### Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT** SECURITY INTEREST NATURE OF CONVEYANCE:

### **CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Alkota Cleaning Systems, Inc.		102/14/2006	CORPORATION: SOUTH DAKOTA

### **RECEIVING PARTY DATA**

Name:	PNC Bank, National Association
Street Address:	70 East 55th Street
Internal Address:	14th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10022
Entity Type:	National Association: UNITED STATES

### PROPERTY NUMBERS Total: 4

Property Type	Number	Word Mark
Registration Number:	2615365	ALKOTA
Registration Number:	2819173	ALL AMERICAN
Registration Number:	700525	ELECTRO-MAGIC
Registration Number:	816992	ELECTRO-MAGIC

### **CORRESPONDENCE DATA**

Fax Number: (215)832-5767

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 215.569.5767

Email: perry@blankrome.com

Correspondent Name: David M. Perry Address Line 1: One Logan Square,

Address Line 2: 9th Floor

Address Line 4: Philadelphia, PENNSYLVANIA 19103-6998

**TRADEMARK** 

**REEL: 003251 FRAME: 0893** 

900042721

•	
ATTORNEY DOCKET NUMBER:	074658-01221
NAME OF SUBMITTER:	David M. Perry
Signature:	/David M. Perry/
Date:	02/22/2006
Total Attachments: 12 source=Sec. Agr - Alkota and PNC#page1.t source=Sec. Agr - Alkota and PNC#page2.t source=Sec. Agr - Alkota and PNC#page3.t source=Sec. Agr - Alkota and PNC#page4.t source=Sec. Agr - Alkota and PNC#page5.t source=Sec. Agr - Alkota and PNC#page6.t source=Sec. Agr - Alkota and PNC#page7.t source=Sec. Agr - Alkota and PNC#page8.t source=Sec. Agr - Alkota and PNC#page9.t source=Sec. Agr - Alkota and PNC#page10 source=Sec. Agr - Alkota and PNC#page11 source=Sec. Agr - Alkota and PNC#page11 source=Sec. Agr - Alkota and PNC#page11	if  if  if  if  if  if  if  if  if  if

### TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "<u>Agreement</u>") is made and entered into as of February 14, 2006 between ALKOTA CLEANING SYSTEMS, INC., a South Dakota corporation, ("<u>Alkota</u>"), and PNC BANK, NATIONAL ASSOCIATION, a New York corporation with an address at 70 East 55th Street, 14th Floor, New York, New York 10022 ("<u>PNC</u>").

### **RECITALS**

WHEREAS, ACS Acquisition Company, a South Dakota corporation ("<u>ACS</u>"), has entered into a Revolving Credit, Term Loan and Security Agreement dated as of even date herewith (as amended, restated, supplemented or modified from time to time, the "<u>Credit Agreement</u>") with PNC, providing for the extension of credit by PNC to ACS;

WHEREAS, Alkota, as successor in interest to ACS, has assumed all of the Obligations under the Credit Agreement pursuant to that certain Assumption Agreement, dated as of even date herewith; and

WHEREAS, PNC has required, as a condition precedent to the extension and/or continuation of credit under the Credit Agreement, that Alkota grant to PNC security interests in and to the Trademarks, Trademark Licenses, and other Trademark Collateral, as such terms are hereinafter defined.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Alkota and PNC hereby agree as follows:

### 1. Defined Terms.

Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning ascribed to such term in the Credit Agreement.

The words "hereof", "herein", and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural and vice versa, unless otherwise specified.

