

RECORDATION F
TRADEMARK

12-11-1998

DEPARTMENT OF COMMERCE
Patent and Trademark Office



100918574

ments or copy thereof.

Tab settings

To the Honorable Commissioner of Patents and Trademarks

1. Name of conveying party(ies):

Arrowhead Acquisition Partners, LLC

- Individual(s)
- General Partnership
- Corporation-State
- 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: 9/11/98

2. Name and address of receiving party(ies)

Name: Finova Capital Corporation

Internal Address: _____

Street Address: 355 S. Grand Avenue

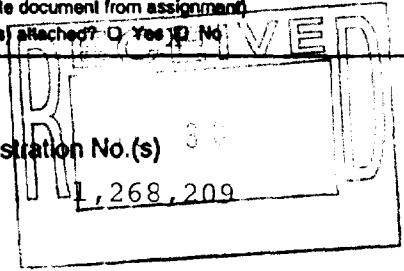
City: Los Angeles State: CA ZIP: 90071

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Delaware
- 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) & address(es) attached? Yes No



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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

- 1,199,338
- 1,257,165
- 1,257,166

12/11/1998 SBURNS 00000026 1199338

Additional numbers attached? Yes No

01 FC:481
025 FC:482

40.00 DP

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

Name: LaValle D. Ptak

Internal Address: Law Office of LaValle Ptak

Street Address: 4420 N. Saddlebag Trail

Ste. 102

City: Scottsdale State: AZ ZIP: 85251

6. Total number of applications and registrations involved: _____

4

7. Total fee (37 CFR 3.41).....\$ 115.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: _____

(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.

LaValle D. Ptak

Name of Person Signing

Signature

11/23/98
Date

Total number of pages including cover sheet, attachments, and document: 74

**COLLATERAL ASSIGNMENT OF TRADEMARKS,
LICENSES AND PATENTS
AND SECURITY AGREEMENT**

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS, LICENSES AND PATENTS AND SECURITY AGREEMENT ("Assignment") is made as of the 11th day of September, 1998, by ARROWHEAD ACQUISITION PARTNERS LLC, a Delaware limited liability company, having its chief executive office at 3255 Medalist Drive, Oshkosh, Wisconsin 54903 ("Assignor"), for the benefit of FINOVA CAPITAL CORPORATION, a Delaware corporation, having its chief executive office at 355 South Grand Avenue, Los Angeles, California 90071 (the "Assignee").

W I T N E S S E T H:

WHEREAS, Assignor and Assignee are parties to a certain Loan and Security Agreement ("Loan Agreement") of even date herewith, which provides, among other things, for the grant by Assignor to Assignee of a security interest in the Trademarks, Licenses and Patents (as defined below);

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

1. **Incorporation of Loan Agreement.** The Loan Agreement and the terms and provisions thereof are incorporated herein in their entirety by this reference thereto, which Loan Agreement provides for, among other things, a grant of a security interest in the trademarks, trade names, licenses and patents which are the subject of this Assignment. Capitalized terms used in this Assignment and not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement. All references herein to "trademarks" shall include "service marks" as well.

2. **Collateral Assignment of Trademarks, Licenses and Patents.** To secure the complete and timely satisfaction of all of the Obligations, Assignor hereby grants to Assignee, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by law upon the occurrence of an Event of Default, all of Assignor's right, title and interest in and to the following assets:

(i) trademarks, trademark registrations, trade names, trade name registrations, and trademark or trade name applications, including without limitation those listed on Schedule A, attached hereto and made a part hereof, as the same may be amended from time to time, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/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, (d) all rights corresponding thereto throughout the world, and (e) the goodwill of the business operated by Assignor connected with and symbolized by any trademarks or trade names (all of the foregoing trademarks, trademark registrations, trade names, trade name registrations, and applications, together with the items described in clauses (a) - (e), are sometimes herein individually and/or collectively referred to as the "Trademarks");

(ii) license agreements, including without limitation such as are listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale, sell, and advertise for sale any inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses");

(iii) patents and patent applications, registered or pending, including without limitation such as are listed on Schedule C, attached hereto, together with all income, royalties, shop rights, damages and payments thereto, the right to sue for infringements thereof, and all rights thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business connected with the use of and symbolized by such patents (all of the foregoing are sometimes herein individually and/or collectively referred to as the "Patents").

