

06-02-1999

Patent and Trademark Office

5-28-99 5:28 TRAI



101051838

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

1. Name of conveying party(ies):

PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.

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

Additional name(s) of conveying party(ies) attached? Yes No

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

Name: The CIT Group/Business Credit, Inc.

Internal Address: Attn: Timothy J. White

Street Address: 300 So. GRAND AVE.

City: Los Angeles State: CA ZIP: 90071

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State New York
- Other

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: APRIL 2, 1999

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

A. Trademark Application No.(s)

B. Trademark registration No.(s)

SEE ATTACHED SCHEDULE 1.

Additional numbers attached? Yes No

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

Name: TIMOTHY J. WHITE, ESO.

Internal Address:

Street Address: THE CIT GROUP, INC.

300 S. Grand Avenue, 3rd Floor

City: Los Angeles State: CA ZIP: 90071

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41): \$ 65⁰⁰

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

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DO NOT USE THIS SPACE

01 FC:481
02 FC:482

40.00 DP
25.00 DP

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.

TIMOTHY J. WHITE

Name of Person Signing

Timothy J. White (B6) May 27 99
Signature Date

Total number of pages comprising cover sheet: 11

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

TRADEMARK
REEL: 001905 FRAME: 0263

SCHEDULE 1 TO RECORDATION FORM COVER SHEET FOR TRADEMARKS

CONVEYING PARTY: PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.

RECEIVING PARTY: THE CIT GROUP/BUSINESS CREDIT, INC.

	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
1.	Premier	1,855,776	09/27/94
2.	Pipespan	2,010,972	10/22/96

**GRANT OF SECURITY INTEREST IN
PATENTS, TRADEMARKS AND LICENSES**

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein the "Agreement") made as of this 2ND day of April, 1999, by Pacific International Pipe Enterprises, Inc., an Oregon corporation, with its principal place of business at 755 N.E. Columbia Boulevard, Portland, Oregon 97211-0269 (herein the "Company"), and The CIT Group/Business Credit, Inc., a New York corporation, with offices at 300 South Grand Avenue, Third Floor, Los Angeles, California 90071 (herein "CITBC").

W I T N E S E T H:

WHEREAS, the Company, the Company's parent company, Babler Bros., Inc., and the Company's subsidiary, Pacific International Pipe Enterprises of Washington, Inc., and CITBC are parties to a certain Financing Agreement, dated July 14, 1998, as the same may be amended from time to time (herein the "Financing Agreement"), which Financing Agreement provides (i) for CITBC to make certain loans, advances and extensions of credit, all to or for the account of the Company and/or its affiliates and (ii) for the grant by the Company to CITBC of a security interest in certain of the Company's assets, including, without limitation, trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, and, if applicable, any patents, patent applications and/or registrations, all as more fully set forth herein and in the Financing Agreement;

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. Definitions. Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. Grant of Security Interest. To secure the payment of the "Obligations" (as defined in the Financing Agreement), the Company hereby grants to CITBC a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively herein the "Intellectual Property Collateral"):
 - (i) Trademarks, trademark registrations, recordings and/or applications, tradenames, trade styles, service marks, prints and labels on which any of the foregoing have or may appear, designs, general intangibles pertaining to any of the foregoing, including, without limitation, the trademarks and applications, if any, listed on Schedule B attached hereto and made a part

hereof, and any and all reissues and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");

- (ii) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");
- (iii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule C attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");
- (iv) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral;
- (v) Any and all of the Company's rights and interests in any of the foregoing as they relate to the Company's Accounts, Inventory, Equipment and General Intangibles, or any Collateral bearing any of the foregoing, including without limitation the right to sell Inventory, goods and property bearing or covered by any of the foregoing Intellectual Property; and
- (vi) All cash and non-cash proceeds, royalties and income of the foregoing, including without limitation any amounts obtained pursuant to any infringement action.

3. CITBC's Rights. Upon the occurrence of any Event of Default hereunder, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the

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Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC upon the occurrence of any Event of Default hereunder, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CITBC concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs an Event of Default under this Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom provided, however, that from and after the occurrence of an Event of Default such right will, upon the exercise by CITBC of the rights provided by this Agreement, be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CITBC or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CITBC any duty or responsibility to maintain the Intellectual Property Collateral.

