

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
Bachmann Industries, Inc.		08/09/2013	CORPORATION: PENNSYLVANIA

**RECEIVING PARTY DATA**

Name:	NewStar Business Credit, LLC
Street Address:	8401 North Central Expressway
Internal Address:	Ste. 600
City:	Dallas
State/Country:	TEXAS
Postal Code:	75225
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

**PROPERTY NUMBERS Total: 37**

Property Type	Number	Word Mark
Registration Number:	3293273	BACH MAN
Registration Number:	1736239	BACHMANN
Registration Number:	3301198	BACHMANN E-Z TRACK SYSTEM
Registration Number:	2061990	BACHMANN E-Z TRACK SYSTEM
Registration Number:	1736238	BACHMANN QUALITY SINCE 1833 B
Registration Number:	4216974	DCC ON BOARD
Registration Number:	3380308	DCC SOUND ON BOARD
Registration Number:	2225724	E-Z
Registration Number:	2929228	E-Z COMMAND
Registration Number:	2247669	E-Z LUBE
Registration Number:	2195884	E-Z MATE
Registration Number:	3366363	E-Z RIDERS
Registration Number:	3222737	E-Z TRACK

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Registration Number:	2053073	E-Z TRACK
Registration Number:	3864167	GOLDEN MEMORIES
Registration Number:	2948721	GOLDEN SPIKE
Registration Number:	4276271	LI'L BIG HAULERS
Registration Number:	3863579	LUXURY LINES
Registration Number:	3342281	NORTH POLE & SOUTHERN
Registration Number:	2054958	NOW THAT'S THE WAY TO RUN A RAILROAD
Registration Number:	1076534	PLASTICVILLE
Registration Number:	2088668	PLASTICVILLE U.S.A.
Registration Number:	3402511	SCENE SCAPES
Registration Number:	3402512	SCENESCAPES
Registration Number:	2049056	SILVER SERIES
Registration Number:	3222740	SPECTRUM
Registration Number:	2043534	SPECTRUM
Registration Number:	3080770	SPEKTRUM
Registration Number:	3307292	THE CENTENNIAL
Registration Number:	2498553	THE NIGHT BEFORE CHRISTMAS
Registration Number:	4062386	TRUE BLAST II
Registration Number:	1988915	WHITE CHRISTMAS
Registration Number:	3863532	WILLIAMS BY BACHMANN
Serial Number:	85800659	E-Z STREET
Serial Number:	85525703	DCC SOUND VALUE ON BOARD
Serial Number:	85905786	ROADSIDE U.S.A.
Serial Number:	85905801	ROADSIDE U.S.A.

**CORRESPONDENCE DATA**

Fax Number: 3026365454  
*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.*  
Phone: 800-927-9801 x 62348  
Email: jpaterso@cscinfo.com  
Correspondent Name: Corporation Service Company  
Address Line 1: 1090 Vermont Avenue NW, Suite 430  
Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER:	504274
NAME OF SUBMITTER:	Jean Paterson

/jep/

Date:

08/09/2013

**Total Attachments: 19**

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**PATENT, COPYRIGHT AND TRADEMARK  
SECURITY AGREEMENT**

THIS PATENT, COPYRIGHT AND TRADEMARK SECURITY AGREEMENT (the "Agreement") is made as of August 9, 2013 between **BACHMANN INDUSTRIES, INC.**, a Pennsylvania corporation ("Assignor") and **NEWSTAR BUSINESS CREDIT, LLC**, a Delaware limited liability company, individually and as agent ("Secured Party"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement (as defined below).

RECITALS

A. Assignor, Secured Party and the lenders from time to time party thereto (collectively, the "Lenders") have entered into that certain Loan and Security Agreement dated as of August 9, 2013, pursuant to which Lenders have agreed to extend a revolving line of credit to Assignor on the terms and conditions set forth therein (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement").