3. **Representations and Warranties.** Assignor represents and warrants that:

(a) The Trademarks, Licenses and Patents are to the best of its knowledge, valid and existing;

(b) It is not aware of any claim that the use of the Trademarks, Licenses or Patents violates or may violate the rights of any third person; and

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, Licenses and Patents, free and clear of any Liens, charges and encumbrances

including without limitation pledges, assignments, licenses, registered-user agreements, shop rights and covenants by Assignor not to sue third persons, except as disclosed in Schedule D attached hereto.

4. **Subsequent Trademarks and Patents.** If, before the Obligations have been satisfied in full, Assignor shall obtain rights to any other patents or new patentable inventions, trademarks or trade names, or registrations thereof or applications or licenses therefor, the provisions of this Agreement shall automatically apply thereto, Assignor shall be deemed to have granted and does hereby grant to Assignee a first mortgage and security interest therein to secure the complete and timely satisfaction of all of the Obligations, and Assignor shall give Assignee prompt written notice thereof.

5. **License Back to Assignor; Restrictions on Future Agreements.** Unless and until there shall have occurred and be continuing an Event of Default, Assignee hereby grants to Assignor the exclusive, nontransferable right and license, subject to exceptions disclosed in Schedule D attached hereto, for Assignor's own benefit and account and none other, to (i) use the Trademarks on and in connection with products sold by Assignor, (ii) make, have made for it, use, offer for sale and sell the inventions disclosed and claimed in the Patents and (iii) operate under the Licenses. If any Event of Default shall have occurred and be continuing, Assignor's license under the Trademarks and Patents as set forth above shall terminate (unless an extension shall be consented to by Assignee) and Assignee shall have all of the rights and remedies described herein and in the Loan Agreement. Assignor agrees that until the Obligations shall have been satisfied in full and the security interest granted hereby has been released, Assignor will not, without Assignee's prior written consent, enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Assignment, and Assignor further agrees that it will 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, which would affect the validity or enforceability of the rights transferred to Assignee under this Assignment.

6. **Assignee's Right to Inspect.** Assignee shall have the rights, at any time during Assignor's regular business hours and from time to time, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. From and after the occurrence of an Event of Default and the giving by Assignee of written notice to Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses and Patents, Assignor agrees that Assignee, or a conservator appointed by Assignee, shall have the right to establish such additional product quality controls as Assignee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Trademarks. Assignor agrees (i) not to sell or assign its interest in, or grant any license under, the

Trademarks, Licenses or Patents, without the prior written consent of Assignee; (ii) 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; and (iii) not to change the quality of said products without Assignee's express written consent.

7. **Termination of Assignee's Security Interest**. This Assignment is made for collateral purposes only. Upon payment and performance in full of the Obligations and release of the security interests granted to Assignee by Assignor hereunder, Assignee shall promptly execute and deliver to Assignor all assignments, termination statements and other instruments as may be necessary or proper to terminate Assignee's security interest in the Trademarks, Licenses and Patents, subject to any disposition thereof which may have been made by Assignee pursuant hereto, or pursuant to the Loan Agreement.

8. **Duties of Assignor**. Assignor shall have the duty (i) to observe all covenants concerning Trademarks, Patents and Licenses contained in the Loan Agreement, (ii) to prosecute diligently any trademark application or patent application which is part of the Trademarks or Patents respectively, pending as of the date hereof or thereafter until the Obligations shall have been paid and performed in full, and (iii) to preserve and maintain all rights in trademarks, trade names, patents, and trademark, trade name and patent applications and registrations which are part of the Trademarks and Patents. Any expenses or filing fees incurred in connection with such applications or the maintenance of the Trademarks and Patents shall be borne by Assignor. Assignor shall not abandon any right to file an application, or any pending application, trademark, trade name, or patent, without the consent of Assignee, which consent shall not be unreasonably withheld.

9. **Assignee's Right to Sue**. From and after the occurrence of an Event of Default and the giving by Assignee of written notice to Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses and Patents, Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Trademarks or Patents, and any licenses thereunder, and, if Assignee shall commence any such suit, Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this paragraph 9.

10. **Waivers**. No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, 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.

11. **Severability.** The provisions of this Assignment are severable, and if any clause or provisions 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 provisions, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provisions in any other jurisdiction, or any other clause or provision of this Assignment in any jurisdiction.