- 2. <u>Incorporation of Recitals</u>. The recitals above are incorporated into this Agreement by this reference thereto and are made a part hereof.
- 3. <u>Security Interest in Trademarks and Trademark Licenses, etc.</u> Subject to Section 4.1(b) of the Credit Agreement, to secure the complete and timely payment and performance when due of all of the Obligations, Alkota hereby grants to PNC a continuing security interest in and to and Lien on all of Alkota's now owned or existing and hereafter acquired or arising property, and interests in property, described below, and all proceeds thereof (collectively

"Trademark Collateral"): trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, trade names, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of Alkota's business symbolized by the foregoing and connected therewith, and (v) all of Alkota's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, trade names, and service marks, registered service marks and service mark applications, together with the items described in clauses (i)-(v) in this paragraph 3, are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and rights under or interest in any trademark license agreements or service mark license agreements with any other party to the extent such agreements are assignable under applicable law, whether Alkota is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all assets now or hereafter owned by Alkota and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

- 4. <u>Restrictions on Future Agreements</u>. Except where Alkota is acting in the normal course of its business, Alkota will not, without PNC's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement. Alkota further agrees that it will not take any action, and will not permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would have a materially adverse impact on the validity or enforcement of the lien and security interest granted to PNC under this Agreement, PNC's rights hereunder or the rights associated with the Trademarks, Trademark Licenses, or other Trademark Collateral of Alkota.
- sand Warranties; Certain Covenants. Alkota represents and warrants that, on the date hereof, (a) the Trademarks listed on Schedule A include all of the (i) registered trademarks and registered service marks, and (ii) all other material trademarks, trademark applications, trade names, service marks and service mark applications now owned or held by Alkota, (b) the Trademark Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which Alkota is the licensee or licensor, (c) to the best of Alkota's knowledge, Alkota has not received any notice that a third party is infringing on any of the Trademarks of Alkota, (d) Alkota is the sole and exclusive owner of the Trademarks that are "renewed" or "registered", and there are no liens or security interests in or to such Trademarks in favor of or by any person or entity other than PNC, to secure the Obligations, except that Alkota's rights in the Trademarks and Trademark Licenses are subject to Permitted Encumbrances, (e) to the best of Alkota's knowledge, each of Alkota's Trademarks listed on Schedule A is subsisting and has not been adjudged invalid or unenforceable, and each of such Trademarks that is "renewed" or "registered" is valid and

enforceable, (f) Alkota has rights in, and good and defensible title to, the existing Trademarks that are "renewed" or "registered" which are set forth opposite its name on Schedule A or Schedule B, (g) for any Trademark Collateral for which Alkota is either a licensor or a licensee pursuant to a license or licensing agreement regarding such Trademark Collateral, to the best of Alkota's knowledge: (i) each such license or licensing agreement is in full force and effect; (ii) Alkota is not in material default of any of its obligations thereunder; (iii) there exists no event, condition or occurrence which, with the giving of notice or lapse of time, or both, would constitute a breach or default by Alkota thereunder; and (iv) no party to any such agreement has given Alkota notice of its intention to cancel, terminate or fail to renew any such agreement; (h) to Alkota's knowledge, the use of the Trademarks by Alkota in its business as currently conducted does not infringe upon or dilute the trademark rights of any other person or entity, (i) the exercise by PNC of any of its rights and remedies hereunder will not contravene any contractual restriction binding on, or otherwise affecting, Alkota or any of its properties and will not result in or require the creation of any lien, security interest or other charge or encumbrance upon or with respect to any of its properties, (j) with respect to the Trademarks on Schedule A that are "renewed" or "registered", no authorization or approval or other action by, and no notice to or filing with, any governmental authority or any other person or entity, is required for (i) the grant by Alkota, or the perfection, of the security interest purported to be created hereunder by Alkota in such Trademarks or (ii) the exercise by PNC of any of its rights and remedies hereunder, except for the recording of this Agreement in the United States Patent and Trademark Office and the filing of appropriate UCC-1 financing statements in the appropriate jurisdiction, (k) this Agreement creates valid security interests in favor of PNC in the Trademarks on Schedule A that are "renewed" or "registered", as security for the Obligations, (1) the recording of this Agreement in the United States Patent and Trademark Office and, with respect to Trademarks hereafter existing and not covered by this Agreement, the recording in the United States Patent and Trademark Office of appropriate instruments of assignment and the filing of appropriate UCC-1 financing statements in the appropriate jurisdiction, result in the perfection of such security interests, and such security interests are, or in the case of Trademark Collateral in which Alkota obtains rights after the date hereof, will be, perfected security interests, subject only to Permitted Encumbrances. If Alkota shall as of the date hereof or hereafter until termination of the Credit Agreement (i) obtain rights to any new Trademarks, (ii) become entitled to the benefit of any Trademark Licenses, whether as licensee or licensor, or (iii) enter into any new Trademark License, the provisions of paragraph 3 above shall automatically apply thereto. Alkota shall give to PNC written notice of each event described in clause (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof. Alkota hereby authorizes PNC to modify this Agreement unilaterally in a manner limited to (i) amending Schedule A to include any future Trademarks and by amending Schedule B to include any future Trademark Licenses which are Trademarks or Trademark Licenses under paragraph 3 above or under this paragraph and (ii) executing and delivering appropriate instruments of assignment for recordation of such future Trademarks in the United States Patent and Trademark Office.