B. In order to induce Lenders to enter into the Loan Agreement and the transactions contemplated thereby, and as a condition thereto, Assignor is required to execute and deliver to Secured Party, for the benefit and on behalf of the Lenders, this Agreement and pursuant hereto to assign and grant to Secured Party, on behalf of the Lenders, a security interest (to the extent any grant of a security interest is not prohibited by applicable law or governmental authority) in and to all of Assignor's right, title, and interest in the Intellectual Property Collateral (as defined below). Any such Intellectual Property Collateral that is registered or has a pending application is listed on Schedule A attached hereto and incorporated herein by reference, as the same may be amended and supplemented from time to time.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Grant of Security Interest. As collateral security for the prompt and punctual payment and performance of the Secured Obligations and for the prompt performance by Assignor of its obligations and undertakings under this Agreement and the other Loan Documents, Assignor hereby grants to Secured Party, for the benefit of Lenders, a security interest in all of the Intellectual Property Collateral, whether now owned or hereafter acquired by Assignor, and hereby grants, pledges and hypothecates such Intellectual Property Collateral to Secured Party, for the benefit of Lenders.

2. Representations, Warranties and Covenants. Assignor covenants, warrants and represents that:

(a) Set forth on Schedule A attached hereto is a true and complete list as of the date hereof of all Intellectual Property Collateral that is registered or has a pending application or is otherwise material to the Assignor's business.

(b) Assignor is the sole and exclusive owner of all of the Intellectual Property Collateral, free and clear of all liens and encumbrances, except for: (i) the security interest and assignment created by this Agreement and the other Loan Documents; and (ii) Permitted Liens (as defined in the Loan Agreement). Assignor will defend the right, title and interest in and to the Intellectual Property Collateral against any and all claims of any third parties.

(c) All Intellectual Property Collateral is valid and enforceable and is not subject to any claim, judgment or administrative or arbitral decision that questions its validity or enforceability, Assignor's purported rights thereunder or Assignor's rights to use the same in its business.

(d) Execution, delivery and performance of this Agreement by Assignor does not (i) violate, conflict with, result in a breach of, constitute a default under, result in the termination of, or result in the creation of any encumbrances upon any of the Intellectual Property Collateral, under any agreement to which Assignor is a party or by which Assignor is bound, or (ii) violate any laws, rules, regulations or orders applicable to any of the Intellectual Property Collateral.

(e) Assignor has used, and will continue to use for the duration of this Agreement, reasonably consistent standards of quality in its manufacture of the products sold under the Trademarks or utilizing any Patents, Copyrights or Other Assets.

(f) Assignor shall maintain and protect the validity and enforceability of the Intellectual Property Collateral and shall take any and all actions as are necessary or appropriate to properly maintain, protect, preserve, care for, and enforce any of the Intellectual Property Collateral, except to the extent any such Intellectual Property Collateral is no longer utilized in or material to the operation of Assignor's business (including, without limitation, disposition of Assignor's existing products or inventory) including, without limitation, payment when due of such fees, taxes, and other expenses which shall be incurred or which shall accrue with respect to any of the Intellectual Property Collateral, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP.

(g) If Secured Party deems it necessary to perfect Secured Party's interest in the Intellectual Property Collateral conveyed hereunder, Assignor shall cause this Agreement to be properly recorded with the United States Patent and Trademark Office, the United States Copyright Office, and any other government or public office or agency of the

Patent, Copyright and Trademark Security Agreement - 2  
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United States of America, as applicable, and, except for these filings, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body of the United States of America or any foreign country is required either (i) for the grant by Assignor of the security interest granted hereby or for the execution, delivery or performance of this Agreement by Assignor or (ii) for the perfection or the exercise by Secured Party of its rights and remedies hereunder.

(h) All information heretofore, herein or hereafter supplied to Secured Party by or on behalf of Assignor with respect to any of the Intellectual Property Collateral is accurate and complete in all material respects.

3. Inspection Rights. Assignor hereby grants to Secured Party and its employees, representatives and agents the right to visit during regular business hours upon reasonable notice any of Assignor's plants and facilities that manufacture, inspect or store products that are sold utilizing any of the Intellectual Property Collateral, and to inspect the products and quality control records relating thereto, *provided* that Secured Party shall not interfere with the daily operations of Assignor. Notwithstanding the foregoing, Assignor hereby acknowledges and agrees that nothing in this Section 3 shall in any way limit or otherwise modify any of the rights of Secured Party under the Loan Agreement.

