

02-17-1999

Docket No.:

17163-15



100965870

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MRO 2.12.99

To the Honorable Commissioner of Patents

attached original documents or copy thereof.

1. Name of conveying party(ies): Johnson & Hoffman Manufacturing Corp. c/o American Engineered Components Inc. 145 Newton Street Brighton, Massachusetts

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

Additional names(s) of conveying party(ies) Yes No

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

Name: Fleet National Bank

Internal Address: _____

Street Address: One Federal Street

City: Boston State: MA ZIP: 02110

Individual(s) citizenship _____
 Association Bank
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other _____

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from
Additional name(s) & address(es) Yes N

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: December 30, 1998

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

A. Trademark Application No.(s)

Additional numbers

B. Trademark Registration No.(s)

784,319
784,322

Yes No

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

Name: David D. Lowry, Esq.

Internal Address: Box IP, 18th Floor

Street Address: Brown, Rudnick, Freed & Gesmer, LLP
One Financial Center, 18th Floor

City: Boston State: MA ZIP: 02111

6. Total number of applications and registrations involved:..... 2

7. Total fee (37 CFR 3.41):.....\$ \$65.00 E

Enclosed
 Authorized to be charged to deposit account

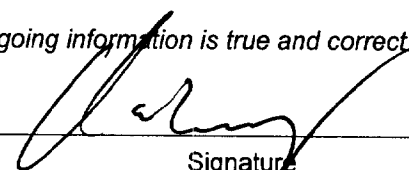
8. Deposit account number:

50-0369

2/16/1999 JSHABAZZ 00000121 784319 DO NOT USE THIS SPACE

01 FC:481 40.00 OP
02 FC:482 25.00 OP

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.

David D. Lowry  2/9/99
Name of Person Signing Signature Date

**TRADEMARK AND TRADEMARK
APPLICATIONS SECURITY AGREEMENT**

Fleet National Bank

December 30, 1998

This Trademark and Trademark Application Security Agreement (the "**TM Security Agreement**") is made as of the ^{30th} day of December, 1998 by JOHNSON & HOFFMAN MANUFACTURING CORPORATION, a New York corporation with its principal executive offices located c/o American Engineered Components, 145 Newton Street, Brighton, Massachusetts (the "**Borrower**"), and FLEET NATIONAL BANK (the "**Lender**"), a national banking association with offices at One Federal Street, Boston, Massachusetts 02110.

RECITALS

WHEREAS, the Borrower has entered into a certain Term Loan and Security Agreement dated January 31, 1997, as amended to date, including without limitation pursuant to a certain Second Amendment to Term Loan and Security Agreement (as so amended, the "**Loan Agreement**") with the Lender; and

WHEREAS, the Borrower has created a security interest in the Borrower's assets to secure the **Liabilities** (as defined in the **Loan Agreement** and so referred to herein);

WHEREAS, the Borrower has requested that the Lender extend additional credit facilities to the Borrower;

WHEREAS, the Borrower has executed and delivered to the Lender a Commercial Term Note of even date in the original principal amount of \$3,300,000.00 (the "**Note**") which constitute additional Liabilities of the Borrower to the Lender, the proceeds of which will enable, among other things, the Borrower to acquire substantially all of the assets of The Staver Company Incorporated

WHEREAS, as a condition, among others, to the extension of the additional credit facilities contemplated by the Loan Agreement and Note, and to further secure the Liabilities, the Borrower has executed this TM Security Agreement.

NOW THEREFORE, For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Borrower and the Lender agree as follows:

1. Terms used herein which are defined the Loan Agreement are used as so defined.
2. To secure the Liabilities, the Borrower hereby creates a security interest in favor of the Lender, with power of sale (which power of sale shall be exercisable only following the occurrence of an **Event of Default**), in and to the following and all proceeds thereof:

(a) All of the Borrower's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark applications including, without

limitation, those listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.

(b) All renewals of any of the foregoing.

(c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(e) All of Borrower's rights corresponding to any of the foregoing throughout the world.

All of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications described in Subsection 2.(a), together with the items respectively described in Subsections 2.(b) through and including 2.(e) are hereinafter individually and/or collectively referred to as the "**Marks**".

3. Until this TM Security Agreement is terminated in writing by a duly authorized officer of the Lender, the Borrower shall undertake the following with respect to each Mark:

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At the Borrower's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

(c) At the Borrower's sole cost, expense, and risk, take any and all action which Borrower deems desirable to protect the Marks, including, without limitation, but subject to Borrower's discretion, the prosecution and defense of infringement actions.

4.. In the event of:

(a) the Borrower's failure, within Five (5) days of written notice from the Lender, to cure any failure by the Borrower to perform any of the Borrower's obligations set forth in Section 3, above; and/or

(b) the occurrence of any Event of Default,

the Lender acting in its own name or in that of the Borrower may (but shall not be required to) act in the Borrower's place and stead and/or in the Lenders' own right in connection therewith.

5. The Borrower represents and warrants that:

(a) **EXHIBIT A** includes all of the registered trademarks, Federal trademark applications,

registered service marks and Federal service mark applications now owned by the Borrower.

(b) No liens, claims or security interests have been granted in any Mark by the Borrower to any Person other than to the Lender.

