

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Engineered Products Co.		05/08/2012	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	BMO Harris Bank N.A.
Street Address:	50 South Sixth Street
Internal Address:	Suite 1000
City:	Minneapolis
State/Country:	MINNESOTA
Postal Code:	55402
Entity Type:	National Banking Association: UNITED STATES

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Registration Number:	1732592	
Registration Number:	1730755	FILTER MINDER

CORRESPONDENCE DATA	
Fax Number:	6126046851
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	(612) 604-6651
Email:	jdierking@winthrop.com
Correspondent Name:	James W. Dierking
Address Line 1:	225 South Sixth Street
Address Line 2:	Suite 3500
Address Line 4:	Minneapolis, MINNESOTA 55402

ATTORNEY DOCKET NUMBER:	9032.11
NAME OF SUBMITTER:	Catlan M. McCurdy

OP \$65.00 1732592

Signature:	/Catlan M. McCurdy/
Date:	05/10/2012
Total Attachments: 13 source=20120508 Patent and Trademark Security Agreement#page1.tif source=20120508 Patent and Trademark Security Agreement#page2.tif source=20120508 Patent and Trademark Security Agreement#page3.tif source=20120508 Patent and Trademark Security Agreement#page4.tif source=20120508 Patent and Trademark Security Agreement#page5.tif source=20120508 Patent and Trademark Security Agreement#page6.tif source=20120508 Patent and Trademark Security Agreement#page7.tif source=20120508 Patent and Trademark Security Agreement#page8.tif source=20120508 Patent and Trademark Security Agreement#page9.tif source=20120508 Patent and Trademark Security Agreement#page10.tif source=20120508 Patent and Trademark Security Agreement#page11.tif source=20120508 Patent and Trademark Security Agreement#page12.tif source=20120508 Patent and Trademark Security Agreement#page13.tif	

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (“Security Agreement”) made as of this 8th day of May, 2012, by **ENGINEERED PRODUCTS CO.**, a Delaware corporation, with its principal place of business at 2940 Airport Boulevard, Waterloo, IA 50703 (“Debtor”), in favor of **BMO HARRIS BANK N.A.**, successor by merger to M&I Marshall & Ilsley Bank, a national banking association with an office at 50 South Sixth Street, Suite 1000, Minneapolis, MN 55402 (“Secured Party”):

WITNESSETH:

WHEREAS, Debtor and Secured Party are parties to a certain Amended and Restated Credit and Security Agreement (“Credit Agreement”) and other related loan documents of even date herewith (collectively, with the Credit Agreement, the “Loan Documents”), which Loan Documents provide (i) for Secured Party to, from time to time, extend credit to or for the account of Debtor and (ii) for the grant by Debtor to Secured Party of a security interest in substantially all of Debtor’s assets including, without limitation, its patents and trademarks and patent and trademark applications;

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

1. Capitalized Terms. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Documents.

2. Security Interest. To secure the complete and timely satisfaction of all of Debtor’s “Obligations” (as defined in the Credit Agreement), Debtor hereby grants, bargains, collaterally assigns, mortgages, pledges, sells, creates a security interest in, transfers and conveys to Secured Party, as and by way of a first security interest having priority over all other security interests, with power of sale, to the extent permitted by law or by the specific license agreements, upon the occurrence of an “Event of Default” (as defined in the Credit Agreement) all of Debtor’s right, title and interest in and to all of its now existing and hereafter created or acquired (collectively, the “IP Rights”):

(i) patents and patent applications including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Exhibit A attached hereto and hereby made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, damages and payments now and hereafter due or payable under or with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto

throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d) of this subsection 2(i), are sometimes hereinafter referred to individually as a "Patent" and, collectively, as the "Patents");

