

52799

06-02-1999

TRADEMARKS ONLY

TRADEMARKS ONLY



marks:

101052462

Please record the attached original document or copy thereof.

1. Name of Party(ies) conveying an interest

Lapp Insulator Company LLC

Entity:

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other Limited Liability Company - Delaware

Additional name(s) of conveying party(ies) attached

yes no

2. Name and Address of Party(ies) receiving an interest:

Name: FLEET CAPITAL CORPORATION
 Internal Address:
 Street Address: 20800 Swenson Drive, Suite 350
 City: Waukesha
 State/Zip: Wisconsin 53187

Entity:

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

Citizenship

If not domiciled in the United States, a domestic representative designation is attached

yes no

(The attached document must not be an assignment)
Additional name(s) and addresses attached:

yes no

3. Description of the interest conveyed

- Assignment
- Change of Name
- Other

- Security Agreement
- Merger

Date of execution of attached document: March 22 1999

4. Application number(s) or registration number(s). Additional sheet attached?

yes no

A. Trademark Application No(s)

B. Trademark Registration No.(s) 582,766; 744,334; 990,727; 1,558,858; 744,333; 806,644

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

Name: Bradley S. Schmarak
 Sachnoff & Weaver, LTD.
 Address: 30 South Wacker Drive, Suite 2900
 City: Chicago
 State/Zip: Illinois 60606

6. Number of applications and registrations involved: 6

- 7. The \$165.00 filing fee is enclosed.
- 8. Please charge the \$ filing fee to Deposit Account No. 19-0011. (Duplicate copy of this page attached)
- 9. Please charge any deficiencies in fees or credit any overpayment to Deposit Account No. 19-0011.

DO NOT USE THIS SPACE

10. 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.

Bradley S. Schmarak
Name of Person Signing

Signature

March 22 1999
Date

Total number of pages comprising coversheet: 13

06/02/1999 DMGUYEN 00000008 582766

01 FC:481
02 FC:482

40.00 OP
125.00 OP

140623/0139/236694

TRADEMARK
REEL: 001904 FRAME: 0978

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "**Agreement**") is dated as of this 22nd day of March, 1999, by and between LAPP INSULATOR COMPANY LLC, a Delaware limited liability company ("**Borrower**") and FLEET CAPITAL CORPORATION, a Rhode Island corporation ("**Lender**").

WITNESSETH:

A. Pursuant to that certain Loan and Security Agreement dated of even date herewith by and between Borrower and Lender (the "**Loan Agreement**"), Lender has, subject to the satisfaction of certain conditions precedent, agreed to lend monies and/or make advances, extensions of credit and other financial accommodations (collectively, the "**Loans**") to, on behalf or for the benefit of Borrower.

B. Lender has required as a condition, among others, to the making of the Loans to Borrower, in order to secure the prompt and complete payment, observance and performance of all of the "**Secured Obligations**" (defined herein as defined in the Loan Agreement), that the Borrower execute and deliver this Agreement to Lender.

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, the parties agree as follows:

1. Defined Terms. Unless otherwise defined herein, the capitalized terms used herein which are defined in the Loan Agreement shall have the meanings specified in the Loan Agreement.

2. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

3. Security Interest in Trademarks and Licenses. To secure a prompt and complete and timely payment, performance and satisfaction of all the Secured Obligations, Borrower hereby grants to the Lender, for the benefit of the Lender, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests (subject to Permitted Liens, and except as to foreign Trademarks and Licenses, and except for assignments requiring consents as set forth in Exhibit 10.1(d) of the Loan Agreement), with power of sale to the extent permitted by applicable law, all of Borrower's now owned or existing or hereafter acquired or arising:

140623/0139/232562/version 2

(a) trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements or dilutions thereof, (iv) the goodwill of Borrower's business symbolized by the foregoing and connected therewith, and (v) all of Borrower's rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); and