6. <u>Royalties</u>. Alkota hereby agrees that PNC's rights to use the Trademarks and Trademark Licenses as authorized hereunder in connection with PNC's exercise of its rights and remedies under paragraph 14 or under the Credit Agreement shall be coextensive with Alkota's rights thereunder and with respect thereto and PNC shall have no liability to Alkota for royalties or other related charges on account of any such use.

- 7. <u>Further Assignments and Security Interests</u>. Alkota agrees except as expressly permitted by the Credit Agreement, not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Trademark Licenses.
- 8. Nature and Continuation of PNC's Security Interest; Termination of PNC's Security Interest. This Agreement shall create a continuing security interest in the Trademarks, Trademark Licenses and other Trademark Collateral and shall terminate only when the Obligations have been paid in full and the Credit Agreement has been terminated in accordance with its terms. After the termination of such security interest, PNC shall execute and deliver to Alkota, at Alkota's expense, and at Alkota's request, all termination statements and other instruments as may be necessary or proper to terminate PNC's security interest in the Trademarks, Trademark Licenses, and other Trademark Collateral, subject to any disposition thereof which may have been made by PNC in accordance with applicable law and the terms of this Agreement and the Credit Agreement.
- Duties of Alkota. Alkota shall have the duty to: (a) prosecute diligently any trademark application or service mark application that is part of the Trademarks of Alkota pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make applications for new material trademarks or service marks used by Alkota in the normal course of its business as of the date hereof or hereafter until termination of the Credit Agreement, but only to the extent that Alkota determines that such action under subparagraphs (a) and (b) is in the best interests of its business; provided, however, that Alkota shall provide PNC with prompt written notice of any such determination. Alkota further agrees (x) not to abandon any Trademark or Trademark License, and (y) to use its reasonable efforts to maintain in full force and effect the Trademarks and Trademark Licenses that are or shall be necessary or economically desirable in the operation of Alkota's business, unless Alkota determines that abandoning a Trademark or Trademark Licenses or failure to maintain a Trademark or Trademark Licenses under subparagraphs (x) and (y) is in the best interests of its business; provided, however, that Alkota shall provide PNC with ten (10) days prior written notice of the voluntary lapse or termination, or within ten (10) days of knowledge of any involuntary lapse or termination, of any Trademark or Trademark License. Any expenses incurred in connection with the foregoing in this paragraph 9 shall be borne by Alkota. PNC shall not have any duty with respect to the Trademarks and Trademark Licenses. Without limiting the generality of the foregoing, PNC shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks or Trademark Licenses against any other parties, but PNC may do so at its option from and after the occurrence (and during the continuance) of an Event of Default, and all reasonable and, in the commercially reasonable business judgment of PNC, necessary, expenses incurred in connection therewith shall be for the sole account of Alkota and shall be added to the Obligations secured hereby.
- 10. PNC's Right to Sue. From and after the occurrence and during the continuation of an Event of Default, PNC shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Trademark Licenses and, if PNC shall commence any such suit, Alkota shall, at the request of PNC, do any and all lawful acts and execute any and all proper documents required in aid of such enforcement and requested by PNC. Alkota shall, upon demand, promptly reimburse PNC for all reasonable and, in the commercially reasonable business judgment of PNC, necessary, costs and expenses incurred by it in the exercise of its