(ii) trademarks, trademark registrations, trademark applications, tradenames and tradestyles, service marks, service mark registrations and service mark applications including, without limitation, the trademarks, tradenames, service marks and applications and registrations thereof listed on Exhibit B attached hereto and hereby made a part hereof, and (a) renewals or extensions thereof, (b) all income, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, tradenames and tradestyles, service marks and applications and registrations thereof, together with the items described in clauses (a)-(d) of this subsection 2(ii), are sometimes hereinafter referred individually as a "Trademark" and, collectively, as "Trademarks"); and

(iii) to the extent permitted by law or by the specific license agreements, all license agreements with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any application or registration thereof between Debtor and any other party, whether Debtor is a licensor or licensee under any such license agreement including, without limitation, the licenses listed on Exhibit C attached hereto and hereby made a part hereof (all of the foregoing license agreements and Debtor's rights thereunder are referred to collectively as "Licenses"), and the goodwill of Debtor's business connected with and symbolized by the Trademarks.

Notwithstanding anything herein to the contrary, in no event shall the security interest granted hereby attach to, or the term "IP Rights" be deemed to include, any application to register any trademark or service mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark to the extent the creation of a security interest therein or the grant of a mortgage thereon would void or invalidate such trademark or service mark (collectively, the "Excluded Property"); provided, however, that any IP Rights (or any portion thereof) that ceases to satisfy the criteria for Excluded Property (whether as a result of the Debtor obtaining any necessary consent, any change in any rule of law, statute or regulation or otherwise) shall no longer be Excluded Property and the security interest granted hereby shall attach immediately to such IP Rights (or portion thereof) at such time.

3. Warranties and Representations. Debtor warrants and represents to Secured Party that:

(i) The Patents and Trademarks that are issued or registered and the Licenses have not been adjudged invalid or unenforceable and have not been cancelled, in whole or in part, and are presently subsisting;

(ii) Each of the Patents and Trademarks that are issued or registered and each of the Licenses is valid and enforceable;

(iii) Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Licenses, free and clear of any liens, charges and encumbrances (except for Permitted Liens) including, without limitation, licenses, shop rights and covenants by Debtor not to sue third persons;

(iv) Debtor has adopted, used and, to the extent commercially reasonably (as determined in Debtor's business judgment), is currently using all of the Trademarks;

(v) Debtor has no written notice of any suits or actions commenced or threatened with reference to the Patents, Trademarks or Licenses; and

(vi) Debtor has the right to execute and deliver this Security Agreement and perform its terms and has entered into or will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants contained herein.

4. Restrictions on Future Agreements. Debtor agrees that until Debtor's Obligations (except for inchoate indemnification obligations) shall have been satisfied in full and the "Credit Facility" (as defined in the Credit Agreement) shall have been terminated, except as may be permitted by the Credit Agreement, Debtor shall not sell or assign its interest in, or grant any license under, the Patents, Trademarks or Licenses, or enter into any other agreement with respect to the Patents, Trademarks or Licenses which is inconsistent with Debtor's obligations under this Security Agreement, except for the grant of licenses as may be necessary in the ordinary course of business, without the prior written consent of Secured Party, and Debtor further agrees that it shall not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (solely with respect to the Patents and the Trademarks), which would affect the validity or enforcement of the rights transferred to Secured Party under this Security Agreement.

5. New Patents and Licenses. Debtor represents and warrants that, to the best of Debtor's knowledge, the Patents, Trademarks and Licenses listed on Exhibits A, B and C, respectively, constitute all of the Patents, Trademarks and Licenses now owned by Debtor. If, before Debtor's Obligations (except for inchoate indemnification obligations) shall have been satisfied in full or before the Credit Facility has been terminated, Debtor shall (i) become aware of any existing Patents, Trademarks or Licenses owned by Debtor of which Debtor has not previously informed Secured Party, (ii) obtain rights to any new material patentable inventions,

Patents, Trademarks or Licenses, or (iii) become entitled to the benefit of any Patents, Trademarks or Licenses or any improvement on any Patent, the provisions of this Security Agreement above shall automatically apply thereto and Debtor shall give to Secured Party prompt written notice thereof. Debtor hereby authorizes Secured Party to modify this Security Agreement by amending Exhibits A, B and C, as applicable, to include any such Patents, Trademarks and Licenses.