4. No Sale. Assignor agrees that, until all of the Secured Obligations shall have been satisfied in full, (i) except as permitted by the Loan Agreement, Assignor will not sell, assign, transfer or sub-license any of its rights or interests in, to or under the Intellectual Property Collateral, except (A) non-exclusive licenses of Intellectual Property Collateral to third parties; and (B) sales or other dispositions of Intellectual Property Collateral no longer utilized in or material to the operation of Assignor's business (including, without limitation, disposition of Assignor's existing products or inventory) so long as the proceeds thereof are applied to the Secured Obligations in accordance with the terms of the Loan Agreement, and (ii) Assignor will not enter into any agreement which is inconsistent with this Agreement and the Assignor's obligations hereunder.

5. Additional Intellectual Property Collateral. If, before the Secured Obligations shall have been satisfied in full, Assignor shall obtain rights to any new Intellectual Property Collateral not listed in Schedule A, the provisions of this Agreement shall automatically apply thereto (to the extent the grant of a security interest therein is not prohibited by applicable law or governmental authority), and to the extent an application for registration of such Intellectual Property Collateral is made, Assignor shall give Secured Party prompt written notice thereof and, upon Secured Party's request, Assignor will execute, deliver and file any agreements, instruments, registrations and filings which Secured Party may reasonably request to confirm Secured Party's security interest therein and to put such security interest of record in such office. Assignor hereby appoints Secured Party as its attorney in fact, and hereby acknowledges and agrees that such power of attorney is irrevocable and coupled with an interest.

6. Revision of Schedule A. Assignor authorizes Secured Party to modify this Agreement by amending Schedule A to include any new Intellectual Property Collateral (to the extent the grant of a security interest therein is not prohibited by applicable law or governmental authority) without the necessity of Assignor's approval of or signature to such amendment, and Assignor shall do all such other acts (at its own expense) deemed reasonably necessary or appropriate by Secured Party to implement or preserve Secured Party's interests therein. All representations and warranties of Assignor set forth herein shall be deemed to be restated by Assignor as of the date of any such amendment of or supplement to Schedule A with full force and effect as though made on such date.

7. Remedies Upon Event of Default. If any Event of Default (as defined in the Loan Agreement) shall have occurred and be continuing, Secured Party shall have, in addition to all other rights and remedies given by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, at a location reasonably convenient to Secured Party and Assignor, as determined in good faith by Secured Party, or elsewhere, all or from time to time any part of the Intellectual Property Collateral, or any interest which Assignor may have therein, and after deducting from the proceeds of sale or other disposition of any part of the Intellectual Property Collateral all expenses payable by Assignor in accordance with the Loan Agreement (including all reasonable out-of-pocket expenses for broker's fees and legal services), shall apply the residue of such proceeds to the payment of the Secured Obligations. Notice of any sale or other disposition of any part of the Intellectual Property Collateral shall be given to Assignor at least ten (10) days (or such longer period as required by applicable law) before the time of any intended public or private sale or other disposition thereof is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party may, to the extent permissible under applicable law, purchase the whole or any part of any of the Intellectual Property Collateral sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released. In addition to the foregoing, if any Event of Default has occurred and is continuing:

(a) Secured Party may license, or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any Copyrights, Patents or Trademarks included in the Intellectual Property Collateral throughout the world for such term or terms, on such conditions and in such manner as Secured Party shall in its sole discretion determine;

(b) Secured Party may (without assuming any obligations or liability thereunder), at any time and from time to time, in its sole discretion, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of Assignor in, to and under any Copyright Licenses, Patent Licenses or Trademark Licenses and take or refrain from taking any action under any

thereof, and ASSIGNOR HEREBY RELEASES SECURED PARTY AND THE LENDERS FROM, AND AGREES TO HOLD SECURED PARTY AND THE LENDERS FREE AND HARMLESS FROM AND AGAINST, ANY CLAIMS AND EXPENSES ARISING OUT OF ANY LAWFUL ACTION SO TAKEN OR OMITTED TO BE TAKEN WITH RESPECT THERETO; and

(c) upon request by Secured Party, Assignor will execute and deliver to Secured Party a power of attorney, in form and substance satisfactory to Secured Party, for the implementation of any lease, assignment, license, sublicense, grant of option, sale or other disposition of a Copyright, Patent or Trademark or any action related thereto. In the event of any such disposition pursuant to this Section, Assignor shall supply its know-how and expertise relating to the manufacture and sale of the products bearing Trademarks or the products or services made or rendered in connection with Patents, and its customer lists and other records relating to such Patents or Trademarks and to the distribution of said products, to Secured Party.