6. In order to further secure the Liabilities:

(a) The Borrower shall give the Lender written notice (with reasonable detail) within Ten (10) days following the occurrence of any of the following:

(i) The Borrower obtains rights to, and files applications for registration of, any new trademarks, or service marks, or otherwise acquires ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications, (other than Borrower's right to sell products containing the trademarks of others in the ordinary course of Borrower's business).

(ii) The Borrower becomes entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor (other than Borrower's right to sell products containing the trademarks of others in the ordinary course of Borrower's business).

(iii) The Borrower enters into any new trademark license agreement or service mark license agreement.

(b) The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in 6.(a), above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

(c) The Borrower hereby authorizes the Lender to modify this agreement by amending **EXHIBIT A** to include any future registered trademarks, trademark applications, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the modification of said **EXHIBIT A** shall not be a condition to the creation or perfection of the security interest created hereby.

7. Upon the occurrence of any Event of Default, the Lender may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Lender, subject to the terms of the Loan Agreement, may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Lender that an Event of Default has occurred and that the Lender is authorized to exercise such rights and remedies.

8. The Borrower hereby irrevocably constitutes and designates the Lender as and for the Borrower's

attorney in fact, effective with and upon the Lender's first exercise (the "First Exercise") of such powers following the occurrence of any Event of Default:

- (a) To exercise any of the rights and powers referenced in Section 3.
- (b) To execute all and singular such instruments, documents, and papers as the Lender determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until the within TM Security Agreement is terminated by a duly authorized officer of the Lender, but shall be exercisable only following the occurrence of an Event of Default.

9. Any use by the Lender of the Marks as authorized hereunder in connection with the exercise of the Lenders' rights and remedies under the within TM Security Agreement and the Loan Agreement shall be coextensive with Borrower's rights thereunder and with respect thereto and without any obligation for royalties or other related charges from the Lender to the Borrower. Such use by the Lender shall be permitted only with and upon the First Exercise following the occurrence of an Event of Default.

10. Lender hereby acknowledges that the Borrower shall continue to have the exclusive right, prior to notice from the Lender following the occurrence of an Event of Default, to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Borrower to protect the Marks against encroachment by third parties; *provided, however*, that Borrower first notifies Lender in writing of its intention to sue for enforcement of the trademarks against a particular party. All costs arising in connection with any infringement shall be borne by Borrower.

11. Following the payment and satisfaction of all Liabilities, and the termination of any obligation of the Lender to provide loans or financial accommodations under the Note and credit facilities contemplated by the Loan Agreement, this TM Security Agreement shall terminate and the Lender shall execute and deliver to Borrower all such instruments as the Borrower reasonably may request to release any encumbrance in favor of the Lender created hereby or pursuant hereto, subject, however, to any disposition thereof which may have been made by Lender pursuant hereto or pursuant to the Loan Agreement.

12. Neither anything contained in the within TM Security Agreement or in the Loan Agreement nor any act, omission, or circumstance may be construed as directly or indirectly conveying to the Lender any rights in and to the Marks, except following the occurrence of any Event of Default (and in such circumstances, only with and upon the First Exercise).

13. This TM Security Agreement is intended to be supplemental of the Loan Agreement. All

provisions of the Loan Agreement shall apply to the Marks and the Lender shall have the same rights with respect to any and all security interests in the Marks granted the Lender to secure the Liabilities hereunder as thereunder. In the event of a conflict between this TM Security Agreement and the Loan Agreement, the terms of this TM Security Agreement shall control with respect to the Marks and the Loan Agreement with respect to all other collateral.

IN WITNESS WHEREOF, the Borrower and the Lender respectively have caused this Loan Agreement to be executed by officers duly authorized so to do on the date first above written.

JOHNSON & HOFFMAN MANUFACTURING CORPORATION

FLEET NATIONAL BANK

(The "Borrower")

(The "Lender")

By *[Signature]*

By *Ruben Klein*

Title: *COO*

Title: *Vice Pres.*

THE COMMONWEALTH OF MASSACHUSETTS
COUNTY OF *Suffolk*, SS

Then personally appeared before me *Donald Schwart* who acknowledged that such person is the duly authorized *COO* of Johnson & Hoffman Manufacturing Corporation and that such person had executed the foregoing instrument on its behalf.

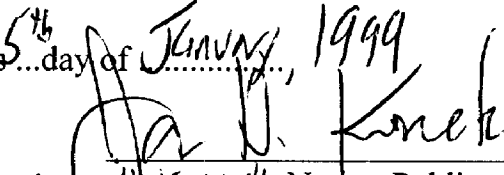
Witness my hand and seal this *30th* day of *December*

[Signature]
_____, Notary Public

My Commission Expires:

Then personally appeared before me Ruben V. Klein, who acknowledged that such person is the duly authorized Vice President of Fleet National Bank; and that such person executed the foregoing instrument on its behalf.

Witness my hand and seal this 5th day of JANUARY, 1999



James H. Kumsich, Notary Public

My Commission Expires: 1/12/01

EXHIBIT A

Borrower's now owned or existing or hereafter acquired or arising registered service marks and Federal service mark applications, registered trademarks, and Federal trade mark applications:

Trademark/Service Mark Registrations

<u>TRADEMARK</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
"Thermo-Flag"	784,319	2/2/85
"Thermo-Vane"	784,322	2/2/85

Trademark Applications

<u>MARK</u>	<u>SERIAL NUMBER</u>	<u>FILING DATE</u>
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