(b) rights under or interests in any trademark license agreements or service mark license agreements with any other party in connection with any of the Trademarks or such other party's trademarks and registered trademarks, trademark applications, service marks, registered service marks, service mark applications, trade names and trade styles, whether Borrower is a licensor or licensee under any such license agreement, including without limitation, those license agreements listed on Schedule B attached hereto and made a part hereof, and the right, upon the occurrence and during the continuation of an Event of Default, to prepare and sell any and all Inventory now or hereafter owned by Borrower and now or hereafter covered by such licenses, and all books and all records (including, without limitation, customer lists, credit files, computer programs, printouts and other computer materials and records) pertaining to any of the foregoing (all of the foregoing are hereinafter referred to collectively as the "**Licenses**").

4. New Trademarks and Licenses. Borrower represents and warrants to Lender that all Trademarks listed on Schedule A include all of the Trademarks, registered trademarks, trademark applications, trade names, trade styles, service marks, and service mark applications now owned by Borrower, that the Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements held by Borrower, and that no other liens, claims or security interests have been granted by Borrower to any other Person in such Trademarks and Licenses, except for Permitted Liens and except for the rights of the third party licensors or licensees pursuant to the Licenses. If, prior to the termination of this Agreement, Borrower shall obtain rights to any new trademarks or service marks, or become entitled to the reissue, division, continuation, renewal, extension or continuation-in-part of any Trademark or Licenses, or enter into any new trademark license agreement, the provisions of Section 3 shall automatically apply thereto.

5. Royalties. The Borrower hereby agrees that the use by Lender of the Trademarks and Licenses as authorized hereunder shall be coextensive with the Borrower's

rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Borrower.

6. Termination of Lender's Security Interest. This Agreement is made for collateral security purposes only. Upon payment and satisfaction in full of all of the Secured Obligations, this Agreement shall terminate, and Lender shall, at Borrower's cost, take all reasonably necessary actions to release such security interest.

7. Duties of the Borrower. Borrower shall subject to the exercise of reasonable business judgment: (a) prosecute diligently any trademark or service mark application, if any, that is part of the Trademarks pending as of the date hereof or thereafter until the termination of this Agreement, (b) make application on registerable trademarks or service marks as Borrower deems appropriate, and (c) take all reasonable steps to preserve and maintain all of Borrower's rights in the Trademarks and Licenses, including, without limitation, making timely filings with the United States Patent and Trademark Office or any similar office or agency in any state, province or country or renewals and extensions and diligently monitoring unauthorized use hereof.

8. Lender's Right to Sue. After the occurrence and during the continuation of an Event of Default, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks or Licenses and, if the Lender shall commence any such suit, Borrower shall, at request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Borrower shall, upon demand, promptly reimburse Lender for all costs and expenses incurred by Lender in the exercise of such enforcement (including, without limitation, reasonable attorneys' fees).

9. Waivers. No course of dealing between Borrower, and Lender and no failure or delay on the part of Lender to exercise, or delay in exercising, any right, power or privilege hereunder, under the Loan Agreement or under any other agreement, shall operate as a waiver of any of Lenders' rights, powers or partial exercise of any right, power or privilege hereunder, under the Loan Agreement or under any other agreement.

10. Modification. This Agreement may not be altered, amended or modified in any way, except as specifically provided in Sections 3 and 4 hereof or by a writing signed by Borrower and Lender.

11. Cumulative Remedies; Power of Attorney. All of the rights and remedies of Lender with respect to the Trademarks or Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. The Borrower hereby appoints Lender and all Persons Lender may designate, in its sole and absolute discretion, as Borrower's attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower or otherwise, to

take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this Agreement subsequent to a Default or an Event of Default. Borrower hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations shall have been paid and satisfied in full. Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any of the other Loan Documents, but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Agreement, 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 Trademarks or Licenses may be located or deemed located.

12. Binding Effect; Benefits. This Agreement shall be binding upon Borrower and its successors and assigns, and shall inure to Lender, for the benefit of Lender, and its nominees. Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Borrower. Borrower shall not assign its obligations hereunder without Lender's prior written consent.

