


MRO
3.17.99

11-12-1998

03-17-1999

FORM PTO-1594 *Re. MRO*
(Rev. 6-93) *3-17-99*
OMB No. 0651-0011 (exp. 4/94)

~~11-12-1998~~
~~100875449~~ *RE*


100986755

CE
fice

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

11/9/98

<p>1. Name of conveying party(ies): Guyan International, Inc.</p> <p><input type="checkbox"/> Individual <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <u>West Virginia</u> <input type="checkbox"/> Other _____</p> <p>Additional name(s) of conveying part(ies) Attached? ___ Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: The Fifth Third Bank</p> <p>Internal Address: _____</p> <p>Street Address: 38 Fountain Square Plaza</p> <p>City: Cincinnati State: OH Zip: 45263</p> <p><input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input checked="" type="checkbox"/> Corporation-State Delaware <input type="checkbox"/> Other _____</p> <p>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</p>
<p>3. Nature of Conveyance:</p> <p><input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: 10/28/98</p>	<p>4. Application number(s) or registration number(s):</p> <p>A. Trademark Application No.(s)</p> <p>B. Trademark Registration No.(s): 1,061,133 1,215,480 1,211,278 1,215,481 1,212,153 1,238,946</p> <p>Additional numbers attached? ___ Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: Courtney G. Talty</p> <p>Internal Address: _____</p> <p>Street Address: 511 Walnut Street Suite 1900</p> <p>City: Cincinnati State: OH Zip: 45202</p>	<p>6. Total number of applications and registrations involved: 6</p> <p>7. Total fee (37CFR 3.41): \$ 165.00</p> <p><input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____ (attached duplicate copy of this page if paying by deposit account)</p>
DO NOT USE THIS SPACE	

RECEIVED
NOV - 9 11 1998

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.

Courtney G. Talty

Name of Person Signing

Courtney G. Talty
Signature

November 6, 1998

Date

Total number of pages comprising cover sheet: 1

11/10/1998 TTON11 00000949 1061133

01 FC:401
02 FC:402

40.00 GP
125.00 GP

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TRADEMARK
REEL: 1868 FRAME: 0843

GRANT OF SECURITY INTEREST IN TRADEMARKS
(SECURITY AGREEMENT)

GRANT OF SECURITY INTEREST IN TRADEMARKS SECURITY AGREEMENT dated as of October 28th, 1998, between **GUYAN INTERNATIONAL, INC. dba Permco**, a West Virginia corporation ("Grantor"), and **THE FIFTH THIRD BANK**, an Ohio banking corporation ("Grantee").

WITNESSETH:

WHEREAS, Grantor and Grantee have entered into a Credit Agreement of even date herewith (the "Credit Agreement"), pursuant to which Grantee agreed to make certain Loans (as defined in the Credit Agreement) to Grantor subject to the terms and provisions of the Credit Agreement; and

WHEREAS, Grantor owns all right, title and interest in and to, among other things, all the United States, federal and state trademarks, service marks and trademark and service mark registrations set forth on Schedule A hereto (the "Trademarks"); and

WHEREAS, in order to secure Grantor's Obligations (as defined in the Credit Agreement) to Grantee, Grantor wishes to grant to Grantee a security interest in, but not limited to, the Trademarks and the goodwill and certain other assets with respect to the Trademarks as further set forth herein.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration received and to be received, as security for the full payment and performance of the Obligations and to evidence further the security interest granted to the Grantee pursuant to the Credit Agreement, Grantor hereby grants to Grantee a security interest in all of Grantor's right, title, and interest in:

- (a) the Trademarks;
- (b) all registrations of the Trademarks in any state of the United States and any foreign countries and localities;
- (c) all trademarks and trademark registrations hereafter adopted or acquired and used which are based upon or derived from the Trademarks or any variations thereof, whether in the United States or any foreign country (the "Future Trademarks");
- (d) all extensions, renewals, and continuations of the Trademarks and Future Trademarks and the registrations referred to in clause (b) above;

(e) all rights to sue for past, present, and future infringements of the Trademarks and Future Trademarks;

(f) all inventory, packaging, labeling, trade names, service marks, logos, and trade dress including or containing the Trademarks and Future Trademarks or a representation thereof, or any variation thereof;

(g) all licenses and other agreements relating to the Trademarks and Future Trademarks and the use thereof;

(h) except for the intellectual property described in a certain Collateral Assignment of Patents (Security Interest) by and between Grantor and Grantee and of even date herewith, all patents, registrations, patent applications, formulae, processes, compounds, methods, know-how, and trade secrets relating to the manufacture of Grantor's products under, utilizing, or in connection with the Trademarks and Future Trademarks; and

(i) all goodwill of Grantor's business connected with, symbolized by or in any way related to the items set forth in clauses (a) through (h) above.