8. Termination. It is contemplated by the parties that there may be times when no Secured Obligations are outstanding, but notwithstanding such occurrences, this Agreement shall remain valid and shall be in full force and effect as to subsequent outstanding Secured Obligations. Subject to the terms of the Loan Agreement, at such time as Assignor shall completely satisfy all of the Secured Obligations and the termination or expiration of the Loan Agreement and any other commitment of the Lenders to extend credit to Assignor, this Agreement shall terminate and Secured Party shall execute and deliver to Assignor, at Assignor's expense, all deeds, assignments, termination statements under the Uniform Commercial Code, and other instruments as may be necessary or proper to release Secured Party's security interest in and/or re-vest in Assignor full title to any part of the Intellectual Property Collateral, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

9. Fees and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable out-of-pocket attorneys' fees and legal expenses incurred by Secured Party in connection with defending or prosecuting any actions or proceedings arising out of or related to any part of the Intellectual Property Collateral, shall be borne and paid by Assignor on demand by Secured Party and until so paid shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

10. Protection of Intellectual Property Collateral. Assignor agrees to take, at its own expense, commercially reasonable steps to prosecute diligently any applications related to any Intellectual Property Collateral pending as of the date of this Agreement or thereafter to the extent the same is utilized in or material to the operation of Assignor's business (including, without limitation, disposition of Assignor's existing products or inventory) and will defend and protect such Intellectual Property Collateral and its rights thereunder against any infringement, dilution or misappropriation and will defend any claim or administrative or arbitral challenge that questions the validity or enforceability of the Intellectual Property Collateral, Assignor's purported rights therein and thereunder or



Assignor's rights to register or patent the same or to use and practice the same in its business. Assignor will give Secured Party notice of any proceeding in which such defense is being carried on. Assignor further agrees to make federal application on registrable but unregistered Trademarks, Copyrights or Patents to the extent the same is utilized in or material to the operation of Assignor's business (including, without limitation, disposition of Assignor's existing products or inventory). Any expenses incurred in connection therewith shall be borne by Assignor. Except as to Intellectual Property Collateral not utilized in or material to the operation of Assignor's business (including, without limitation, disposition of Assignor's existing products or inventory), Assignor shall not abandon or dedicate to the public any of the Intellectual Property Collateral, nor do any act nor omit to do any act if such act or omission is of a character that tends to cause or contribute to the abandonment or dedication to the public of any part of the Intellectual Property Collateral or loss of or adverse effect on any rights in any part of the Intellectual Property Collateral, without the consent of Secured Party, which consent shall not be unreasonably withheld.

11. Assignor's Right to Protect. Assignor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect any part of the Intellectual Property Collateral, in which event Secured Party may, if necessary, be joined as a nominal party to such suit if Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. **ASSIGNOR SHALL PROMPTLY, UPON DEMAND, REIMBURSE AND INDEMNIFY SECURED PARTY FOR ALL DAMAGES, COSTS AND EXPENSES, INCLUDING ATTORNEYS' FEES, INCURRED BY SECURED PARTY IN THE FULFILLMENT OF THE PROVISIONS OF THIS SECTION 11 IN ACCORDANCE WITH THE TERMS OF THE LOAN AGREEMENT.**

12. Power of Attorney. Assignor hereby appoints Secured Party as Assignor's true and lawful attorney-in-fact and proxy with full authority in the place and stead of Assignor and in the name of Assignor, or otherwise, from time to time in Secured Party's discretion after an Event of Default has occurred and during its continuance, to take any action and to execute any instrument which Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including any endorsement of Assignor's name on all applications, documents, papers and instruments necessary for Secured Party to use any of the Intellectual Property Collateral, or any grant or issuance of any exclusive or non-exclusive license under any of the Intellectual Property Collateral to anyone else, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of any of the Intellectual Property Collateral to anyone else. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is irrevocable coupled with an interest.

