

Form PTO-1594

(Rev. 03/03)

OMB No. 0651-0027 (exp. 5/31/2002)

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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

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

1. Name of conveying party(ies):

SECOR INTERNATIONAL INCORPORATED

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

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

3. Nature of conveyance:

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

Execution Date: 09/23/2004

2. Name and address of receiving party(ies)

Name: CapitalSource Finance LLC, as Agent

Internal Address: _____

Street Address: 4445 Willard Avenue, 12th Fl.

City: Chevy Chase State: MD Zip: 20815

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

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) 2,040,875

Additional number(s) attached Yes No

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

Name: Federal Research Corporation

Internal Address: _____

Street Address: 1030 15th Street NW, Suite 920

City: Washington State: DC Zip: 20005

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40⁰⁰

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

50-3155

DO NOT USE THIS SPACE

9. Signature.

Loukia Harris

Name of Person Signing



Signature

October 13, 2004

Date

Total number of pages including cover sheet, attachments, and document: 10

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

CH \$40.00 503155 2040875

(Trademarks)

**ACKNOWLEDGEMENT OF
INTELLECTUAL PROPERTY COLLATERAL LIEN**

This Acknowledgement of Intellectual Property Collateral Lien (this "Acknowledgement") is dated as of September 13, 2004, by Secor International Incorporated, a Delaware corporation ("Grantor"), in favor of CapitalSource Finance LLC, a Delaware limited liability company, as administrative agent and collateral agent for the Lenders under the Loan Agreement (in such capacities, "Secured Party").

Witnesseth:

Whereas, pursuant to that certain Revolving Credit, Term Loan and Security Agreement dated as of the date hereof among Grantor, the Other Borrowers, Secured Party and the Lenders (as the same exists and may be amended, restated, supplemented, extended, renewed, replaced or otherwise modified from time to time, the "Loan Agreement"), the Lenders have agreed to provide Loans to the Grantor and the Other Borrowers upon the terms and subject to the conditions set forth therein; and

Whereas, the Grantor and each Other Borrower granted to Secured Party, for itself and the benefit of the Lenders, certain liens on the Collateral to secure their Obligations under the Loan Agreement; and

Whereas, pursuant to the terms of the Loan Agreement the Grantor is required to execute and deliver this Acknowledgment in favor of Secured Party, for itself and the benefit of the Lenders;

Now, therefore, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Secured Party and Lenders to enter into the Loan Documents and to make Loans to the Grantor and the Other Borrowers thereunder, Grantor hereby agrees with Secured Party as follows:

Section 1. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement or, to the extent the same are used or defined therein, the meanings provided in Article 9 of the UCC in effect on the date hereof. Whenever the context so requires, each reference to gender includes the masculine and feminine, the singular number includes the plural and vice versa. This Acknowledgement shall mean such agreement as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, from time to time. Unless otherwise specified, all accounting terms not defined in the Loan Documents shall have the meanings given to such terms in and shall be interpreted in accordance with GAAP. References in this Acknowledgement to any Person shall include such Person and its successors and permitted assigns.

Section 2. Reaffirmation of Grant of Security Interest in Intellectual Property Collateral. Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations, hereby reaffirms its grant to Secured Party, for itself and the benefit of the Lenders, of a first priority (except for Priority Permitted Liens) security interest in the Collateral, and

further collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to Secured Party, for itself and the benefit of the Lenders, and grants to Secured Party, for itself and the benefit of the Lenders, a lien on and security interest in all of its right, title and interest in, to and under the following property and interests in property of Grantor (herein referred to as "Intellectual Property Collateral"):

(a) (i) all of its owned Trademarks and trademark license agreements to which it is a party, including those referred to on Schedule I hereto;

(ii) all renewals, reissues, continuations or extensions of the foregoing;

(iii) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each trademark license agreement;

(iv) all Proceeds of the foregoing, including any claim by Grantor against third parties for past, present, future (i) infringement or dilution of any Trademark or Trademark licensed under any trademark license agreement or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any trademark license agreement;

(b) (i) all of its Copyrights and copyright license agreements to which it is a party, including those referred to on Schedule II hereto;

(ii) all renewals, reissues, continuations or extensions of the foregoing;
and

(iii) all Proceeds of the foregoing, including any claim by Grantor against third parties for past, present, future infringement or dilution of any Copyright or Copyright licensed under any copyright license agreement; and

(c) (i) all of its Patents and patent license agreements to which it is a party, including those referred to on Schedule III hereto;

(ii) all renewals, reissues, continuations or extensions of the foregoing;
and

(iii) all Proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any patent license agreement.

