. Borrower agrees that, to the extent notice of sale shall be required by law, at least 10 days' notice to Borrower of the time and place of any public sale or of the time after which any private sale is to be made shall constitute reasonable notification. The Bank shall not be obligated to make any sale of any Trademark Collateral regardless of notice of sale having been given. The Bank may adjourn any public or private sale from time to time by announcement at the time and place fixed for the sale, and any sale may, without further notice, be made at the time and place to which it was so adjourned.

(ii) All payments received by Borrower under or in connection with any of the Trademark Collateral or the License shall be received in trust for the benefit of the Bank, shall be

segregated from other funds of Borrower and shall be immediately paid over to the Bank in the same form as so received (with any necessary indorsement) in accordance with the Financing Agreement.

(iii) All payments made under, in connection with or otherwise in respect of, the Trademark Collateral or the License and all cash proceeds received by the Bank in respect of any sale of, collection from, or other realization upon all or any part of the Trademark Collateral or the License may, in the discretion of the Bank, be held by the Bank as collateral for, and then or at any time thereafter applied (after payment of any amounts payable to the Bank pursuant to Section 11.2 of this Agreement) in whole or in part by the Bank against, all or any part of the Obligations in any order as the Bank may elect. Any surplus of any cash or cash proceeds held by the Bank and remaining after payment in full of all of the Obligations shall be paid over to Borrower or to whomsoever may be lawfully entitled to receive such surplus.

11. INDEMNIFICATION; EXPENSES.

11.1 Indemnification. In consideration of the execution and delivery of the Financing Agreement and the making of any Loan to Borrower, Borrower hereby indemnifies and holds the Bank and the Bank's officers, directors, Affiliates, and agents (for the purposes of this Section 11.1, each is an "Indemnified Party") harmless from and against any and all claims, losses and liabilities arising out of or resulting from any or all of (i) this Agreement, (ii) the transactions contemplated hereby (including enforcement of this Agreement), and (iii) the Trademark Collateral and License except for claims, losses or liabilities resulting from an Indemnified Party's negligence or willful misconduct. The indemnification provided for in this Section 11.1 is in addition to, and not in limitation of, any other indemnification or insurance provided by Borrower to the Bank.

11.2 Expenses. Borrower will upon demand pay to the Bank the amount of any and all reasonable expenses, including reasonable attorneys' fees which the Bank may incur in connection with any and all of the following (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Trademark Collateral and the License, (iii) the exercise or enforcement of any of the Bank's rights under this Agreement, or (iv) the failure by Borrower to perform or observe any of the provisions of this Agreement, all of which constitute part of the Obligations and are secured by the Trademark Collateral.

12. AMENDMENTS; WAIVERS; CONSENTS. No amendment or waiver of any provision of this Agreement nor consent to any departure by Borrower herefrom shall, in any event, be effective unless such amendment or waiver shall be in writing and signed by the Bank, and then such amendment or waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

13. NOTICES. Any notice or notification required, permitted or contemplated under this Agreement shall be in writing, shall be addressed and given to the party to be notified at the address set forth in, and in the manner required by the Financing Agreement.

14. GENERAL.

14.1 Continuing Rights. This Agreement creates a continuing assignment to the Bank of the Trademark License Rights and a continuing Lien on the Trademark Collateral and the License and shall (i) remain in full force and effect until the full and final payment in full of the Obligations, (ii) be binding upon Borrower, its successors and assigns, and (iii) inure, together with the rights and remedies of the Bank under this Agreement, to the benefit of the Bank's successors, transferees and assigns.

14.2 Term; The Trademark Collateral and the License Revert. Subject to Section 14.10 below, this Agreement will terminate on the later to occur of (i) the full performance, payment and satisfaction of the Obligations and (ii) the termination of the Financing Agreement, at which time the Lien granted, by this Agreement shall terminate and all rights to the Trademark Collateral and the License shall revert to Borrower. Upon any such termination, the Bank will, at Borrower's expense, execute and deliver to Borrower such documents as Borrower reasonably requests to evidence such termination and to reassign the Trademark Collateral together with the goodwill of the business relating to the Trademark Collateral to Borrower.

14.3 Severability. If any term of this Agreement is found invalid under Ohio law or other laws of mandatory application by a court of competent jurisdiction, the invalid term will be considered excluded from this Agreement and will not invalidate the remaining terms of this Agreement.

14.4 Governing Law. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE AT CINCINNATI, OHIO. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF OHIO (WITHOUT REGARD TO OHIO CONFLICTS OF LAW PRINCIPLES); PROVIDED THAT THE BANK SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

14.5 WAIVER OF JURISDICTION. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR THE BANK TO EXTEND CREDIT TO BORROWER, BORROWER AGREES THAT ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT, ITS VALIDITY OR PERFORMANCE, AT THE SOLE OPTION OF THE BANK, ITS SUCCESSORS AND ASSIGNS, AND WITHOUT LIMITATION ON THE ABILITY OF THE BANK, ITS SUCCESSORS AND ASSIGNS, TO EXERCISE ALL RIGHTS AS TO THE TRADEMARK COLLATERAL OR INITIATE AND PROSECUTE IN ANY APPLICABLE JURISDICTION ACTIONS RELATED TO REPAYMENT OF THE OBLIGATIONS, SHALL BE INITIATED AND PROSECUTED AS TO ALL PARTIES AND THEIR SUCCESSORS AND ASSIGNS AT CINCINNATI, OHIO. THE BANK AND BORROWER EACH CONSENTS TO AND SUBMITS TO THE EXERCISE OF JURISDICTION OVER ITS PERSON BY ANY COURT SITUATED AT CINCINNATI, OHIO HAVING JURISDICTION OVER THE SUBJECT MATTER, AND CONSENTS THAT ALL SERVICE OF PROCESS BE MADE BY CERTIFIED MAIL DIRECTED TO BORROWER AND THE BANK AT THEIR RESPECTIVE ADDRESSES SET FORTH IN THE FINANCING AGREEMENT OR AS OTHERWISE PROVIDED

UNDER THE LAWS OF THE STATE OF OHIO. BORROWER WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER, AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

14.6 Headings. Section headings in this Agreement are included for convenience of reference only and shall not relate to the construction or interpretation of this Agreement.