rights under this paragraph 10 (including, without limitation, reasonable fees and expenses of attorneys for PNC). In the event PNC shall commence any such enforcement action, PNC shall provide Alkota with ten (10) days prior written notice thereof, and shall provide Alkota with an opportunity to participate in any such action, at Alkota's expense.

- 11. <u>Waivers</u>. PNC's failure, at any time or times hereafter, to require strict performance by Alkota of any provisions of this Agreement shall not waive, affect or diminish any right of PNC thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Alkota and PNC have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Alkota contained in this Agreement shall be deemed to have been suspended or waived by PNC unless such suspension or waiver is in writing signed by an officer of PNC and directed to Alkota specifying such suspension or waiver.
- 12. <u>Severability</u>. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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.
- 13. <u>Modification</u>. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraph 5 hereof or by a writing signed by the parties hereto.
- 14. Power of Attorney; Cumulative Remedies. (1) Upon the occurrence and during the continuation of an Event of Default, Alkota hereby appoints PNC or PNC's designee as Alkota's attorney-in-fact and hereby authorizes PNC or PNC's designee, in Alkota's or PNC's name, to take any action and execute any instrument which PNC may deem necessary or advisable to accomplish the purposes of this Agreement, if, after such Event of Default has occurred and shall be continuing, Alkota fails to take such action or execute such instrument within a reasonable time after PNC's written request therefor, and the giving of notice by PNC to Alkota (in accordance with the terms and conditions of the Credit Agreement) of its intention to enforce its rights and claims against Alkota, including, without limitation, to the extent permitted by applicable law, to (i) endorse Alkota's name on all applications, documents, papers and instruments necessary or, in the commercially reasonable business judgment of PNC, desirable, for PNC in the use of the Trademarks, the Trademark Licenses or the other Trademark Collateral, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, the Trademark Licenses or the other Trademark Collateral to anyone in a commercially reasonable manner and on commercially reasonable terms as permitted by law or the terms of the license in question, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Trademark Licenses, to anyone in a commercially reasonable manner and on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks, the Trademark Licenses or the other Trademark Collateral as PNC, in its commercially reasonable business judgment, deems necessary. Alkota

hereby ratifies all that such attorneys-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations shall have been paid in full and the Credit Agreement shall have been terminated. Alkota acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of PNC under the Credit Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

- (2) Upon the occurrence and during the continuation of an Event of Default, PNC shall have the right to exercise any and all rights and remedies provided for in this Agreement, under the Credit Agreement or any of the Other Documents, under the Uniform Commercial Code, at law or equity generally. Alkota hereby agrees that from and after the occurrence and continuation of an Event of Default, and the election by PNC to exercise any of its remedies as a secured party under the Uniform Commercial Code with respect to the Trademarks, Trademark Licenses, or the other Trademark Collateral, Alkota shall assign, convey and otherwise transfer title in and to the Trademarks, the Trademark Licenses and the other Trademark Collateral to PNC or any transferee of PNC and execute and deliver to PNC or any such transferee all such agreements, documents and instruments as may be necessary, in the exercise of PNC's commercially reasonable judgment, to effect such assignment, conveyance and transfer to the extent permitted under applicable law. All of PNC's rights and remedies with respect to the Trademarks, the Trademark Licenses, and the other Trademark Collateral whether established hereby, by the Credit Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently.
- 15. <u>Successors and Assigns</u>. This Agreement shall be binding upon Alkota and its successors and assigns, and shall inure to the benefit of PNC and its successors and assigns. Alkota's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Alkota; <u>provided</u>, <u>however</u>, that Alkota shall not voluntarily assign or transfer its rights or obligations hereunder without PNC's prior written consent.
- 16. <u>Governing Law</u>. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK.
- 17. <u>Notices</u>. All notices or other communications hereunder shall be in writing and given in the manner and delivered in accordance with Section 14.6 of the Credit Agreement.
- 18. <u>Paragraph Titles</u>. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.
- 19. <u>Execution in Counterparts</u>. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
- 20. <u>Recordation of Trademarks</u>. Alkota hereby authorizes PNC to record this Agreement in the United States Patent and Trademark Office.