All of the foregoing items set forth in clauses (a) through (i) are hereinafter referred to collectively as the "Collateral."

AND Grantor hereby covenants with Grantee as follows:

1. Grantor's Obligations. Grantor agrees that, notwithstanding this Agreement, it will perform and discharge and remain liable for all its covenants, duties, and obligations arising in connection with the Collateral and any licenses and agreements related thereto. Grantee shall have no obligation or liability in connection with the Collateral or any licenses or agreements relating thereto by reason of this Agreement or any payment received by Grantee relating to the Collateral, nor shall Grantee be required to perform any covenant, duty, or obligation of Grantor arising in connection with the Collateral or any license or agreement related thereto or to take any other action regarding the Collateral or any such licenses or agreement.

2. Representations and Warranties. Grantor represents and warrants to Grantee that except as set forth on Schedule B: Grantor is the owner of and has good, indefeasible, and merchantable title to the Collateral; none of the Collateral is subject to any mortgage, pledge, lien, security interest, lease, charge, license, or encumbrance; and, when this Agreement is filed in the United States Patent and Trademark Office and the Grantee has taken the other actions contemplated by the Credit Agreement with respect to the filing of Uniform Commercial Code financing statements, this Agreement will create a legal and valid perfected and continuing lien on and security interest in the Collateral, enforceable against Grantor and all third parties, subject to no other mortgage, lien, charge, encumbrance, or security or other interest.

3. **Covenants.** Grantor will maintain the Collateral, defend the Collateral against the claims of all persons, partnerships, corporations, or other entities and will maintain and renew all registrations of the Collateral. Without limiting the generality of the foregoing, Grantor shall not permit the abandonment or termination or the expiration prior to the end of the maximum statutory term and any renewals and extensions thereof provided by applicable law of any registration of any of the Trademarks or Future Trademarks without the prior written consent of Grantee.

4. **Use Prior to Default.** Unless and until an Event of Default under, and as defined in, the Credit Agreement shall occur and be continuing, Grantor shall retain the legal and equitable title to the Collateral and shall have the right to use the Collateral in the ordinary course of its business, subject to the terms and covenants of the Credit Agreement and this Agreement.

5. **Remedies.** Whenever any Event of Default under, and as defined in, the Credit Agreement shall occur and be continuing, Grantee shall have all the rights and remedies granted to it in such event by the Credit Agreement, which rights and remedies are specifically incorporated herein by reference and made a part hereof. Grantee in such event may also collect directly any payments due to Grantor in respect of the Collateral and may sell, license, lease, assign, or otherwise dispose of the Collateral in the manner set forth in the Credit Agreement with respect to the disposition of Collateral as defined in the Credit Agreement. Grantor agrees that, in the event of any disposition of the Collateral upon any such Event of Default, it will duly execute, acknowledge, and deliver all documents necessary or advisable to record title to the Collateral in any transferee or transferees thereof, including, without limitation, valid, recordable assignments of the Trademarks and Future Trademarks; provided, however, that any transferee of the Trademarks or Future Trademarks shall be an entity which uses the Collateral upon goods or in connection with the rendering of services such as the goods on which or the services in connection with which the Collateral is currently used by Grantor. In the event Grantor fails or refuses to execute and deliver such documents, Grantor hereby irrevocably appoints Grantee as its attorney-in-fact, with power of substitution, to execute, deliver, and record any such documents on Grantor's behalf. For the purpose of enabling Grantee to exercise rights and remedies upon any such Event of Default, Grantor hereby grants to Grantee an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to Grantor) to use, assign, license, or sublicense any of the Collateral, now owned or hereafter acquired by Grantor, and wherever the same may be located, subject to subsisting licenses set forth on Schedule B. Notwithstanding anything to the contrary herein or in the Credit Agreement, in no event shall Grantee cause title to the Trademarks to be transferred to Grantee.