14.7 Entire Agreement. This Agreement and the other Loan Documents set forth the entire agreement of the parties with respect to subject matter of this Agreement and supersedes all previous understandings, written or oral, in respect thereof.

14.8 Assignment. The Bank shall have the right to assign this Agreement and the other Loan Documents. Borrower may not assign, transfer or otherwise dispose of any of its rights or obligations hereunder, by operation of law or otherwise, and any such assignment, transfer or other disposition without the Bank's written consent shall be void. All of the rights, privileges, remedies and options given to the Bank under the Loan Documents shall inure to the benefit of the successors and assigns of the Bank, and all the terms, conditions, covenants, provisions and warranties in this Agreement shall inure to the benefit of and bind the permitted successors and assigns of Borrower and the Bank, respectively.

14.9 Application of Payments; Revival of the Obligations. The Bank shall have the continuing right to apply or reverse and reapply any payments to any portion of the Obligations. To the extent Borrower makes a payment or payments to the Bank or the Bank receives any payment or proceeds of the Trademark Collateral or any other security for Borrower's benefit, which payment(s) or proceeds or any part thereof are subsequently voided, invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy act, state or federal law, common law or equitable cause, then, to the extent of such payment(s) or proceeds received, the Obligations or part thereof intended to be satisfied shall be revived and shall continue in full force and effect, as if such payment(s) or proceeds had not been received by the Bank.

14.10 Survival and Continuation of Representations and Warranties. All of Borrower's representations and warranties contained in this Agreement shall (i) survive the execution, delivery and acceptance hereof by the parties hereto and the closing of the transactions described herein or related hereto, and (ii) remain true until the Obligations are fully performed, paid and satisfied, made by Borrower with the same effect as though the representations and warranties had been made again on, and as of, each day of the term of this Agreement, subject to such changes as may not be prohibited hereby, do not constitute Events of Default, and have been consented to by the Bank in writing.

14.11 Conflict. If there is any conflict, ambiguity, or inconsistency, in the Bank's judgment, between the terms of this Agreement and any other Loan Documents, then the applicable terms and provisions, in the Bank's judgment, providing the Bank with greater rights, remedies, powers, privileges, or benefits will control. Without limiting the generality of the foregoing, the description of the Trademark Collateral in this Agreement does not in any way

limit the description of, or the Bank's Lien on, the "Collateral" as defined in the Security Agreement, or the Bank's remedies respecting the "Collateral."

14.12 WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR THE BANK TO EXTEND CREDIT TO BORROWER, BORROWER AND THE BANK EACH WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT OR THE CONDUCT OF THE RELATIONSHIP BETWEEN THE BANK AND BORROWER.

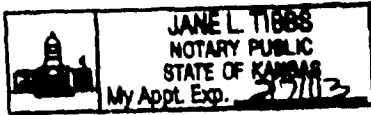
IN WITNESS WHEREOF, Borrower has signed this Agreement as of December 10, 2001.

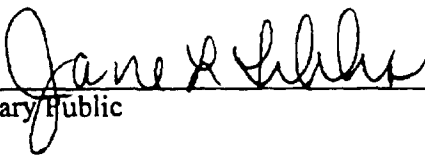
EXCEL INDUSTRIES, INC.

By: 
Robert A. Mullet, Vice-President and Treasurer

STATE OF KANSAS,
COUNTY OF SEDGWICK, SS:

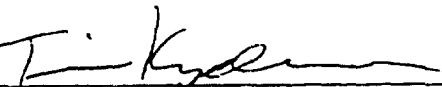
The foregoing instrument was acknowledged before me this 10th day of December, 2001, by Robert A. Mullet, Vice-President and Treasurer of and on behalf of Excel Industries, Inc., a Kansas corporation.




Notary Public

Accepted as of December 12, 2001.

U.S. BANK NATIONAL ASSOCIATION

By: 
Name: Tim Kundersen
Title: V.P.

Schedule 1 to Trademark Security Agreement

TRADEMARKS

<u>TM</u>	<u>App.Date</u>	<u>Ser. No.</u>	<u>Reg. No.</u>	<u>Date Reg.</u>
Excel & Design	8/2/84	73,493,062	1,360,128	9/17/85
Excel & Design	1/21/92	74,239,227	1,717,536	9/22/92
Hustler	1/30/95	74,627,457	1,985,194	7/9/96
Shortcut	5/20/97	75,295,228	2,232,866	3/16/99
H-Bar	6/19/97	75,311,665	2,217,900	1/12/99
UpperCut	10/21/98	75,574,760	2,307,355	1/11/00
Super Z	3/14/01	76,223,847		
FasTrak	10/03/01	78,086,756		
Professional mowing comes home.	11/10/01			