

10-31-2002



Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

102267434

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Resulent

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Appliance Controls Group, Inc.

10-29-02

- Individual(s) Association General Partnership Limited Partnership Corporation-State (Delaware) 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: July 26, 2002

2. Name and address of receiving party(ies)

Name: Hilco Capital LP

Internal

Address:

5 Revere Drive, Suite 202

Street Address:

City: Northbrook State: IL Zip: 60062

- Individual(s) citizenship Association General Partnership Limited Partnership Delaware Corporation-State Other

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) SEE ATTACHED SCHEDULE A

Additional number(s) attached Yes No

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

Name: Tammy S. Settle

Internal Address:

Vedder, Price, Kaufman & Kammholz

Street Address: 222 N. LaSalle St., 24th Floor

City: Chicago State: IL Zip: 60601

6. Total number of applications and registrations involved:

12

7. Total fee (37 CFR 3.41) \$ 315.00

- Enclosed Authorized to be charged to deposit account (Charge any deficiencies or credit any overpayment to the acct)

8. Deposit account number:

22-0259

(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 document.

Tammy S. Settle

Tammy S. Settle Signature

Oct 22 2002 Date

Name of Person Signing

16

Total number of pages including cover sheet, attachments, and document:

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

SCHEDULE A

<u>Country</u>	<u>Mark</u>	<u>Application Date</u>	<u>Registration Date</u>	<u>Registration Number</u>
U.S.A.	Harper	3/13/47	1/18/49	505,688
U.S.A.	H – in a Circle	3/8/47	1/18/49	505,687
U.S.A.	Alltrol	7/5/47	1/25/49	505,934
U.S.A.	Alltrol Center Simmer & Design	12/29/51	3/10/53	571,640
U.S.A.	Frame Selector	3/8/60	9/4/62	737,332
U.S.A.	All-Temp	10/29/63	1/3/67	821,615
U.S.A.	H-W Logo	6/3/66	6/4/68	850,227
U.S.A.	Kool-Lite gas	4/7/75	1/6/76	1,029,245
U.S.A.	Dedicated to Quality	8/13/92	4/3/84	1,273,150
U.S.A.	Pro-Stat	5/19/83	6/5/84	1,280,590
U.S.A.	E*G	6/17/94	9/10/96	2,000,271
Canada	“H” in a flame circle		10/18/63	133,128
	HARPCO		Common Law Rights	

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Applicance Controls Group, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State (Delaware)
- Other _____

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

2. Name and address of receiving party(ies)

Name: Hilco Capital LP

Internal

Address: _____

Street Address: 5 Revere Drive, Suite 202

City: Northbrook State: IL Zip: 60062

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership Delaware
- Corporation-State _____
- Other _____

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

3. Nature of conveyance:

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other _____

Execution Date: July 26, 2002

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)
SEE ATTACHED SCHEDULE A

Additional number(s) attached Yes No

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

Name: Tammy S. Settle

Internal Address: _____

Vedder, Price, Kaufman & Kammholz

Street Address: 222 N. LaSalle St., 24th Floor

City: Chicago State: IL Zip: 60601

6. Total number of applications and registrations involved: 12

7. Total fee (37 CFR 3.41).....\$ 315.00

- Enclosed
- Authorized to be charged to deposit account
(Charge any deficiencies or credit any overpayment to the acct)

8. Deposit account number:

22-0259

(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 document.

Tammy S. Settle

Name of Person Signing

Tammy S. Settle
Signature

Aug 5 2002
Date

16

Total number of pages including cover sheet, attachments, and document:

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

08/06/2002 TBIAZI 00000106 505688

01 FC:481
02 FC:482

40.00 OP
275.00 OP

TRADEMARK COLLATERAL SECURITY AGREEMENT

THIS TRADEMARK COLLATERAL SECURITY AGREEMENT is made on the 26th day of July, 2002, by and between Appliance Controls Group, Inc., a Delaware corporation ("Borrower"), having a mailing address at 84 North Dugan Road, Sugar Grove, Illinois 60554 and Hilco Capital LP, a Delaware limited partnership ("Lender") having a mailing address at 5 Revere Drive, Suite 202, Northbrook, Illinois 60062.

