

03-12-1999

SHEET

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3-4-99



To the Honorable Commissioner of Patents

100983505

1 documents or copy thereof.

1. Name of conveying party(ies):

Heartland Industries, Inc.

- ☐ Individual ☐ Association
☐ General Partnership ☐ Limited Partnership

☒ Corporation - State: Delaware☐ 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: February 16, 1999

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
☐ General Partnership
☐ Limited Partnership
☐ Corporation - State: _____

☒ Other: National Association

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)

75/293,974 (reg. 2/16/1999, reg. number unknown)

1,279,857

1,840,555

1,995,972

1,549,174

2,108,425

Additional numbers attached? ☐ yes ☒ no

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

Name: Catherine R. Howell, Paralegal

Internal Address: Ropes & Gray

Street Address: 1301 K St., N. W. Suite 800 East

City: Washington, D.C. State: Zip: 20005

6. Total number of applications and registration involved:

..... [6]

7. Total Fee (37 CFR 3.41) \$ 165

☐ Enclosed☒ Authorized to be charged to deposit account

8. Deposit account number:

18-1945

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.

Catherine R. Howell

Name of Person Signing

Signature

March 4, 1999

Date

Total number of pages including cover sheet, attachments and document: [14]

1279857

18-1945

00000140

03/11/1999

01 FC:481

02 FC:482

40.00 CH
125.00 CH

7068990.01

TRADEMARK
 REEL: 1866 FRAME: 0001

TRADEMARK AND SERVICE MARK SECURITY AGREEMENT

This Agreement between Heartland Industries, Inc. (DE), a Delaware corporation (the "Guarantor"), located at 11590 North Meridian, Suite 690, Carmel, IN 46032 and Fleet National Bank, as agent (the "Agent"), located at One Federal Street, Boston, Massachusetts 02110, acting for itself and certain other lenders under the Amended and Restated Credit Agreement dated as of February 16, 1999, as from time to time in effect (the "Credit Agreement"), among PlayCore Wisconsin, Inc., a Wisconsin corporation formerly known as "Newco, Inc." (the "Borrower"), certain of its subsidiaries, PlayCore, Inc., a Delaware corporation formerly known as "Swing-N-Slide Corp.", certain lenders party thereto and the Agent. In accordance with the Guarantee and Security Agreement dated as of March 13, 1997 (the "Guarantee and Security Agreement") between the Borrower, certain of its subsidiaries, including the Guarantor, and the Agent (and the Joinder Agreement dated as of February 16, 1999 between the Guarantor and the Agent by which the Guarantor became a party to the Guarantee and Security Agreement), the Guarantor agrees to secure the payment and performance of the loans, letters of credit, interest rate protection agreements, fees, expenses, indemnities and other obligations under the Credit Agreement (collectively, the "Credit Obligations") to the Agent and the other Lenders. Terms defined in the Credit Agreement and the Guarantee and Security Agreement and not otherwise defined herein are used herein with the meanings so defined.

1. Grant of Security Interest. The Guarantor hereby grants to the Agent and its successors and assigns a security interest in the items referred to below, whether now owned or hereafter acquired and all proceeds thereof (collectively, the "Collateral"):

1.1. All of the right, title and interest of the Guarantor in and to all trademarks and service marks (collectively, the "Marks"), registrations for the Marks (collectively, the "Registrations") and all trademark and service mark applications for the Marks (collectively, the "Applications"). Such Registrations and Applications shall include without limitation all existing United States registrations and applications of the Guarantor described in Exhibit A hereto.

1.2. The goodwill of the business of the Guarantor symbolized by each of the Marks.

1.3. All right, title and interest of the Guarantor in and to any cause of action that has heretofore arisen or that may arise with respect to unconsented use or infringement of the Marks, the Registrations or the Applications.

2. Further Assurances. The Guarantor shall execute, or use its best efforts at its expense to cause to be executed, such further documents as may be reasonably requested by the Agent in order to effectuate fully the grant of security interest set forth in Section 1 hereof.

3. Agreement to Assign Collateral. The Guarantor shall execute and deliver to the Agent on the date of this Agreement a written Assignment of Trademarks and Service Marks to the Agent in substantially the form attached hereto as Exhibit B (the "Assignment"). The Agent shall hold the Assignment in escrow, and the Assignment shall have no legal effect and shall not be binding on the Guarantor, until the occurrence and continuance of an Event of Default, at which time the Agent may file the Assignment with the U.S. Patent and Trademark Office and, upon such filing, the Assignment shall take effect as a legal document binding upon the Guarantor.