Notwithstanding the foregoing, such grant of a security interest shall not extend to any Intellectual Property Collateral to the extent that (but only to the extent that) (i) such Intellectual Property Collateral is not assignable or capable of being encumbered as a matter of law or under the terms of any license or other agreement applicable thereto (but solely to the extent that any such restriction shall be enforceable under the applicable law) without the consent of the licensor thereof or other applicable party thereto and (ii) such consent has not been obtained; provided, however, that the foregoing grant of security interest shall extend to and the term "Intellectual Property Collateral" shall include all Intellectual Property Collateral as well as any proceeds thereof that might theretofore have been excluded from such grant of security interest and from the term "Intellectual Property Collateral" upon obtaining the consent of any such licensor or

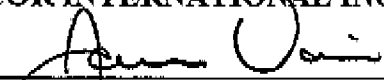
otherwise applicable party with respect to any such otherwise excludable Intellectual Property Collateral.

Section 3. Acknowledgement. The security interests reaffirmed herein are granted in conjunction with the security interest granted to Secured Party, for itself and the benefit of the Lenders, pursuant to the Loan Agreement and Grantor hereby acknowledges and affirms that the rights and remedies of Secured Party and Lenders with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. To the extent that there is any conflict or inconsistency between this Acknowledgement and the Loan Agreement, the terms and conditions of the Loan Agreement shall govern.

[SIGNATURE PAGE TO IP SECURITY AGREEMENT]

In witness whereof, Grantor has caused this Acknowledgment to be executed and delivered by its duly authorized officer as of the date first set forth above.

SECOR INTERNATIONAL INCORPORATED

By: 
Name: James Vais
Title: Chief Executive Officer

Accepted and Agreed:

CAPITALSOURCE FINANCE LLC,
as Secured Party

By: _____
Name:
Title:

[SIGNATURE PAGE TO IP SECURITY AGREEMENT]

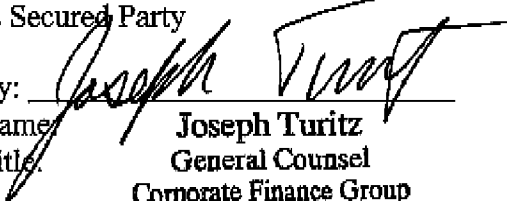
In witness whereof, Grantor has caused this Acknowledgment to be executed and delivered by its duly authorized officer as of the date first set forth above.

SECOR INTERNATIONAL INCORPORATED

By: _____
Name: James Vais
Title: Chief Executive Officer

Accepted and Agreed:

CAPITALSOURCE FINANCE LLC,
as Secured Party

By: 
Name: Joseph Turitz
Title: General Counsel
Corporate Finance Group

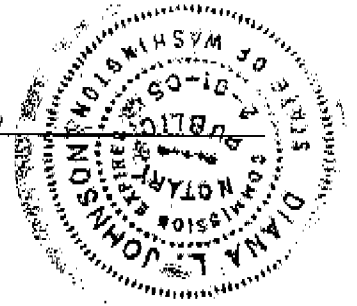
[NOTARY PAGE TO IP SECURITY AGREEMENT]

ACKNOWLEDGEMENT OF GRANTOR

State of Washington)
) ss.
County of King)

On this 20 day of September, 2004 before me personally appeared James Vais, proved to me on the basis of satisfactory evidence to be the persons who executed the foregoing instrument on behalf of SECOR INTERNATIONAL INCORPORATED, who being by me duly sworn did depose and say that he is an authorized officer of each said corporation, that the said instrument was signed on behalf of each said corporation as authorized by its respective Board of Directors and that he acknowledged said instrument to be the free act and deed of each said corporation.

Diana L. Johnson
Notary Public



SCHEDULE I
to
ACKNOWLEDGEMENT OF INTELLECTUAL PROPERTY LIEN
TRADEMARK REGISTRATIONS

A. REGISTERED TRADEMARKS

Mark	Reg. No.	Date
SECOR	2,040,875	02/25/1997

B. TRADEMARK APPLICATIONS

NONE

C. TRADEMARK LICENSES

NONE

SCHEDULE II
to
ACKNOWLEDGEMENT OF INTELLECTUAL PROPERTY LIEN
COPYRIGHT REGISTRATIONS

A. REGISTERED COPYRIGHTS

NONE

B. COPYRIGHT APPLICATIONS

NONE

C. COPYRIGHT LICENSES

NONE

SCHEDULE III
to
ACKNOWLEDGEMENT OF INTELLECTUAL PROPERTY LIEN
PATENT REGISTRATIONS

A. PATENT REGISTRATIONS

<u>Patent</u>	<u>Reg. No.</u>	<u>Date</u>
Battery Reclamation System	6,686,086	02/03/2004

B. PATENT APPLICATIONS

NONE

C. PATENT LICENSES

NONE