BACKGROUND

Borrower has entered into a Loan and Security Agreement dated as of the date hereof (as amended, modified, restated or supplemented from time to time, the "Loan Agreement") with the Lender providing for financial accommodations by the Lender to the Borrower. In order to induce the Lender to execute and deliver the Loan Agreement, Borrower agreed to execute and deliver to the Lender for its benefit this Trademark Collateral Security Agreement (as amended, modified, restated or supplemented from time to time, this "Agreement").

NOW, THEREFORE, in consideration of the premises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. Defined Terms. All capitalized terms used herein which are not otherwise defined herein shall have the meanings given to them in the Loan Agreement and the following terms shall have the following meanings, unless the context otherwise requires:

"Code" shall mean the Uniform Commercial Code as the same may from time to time be in effect in the State of Illinois.

"Collateral" shall have the meaning assigned to it in Section 2 of this Security Agreement.

"ITU Marks" shall mean all pending trademark applications shown in the attached Schedule B which were filed by Borrower in the United States Patent and Trademark Office based on its intent to use the corresponding mark, and any applications which are hereafter filed by Borrower based on its intent to use the corresponding mark.

"Licenses" shall mean the trademark license agreements of Borrower designated on Schedule I hereto, as any of the same may from time to time be amended, modified or supplemented.

"Proceeds" shall have the meaning assigned to it under Section 9-102(64) of the Code, and in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance, indemnity, warranty or guarantee payable to Borrower from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable to Borrower from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), and (iii) any and

all other amounts from time to time paid or payable under or in connection with any of the Collateral.

“Trademarks” shall mean the registered trademarks and pending applications shown in the attached Schedule A, and those trademarks which are hereafter adopted or acquired by Borrower, and all right, title and interest therein and thereto, and all registrations, applications, and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, or any foreign country, all whether now owned or hereafter acquired by Borrower.

2. Grant of Security Interest. As collateral security for the prompt payment of the Obligations, Borrower hereby grants and conveys to Lender for its benefit a security interest in and to (a) the entire right, title and interest of Borrower in and to the Trademarks, including the registrations and applications appurtenant thereto, listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), and in and to any and all trademarks, and registrations and applications appurtenant thereto, hereafter acquired or filed by Borrower, including without limitation all renewals thereof, all proceeds of infringement suits, the rights to sue for past, present and future infringements and all rights corresponding thereto and the goodwill of the business to which each of the Trademarks relates and (b) all of Borrower’s right, title and interest in, to and under the following:

(i) all Licenses;

(ii) all Receivables, contract rights and general intangibles arising under or relating to each and every License (including, without limitation, (A) all moneys due and to become due under any License, (B) any damages arising out of or for breach or default in respect of any such License, (C) all other amounts from time to time paid or payable under or in connection with any such License, and (D) the right of Borrower to terminate any such License or to perform and to exercise all remedies thereunder); and,

(iii) to the extent not otherwise included, all Proceeds and products of any or all of the foregoing. All of the property referred to in this paragraph 2 is hereafter collectively called the “Collateral.”

3. Representations and Warranties. Borrower covenants and warrants that:

(a) The Trademarks are subsisting and, to the best of Borrower’s knowledge, have not been adjudged invalid or unenforceable in whole or in part;

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

(c) There is no outstanding claim that the use of any of the Trademarks violates the rights of any third person;

(d) Borrower 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 Borrower not to sue third persons), except for Permitted Liens and the Licenses disclosed on Schedule I attached hereto;

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

(f) Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice, where appropriate, in connection with its use of the Trademarks; and

(g) Borrower has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products sold under the Trademarks.

4. Right of Inspection. Borrower hereby grants to Lender and its employees and agents the right to visit Borrower's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control relating thereto at reasonable times during regular business hours. Borrower shall use its best efforts to do any and all acts required by Lender to ensure Borrower's compliance with paragraph 3(g) above.