6. Royalties; Terms. The term of the security interests granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks and Licenses assigned hereunder, and (ii) Debtor's Obligations (except for inchoate indemnification obligations) have been paid in full and the Credit Facility has been terminated.

7. *Reserved.*

8. Secured Party's Right to Inspect. Debtor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof, in all material respects, and (ii) to provide Secured Party, upon Secured Party's reasonable request from time to time, with a certificate of an officer of Debtor certifying Debtor's compliance with the foregoing. Upon the occurrence of an Event of Default, Debtor agrees that Secured Party, or a conservator appointed by Secured Party, shall have the right to establish such additional product quality controls as Secured Party, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Debtor under the Trademarks.

9. Release of Security Agreement. Notwithstanding anything to the contrary, this Security Agreement is made for collateral purposes only. Upon payment in full of Debtor's Obligations (except for inchoate indemnification obligations) and termination of the Credit Facility, Secured Party shall execute and deliver to Debtor an instrument in appropriate form, in order to re-vest in Debtor full title to the Patents, Trademarks and Licenses, subject to any disposition thereof which may have been made by Secured Party pursuant hereto or pursuant to the Loan Documents.

10. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Debtor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' and paralegals' fees and legal expenses, incurred by Secured Party in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Patents, Trademarks and Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks and Licenses, shall be borne by and paid by Debtor on demand by Secured Party and until so paid shall be added to the principal amount of Debtor's Obligations and shall bear interest at the rate for "Revolving Advances" (as defined in the Credit Agreement).

11. Duties of Debtor. Debtor shall have the duty, to the extent commercially reasonable (as determined in accordance with the Debtor's reasonable exercise of its business judgment) (i) to prosecute diligently any patent, trademark or service mark applications pending as of the date hereof or thereafter until Debtor's Obligations (except for inchoate indemnification obligations) shall have been paid in full, (ii) to make application on unpatented but patentable inventions and on trademarks and service marks, as appropriate, (iii) to preserve and maintain all rights in the Patents, Trademarks and Licenses, and (iv) to ensure that the Patents, Trademarks and Licenses are and remain enforceable. Any expenses incurred in connection with Debtor's obligations under this Section 11 shall be borne by Debtor. Debtor shall not abandon any right to file a patent, trademark or service mark application, or abandon any pending patent application, or any other Patent, Trademark or License without the consent of Secured Party, except to the extent it is commercially reasonable (as determined in accordance with the Debtor's reasonable exercise of its business judgment) to so abandon any such right, application, Patent, Trademark or License.

12. Secured Party's Right to Sue. During any Default Period, Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks and Licenses and, if Secured Party shall commence any such suit, Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement and Debtor shall promptly, upon demand, reimburse and indemnify Secured Party for all reasonable costs and expenses incurred by Secured Party in the exercise of its rights under this Section 12.

13. Waivers. No course of dealing between Debtor and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Loan Documents 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. Severability. The provisions of this Security 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 Security Agreement in any jurisdiction.

15. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

16. Cumulative Remedies; Power of Attorney; Effect on Financing Agreement. All of Secured Party's rights and remedies with respect to the Patents, Trademarks and Licenses, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. During any Default Period, Debtor hereby authorizes Secured Party to make, constitute and appoint any

officer or agent of Secured Party as Secured Party may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power to (i) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Secured Party in the use of the Patents, Trademarks and Licenses, or (ii) take any other actions with respect to the Patents, Trademarks and Licenses as Secured Party deems to be in the best interest of Secured Party, or (iii) grant or issue any exclusive or non-exclusive license under the Patents, Trademarks or Licenses to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks or Licenses to anyone. Secured Party hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Debtor's Obligations (except for inchoate indemnification obligations) shall have been paid in full and the Credit Facility has been terminated. Debtor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Secured Party under the Loan Documents but rather is intended to facilitate the exercise of such rights and remedies. Secured Party shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Loan Documents, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks or Licenses may be located.

