

01-22-1999

(Rev. 6-93)
OMB No. 0665-0011
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To the Honorable commissioner of P.

and original documents or copy thereof.

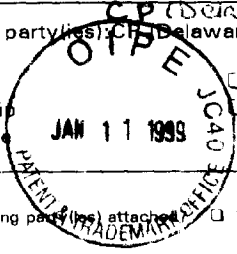
1. Name of conveying party(ies): SP (SERVING) INC. (Delaware), Inc.

Individual(s)
 General Partnership
 Corporation - State
 Other

Association
 Change of Name

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

MRD 1-11-99



2. Name and address of receiving party(ies)

Name: Corestates Bank, N.A.

Internal Address: _____

Street Address: 620 Brandywine Parkway

City: West Chester State: PA Zip: 19380

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation - State _____
 Other national banking association

If assignee is not domiciled in the United States, a domestic representative designation is attached? Yes No

(Designation must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: April 8, 1998

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

A. Trademark Application No.(s) _____

B. Trademark Registration No (s) #899,445

Additional Numbers Attached? Yes No

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

Name: Sandra M. Keck, Paralegal

Internal Address: Wolf, Block, Schorr, and Solis-Cohen LLP

Street Address: 350 Sentry Parkway, Building 640

City: Blue Bell State: PA Zip: 19422

01/20/1999 DNGUYEN 00000143 899445

01 FEB 1999 40.00 DP

556. Total number of registrations and registrations involved: 1

7. Total fee (37 CFR 53.41)..... \$ 40.00

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.

Sandra M. Keck, Paralegal *Sandra M Keck* 1/6/99
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 11

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

**COLLATERAL ASSIGNMENT OF PATENTS,
TRADEMARKS, LICENSES AND COPYRIGHTS**

THIS COLLATERAL ASSIGNMENT OF PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS is made effective as of the 5th day of April, 1998 by and among CP (DELAWARE) INC. ("Assignor") and CORESTATES BANK, N.A. ("Assignee").

BACKGROUND

A. Pursuant to that certain Surety Agreement dated July 16, 1997 by and between Assignee and Assignor (such Surety, as heretofore or hereafter amended, modified or restated, being referred to herein as the "**Guaranty**"), Assignor agreed to guaranty and become surety for all present and future obligations of The Conard-Pyle Company (the "**Borrower**") to Assignee, including without limitation all loans and credit facilities described in that certain Amended and Restated Loan and Security Agreement dated July 16, 1997 between Borrower and Assignee, as amended, including, without limitation, as amended by agreement of ever date herewith (collectively, the "**Loan Agreement**")

B. The Guaranty provides, *inter alia*, that Assignor will grant to Assignee a security interest in all of Assignor's assets, including, without limitation, its patents, patent rights, patent applications, service marks, trademarks, service trademark applications, service trade names, goodwill, copyrights and licenses of Assignee.

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 Guaranty.** The Guaranty and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement. All obligations of Assignor and/or Borrower to Assignee, whether now or hereafter owing or existing, including without limitation all obligations hereunder, under the Loan Agreement, the Guaranty, the Loan Documents and the Notes, and the payment, performance and discharge of all other obligations or undertakings now or hereafter made by or for the benefit of Assignor and/or Borrower to or for the benefit of Assignee, under this Agreement or under any other agreement, promissory note or undertaking now existing or hereafter entered into by Assignor with or to Assignee, including any guaranty or surety obligations of Assignor owed to Assignee, and the undertakings of Assignor to immediately pay to Assignee the amount of any overdraft on any deposit account maintained with Assignee, are sometimes hereinafter referred to collectively as the "**Bank Indebtedness**".

2. **Collateral Assignment.** To secure the complete and timely payment and satisfaction of all Bank Indebtedness, Assignor hereby assigns, mortgages, pledges, grants a security interest in, and transfers 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, all of such Assignor's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

a. 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 made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and 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), are sometimes hereinafter individually and/or collectively referred to as the "**Patents**");

b. service marks, trademarks, service mark and trademark registrations, trade names and trademark applications, including, without limitation, the service marks, trademarks and applications listed on **Exhibit "B"**, attached hereto and made a part hereof, and (a) all 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, and (d) all rights corresponding thereto throughout the world (all of the foregoing service marks, trademarks, service mark and trademark registrations, service mark and trade names and applications together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**");

c. copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by Assignor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on **Exhibit "C"** attached hereto and made a part hereof, and (a) all 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, and (c) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the "**Copyrights**"); and

d. license agreements with any other party, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on **Exhibit "D"** attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "**Licenses**"); and

e. the goodwill of Assignor's business connected with and symbolized by the Trademarks.

