

09-28-1998

(Rev. 6-93)

9-22-98
OMB No. 0651-0011 (exp. 4/94)

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

1. Name of conveying party(ies):
Jet Spray Corp.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation - State **Massachusetts**
 Other

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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date(s): **September 9, 1998**

2. Name and address of receiving party(ies):

FINANCE

Name: **IMI Cornelius Inc.**
Internal Address:
Street Address: **One Cornelius Place**

City: **Anoka** State: **MN** ZIP: **55303-1592**

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

If assignee is not domiciled in the United States, a domestic representative designation is attached. Yes No
(Designations must be a separate document from assignment)
Additional name(s) of conveying party(ies) attached? Yes No

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

A. Trademark Application No(s).
75/443,465
74/580,684

B. Trademark No(s)

2,005,539	1,183,650	1,085,793	778,448
1,460,763	1,170,079	1,063,592	
1,247,628	1,103,664	981,760	
1,229,765	1,102,704	848,399	
1,184,644	1,085,892	778,989	

Additional numbers attached? Yes No

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

Name: **Craig J. Lervick**
Internal Address: **3400 Plaza VII Building**
Street Address: **45 South Seventh Street**
City: **Minneapolis** State: **MN** ZIP: **55402**
Our File No.: **22/175**

09/25/1998 DCOATES 00000014 150627 75443465

01 FC:4A1 40.00 CH
02 FC:4B2 425.00 CH

6. Total number of applications and registrations involved: **18**

7. Total Fee (37 CFR 3.41) **\$465.00.**

Enclosed
 Authorized to be charged to deposit account
 Authorized to charge any underpayment or credit any overpayment to deposit account.

8. Deposit account number:
15-0627

(Attach duplicate copy of this page if paying by deposit account.)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

CRAIG J. LERVICK *Craig J. Lervick* **9-21-98**
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 7

Mail documents to be recorded with required cover sheet information to:
U.S. Patent and Trademark Office, Office of Public Records, Crystal Gateway 4, Room 335
Washington, D.C. 20231

TRADEMARK COLLATERAL ASSIGNMENT

THIS TRADEMARK COLLATERAL ASSIGNMENT ("**Assignment**") is made as of the 5TH day of SEPTEMBER, 1998, between Jet Spray Corp., a Massachusetts corporation, having a mailing address at 825 University Avenue, Norwood, Massachusetts 02062 ("**Assignor**") and IMI Cornelius Inc., a Minnesota corporation, having a mailing address at One Cornelius Place, Anoka, Minnesota 55303-1592 ("**IMICI**").

RECITALS

- FIRST:** Assignor and IMICI are parties to that certain Note, Loan and Security Agreement dated on or about the date hereof (the "**Loan Agreement**") under which IMICI has established a discretionary (with IMICI) line of credit in favor of Assignor in the maximum principal amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00).
- SECOND:** This Assignment is delivered in connection with the execution of the Loan Agreement.
- THIRD:** In order to secure repayment of and the full and complete performance of all of the Obligations, as that term is defined in the Loan Agreement, Assignor is executing and delivering this Assignment to the IMICI pursuant to which the Assignor grants to IMICI a security interest in and lien on all of Assignor's trademarks, servicemarks and registrations therefore, now owned and hereafter acquired, including, but not limited to, the trademark applications and trademarks listed in Schedule A hereto, and the goodwill associated therewith. This Assignment is being executed substantially contemporaneously with the Loan Agreement under which IMICI is granted a lien on and security interest in substantially all of Assignor's assets, including, without limitation, such trademarks and servicemarks.