- 21. <u>Submission to Jurisdiction; Waivers.</u> (a) Alkota and PNC hereby irrevocably and unconditionally submit, for themselves and their property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and Alkota and PNC hereby irrevocably and unconditionally agree that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Alkota and PNC agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that PNC may otherwise have to bring any action or proceeding relating to this Agreement against Alkota or its properties in the courts of any jurisdiction.
- (b) Alkota and PNC hereby irrevocably and unconditionally waive, to the fullest extent they may legally and effectively do so, any objection which they may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (a) of this Section. Alkota and PNC hereby irrevocably waive, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.
- 22. WAIVER OF JURY TRIAL. EACH OF PNC AND ALKOTA HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT. ALKOTA AND PNC HEREBY IRREVOCABLY WAIVE PERSONAL SERVICE OF PROCESS AND CONSENT TO SERVICE OF PROCESS BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED. IN NO EVENT WILL PNC BE LIABLE FOR LOST PROFITS OR OTHER SPECIAL OR CONSEQUENTIAL DAMAGES.
- 23. <u>Conflicts with Credit Agreement</u>. In the event that any of the terms, covenants and provisions of this Agreement shall conflict with any analogous terms, covenants and provisions of the Credit Agreement, the terms, covenants and provisions of the Credit Agreement shall govern.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

7

IN WITNESS WHEREOF, Alkota has duly executed this Trademark Security Agreement as of the day and year first above written.

ALKOTA CLEANING SYSTEMS, INC.

Name:

Title:

bound by the provisions hereof.

By its acceptance hereof as of the day and year first above written, PNC agrees to be

PNC BANK, NATIONAL ASSOCIATION

By:\_\_\_

Name:

Title:

Signature Page to Trademark Security Agreement

IN WITNESS WHEREOF, Alkota has duly executed this Trademark Security Agreement as of the day and year first above written.

### ALKOTA CLEANING SYSTEMS, INC.

Ву:			
Name:			•
Title:			

By its acceptance hereof as of the day and year first above written, PNC agrees to be bound by the provisions hereof.

PNC BANK, NATIONAL ASSOCIATION

Name freun wo Be ow

Signature Page to Trademark Security Agreement

### Schedule A

## TRADEMARK SECURITY AGREEMENT

Trademark Reg. No.	2,615,365	2,819,173	700,525	816,992
Registration Date	9/3/2002	3/2/2004	7/5/1960	10/18/1966
Mark	ALKOTA	ALL AMERICAN and design	ELECTRO-MAGIC (words only)	ELECTRO-MAGIC (words only)
Goods	Steam, and heated high pressure cleaning machines for industrial use	Steam, heated and cold water pressure washing machines and parts for pressure washing machines for commercial and industrial use	Electrically controlled oil-burner type motor steam cleaners and Electrically controlled gasburner type motor steam cleaners	Portable space heaters, commercial hot water heaters, space heaters, steam cleaners and high pressure washers
Status	Registered	Registered	Renewed	Renewed

# **Unregistered Trademarks [COMPANY TO CONFIRM]**

**HYDRUS** 

HYDRUS DETERGENTS

JETTER SERIES

SPINRAY

GRIME FIGHTER

DIRT BUSTER
STREAMLINER

ELECTRO FORCE

POWER FORCE

### Schedule B to Trademark Security Agreement

[Trademark Licenses]

None

Schedule B

074658.01221/6447256v.3

**RECORDED: 02/22/2006**