3. **Restrictions on Future Agreements.** Assignor agrees that until all Bank Indebtedness shall have been satisfied in full and Assignee shall have no commitment or obligation to extend any Bank Indebtedness to Borrower, Assignor will not, without Assignee's prior written consent, enter into any agreement (including, without limitation, any license or royalty agreement) which is inconsistent with Assignor's obligations under this Assignment or which is prohibited under the terms of the Guaranty 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 enforcement of the rights of Assignee under this Assignment.

4. **New Patents, Trademarks, Copyrights and Licenses.** Assignor represents and warrants that the Patents, Trademarks, Copyrights and Licenses listed on **Exhibits "A", "B", "C" and "D"**, respectively, constitute all of the patents, trademarks, applications, copyrights and licenses now owned by Assignor. If, before all Bank Indebtedness shall have been satisfied in full and the Guaranty shall have been terminated, Assignor shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, trade names, copyrights or licenses, or (ii) become entitled to the benefit of any patent or trademark application, trademark, trademark registration, copyright or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of **Section 1** above shall automatically apply thereto and Assignor shall give to Assignee prompt written notice thereof. Assignor hereby authorizes Assignee to modify this Assignment by amending **Exhibit "A", "B", "C" and/or "D"**, as applicable, to include any future patents, patent applications, trademarks, trademark registrations, trademark applications, trade names, copyrights and licenses which are Patents, Trademarks, Copyrights or Licenses, as applicable, under **Section 2** above or under this **Section 4**.

5. **Royalties; Term.** Assignor hereby agrees that the use by Assignee of all Patents, Trademarks, Copyrights and Licenses as described above shall be worldwide and without any liability for royalties or other related charges from Assignee to Assignor. The term of the assignment granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses assigned hereunder, or (ii) the date on which all Bank Indebtedness has been paid in full and the Loan Agreement is terminated.

6. **Assignee's Right to Inspect.** Assignee shall have the right, at any time 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. Assignor agrees that Assignee, or a conservator appointed by Assignee, shall, at any time following the occurrence of an Event of Default under the Loan Agreement, have the right to establish such additional reasonable 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 Patents, Trademarks, Copyrights or Licenses, without the prior written consent of Assignee; (ii) to maintain the quality of any and all products in connection with which the Trademarks and/or the Copyrights are used, consistent with quality of said products as of the date hereof and in accordance with past operating practices; (iii) not to adversely change the quality of said products without Assignee's express written consent; and (iv) to provide Assignee, upon request, with a certificate of an officer of Assignor certifying Assignor's compliance with the foregoing.

7. **Reassignment.** This Assignment is made for collateral purposes only. Upon payment in full of all Bank Indebtedness and termination of the Loan Agreement, Assignee shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patents, Trademarks, Copyrights and Licenses, subject to any disposition thereof which may have been made by Assignee pursuant hereto or pursuant to the Guaranty.

8. **Duties of Assignor.** Assignor shall have the duty (i) unless otherwise agreed to by Assignee, to prosecute diligently any patent, trademark and copyright application pending as of the date hereof or thereafter until all Bank Indebtedness shall have been paid in full and the Guaranty is terminated, (ii) to make application on unpatented but patentable inventions and on trademarks and copyrights, as appropriate, and (iii) to preserve and maintain all rights in patent applications and patents of the Patents, in trademark applications, trademarks and trademark registrations of the Trademarks and in copyright applications and copyrights of the Copyrights. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor shall not abandon any right to file a patent, trademark or copyright application, or any pending patent,

trademark or copyright application, or any Patent, Trademark or Copyright, without the consent of Assignee, which consent shall not be unreasonably withheld.

9. **Assignee's Right to Sue.** Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Patents, Copyrights and/or Trademarks, 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 **Section 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 provision shall be 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.

