

02-26-1999

Form PTO-1594

RECORDATION

TRADEMARK

Department of Commerce  
and Trademark Office

100973925

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

## 1. Name of conveying party(ies):

P.G. Design Electronics, Inc.

- ☐ Individual(s) ☐ Association  
☐ General Partnership ☐ Limited  
☒ Corporation-State Delaware Partnership  
☐ 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: December 31, 1998

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

Name: Norwest Business Credit, Inc.

Internal Address:

Street Address: 100 East Wisconsin Avenue, Suite 1400City: Milwaukee State: WI Zip: 53202☐ Individual(s) citizenship☐ Association☐ General Partnership☐ Limited Partnership☒ Corporation-State Minnesota☐ OtherIf 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 names(s) &amp; address(es) attached?

☐ Yes ☐ No

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

## A. Trademark Application No.(s)

75/550,787

Additional numbers

## B. Trademark registration No.(s)

1,927,139

1,962,300

1,934,671

attached? ☐ Yes ☒ No

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

Name: Derek C. StettnerGodfrey & Kahn, S.C.

Internal Address:

Street Address: 780 North Water StreetCity: Milwaukee State: WI Zip: 53202

## 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 for any deficiencies8. Deposit account number: 07-1509

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

DO NOT USE THIS SPACE

02/26/1999 DCOATES 00000022 75550787

01 FC:481  
02 FC:48240.00 OP  
75.00 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.*Derek C. Stettner

Name of Person Signing

Signature

22 February 1998

Date

Total Number of pages including cover sheet: [ 8 ]

EL313114248US

TRADEMARK

REEL: 1861 FRAME: 0793

## TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of December 31, 1998, is made by and between P. G. DESIGN ELECTRONICS, INC., a Delaware corporation whose address and principal place of business is 48700 Structural Drive, Chesterfield, Michigan 48051 (the "Debtor"), and NORWEST BUSINESS CREDIT, INC., a Minnesota corporation whose address and principal place of business is 100 East Wisconsin Avenue, Suite 1400, Milwaukee, Wisconsin 53202 (the "Secured Party").

### RECITALS:

The Debtor and the Secured Party have entered into a Credit and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter make certain loans or other financial accommodations to or for the account of the Debtor.

As a further condition to making any loan or other financial accommodation under the Credit Agreement or otherwise, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Credit Agreement and herein, the parties hereby agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Credit Agreement) which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Credit Agreement).

"Trademarks" means all of the Debtor's right, title and interest in and to trademarks, service marks, collective membership marks, the respective goodwill associated with each, and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit A.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest, with power of sale to the extent permitted by law (the "Security Interest"), in the Trademarks to secure payment of the Obligations.

3. Representations, Warranties and Agreements. The Debtor hereby represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a corporation, having full power to and authority to make and deliver this Agreement. The execution, delivery and performance of this Agreement by the Debtor have been duly authorized by all necessary action of the Debtor's board of directors, and if necessary its stockholders, and do not and will not violate the provisions of, or constitute a default under, any presently applicable law or its articles of incorporation or bylaws or any agreement presently binding on it. This Agreement has been duly executed and delivered by the Debtor and constitutes the Debtor's lawful, binding and legally enforceable obligation. The correct name of the Debtor is P. G. Design Electronics, Inc. The authorization, execution, delivery and performance of this Agreement do not require notification to, registration with, or consent or approval by, any federal, state or local regulatory body or administrative agency.

(b) **Trademarks.** Exhibit A accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all registrations pertaining thereto as of the date hereof.

(c) **Title.** The Debtor has absolute title to each Trademark listed on Exhibit A, free and clear of all security interests, liens and encumbrances, except the Security Interest. The Debtor (i) will have, at the time the Debtor acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all security interests, liens and encumbrances, except the Security Interest, and (ii) will keep all Trademarks free and clear of all security interests, liens and encumbrances except the Security Interest.

(d) **No Sale.** The Debtor will not sell or otherwise dispose of the Trademarks, or any interest therein, without the Secured Party's prior written consent.

(e) **Defense.** The Debtor will at its own expense, and using its best efforts, protect and defend the Trademarks against all claims or demands of all persons other than the Secured Party.

(f) **Maintenance.** The Debtor will at its own expense maintain the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to register and all affidavits and renewals possible

with respect to issued registrations. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Trademark, nor fail to file any required affidavit in support thereof, without first providing the Secured Party: (i) sufficient written notice, as provided in the Credit Agreement, to allow the Secured Party to timely pay any such maintenance fees or annuity which may become due on any of said Trademarks, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, should such be necessary or desirable.

(g) ***Secured Party's Right to Take Action.*** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (f), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure.

(h) ***Costs and Expenses.*** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (g) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the highest rate then applicable to any of the Obligations.

(i) ***Power of Attorney.*** To facilitate the Secured Party's taking action under subsection (g) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in

or dispose of the Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations (as defined therein).

4. Debtor's Use of the Trademarks. The Debtor shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling items covered by the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Credit Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks.

(c) The Secured Party may enforce the Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement has been duly and validly authorized by all necessary action, corporate or otherwise. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the

exercise or enforcement of any other. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Wisconsin without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

**THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.**

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

NORWEST BUSINESS CREDIT, INC.

P. G. DESIGN ELECTRONICS, INC.

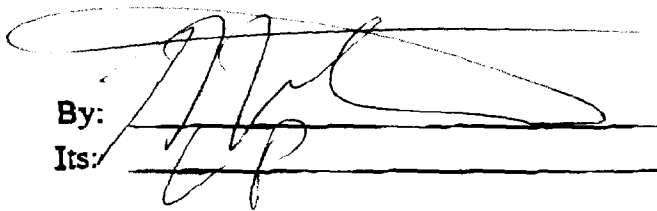
By:



Its:

Vice President

By:



Its:

MW2-166575-1

STATE OF ILLINOIS  
COUNTY OF COOK

The foregoing instrument was acknowledged before me this 7 day of January, 1999, by Lec Florentino, the <sup>VICE</sup> President of P. G. Design Electronics, Inc., a Delaware corporation, on behalf of the corporation.



Stefanie O'Neill  
Notary Public  
My commission 7/31/2002

STATE OF WISCONSIN  
COUNTY OF MILWAUKEE

The foregoing instrument was acknowledged before me this 29th day of January, 1999, by Thomas J. Zak, a Vice President of Norwest Business Credit, Inc., a Minnesota corporation, on behalf of the corporation.

Kristin Roepke  
Notary Public  
My commission is permanent

MW2-166575-1

**Exhibit A**

**UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS**  
**AND COLLECTIVE MEMBERSHIP MARKS**

**REGISTRATIONS**

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Triangle and Circle Design	1,927,139	October 17, 1995
COLOR FUSION	1,962,300	March 12, 1996
XCEED TECHNOLOGY & DESIGN	1,934,671	November 14, 1995

**APPLICATIONS**

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
PORTAL	75/550,787	September 10, 1998

MW2-166575-1