13. Secured Party's Rights to Take Action. If Assignor fails to comply with any of its obligations hereunder after reasonable request by Secured Party and after giving effect to any applicable grace periods, Secured Party may do so in Assignor's name or in Secured Party's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Secured Party in full for all expenses, including reasonable attorneys' fees, incurred by

Secured Party in protecting, defending and maintaining any of the Intellectual Property Collateral.

14. Effect on Other Loan Documents. This Agreement is a "Loan Document" as defined in the Loan Agreement and is supplemental to the Loan Agreement, and in no event shall this Agreement, or the recordation of this Agreement or any other documents in connection herewith with the United States Patent and Trademark Office, the United States Copyright Office, or any other government or public office or agency of the United States of America, adversely effect or impair, in any way or to any extent, the other Loan Documents, and the security interest of Secured Party in the Collateral (including the Intellectual Property Collateral) pursuant to the other Loan Documents. Any and all rights and interests of Secured Party in and to the Intellectual Property Collateral (and any and all obligations of Assignor with respect to the Intellectual Property Collateral) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of Secured Party (and the obligations of Assignor) in, to, or with respect to the Collateral (including Intellectual Property Collateral) provided in or arising under or in connection with the other Loan Documents. In the event of a conflict between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall control.

15. Preservation of Rights. No course of dealing between Assignor 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 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.

16. Rights are Cumulative. All of Secured Party's rights and remedies with respect to any of the Intellectual Property 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.

17. Notices. Notices that are required to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the Loan Agreement, in the manner and within the time specified in the Loan Agreement.

18. 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.

19. Modification and Amendment. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 6.

20. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. Without limiting the generality of the foregoing, Secured Party and any Lender may (except as otherwise provided in the Loan Agreement) pledge, assign or otherwise transfer any or all of their respective rights under any or all of the Loan Documents to any other Person, and such other Person shall thereupon become vested with all of the benefits in respect thereof granted herein or otherwise. None of the rights or duties of Assignor hereunder may be assigned or otherwise transferred without the prior written consent of Secured Party.

21. Governing Law; Venue.

(a) This Agreement shall be governed and construed in accordance with the laws of the State of Texas.

(b) Any legal action or proceeding with respect to this Agreement may be brought in the courts of the State of Texas or in the United States District Court for the Northern District of Texas, and by execution and delivery of this Agreement, each of Assignor and Secured Party consents to the non-exclusive jurisdiction of those courts. Each of Assignor and Secured Party irrevocably waives any objection, including any objection to venue on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any such action or proceeding in such jurisdiction. Notwithstanding the foregoing, Secured Party shall have the right to bring any action or proceeding against Assignor or its property in the courts of any other jurisdiction Lender deems necessary or appropriate in order to exercise remedies with respect to the Collateral.

22. Waiver of Jury Trial. ASSIGNOR AND SECURED PARTY EACH IRREVOCABLY WAIVES ITS RESPECTIVE RIGHT TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY KIND BROUGHT BY EITHER AGAINST THE OTHER, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. ASSIGNOR AND SECURED PARTY EACH AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, WHETHER OR NOT SPECIFICALLY SET FORTH THEREIN.

23. Indemnity and Expenses. In addition to, but not in qualification or limitation of, any similar obligations under other Loan Documents:

(A) ASSIGNOR WILL INDEMNIFY LENDER FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES AND LIABILITIES ARISING OUT OF OR RESULTING FROM THIS AGREEMENT (INCLUDING ENFORCEMENT OF THIS AGREEMENT), WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY ASSIGNOR, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE NEGLIGENCE OF THE INDEMNITEE; PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES (X) ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE OR (Y) RESULT FROM A CLAIM BROUGHT BY ASSIGNOR AGAINST AN INDEMNITEE FOR BREACH IN BAD FAITH OF SUCH INDEMNITEE'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER LOAN DOCUMENT, IF SUCH ASSIGNOR HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION.