13. Governing Law. This Agreement has been delivered for acceptance by Lender in Chicago, Illinois and shall be governed by and construed in accordance with the internal laws (as opposed to the conflicts of law provisions) of the State of Illinois. Borrower hereby (a) irrevocably submits, to the extent permitted by applicable law, to the jurisdiction of any state or federal court located in Chicago, Illinois, over any action or proceeding to enforce or defend any matter arising from or related to this agreement; (b) irrevocably waives, to the fullest extent Borrower may effectively do so, the defense of an inconvenient forum to the maintenance of any such action or proceeding in any such court; (c) agrees that, to the extent permitted by applicable law, a final judgment in any such action or proceeding in any such court shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by law; and (d) to the extent permitted by applicable law, agrees not to institute any legal action or proceeding against Lender or any of Lender's directors, officers, employees, agents or property, concerning any matter arising out of or relating to this agreement in any court other than one located in Cook County, Illinois. Nothing in this section shall affect or impair Lender's right to serve legal process in any manner permitted by law or Lender's right to bring any action or proceeding against Borrower or Borrower's property in the courts of any other jurisdiction.

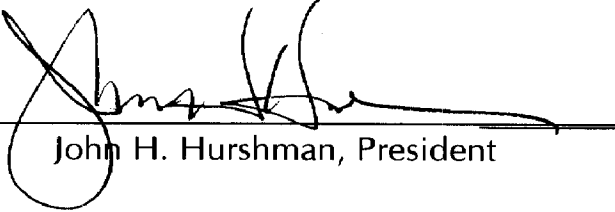
14. Notices. All notices or other communications required or desired to be served, given or delivered hereunder shall be served, given or delivered and shall be deemed to have been validly served, given or delivered in accordance with the notice section contained in the Loan Agreement.

15. Duty of Lender. Lender shall not be liable for any actions, omissions, errors of judgment or mistakes of fact or law with respect to the Trademarks or Licenses, except to the extent caused by Lender's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any action necessary or preserve rights in the Trademarks or Licenses against any other Persons but may do so at its option, and all expenses incurred in connection therewith shall be for the sole account of Borrower and added to the Secured Obligations secured hereby.

16. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

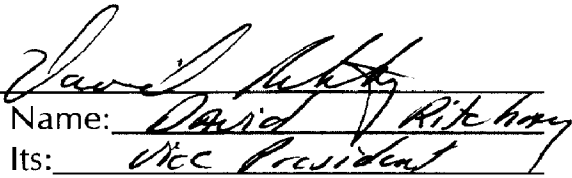
IN WITNESS WHEREOF, the parties hereby have duly executed this Agreement on the day and year first above written.

LAPP INSULATOR COMPANY LLC

By: 
John H. Hurshman, President

Acknowledged and Agreed to in
Chicago, Illinois, as of this
22nd day of March, 1999

FLEET CAPITAL CORPORATION

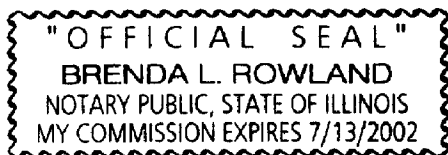
By: 
Name: David V. Ritchey
Its: Vice President

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Trademark Security Agreement was executed and acknowledged before me this 22nd day of March, 1999, by John H. Hurstman, personally known to me to be the PRESIDENT of Lapp Insulator Company LLC, a Delaware limited liability company, on behalf of such corporation.