4. Foreclosure. Upon the occurrence and during the continuance of an Event of Default, in addition to all other rights and remedies granted by this Agreement and the Assignment, the Agent may exercise the rights and remedies of a secured party enacted in any of the jurisdictions in which the Collateral may be located. Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, without demand or notice (except as set forth next below), all of which are waived, and without advertisement, the Agent may sell at public or private sale or otherwise realize upon, in The Commonwealth of Massachusetts or elsewhere, all or from time to time any of the Collateral, or any interest which the Guarantor may have therein. Notice of any sale or other disposition of the Collateral shall be given to the Guarantor at least 15 days before the time of any intended public or private sale or other disposition of the Collateral is to be made, which the Guarantor agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of any Credit Obligation or the Agent may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral (including associated goodwill), free from any right of redemption on the part of the Guarantor, which right is waived and released. After deducting from the proceeds of sale or other disposition of the Collateral and associated goodwill all expenses (including reasonable expenses for brokers' fees and legal services), the balance of such proceeds shall be applied toward the payment of the Credit Obligations. Any remainder of the proceeds after payment in full of the Credit Obligations shall be paid over to the Guarantor.

5. Defeasance. Upon payment in full of the Credit Obligations and termination of the commitments therefor, the Agent shall, at the Guarantor's expense, release the security interest in the Collateral granted under this Agreement and execute and deliver such instruments and other documents and take such further actions as may be necessary to carry out such release, including cancellation of this Agreement by written notice to the U.S. Patent and Trademark Office and delivery back to the Guarantor of the Assignment upon request of the Guarantor.

6. Covenants. The Guarantor covenants and agrees as follows:

6.1. The Guarantor shall not abandon any Marks, Registrations or Applications included in the Collateral except such Marks, Registrations or Applications that the Guarantor reasonably determines are not material to its business.

6.2. The Guarantor shall maintain all rights held by the Guarantor relating to the Marks, Registrations and Applications except such Marks, Registrations or Applications that the Guarantor reasonably determines are not material to its business.

6.3. Until all of the Credit Obligations shall have been paid in full and termination of the commitments therefor, the Guarantor shall not enter into any agreement (including a license agreement) which conflicts with the Guarantor's obligations under this Agreement other than agreements that do not materially adversely affect the value of the Collateral, without the Agent's prior written consent.

6.4. If the Guarantor shall obtain rights to any new registrable trademarks or service marks, the provisions of Section 1 shall automatically apply thereto and at least annually the Guarantor shall give to the Agent written notice thereof, shall execute an amendment to Exhibit A including such registrations and applications and shall take any other action reasonably necessary to record the Agent's interest in such trademarks and service marks with the U.S. Patent and Trademark Office.

6.5. The Guarantor has used, and will continue to use, proper statutory notice in connection with its use of the Collateral to the extent commercially practicable and customary within the relevant industry.

6.6. The Guarantor has used, and will continue to use, reasonably consistent standards of quality in its manufacture of products sold, and services provided, under the Marks.

6.7. The Agent and its employees and agents, upon reasonable written request may visit the Guarantor's plants and facilities which manufacture, inspect or store products sold under any of the Collateral inspect the products and quality control records relating thereto and monitor the services and inspect the quality control records relating to the services provided under the Collateral at reasonable times during business hours.

7. Representations and Warranties of Title. The Guarantor represents and warrants that:

7.1. Exhibit A sets forth as of the date hereof all United States Registrations and Applications owned by the Guarantor.

7.2. As of the date hereof, the Collateral set forth on Exhibit A is subsisting and has not been adjudged invalid or unenforceable.

7.3. As of the date hereof, no claim has been made that the use of any of the Collateral violates the rights of any third person and the Guarantor is not aware of any basis for any such claim to be asserted.

7.4. The Guarantor is the sole and exclusive owner of the entire right, title and interest in and to the Collateral, free and clear of any Liens, including without limitation, pledges, assignments, licenses, registered user agreements and covenants by the Guarantor not to sue third persons (other than any of the foregoing entered into in the ordinary course of business or other Liens permitted under Section 6.8 of the Credit Agreement).