12. **Modification.** This Assignment cannot be altered, amended or modified in any way except as specifically provided in **Section 4** hereof or by a writing signed by the parties hereto

13. **Cumulative Remedies; Power of Attorney; Effect on Guaranty** All of Assignee's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Guaranty, 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 to (i) endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the use by Assignee or its successors or assigns of the Patents, Trademarks, Copyrights and/or Licenses, or (ii) take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Assignee reasonably deems in the best interest of the Assignee, (iii) following an Event of Default, grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights and/or Licenses to anyone, including Assignee. Assignee may act under such power of attorney to take the actions referenced in **Section 4** hereof. 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 all Bank Indebtedness shall have been paid in full and the Guaranty shall have been terminated. 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 Guaranty but rather is intended to facilitate the exercise of such 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 Patents, Trademarks, Copyrights or Licenses may be located.

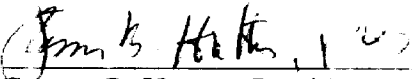
14. **Binding Effect; Benefits.** This Assignment shall be binding upon the Assignor and its successors and assigns, and shall inure to the benefit of Assignee, its nominees, successors and assigns.

15. **Governing Law.** This Assignment has been made, executed and delivered in the Commonwealth of Pennsylvania and will be construed in accordance with and governed by the laws of such Commonwealth.

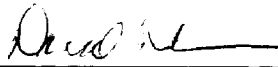
16. **Inconsistency.** In the event of any inconsistency between the terms of this Assignment and the terms of the Loan Agreement, the terms of the Loan Agreement shall prevail.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment the day and year first above written.

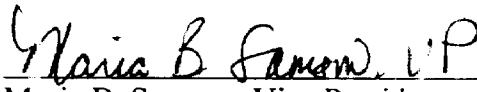
CP (DELAWARE), INC.

By: 
Steven B. Hutton, President

(CORPORATE SEAL)

Attest: 
David F. Watkins, Secretary

CORESTATES BANK, N.A.

By: 
Maria B. Samson, Vice President

(CORPORATE SEAL)

ACKNOWLEDGMENT

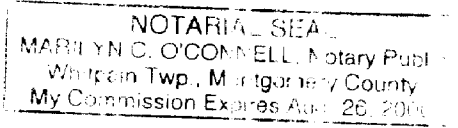
COMMONWEALTH OF PENNSYLVANIA :

: ss:

COUNTY OF MONTGOMERY :

On this 8th day of April, 1998, before me, a Notary Public, personally appeared Steven B. Hutton, who acknowledged himself to be the duly elected President of CP Delaware, Inc. and that he as such officer, being duly authorized to do so, executed the foregoing Assignment for the purposes therein contained by signing his/her name as such officer on behalf of the Assignor.

Marilyn C. O'Connell
Notary Public
My Commission Expires:



ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA :

: ss:

COUNTY OF MONTGOMERY :

On this 8th day of April, 1998, before me, a Notary Public, personally appeared Maria B. Samson, who acknowledged herself to be a duly elected Vice President of CoreStates Bank, N.A., a national banking association, and that she as such officer, being duly authorized to do so, executed the foregoing Assignment for the purposes therein contained by signing his/her name as such officer on behalf of the Assignee.

Marilyn C. O'Connell
Notary Public
My Commission Expires:

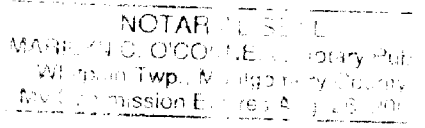


EXHIBIT "A"
TO
ASSIGNMENT OF PATENTS, TRADEMARK,
COPYRIGHT AND LICENSES AGREEMENT





EXHIBIT "B"
TO

ASSIGNMENT OF PATENT, TRADEMARK,
COPYRIGHT AND LICENSES AGREEMENT

Trademarks

MARK

REG. NO.

STAR

809,445

EXHIBIT "C"

TO

ASSIGNMENT OF PATENT, TRADEMARK,
COPYRIGHT AND LICENSES AGREEMENT

Copyrights



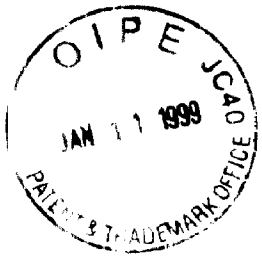


EXHIBIT "D"

TO

**ASSIGNMENT OF PATENT, TRADEMARK,
COPYRIGHT AND LICENSES AGREEMENT**

Licenses