NOW, THEREFORE, in consideration of the above Recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby agrees with IMICI as follows:

1. To secure the complete and timely payment of and performance of all of the Obligations, as that term is defined in the Loan Agreement, (collectively, the "**Obligations**"), Assignor hereby grants, assigns and conveys to IMICI a first priority security interest in and to all of Assignor's trademarks, servicemarks and registrations therefore, now owned and hereafter acquired, including, but not limited to, the trademark/servicemarks applications and trademarks/servicemarks listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time, but only with the prior written consent of IMICI), including, without limitation, all renewals thereof, all proceeds of infringement suits, the right to sue for past,

present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing collectively the "Trademarks") and the entire good will of the business connected with and symbolized by each of the Trademarks and other intangibles. Schedule A is incorporated into and made a part of this Assignment by reference the same as if it were fully set forth herein.

2. Assignor covenants and warrants to IMICI that:

- (a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;
- (b) Each of the Trademarks is valid and enforceable;
- (c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;
- (d) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Assignor not to sue third persons, except the security interest of 825 University Avenue Ventures, L.L.C., which is subordinated to the security interest of the Holder created hereby, and the security interest of Universal Plastics, Inc. to which an aggregate amount of \$16,000 is owed by Assignor and which amount is expected to be repaid in full in out of the first advance hereunder in exchange for a release of such security interest ;
- (e) Assignor has the unqualified right to enter into this Assignment and perform its terms;
- (f) Assignor has used, and will continue to use for the duration of this Assignment, proper statutory notice in connection with its use of the Trademarks; and
- (g) Assignor has used, and will continue to use for the duration of this Assignment, consistent standards of quality of goods and services marked by its Trademarks.

3. Assignor shall do any and all acts necessary to ensure Assignor's compliance with Section 2(g) above.

4. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new Trademarks, the provisions of Section 1 shall automatically apply thereto as if the same were identified on Schedule A as of the date hereof and Assignor shall give IMICI prompt written notice thereof.

5. Assignor shall, upon written request of IMICI, enter into such additional documents or instruments as may be reasonably required by the IMICI in order to effectuate, evidence or perfect this Assignment as to Trademarks owned by the Assignor.

6. Assignor authorizes IMICI to modify this Assignment by amending Schedule A to include any future Trademarks as contemplated by Sections 1 and 4 hereof and, at IMICI's request, Assignor shall execute any documents or instruments reasonably required by IMICI in order to modify this Assignment as provided in this Section 6; provided that any such modification to Schedule A shall be effective without the signature of Assignor.

7. Upon the failure of the Company to pay principle or interest under the Loan Agreement upon demand, or upon any other default in the timely payment and performance of any other Obligation or liability of the Company thereunder or under this Agreement or any other agreement or instrument executed in connection therewith or herewith, or in the event a case is commenced by or against the Company under Title 11 United States Code, IMICI shall have, in addition to all other rights and remedies given it by this Assignment or in the Loan Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the applicable jurisdiction (the "UCC") and, without limiting the generality of the foregoing, IMICI may immediately, without demand of performance and without other notice (except as set forth next 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, in Minneapolis, Minnesota, or elsewhere, all or from time to time any of the Trademarks, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds against payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be distributed in accordance with the UCC. Notice of any sale or other disposition of the Trademarks shall be given to Assignor at least five (5) business days before the time of any intended public or private sale or other disposition of the Trademarks 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, any holder of the Note may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

8. At such time as all of the Obligations are satisfied, this Assignment shall terminate and IMICI shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to terminate or release its security interests and to re-vest in Assignor full title to the Trademarks, subject to any disposition thereof which may have been made by IMICI pursuant hereto.

9. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by IMICI in connection with the preparation, amendment and enforcement of this Assignment, all renewals, required affidavits and all other documents relating hereto and the consummation of this transaction, 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 protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Assignor upon demand, and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

10. Assignor shall have the duty, through counsel acceptable to IMICI, to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Assignment or thereafter until the Obligations shall have been paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by Assignor. Assignor shall not abandon any Trademark without the consent of IMICI which consent shall not be unreasonably withheld.