7.5. The Guarantor has the full power and authority to enter into this Agreement and perform its terms.

8. General.

8.1. No course of dealing between the Guarantor and the Agent, nor any failure to exercise, nor any delay in exercising on the part of the Agent, any right, power or privilege hereunder or under the Credit 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 right, power or privilege.

8.2. All of the Agent's rights and remedies with respect to the Collateral, whether established hereby or by the Credit Agreement, or by any other agreement or by law shall be cumulative and may be exercised singularly or concurrently.

8.3. If any clause or provision of this Agreement 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 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 Agreement in any jurisdiction.

8.4. This Agreement is subject to modification only by a writing signed by the parties, except as otherwise provided in Sections 3 and 6.4 hereof.

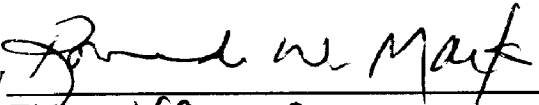
8.5. The benefits and obligations of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

8.6. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws (other than the conflict of laws rules) of The Commonwealth of Massachusetts.

8.7. This Agreement is a Credit Document (as defined in the Credit Agreement) and may be executed in any number of counterparts, which together shall constitute one instrument.

Each of the undersigned has caused this Agreement to be signed by its duly authorized officer this 16th day of February, 1999.

HEARTLAND INDUSTRIES, INC. (DE)

By 
Title: VP - CFO

FLEET NATIONAL BANK,
as Agent under the Credit Agreement

By _____
Title: _____

Each of the undersigned has caused this Agreement to be signed by its duly authorized officer this 16th day of February, 1999.

HEARTLAND INDUSTRIES, INC. (DE)

By _____
Title: _____

FLEET NATIONAL BANK,
as Agent under the Credit Agreement

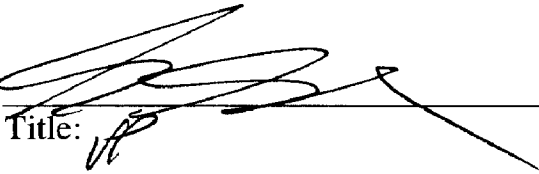

By  _____
Title:  _____

EXHIBIT A

Federal Registered Trademarks:

- a. "Sturdi-Rail", applied for on September 27, 1982 application number 73/389358, issued on May 29, 1984 USPTO registration number 1279857.
- b. "Rigid Door", applied for on December 18, 1992 application number 74/342024, issued on June 21, 1994 USPTO registration number 1840555.
- c. "Sunbarn", applied for on June 16, 1994 application number 74/538335, issued on August 20, 1996 USPTO registration number 1995972.
- d. "Your Solution to Garage Pollution", applied for on December 30, 1988 application number 73/772321, issued on July 25, 1989 USPTO registration number 1549174.
- e. "America's #1 Backyard Builder", applied for on April 22, 1996 application number 75-092227, issued on October 14, 1997 USPTO registration number 2108425.
- f. "Weekender", applied for on May 19, 1997 USPTO application number 75/293974; published November 24, 1998.

EXHIBIT B

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS

This Assignment of Trademarks and Service Marks (the "Assignment") is between Heartland Industries, Inc. (DE), a Delaware corporation (the "Company"), located at 11590 North Meridian, Suite 690, Carmel, IN 46032 and Fleet National Bank, as agent (the "Agent") located at One Federal Street, Boston, Massachusetts 02110, acting for itself and certain other lenders under the Amended and Restated Credit Agreement dated as of February 16, 1999, as from time to time in effect (the "Credit Agreement"), among PlayCore Wisconsin, Inc., a Wisconsin corporation formerly known as "Newco, Inc." (the "Borrower"), the Subsidiaries of the Borrower from time to time party thereto, PlayCore, Inc., a Delaware corporation formerly known as "Swing-N-Slide Corp.", certain lenders party thereto and the Agent. In accordance with the Guarantee and Security Agreement dated as of March 13, 1997 between the Borrower, certain of its subsidiaries, including the Company, and the Agent (and the Joinder Agreement dated as of February 16, 1999 between the Company and the Agent by which the Company became a party to the Guarantee and Security Agreement), the Company agrees to secure the payment and performance of the loans, letters of credit, interest rate protection agreements, interest, fees, expenses, indemnities and other obligations under the Credit Agreement (collectively, the "Credit Obligations") to the Agent and the other Lenders. This Assignment is made pursuant to that certain Trademark and Service Mark Security Agreement dated as of this date (the "Security Agreement") between the Company and the Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein with the meanings so defined.