5. New Trademarks.

(a) If, before the Obligations shall have been irrevocably paid in full, Borrower shall obtain rights to any new Trademarks or become entitled to the benefit of any trademark application or trademark for any reissue, division, continuation, renewal, extension, or continuation in part of any Trademark or any improvement on any Trademark, the provisions of paragraph 2 shall automatically apply thereto and Borrower shall give Lender prompt written notice thereof.

(b) Borrower grants Lender a power-of-attorney, irrevocable so long as the Loan Agreement is in existence, to modify this Agreement by amending (1) Schedule A to include any future trademarks, including trademark registrations or applications appurtenant thereto covered by this Agreement and (2) Schedule B to include any future ITU Marks.

(c) Notwithstanding anything to the contrary set forth in paragraph 5(b) above, the terms of this Agreement shall automatically apply without any further action on the part of Borrower, or the Lender (including, without limitation, the grant of a security interest by Borrower to the Lender in any such ITU Marks which become registered with the United States Patent and Trademark Office) to an ITU Mark upon the earlier to occur of the filing in the United States Patent and Trademark Office by Borrower of (i) an Amendment to Allege Use or (ii) a Statement of Use with respect to such ITU Mark and all references to Trademarks hereunder shall thereafter be deemed to include such ITU Mark.

6. Covenants. Borrower covenants and agrees with Lender that from and after the date of this Agreement and until the Obligations are fully satisfied:

(a) Further Documentation; Pledge of Instruments. At any time and from time to time, upon the written request of Lender, Borrower will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Lender may reasonably deem desirable in obtaining the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Code with respect to the liens and security interests granted hereby. Borrower also hereby authorizes Lender to file any such financing or continuation statement without the signature of Borrower to the extent permitted by applicable law. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged to Lender hereunder, duly endorsed in a manner satisfactory to Lender.

(b) Maintenance of Trademarks. Borrower will not do any act, or omit to do any act, whereby the Trademarks or any registration or application appurtenant thereto, may become abandoned, invalidated, unenforceable, avoided, avoidable, or will otherwise diminish in value, and shall notify Lender immediately if it knows of any reason or has reason to know of any ground under which this result may occur. Borrower shall take appropriate action at its expense to halt the infringement of the Trademarks and shall properly exercise its duty to control the nature and quality of the goods offered by any licensees in connection with the Licenses.

(c) Indemnification. (A) Borrower assumes all responsibility and liability arising from the use of the Trademarks, and Borrower hereby indemnifies and holds the Lender harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of Borrower's operations of its business from the use of the Trademarks. (B) In any suit, proceeding or action brought by the Lender under any License for any sum owing thereunder, or to enforce any provisions of such License, Borrower will indemnify and keep Lender harmless from and against all expense, loss or damage suffered by reason of any defense, set off, counterclaim, recoupment or reduction or liability whatsoever of the obligee thereunder, arising out of a breach of Borrower of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from Borrower, and all such obligations of Borrower shall be and remain enforceable against and only against Borrower and shall not be enforceable against the Lender.

(d) Limitation of Liens on Collateral. Borrower will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove any lien, security interest, encumbrance, claim or right, in or to the Collateral (other than Permitted Liens), and will defend the right, title and interest of the Lender in and to any of Borrower's rights under any License and to the Proceeds thereof against the claims and demands of all persons whomever.

(e) Limitations on Modifications of Licenses. Borrower will not amend, modify, terminate or waive any provision of any License in any manner which might materially adversely affect the value of such License or the Trademarks as Collateral.

(f) Notices. Borrower will advise the Lender promptly, in reasonable detail, (i) of any lien or claim made or asserted against any of the Collateral (other than Permitted Liens), (ii) of any material change in the composition of the Collateral and (iii) of the occurrence of any other event which would have a material adverse effect on the value of any of the Collateral or on the security interests created hereunder.

(g) Limitation on Further Uses of Trademarks. Borrower will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon (other than Permitted Liens), encumber, grant an exclusive or non-exclusive license, or otherwise dispose of any of the Collateral, without prior written consent of the Lender.

(h) Exercise of Rights; Delivery of Notices. Borrower shall (i) exercise promptly and diligently each and every material right which it may have under each License (other than any right of termination) and (ii) deliver to the Lender a copy of each material demand, notice or document sent or received by it relating in any way to any License or Trademark.