6. **Cumulative Remedies.** The rights and remedies provided herein are cumulative and not exclusive of any other rights or remedies provided by law. The rights and remedies provided herein are intended to be in addition to and not in substitution of the rights and remedies provided by the Credit Agreement or any other agreement or instrument delivered in connection therewith.

7. **Amendments and Waivers.** This Agreement may not be modified, supplemented, or amended, or any of its provisions waived at the request of Grantor, without the prior written consent of Grantee.

8. Waiver of Rights. No course of dealing between or among any parties to this Agreement or any failure or delay on the part of any such party in exercising any rights or remedies hereunder shall operate as a waiver of any rights or remedies of such party or any other party and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies of such party or any other party. No waiver by Grantee of any breach or default by Grantor shall be deemed a waiver of any other previous breach or default or of any breach or default occurring thereafter.

9. Assignment. The provisions of this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that no interest herein or in or to the Collateral may be assigned by Grantor without the prior written consent of Grantee.

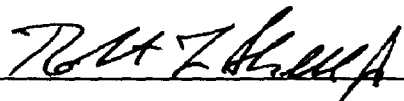
10. Severability. If any clause or provision of this Agreement shall be held invalid or unenforceable, in whole or in part, in any jurisdiction, such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, and shall not in any manner affect any other clause or provision in any jurisdiction.

11. Notices. All notices, requests and demands to or upon Grantor or Grantee under this Agreement shall be given in the manner prescribed on the Notices section of the Credit Agreement.

12. Governing Law: Jurisdiction. All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the domestic laws of the State of Ohio. Grantor agrees that the state and federal courts in Hamilton County, Ohio or any other court in which Grantee initiates proceedings have exclusive jurisdiction over all matters arising out of this Agreement, and that service of process in any such proceeding shall be effective if mailed to Grantor at its address described in the Notices section of this Agreement. GRANTEE AND GRANTOR HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above written.

**GUYAN INTERNATIONAL INC., dba
Permco**

By: 

Its: C. C. B.

THE FIFTH THIRD BANK

By: William D. Hummel

Its: Vice - Pres.

STATE OF West Virginia
COUNTY OF Cabell) : ss.

BEFORE ME, a Notary Public, in and for said State, personally appeared Robert L. Shell, Jr., the C.O.B. of Guyan International, Inc. dba Permco, a corporation, who acknowledged that he/she did sign the Grant of Security Interest in Trademarks and that the same is his/her free act and deed as such officer and is the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 28th day of October, 1998.

Janet L. Brumfield
Notary Public

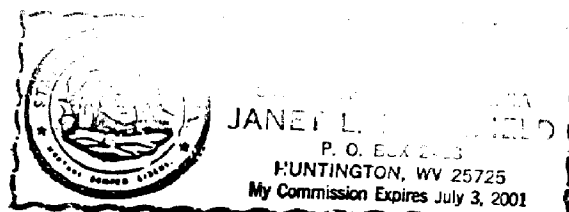
STATE OF ~~OHIO~~ West Virginia
COUNTY OF ~~HAMILTON~~ Cabell) : ss.



BEFORE ME, a Notary Public, in and for said State, personally appeared William D. Hummel a Vice President of The Fifth Third Bank, a corporation, who acknowledged that he/she did sign the Grant of Security Interest in Trademarks and that the same is his/her free act and deed as such officer and is the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 28th day of October, 1998.

Janet L. Brumfield
Notary Public



SCHEDULE A

Domestic Trademarks

<u>NAME OF TRADEMARK</u>	<u>TRADEMARK NUMBER</u>	<u>FILING DATE</u>
PERMCO (stylized)	1,061,133	
BI RO Diverter	1,211,278	
WATERMASTER	1,212,153	
PERMCO (stylized)	1,215,480	
PERMCO (stylized)	1,215,481	
DIVERTER	1,238,946	

SCHEDULE B

Licenses and Encumbrances

NONE.