17. Binding Effect; Benefits. This Security Agreement shall be binding upon the Debtor and its successors and assigns, and shall inure to the benefit of Secured Party, its successors, nominees and assigns.

18. Governing Law. This Security Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota.

19. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

20. Further Assurances. Debtor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Secured Party shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

21. Survival of Representations. All representations and warranties of Debtor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Loan Documents.

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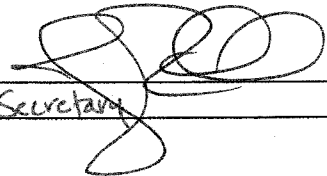
[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, Debtor has duly executed this Patent and Trademark Security Agreement in favor of Secured Party as of the date first written above.

ATTEST:

ENGINEERED PRODUCTS CO.

By: _____
Title: _____

By:  _____
Title: Secretary

AGREED AND ACCEPTED this ____ day
of May, 2012

BMO HARRIS BANK N.A.

By: _____
Title: _____

By: _____
Title: _____

**THIS INSTRUMENT PREPARED BY AND
AFTER FILING RETURN TO:**

James W. Dierking, Esq.
Winthrop & Weinstine, P.A.
Suite 3500
225 South Sixth Street
Minneapolis, MN 55402

IN WITNESS WHEREOF, Debtor has duly executed this Patent and Trademark Security Agreement in favor of Secured Party as of the date first written above.

ATTEST:


ENGINEERED PRODUCTS CO.

By: _____
Title: _____

By: _____
Title: _____

AGREED AND ACCEPTED this 8th day
of May, 2012

BMO HARRIS BANK N.A.

By: 
Title: Jeffrey P. Norton
Senior Vice President

By: _____
Title: _____

THIS INSTRUMENT PREPARED BY AND
AFTER FILING RETURN TO:

James W. Dierking, Esq.
Winthrop & Weinstine, P.A.
Suite 3500
225 South Sixth Street
Minneapolis, MN 55402

EXHIBIT A

Patents

Product	Patent Number	Filing Date	Expiration Date (est.)	Country
HVAC	5850183	February 24, 1995	December 15, 2015	U.S.
Switch Gauge	6268791	May 12, 1999	May 12, 2019	U.S.
Single-Position Indicator ("SPI")	6327902	June 25, 1999	June 25, 2019	U.S.
Fuel Filter Minder®	6289726	June 30, 1999	June 30, 2019	U.S.
Single-Position Switch Indicator ("SPI")	6307466	June 25, 1999	June 25, 2019	U.S.
Flag Gauge	7470360	January 21, 2005	December 3, 2025	U.S.
Non-Locking Switch(es)*	7414207 7777143	January 30, 2006 April 2, 2008	January 30, 2026 January 30, 2026	U.S. U.S.
Dial Gauge	7562579 7921720	June 18, 2007 April 17, 2009	June 18, 2027 June 18, 2027	U.S. U.S.
High Pressure Sliding Piston Switch	Pending	January 5, 2010	January 5, 2030	U.S.

*The Company filed additional claims in February 2012 and is waiting for a response from the US PTO.

EXHIBIT B

Trademarks

Trademark	Number	Registration Date	Filing Date	Countries
Filter Minder (Logo)	1,732,592	November 17, 1992	November 17, 2012	U.S.
Filter Minder (Name)	1,730,755	November 10, 1992	November 17, 2012	U.S.
Filter Minder	CN 5488771	February 15, 2011		China

Applications Pending

None

Common Law Trademark



Mark is used for filter monitoring products in the U.S.

EXHIBIT C

Licenses

None