7. Lender's Appointment as Attorney-in-Fact.

(a) Borrower hereby irrevocably constitutes and appoints the Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Lender's discretion, for the purposes of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives the Lender the power and right, on behalf of Borrower, to do the following:

(i) Upon the occurrence and continuance of an Event of Default, subject to the terms and conditions set forth in the Intercreditor Agreement while such Intercreditor Agreement is in effect, to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any License and, in the name of Borrower or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any License and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Lender for the purpose of collecting any and all such moneys due under any License whenever payable;

(ii) To pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or any part of the premiums therefor and the costs thereof; and

(iii) Upon the occurrence and continuance of an Event of Default, subject to the terms and conditions set forth in the Intercreditor Agreement while such Intercreditor Agreement is in effect, (A) to direct any party liable for any payment under

any of the Licenses to make payment of any and all moneys due and to become due thereunder directly to the Lender or as the Lender shall direct; (B) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (D) to defend any suit, action or proceeding brought against Borrower with respect to any Collateral; (E) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as the Lender may deem appropriate; and (F) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Lender were the absolute owner thereof for all purposes, and to do, at Lender's option all acts and things which the Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as Borrower might do.

(b) This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, Borrower further agrees to execute any additional documents which Lender may require in order to confirm this power of attorney, or which Lender may deem necessary to enforce any of its rights contained in this Agreement.

(c) The powers conferred on the Lender hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act, except for its own gross (not mere) negligence or willful misconduct.

(d) Borrower also authorizes the Lender to execute, in connection with the sale provided for in paragraph 10(b) of this Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

8. Execution of Power of Attorney. Concurrently with the execution and delivery hereof, Borrower shall execute and deliver to the Lender, in the form of Exhibit I hereto, ten (10) originals of a Power of Attorney for the implementation of the assignment, sale or other disposal of the Trademarks pursuant to paragraph 7 hereof.

9. Performance by Lender of Borrower's Obligations. If Borrower fails to perform or comply with any of its agreements contained herein and the Lender, as provided for by the terms of this Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Lender incurred in connection with such performance or compliance shall be payable by Borrower to the Lender on demand and shall constitute Obligations secured hereby.

10. Remedies, Rights Upon Event of Default.

(a) If an Event of Default shall occur and be continuing:

(i) All payments received by Borrower under or in connection with any of the Collateral shall be held by Borrower in trust for the Lender, shall be segregated from other funds of Borrower and shall forthwith upon receipt by Borrower, subject to the terms and conditions set forth in the Intercreditor Agreement while such Intercreditor Agreement is in effect, be turned over to the Lender, in the same form as received by Borrower (duly endorsed by Borrower to the Lender, if required); and

(ii) Any and all such payments so received by the Lender (whether from Borrower or otherwise) may, in the sole discretion of the Lender, be held by the Lender as collateral security for, and/or then or at any time thereafter applied in whole or in part by the Lender against all or any part of the Obligations in such order as the Lender shall elect. Any balance of such payments held by the Lender and remaining after payment in full of all the Obligations shall be paid over to Borrower or to whomsoever may be lawfully entitled to receive the same.

(b) If any Event of Default shall occur and be continuing, the Lender may exercise in addition to all other right and remedy granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code. Borrower shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which the Lender is entitled. Borrower shall also be liable for the reasonable fees of any attorneys employed by the Lender to collect any such deficiency and also as to any reasonable attorney's fees incurred by the Lender with respect to the collection of any of the Obligations and the enforcement of any of the Lender's respective rights hereunder.

11. Termination. At such time as the Obligations are irrevocably satisfied in full and the Loan Agreement is irrevocably terminated, this Agreement shall terminate and the Lender shall execute and deliver to Borrower all such releases, deeds, assignments and other instruments as may be necessary or proper to re-vest in Borrower full title to the Trademarks, subject to any disposition thereof which may have been made by the Lender pursuant hereto.

12. Notices. Any notice to the Lender or Borrower under this Agreement shall be given in the manner and to the parties designated in the Loan Agreement.