(B) ASSIGNOR WILL UPON DEMAND PAY TO SECURED PARTY THE AMOUNT OF ANY AND ALL REASONABLE COSTS AND EXPENSES, INCLUDING THE FEES AND DISBURSEMENTS OF SECURED PARTY'S COUNSEL AND OF ANY EXPERTS AND AGENTS, WHICH SECURED PARTY MAY INCUR IN CONNECTION WITH (A) THE TRANSACTIONS WHICH GIVE RISE TO THIS AGREEMENT, (B) THE PREPARATION OF THIS AGREEMENT AND THE PERFECTION AND PRESERVATION OF THIS SECURITY INTEREST CREATED UNDER THIS AGREEMENT, (C) THE ADMINISTRATION OF THIS AGREEMENT; (D) THE CUSTODY, PRESERVATION, USE OR OPERATION OF, OR THE SALE OF, COLLECTION FROM, OR OTHER REALIZATION UPON, ANY INTELLECTUAL PROPERTY COLLATERAL; (E) THE EXERCISE OR ENFORCEMENT OF ANY OF THE RIGHTS OF SECURED PARTY HEREUNDER; OR (F) THE FAILURE BY ASSIGNOR TO PERFORM OR OBSERVE ANY OF THE PROVISIONS HEREOF, EXCEPT EXPENSES RESULTING FROM SECURED PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

24. Counterparts; Fax. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties hereby acknowledge and agree that facsimile signatures of this Agreement shall have the same force and effect as original signatures.

25. No Oral Agreements. This Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten agreements between the parties.

26. Deficiency. In the event that the proceeds of any sale, collection or realization of or upon the Intellectual Property Collateral by Secured Party are insufficient to pay all Secured Obligations and any other amounts to which Secured Party is legally entitled, Assignor shall be liable for the deficiency, together with interest thereon as provided in the governing Loan Documents or (if no interest is so provided) at such other rate as shall be fixed by applicable law, together with the costs of collection and the reasonable fees of any attorneys employed by Secured Party or Lenders to collect such deficiency.

27. Definitions. The following terms shall have the definitions set forth below:

“Copyright License” means any license or other agreement, whether now or hereafter in existence, under which is granted or authorized any right to use, copy, reproduce, distribute, prepare derivative works, display or publish any records or other materials on which a Copyright is in existence or may come into existence, including the agreements identified in Schedule A attached hereto.

“Copyrights” means all the following: (a) all copyrights under the laws of the United States or any other country (whether or not the underlying works of authorship have been published), whether now or hereafter in existence, and all registrations and recordings thereof, all intellectual property rights to works of authorship (whether or not published), and all application for copyrights under the laws of the United States or any other country, including registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or other country, or any political subdivision thereof, including those described in Schedule A attached hereto, (b) all reissues, renewals and extensions thereof, (c) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (d) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

“Domain Names” means all domain names of Assignor, whether now or hereafter in existence, including those described in Schedule A attached hereto, and all right, title and interest in respect thereof.

“GAAP” means generally accepted accounting principles as promulgated by the American Institute of Certified Public Accountants, consistently applied, as in effect from time to time. Notwithstanding anything herein to the contrary, all financial statements delivered hereunder shall be prepared and all financial covenants contained herein shall be calculated, without giving effect to any election under Statement of Financial Accounting Standards 159 (or any similar account principal) permitting a Person to value its financial liabilities at the fair value thereof.

“Intellectual Property Collateral” means any Copyrights, Copyright Licenses, Other Assets, Patents, Patent Licenses, Trademarks, and Trademark Licenses; provided, however, “Intellectual Property Collateral” shall at no time include any Excluded Property (as defined in the Loan Agreement).

“Other Assets” means any other proprietary rights and intellectual property of Assignor, including without limitation, formulations, manufacturing procedures, quality control procedures and product specifications relating to any products sold under the Patents, Copyrights, Trademarks and Domain Names.

“Patent License” means any license or other agreement, whether now or hereafter in existence, under which is granted or authorized any right with respect to any Patent or any invention now or hereafter in existence, whether patentable or not, whether a patent or application for patent is in existence on such invention or not, and whether a patent or application for patent on such invention may come into existence, including the agreements identified in Schedule A attached hereto.

“Patents” means all the following: (a) all letters patent and design letters patent of the United States or any other country, whether now or hereafter in existence, and all applications for letters patent and design letters patent of the United States or any other country, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or other country, or any political subdivision thereof, including those described in Schedule A attached hereto, (b) all reissues, divisions, continuations, continuations-in-part, renewals and extensions thereof, (c) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (d) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

“Secured Obligations” means all Obligations (as defined in the Loan Agreement) as and when due and payable under or in respect of the Loan Agreement and any of the other Loan Documents and all renewals, extensions, amendments, modifications, supplements or restatements of or substitutions for any of the foregoing.