Brenda L. Rowland
Notary Public



My commission expires: July 13, 2002

Schedule A
to
Trademark Security Agreement

Trademarks

Mark

Registration Number

Date

Hart, Baxley, Daviniels & Hoffman
CEB:ish - 08 DEC 98

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LAPP INSULATOR COMPANY

SUMMARY OF FOREIGN AND DOMESTIC TRADEMARK PROPERTIES

DOCKET	COUNTRY	TRADEMARK	APPLN	FILED	REG NO.	ISSUED	REMARKS
15709 B	ARGENTINA	LAPP			1,260,758	27 Oct 77	Renew 11 Dec 07
15717 B	AUSTRALIA	LAPP			B308,395	21 Jun 77	Renew 21 Jun 08
15973 B	AUSTRIA	LAPP			137,945	30 Sep 91	Renew 30 Sep 01
15697 B	BENELUX	LAPP			345,534	15 Jun 77	Renew 15 Jun 07
15708 B	CANADA	LAPP			232,320	23 Mar 79	Renew 23 Mar 09
15711 B	CHILE	LAPP			328,373	08 Apr 88	Renew 08 Apr 08
15712 B	COLOMBIA	LAPP			122,912	09 Dec 88	Renew 09 Dec 03
15892 B	CZECHOSLOVAKIA	LAPP			172,350	11 Jun 91	Renew 11 Jun 01
15695 B	ECUADOR	LAPP			2640/88	16 Nov 83	Renew 16 Nov 03
15707 B	GERMANY	LAPP			971,142	21 Jun 77	Renew 21 Jun 07
15700 B	GREECE	LAPP			59,292	18 Jul 87	Renew 18 Jul 07
15891 B	HUNGARY	LAPP			139,416	07 Jun 91	Renew 07 Jun 01
15894 B	INDIA	LAPP			326,248	20 Jun 91	Renewal Pending
15714 B	IRAN	LAPP			47,759	03 Aug 87	Renew 03 Aug 07
15715 B	ISRAEL	LAPP			44,409	13 Jul 84	Renew 13 Jul 12
15701 B	ITALY	LAPP			344,560	17 Jun 77	Renew 17 Jun 07
15694 B	MEXICO	LAPP			354,141	06 Feb 85	Renew 06 Feb 01

Hart, Baxley, Daniels & Holton
CEB Jsh - 08 DEC 99
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LAPP INSULATOR COMPANY
SUMMARY OF FOREIGN AND DOMESTIC TRADEMARK PROPERTIES

DOCKET	COUNTRY	TRADEMARK	APPLN	FILED	REG NO.	ISSUED	REMARKS
15702 B	NORWAY	LAPP			100,875	07 Sep 78	Renew 07 Sep 08
15890 B	POLAND	LAPP			73,844	15 Sep 83	Renew 15 Sep 03
15686 B	PUERTO RICO	LAPP			18,737	19 Jun 74	Renew 19 Jun 04
15716 B	SOUTH AFRICA	LAPP			877,2499	19 Jun 77	Renew 19 Jun 07
15703 B	SPAIN	LAPP			851,904	16 Mar 78	Renew 16 Mar 08
15704 B	SWEDEN	LAPP			168,778	26 Oct 79	Renew 26 Oct 99
15705 B	SWITZERLAND	LAPP			291,106	16 Jun 77	Renew 16 Jun 07
15706 B	TURKEY	LAPP	11,228	14 Aug 98			Pending Application
15699 B	UNITED KINGDOM	LAPP			81,079,881	17 Jun 77	Renew 17 Jun 08
15934 B	UNITED STATES	LAPP			582,766	24 Nov 53	Renew 24 Nov 03
15936 B	UNITED STATES	HI-F & DESIGN			744,334	29 Jan 63	Renew 29 Jan 03
15937 B	UNITED STATES	RG			990,727	13 Aug 74	Renew 13 Aug 04
15940 B	UNITED STATES	LAPP LINE COMPACTION & DESIGN			1,558,858	03 Oct 89	Renew 03 Oct 99
15972 B	UNITED STATES	HI-F			744,333	29 Jan 63	Renew 29 Jan 03
15974 B	UNITED STATES	RESIWRAP			806,644	05 Apr 65	Renew 05 Apr 06
15713 B	VENEZUELA	LAPP			92,103F	04 Oct 79	Renew 04 Oct 04

**Schedule B
To
Trademark Security Agreement**

None