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

14. Cumulative Remedies. All of Lender's rights and remedies with respect to the Collateral, 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.

15. Severability. 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.

16. No Modification Except in Writing. Except as provided in paragraphs 5 and 7, no amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing executed by the parties hereto.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrower and the Lender, all future holders of the Obligations and their respective successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender.

18. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of Illinois.

19. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

20. Counterparts; Facsimile. This Agreement may be executed by the parties hereto in one or more counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same agreement. Any signature delivered by a party by facsimile transmission shall be deemed to be an original signature hereto.

21. Intercreditor Agreement. Notwithstanding anything to the contrary contained herein, the exercise by Lender of its rights and remedies hereunder shall be subject to the terms and conditions set forth in the Intercreditor Agreement while such Intercreditor Agreement is in effect.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the day and year first above written.

WITNESS:

APPLIANCE CONTROLS GROUP, INC.

Kristen Stevens

By: Harrison R. Horan
Name: Harrison R. Horan
Title: Vice President

~~STATE OF NEW YORK~~)
MICHIGAN)
OAKLAND) ss.:
~~COUNTY OF NEW YORK~~)

On the 17 day of July, 2002, before me personally came Harrison Horan to me known, who being by me duly sworn, did depose and say s/he is the VICE PRES of Appliance Controls Group, Inc., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

Rebecca Brown
Notary Public

REBECCA BROWN
Notary Public, Oakland County, MI
My Commission Expires Aug 6, 2005

My Commission Expires:

08/06/05

Signature Page to Trademark Collateral Security Agreement

WITNESS:

HILCO CAPITAL LP

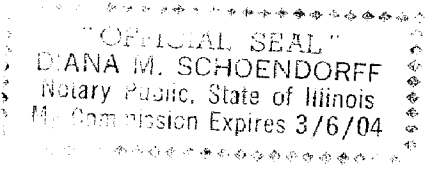
Ruthleen Schenck

By: Alex Franky
Vice President

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

On the 26th day of July, 2002, before me personally came Alex Franky to me known, who being by me duly sworn, did depose and say s/he is the Vice President of Hilco Capital LP, the limited partnership described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of said limited partnership.

Duff
Notary Public



My Commission Expires:
3/6/04

SCHEDULE B

ITU Marks

None

SCHEDULE I

LICENSES

None

EXHIBIT I

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that Appliance Controls Group, Inc., a corporation formed under the laws of the State of Delaware, with its principal office at 84 North Dugan Road, Sugar Grove, Illinois 60554 (“Borrower”), pursuant to a Trademark Collateral Security Agreement (as amended, modified, restated or supplemented from time to time, the “Agreement”), hereby appoints and constitutes Hilco Capital LP, a Delaware limited partnership, with offices at 5 Revere Drive, Suite 202, Northbrook, Illinois 60062 (the “Lender”), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Borrower:

1. Assigning, selling or otherwise disposing of all right, title and interest of Borrower in and to the Trademarks listed on Schedule A of the Agreement, the trademarks which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and executing and delivering any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;

2. Executing any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Lender may in its sole discretion determine.

This power of attorney is made pursuant to the Agreement and may not be revoked until the payment in full of all Obligations (as defined in the Agreement) and the irrevocable termination of the Agreement.

Dated: July 26, 2002

APPLIANCE CONTROLS GROUP, INC.

By: *Harrison R. Horan*
Name: *Harrison R. Horan*
Title: *vice President*

SIGNATURE PAGE – TRADEMARK COLLATERAL SECURITY AGREEMENT

~~STATE OF NEW YORK~~)
~~COUNTY OF NEW YORK~~)
MICHIGAN)
OAKLAND) ss.:

On the 12 day of July, 2002, before me personally came Harrison Horan to me known, who being by me duly sworn, did depose and say s/he is the VICE PRES of Appliance Controls Group, Inc., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

Rebecca Brown
Notary Public

REBECCA BROWN
Notary Public, Oakland County, MI
My Commission Expires Aug 6, 2005

My Commission Expires:
08/06/05