12. **Modification.** This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

13. **Cumulative Remedies; Power of Attorney.** All of Assignee's rights and remedies with respect to the Trademarks, Licenses and Patents, whether established by this Assignment, by the Loan Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Assignor hereby authorizes Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power (i) at any time from and after the occurrence of an Event of Default to (a) endorse Assignor's name on all applications, documents, papers and instruments necessary or desirable for the Assignee in the use of the Trademarks, Licenses or Patents, or (b) take any other actions with respect to the Trademarks, Licenses or Patents as the Assignee deems in the best interest of the Assignee, and (ii) from and after the occurrence of an Event of Default and the giving by Assignee of written notice to Assignor of Assignee's intention to enforce its rights and claims against any of the Trademarks, Licenses or Patents, to (a) grant or issue any exclusive or nonexclusive license under the Trademarks or Patents to anyone, or (b) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, Licenses or Patents to anyone. Assignee 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 the Obligations shall have been paid and performed in full or the security interests granted to Assignee by this Assignment have been released. Assignor acknowledges and agrees that this Assignment is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies. Assignee shall have, in addition to all other rights and remedies given it by the terms of this Assignment, 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 Trademarks, Licenses or Patents may be located.

14. **Binding Effect; Benefits.** This Assignment shall be binding upon the Assignor and its respective successors and permitted assigns and shall inure to the benefit of Assignee, its nominees and assigns.

15. **Governing Law.** This Assignment shall be deemed to have been executed and delivered in Phoenix, Arizona, and shall be governed by and construed in accordance with the internal laws (as opposed to conflicts of law provisions) of the State of Arizona.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE/COLLATERAL ASSIGNMENT OF TRADEMARKS,
LICENSES AND PATENTS AND SECURITY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have duly executed this
Assignment as of the date first above written.

Assignor:

ARROWHEAD ACQUISITION
PARTNERS LLC, a Delaware limited
Liability company

Signed in the presence of the undersigned:

Witness: Kimberly A. Vincent
Name: Kimberly A. Vincent

By: Arrowhead Advisors LLC, a Delaware
limited liability company, its Manager

By: Ronald N. Beck
Ronald N. Beck, Manager

Assignee:

FINOVA CAPITAL CORPORATION, a
Delaware corporation


By: Carlton S. Breed
Name: Carlton S. Breed
Title: V.P.

STATE OF New York)
) ss.
COUNTY OF New York)

This instrument was acknowledged before me on September 1, 1998 by RONALD N. BECK, as Manager of Arrowhead Advisors LLC, a Delaware limited liability company, on behalf of the company as Manager of Arrowhead Acquisition Partners LLC, a Delaware limited liability company.

(Seal)

DAVID S. LEINWAND, ESQ.
Notary Public, State of New York
No. 24-4986707
Qualified in Kings County
Certificate Filed in New York County
Commission Expires May 18, 2000.

Notary 
Public _____
My Commission
expires: _____

My Commission Expires:

STATE OF California
) ss.
COUNTY OF Los Angeles

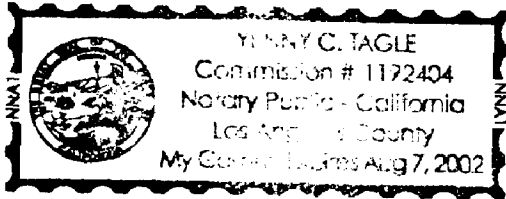
On this the 29 day of September, 1998, before me,
Yenny C. Tagle, the undersigned officer, personally appeared
Carleton S. Breed, who acknowledged himself/herself to be the
Vice President of FINOVA Capital Corporation, a Delaware corporation, and
that he/she, as such Vice President, being authorized to do so, executed the
foregoing instrument for the purposes therein contained, by signing the name of the
corporation by himself/herself as Vice President

In witness whereof I hereunto set my hand and official seal.

Yenny C. Tagle
Notary Public

My Commission Expires:

August 7, 2002



SCHEDULE A

TRADEMARK, TRADEMARK REGISTRATION,
TRADE NAMES, TRADE NAME REGISTRATIONS,
TRADEMARK OR TRADE NAME APPLICATIONS

<u>TRADEMARK</u>	<u>NUMBER</u>	<u>DATE</u>
Miscellaneous design	1,199,338	June 29, 1982
ARROW-LINE and design	1,257,165	November 8, 1983
ARROW-FLEX and design	1,257,166	November 8, 1983
SANI-TOP and design	1,268,209	February 21, 1984

SCHEDULE B

LICENSE AGREEMENTS

1. Royalty-fee, perpetual license for Line Shaft Conveyor Diverter, 4,798,275, dated January 17, 1989
2. Royalty-fee, perpetual license for brake for Roller Conveyors, 4,600,093, dated July 15, 1986.

SCHEDULE C

PATENTS

<u>Patent Name</u>	<u>Number</u>	<u>Date</u>	<u>Inventor</u>
Chain Conveyer	4,545,477	October 8, 1985	Creighton J. Besch Seattle, Washington

SCHEDULE D

NONE