

MKD 11.16.98



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SHEET
ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):

New Flyer Industries Limited

- Individual(s)
- General Partnership
- Corporation-Province of Manitoba, Canada
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached?

- Yes
- No

3. Nature of conveyance:

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

Execution Date: October 15, 1998

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

Name: The Bank of Nova Scotia

Internal Address: Winnipeg Commercial Banking - Centre & Main Branch

Street Address: 200 Portage Avenue at Main Street

City: Winnipeg State: Manitoba, Canada ZIP: R3C 2R7

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other A Canadian Chartered Bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,072,380	ICON LOGO	2,177,401	NEW FLYER
1,577,351	NEW FLYER	2,177,404	NEW FLYER
1,572,970	NEW FLYER	2,177,405	NEW FLYER
2,059,301	WINGS DESIGN		

Additional numbers attached? Yes No

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

Name: Alyssa A. Dudkowski

Internal Address: Mayer, Brown & Platt

Street Address: P.O. Box 2828

City: Chicago State: IL ZIP: 60690-2828

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41) \$190.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

13-0019

(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.

Alyssa A. Dudkowski
Name of Person Signing

Alyssa A. Dudkowski
Signature

November 12, 1998
Date

Total number of pages comprising cover sheet: 6

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

11/18/1998 DNGUYEN 00000021 2072380

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

01 FC:481 40.00 OP
02 FC:482 150.00 OP

Public burden reporting for this sample sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington D.C. 20503.

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of 15 October 1998, is by NEW FLYER INDUSTRIES LIMITED, a corporation organized under the laws of the Province of Manitoba, Canada (the "Grantor"), in favor of THE BANK OF NOVA SCOTIA in its capacity as agent (herein, in such capacity, called the "Agent") for and on behalf of and for the benefit of the Secured Parties (as defined below).

W I T N E S S E T H:

WHEREAS, the Grantor and others, as restricted parties (collectively, the "Restricted Parties" and each a "Restricted Party"), and the Agent, as a lender and as administrative agent, and the other lenders from time to time a party to the agreement, (collectively, the "Lenders") have entered into a Credit Agreement made as of 15 October 1998 (as the same may be amended, modified, supplemented, restated or replaced from time to time, the "Term Credit Agreement"); and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor agrees as follows:

1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement have the meanings provided in the Security Agreement.

2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Obligations, the Grantor hereby assigns to the Agent for the benefit of the Secured Parties, and grants to the Agent for the benefit of the Secured Parties, a continuing security interest in Grantor's right, title and interest in and to the following, whether now or hereafter existing or acquired (the "Trademark Collateral"): all trademarks, service marks, business names, designs, logos, indicia and other source and/or business identifiers and the goodwill of the business relating thereto and all registrations or applications for registration which have heretofore been or may hereafter be issued or filed thereon and all renewals thereof throughout the world (including, without limitation, those listed on Schedule I hereto), all proceeds of, and rights associated with, the foregoing (including without limitation license royalties and proceeds of infringement suits), the right to sue for all past, present or future infringements of any of the

foregoing and all common law and other rights corresponding thereto throughout the world in and to all the foregoing.

3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of recording the security interest of the Agent on behalf of each Secured Party in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Agent under the Security Agreement. The Security Agreement (and all rights and remedies of the Agent thereunder) shall remain in full force and effect in accordance with its terms.

4. Release of Security Interest. Upon the payment in full of all Obligations and the termination of all commitments of the Secured Parties, the Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth therein.


[The remainder of this page is intentionally left blank.]

6. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed and delivered by its officer thereunder duly authorized as of the day and year first above written.

NEW FLYER INDUSTRIES LIMITED


By: 
Ken Ross
Executive Vice-President

And: 
Glenn Asham
Vice-President, Finance

Address:
711 Kernaghan Avenue
Winnipeg, Manitoba
R2C 3T4

Attention: Vice-President,
Finance
Facsimile: 204-222-4578

THE BANK OF NOVA SCOTIA, as Agent

By: 
Name:
Title:

Address:
The Bank of Nova Scotia
Winnipeg Commercial Banking
Centre & Main Branch
200 Portage Avenue at Main
Street
Winnipeg, Manitoba
R3C 2R7

Attention: Senior Account Manager
Facsimile: 204-985-3106

**SCHEDULE 1
to
Trademark Security Agreement**

TRADEMARKS

UNITED STATES OF AMERICA TRADEMARKS

TRADE-MARK	APPLN./REGN. NO.	REGISTRATION DATE
ICON LOGO DESIGN	2,072,380	June 17, 1997
NEW FLYER	1,577,351	January 16, 1990
NEW FLYER AND DESIGN	1,572,970	December 26, 1989
NEW FLYER AND DESIGN	2,177,401 (Class 9)	July 28, 1998
NEW FLYER AND DESIGN	2,177,404 (Class 11)	July 28, 1998
NEW FLYER AND DESIGN	2,177,405 (Class 12)	July 28, 1998
WINGS DESIGN	2,059,301	May 6, 1997