“Trademark License” means any license or agreement, whether now or hereafter in existence, under which is granted or authorized any right to use any Trademark, including the agreements identified on Schedule A attached hereto.

“Trademarks” means all of the following: (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, brand names, trade dress, prints and labels on which any of the foregoing have appeared or appear, package and other designs, and any other source or business identifiers, and general intangibles of like nature, and the rights in any of the foregoing which arise under applicable law, whether now or hereafter in existence, (b) the goodwill of the business symbolized thereby or associated with each of them, (c) all registrations and applications in

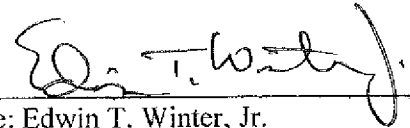
connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or other country, or any political subdivision thereof, including those described in Schedule A attached hereto, (d) all reissues, extensions and renewals thereof, (e) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (f) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date set forth above.

**ASSIGNOR:**

BACHMANN INDUSTRIES, INC.

By: 

Name: Edwin T. Winter, Jr.

Title: Senior Vice President



**SECURED PARTY:**

**NEWSTAR BUSINESS CREDIT, LLC**





By: *Greg Gentry*  
Name: Greg Gentry  
Title: Senior Vice President


**SCHEDULE A**  
**Intellectual Property Collateral**



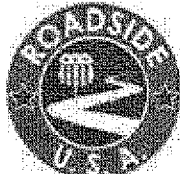
**Patent/Industrial Design:**

None.

**Trademarks:**

Jurisdiction	Trademark	Class	Reg. No. (App. No.)	Reg. Date (App. Date)	Record Owner	Status
United States	BACH MAN	38	3,293,273 (77/071,633)	09/18/2007 (12/27/2006)	Bachmann Industries, Inc.	Registered
United States	BACHMANN	9, 28	1,736,239 (74/223,472)	12/01/1992 (11/20/1991)	Bachmann Industries, Inc.	Registered (Renewed)
United States	Bachmann E-Z Track System (and Design) 	28	3,301,198 (77/072,002)	10/02/2007 (12/27/2006)	Bachmann Industries, Inc.	Registered
United States	Bachmann E-Z Track System (and Design) 	28	2,061,990 (74/663,989)	05/13/1997 (04/20/1995)	Bachmann Industries, Inc.	Registered (Renewed)
United States	Bachmann Quality Since 1833 B (and design) 	9, 28	1,736,238 (74/223,469)	12/01/1992 (11/20/1991)	Bachmann Industries, Inc.	Registered (Renewed)
United States	DCC ON BOARD	28	4,216,974 (85/525,700)	10/02/2012 (01/26/2012)	Bachmann Industries, Inc.	Registered
United States	DCC on Board (and Design) 	28	3,380,308 (77/071,916)	02/12/2008 (12/27/2006)	Bachmann Industries, Inc.	Registered
United States	E-Z	28	2,225,724 (75/412,444)	02/23/1999 (12/31/1999)	Bachmann Industries, Inc.	Registered (Renewed)
United States	E-Z COMMAND	9	2,929,228 (76/346,861)	03/01/2005 (12/10/2001)	Bachmann Industries, Inc.	Registered
United States	E-Z LUBE	4	2,247,669	5/25/1999	Bachmann Industries, Inc.	Registered