BACKGROUND

Section 3 of the Security Agreement provides that the Company shall execute a written assignment of the items listed in Exhibit A thereto (collectively, the "Collateral"), as amended (attached hereto as Exhibit 1A), and that the Agent may file such Assignment upon the occurrence and during the continuance of an Event of Default (as defined in the Credit Agreement).

ASSIGNMENT

1. Assignment. Subject to the occurrence and continuance of an Event of Default, the Company hereby assigns to the Agent and its successors and assigns, the items referred to below (collectively, the "Assigned Material"):
 - 1.1. All of the right, title and interest of the Company in and to all trademarks and service marks (collectively, the "Marks"), the registrations relating to the Marks (collectively, the "Registrations") and all trademark and service mark

applications relating to the Marks (collectively, the "Applications"), now owned or hereafter acquired by the Company. Such Registrations and Applications shall include without limitation all existing United States registrations and applications of the Company described in Exhibit 1A.

1.2. The goodwill of the business of the Company symbolized by each of the Marks.

1.3. All right, title and interest of the Company in and to any cause of action that has heretofore arisen or that may arise with respect to unconsented use or infringement of the Marks, the Registrations or the Applications.

2. Further Assurances. The Company shall execute, or use its best efforts at its expense to have carefully executed, any further documents as may be reasonably requested by the Agent in order to fully effectuate this Assignment.

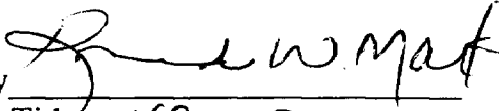
3. Indemnification. The Company shall indemnify and hold harmless the Agent against any claim, loss or liability with respect to a third party incurred by the Agent as assignee of the Assigned Material resulting from any use by the Company, or any of its sublicensees, of goods or services, products or processes, as the case may be, covered by the Assigned Material.

4. General. The provisions of this Assignment shall be read cumulatively with the provisions of Sections 4, 5, 6, 7 and 8 of the Security Agreement. This Assignment amends the Security Agreement by deleting Sections 1, 2, and 3 of the Security Agreement, which Sections 1, 2 and 3 shall be of no further force or effect in respect of the Assigned Material. This Assignment is a Credit Document (as defined in the Credit Agreement).

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Each of the undersigned has caused this Assignment to be signed by its duly authorized officer this 16 day of February, 1999.

HEARTLAND INDUSTRIES, INC. (DE)

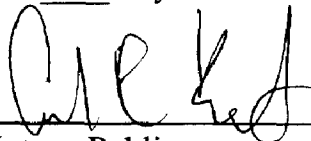
By 
Title: VP & Co

FLEET NATIONAL BANK,
as Agent under the Credit Agreement

By _____
Title: _____

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

Sworn to and subscribed before me
this 16 day of February, 1999.


Notary Public
My Commission Expires: is permanent

Each of the undersigned has caused this Assignment to be signed by its duly authorized officer this 16th day of February, 1999.

HEARTLAND INDUSTRIES, INC. (DE)

By _____
Title:

FLEET NATIONAL BANK,
as Agent under the Credit Agreement

By 
Title: 

EXHIBIT 1A

Federal Registered Trademarks:

- a. "Sturdi-Rail", applied for on September 27, 1982 application number 73/389358, issued on May 29, 1984 USPTO registration number 1279857.
- b. "Rigid Door", applied for on December 18, 1992 application number 74/342024, issued on June 21, 1994 USPTO registration number 1840555.
- c. "Sunbarn", applied for on June 16, 1994 application number 74/538335, issued on August 20, 1996 USPTO registration number 1995972.
- d. "Your Solution to Garage Pollution", applied for on December 30, 1988 application number 73/772321, issued on July 25, 1989 USPTO registration number 1549174.
- e. "America's #1 Backyard Builder", applied for on April 22, 1996 application number 75-092227, issued on October 14, 1997 USPTO registration number 2108425.
- f. "Weekender", applied for on May 19, 1997 USPTO application number 75/293974; published November 24, 1998.