11. Assignor shall have the right, but only with the prior written consent of IMICI which consent will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event IMICI may, if necessary, be joined as a nominal party to such suit if IMICI 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 IMICI for all damages, costs and expenses, including attorneys' fees incurred by IMICI in connection with the provisions of this Section 11.

12. Assignor hereby authorizes and empowers IMICI, effective upon the failure of the Company to pay principle or interest under the Loan Agreement upon demand, or upon any other default in the timely payment and performance of any other Obligation or liability of the Company thereunder or under this Agreement or any other agreement or instrument executed in connection therewith or herewith, or in the event a case is commenced by or against the Company under Title 11 United States Code, to make, constitute and appoint any officer or agent of IMICI as IMICI may select, in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for IMICI to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any third party, or necessary for IMICI to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to third party. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Assignment.

13. If Assignor fails to comply with any of its obligations under this Assignment, IMICI may, but is not obligated to, do so in Assignor's name or in IMICI's name, but at Assignor's expense, and Assignor hereby agrees to reimburse IMICI on demand in full for all expenses, including reasonable attorneys' fees, incurred by IMICI in protecting, defending and maintaining the Trademarks.

14. No course of dealing between Assignor and IMICI, nor any failure to exercise, nor any delay in exercising, on the part of IMICI, any right, power or privilege hereunder or under the Loan Agreement or any agreement, guaranty or instrument entered into in connection therewith (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.

15. All of IMICI's rights and remedies with respect to the Trademarks, 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.

16. The provisions of this Assignment 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 Assignment in any jurisdiction.

17. This Assignment may be amended or modified only by a writing signed by the parties hereto except as provided in Section 6 above.

18. The benefits and burdens of this Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties except that Assignor may not assign any of its rights or duties hereunder without the prior written consent of IMICI.

19. The validity and interpretation of this Assignment and the rights and obligations of the parties shall be governed by the laws of the State of Minnesota.

WITNESS the execution hereof as of the day and year first above written.

Jet Spray Corp., a Massachusetts corporation

By 

Its PRESIDENT

IMI Cornelius Inc., a Minnesota corporation

By 

Its EVP - ENGINEERING

**SCHEDULE A
TO TRADEMARK COLLATERAL ASSIGNMENT
TRADEMARKS
JET SPRAY CORP.**

Trademark	Application No./ Registration No.	Filing Date/Registration Date
JETSPRAY NEW AGE	75/443,465	March 3, 1998
JET SPRAY	2,005,539	April 22, 1997
NEWAGE JET SPRAY Mark is being opposed by Newage Industries, Inc.	74/580,684	October 3, 1995
JET SPRAY (Stylized Letters)	1,460,763	October 13, 1987
CITRAJET	1,247,628	August 9, 1983
JET TEK	1,229,765	March 8, 1983
JET TWINBANK	1,183,650	December 29, 1983
JET TRIBANK	1,184,644	January 5, 1982
THIRST COME...THIRST SERVED	1,170,079	September 22, 1981
JETLINE	1,102,704	September 19, 1978
YOUR STANDARD OF EXCELLENCE FOR BEVERAGE/FOOD MERCHANIDISING ON SIX CONTINENTS	1,103,664	October 3, 1978
YOUR STANDARD OF EXCELLENCE FOR BEVERAGE/FOOD MERCHANIDISING ON SIX CONTINENTS	1,085,793	February 14, 1978 *No record of renewal filed
TEAJET	1,085,892	February 21, 1978 *No record of renewal filed
YOUR STANDARD OF ELECENCE FOR BEVERAGE MERCHANDISING ON SIX CONTINENTS	1,063,592	April 12, 1977 Renewed: April 14, 1997
ROBYN LEE and Design	981,760	April 2, 1974 Renewed: August 1, 1994
PEOPLE DRINK WHAT THEY SEE	848,399	April 30, 1968 Renewed: April 30, 1988
JET	778,989	October 27, 1964; Renewed
JET SPRAY and Design	778,448	October 13, 1964 Renewed