Jurisdiction	Trademark	Class	Reg. No. (App. No.)	Reg. Date (App. Date)	Record Owner	Status
			(75/457,982)	(03/27/1998)		(Renewed)
United States	E-Z MATE	28	2,195,884 (75/366,734)	10/13/1998 (10/02/1997)	Bachmann Industries, Inc.	Registered (Renewed)
United States	E-Z RIDERS	28	3,366,363 (77/005,420)	01/08/2008 (09/22/2006)	Bachmann Industries, Inc.	Registered (Renewed)
United States	E-Z TRACK	28	3,222,737 (78/896,006)	03/27/2007 (05/30/2006)	Bachmann Industries, Inc.	Registered
United States	E-Z TRACK	28	2,053,073 (74/499,857)	04/15/1997 (03/09/1994)	Bachmann Industries, Inc.	Registered (Renewed)
United States	Golden Memories (and Design) 	28	3,864,167 (77/961,909)	10/19/2010 (03/18/2010)	Bachmann Industries, Inc.	Registered
United States	GOLDEN SPIKE	28	2,948,721 (76/369,630)	05/10/2005 (02/11/2002)	Bachmann Industries, Inc.	Registered
United States	LPL BIG HAULERS	28	4,276,271 (85/188,953)	01/15/2013 (12/02/2010)	Bachmann Industries, Inc.	Registered
United States	LUXURY LINES	28	3,863,579 (77/953,897)	10/19/2010 (03/09/2010)	Bachmann Industries, Inc.	Registered
United States	NORTH POLE & SOUTHERN	28	3,342,281 (77/072,684)	11/20/2007 (12/28/2006)	Bachmann Industries, Inc.	Registered
United States	NOW THAT'S THE WAY TO RUN A RAILROAD	28	2,054,958 (75/093,676)	04/22/1997 (04/24/1996)	Bachmann Industries, Inc.	Registered (Renewed)
United States	PLASTICVILLE	28	1,076,534 (73/119,584)	11/01/1977 (03/21/1977)	Bachmann Industries, Inc.	Registered (Renewed)
United States	PLASTICVILLE U.S.A.	28	2,088,668 (75/026,420)	08/19/1997 (11/29/1995)	Bachmann Industries, Inc.	Registered (Renewed)
United States	SCENE SCAPES	28	3,402,511 (77/046,843)	03/25/2008 (11/17/2006)	Bachmann Industries, Inc.	Registered
United States	SCENESCAPES	28	3,402,512 (77/046,512)	03/25/2008 (11/17/2006)	Bachmann Industries, Inc.	Registered
United States	SILVER SERIES	28	2,049,056 (75/092,547)	04/01/1997 (04/22/1996)	Bachmann Industries, Inc.	Registered (Renewed)
United States	SPECTRUM	28	3,222,740 (78/896,075)	03/27/2007 (05/30/2006)	Bachmann Industries, Inc.	Registered
United States	SPECTRUM	28	2,043,534 (75/086,692)	03/11/1997 (04/10/1996)	Bachmann Industries, Inc.	Registered (Renewed)
United States	Spektrum (and Design) 	9	3,080,770 (78/490,939)	04/11/2006 (09/28/2004)	Bachmann Industries, Inc.	Registered

Jurisdiction	Trademark	Class	Reg. No. (App. No.)	Reg. Date (App. Date)	Record Owner	Status
United States	THE CENTENNIAL	28	3,307,292 (78/944,080)	10/09/2007 (08/03/2006)	Bachmann Industries, Inc.	Registered
United States	THE NIGHT BEFORE CHRISTMAS	28	2,498,553 (75/290,987)	10/16/2001 (05/13/1997)	Bachmann Industries, Inc.	Registered (Renewed)
United States	True Blast II (and Design) 	28	4,062,386 (85/165,823)	11/29/2011 (11/1/2010)	Bachmann Industries, Inc.	Registered
United States	WHITE CHRISTMAS	28	1,988,915 (74/497,050)	07/23/1996 (03/04/1994)	Bachmann Industries, Inc.	Registered (Renewed)
United States	Williams by Bachmann (and Design) 	28	3,863,532 (77/953,182)	10/19/2010 (03/08/2010)	Bachmann Industries, Inc.	Registered
United States	E-Z STREET	28	(85/800,659)	(12/12/2012)	Bachmann Industries, Inc.	Published – Published for Opposition
United States	DCC SOUND VALUE ON BOARD	28	(85/525,703)	(01/26/2012)	Bachmann Industries, Inc.	Allowed – Notice of Allowance Issued
United States	ROADSIDE U.S.A.	28	(85/905,786)	(04/16/2013)	Bachmann Industries, Inc.	Pending
United States	Roadside U.S.A. (and Design) 	28	(85/905,801)	(04/16/2013)	Bachmann Industries, Inc.	Pending

**Copyrights:**

None.

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**Domain Names:**

bachmantrains.com  
bachmantrain.biz  
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bachmantrain.org  
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