4. Fees. The Company will pay all filing fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and maintain the perfection of its security interest in the Intellectual Property Collateral.

5. Representations and Warranties. The Company represents and warrants: that the Company lawfully possesses and owns the Intellectual Property Collateral and that except for the security interest granted hereby and Permitted Encumbrances (as defined in the Financing Agreement), the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof; that the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and that there are no known infringements of the Intellectual Property Collateral. The Company agrees not to take any action inconsistent with the terms and intent hereof, provided that the Company may enter into licensing agreements in the ordinary course of its business on fair and reasonable terms, provided further that no Event of Default (as defined herein below) has occurred and that any such

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agreement does not adversely effect CITBC's rights and interests hereunder. The Company hereby further agrees to provide notice to CITBC of any hereafter acquired Intellectual Property Collateral, provided that any such Collateral shall be automatically subject to the terms hereof and provided that the Company shall take any such additional action as CITC shall reasonably request with respect thereto.

6. Application of Proceeds. The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CITBC in connection with such sale and the exercise of CITBC's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CITBC in such order as CITBC may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct.
7. Defense of Claims. The Company will defend at its own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all costs and expenses incurred by CITBC in defending any such action, claim or proceeding.
8. Rights Cumulative. This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights that CITBC has under the Financing Agreement. The Company agrees to execute and deliver to CITBC (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.
9. Construction and Invalidity. Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted here from, but shall not invalidate the remaining provisions hereof.
10. **CHOICE OF LAW. THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CITBC WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CITBC AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CITBC EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY**

**JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING
HEREUNDER.**

11. Events of Default. Any of the following constitutes an Event of Default under this Agreement:
- (i) The Company fails to perform or observe any agreement, covenant or condition required under this Agreement;
 - (ii) Any warranty or representation made by Company, in this Agreement shall be or becomes false or misleading in any material respect; or
 - (iii) The occurrence of any Event of Default under the Financing Agreement which is not waived in writing by CITBC.
12. Notices. The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CITBC written notice in the manner provided in the Financing Agreement of:
- (i) any claim by a third party that the Company has infringed on the rights of a third party;
 - (ii) any suspected infringement by a third party on the rights of the Company; or
 - (iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.
13. Further Assurances. The Company will take any such action as CITBC may reasonably require to further confirm or protect CITBC's rights under this Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CITBC a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any action in the Company's behalf required to effectuate the terms, provisions and conditions of this Agreement.
14. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations thereunder. Upon the Company's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the 2ND day of April, 1999.

PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.
(the "Company")

By:

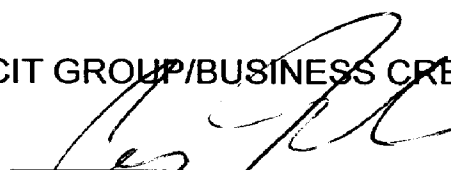


Michael Canton
President

Agreed and Accepted this
____ day of April, 1999

THE CIT GROUP/BUSINESS CREDIT, INC.

By:



Guy Fuchs
Senior Vice President

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. PATENTS

	<u>Title</u>	<u>Application No.</u>	<u>Filing Date</u>	<u>Patent No.</u>	<u>Date of Grant</u>
1.	METHOD AND APPARATUS FOR ELECTRICALLY ISOLATING A RAIL IN A PRECAST CONCRETE GRADE CROSSING	08/179,144	01/07/94	5,464,152	11/07/95
2.	PRECAST CONCRETE RAILROAD CROSSING AND METHOD FOR MAKING	08/519,110	08/25/95	5,626,289	05/06/97
3.	CONCRETE GRADE CROSSING SYSTEM	07/609,488	05/10/84	4,641,779	02/10/87
4.	PRECAST CONCRETE CURVED GRADE CROSSING WITH RESTRAINING RAIL	08/972,798	11/18/97	Pending	

**SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. TRADEMARKS

	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
1.	Premier	1,855,776	09/27/94
2.	Premier	495097	06/19/95
3.	Premier	475,952	05/08/97
4.	Pipespan	2,010,972	10/22/96

**SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

PACIFIC INTERNATIONAL PIPE ENTERPRISES, INC.

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. LICENSES

Name

Registration No.

Registration Date

NONE