



**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

<input type="text" value="1,748,338"/>	<input type="text" value="1,645,913"/>	<input type="text" value="2,182,710"/>
<input type="text" value="1,270,661"/>	<input type="text" value="1,646,680"/>	<input type="text"/>
<input type="text" value="1,270,662"/>	<input type="text" value="2,067,677"/>	<input type="text"/>

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<input type="text"/>	<input type="text"/>	<input type="text"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**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. Charges to deposit account are authorized, as indicated herein.

Christine E. Wilson

Name of Person Signing

Christine E. Wilson

Signature

3/13/00

Date Signed

# PATENT, TRADEMARK, AND COPYRIGHT SECURITY AGREEMENT

THIS PATENT, TRADEMARK, AND COPYRIGHT SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), dated as of February 1, 2000, is made by Cadet Manufacturing Company, a Washington corporation ("Grantor"), in favor of General Electric Capital Corporation, a New York corporation ("Lender").

## RECITALS

A. Pursuant to that certain Loan and Security Agreement of even date herewith by and among Grantors, Lender, and the other Credit Parties signatory thereto (including all annexes, exhibits and schedules thereto, and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), Lender has agreed to extend certain financial accommodations to or for the direct or indirect benefit of Grantors.

B. In order to induce Lender to enter into the Loan Agreement and the other Loan Documents and to induce Lender to extend the financial accommodations as provided for in the Loan Agreement, Grantors have agreed to execute and deliver to Lender this Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors and Lender hereby agree as follows:

1. Definitions. Unless otherwise defined herein, capitalized terms or matters of construction defined or established in Schedule A to the Loan Agreement shall be applied herein as defined or established therein. All other undefined terms contained in this Agreement, unless the context indicates otherwise, shall have the meanings provided for by the Code to the extent the same are used or defined therein.

2. Grant of Security Interest in Intellectual Property Collateral. To secure the prompt and complete payment, performance and observance of all of the Obligations and the Affiliate Obligations, each Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Lender a Lien upon all its right, title and interest in, to and under the following property, whether now owned by or owing to, or hereafter acquired by or arising in favor of, such Grantor (including under any trade names, styles or derivations or such Grantor), and whether owned by or consigned by or to, or leased from or to, such Grantor, and regardless of where located (collectively, the "Intellectual Property Collateral"):

a. all of such Grantor's Patents and Patent Licenses to which it is a party, including those referred to in Part A to Schedule I hereto;

b. all of such Grantor's Trademarks and Trademark Licenses to which it is a party, including those referred to in Part B to Schedule I hereto;

c. all of such Grantor's Copyrights and Copyright Licenses to which it is a party, including those referred to in Part C to Schedule I hereto;

d. all Goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, and other General Intangibles with respect to the foregoing; and

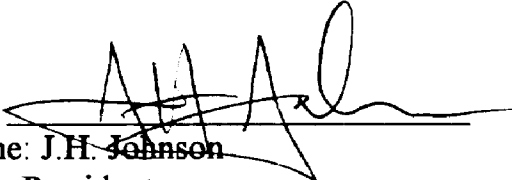
e. all Proceeds of the foregoing, including (i) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to any Person from time to time with respect to any of the foregoing, (ii) any and all payments (in any form whatsoever) made or due and payable to any Person from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the foregoing by any Governmental Authority (or any Person acting under color of Governmental Authority), (iii) any claim of any Person against third parties for (A) past, present or future infringement of any Patent or Patent License, (B) past, present or future infringement of any Copyright or Copyright License, (C) past, present or future infringement or dilution of any Trademark or Trademark License, or (D) injury to the Goodwill associated with any Trademark or Trademark License, (iv) any recoveries by any Person against third parties with respect to any litigation or dispute concerning any of the foregoing, and (v) any and all other amounts from time to time paid or payable under or in connection with any of the foregoing, upon disposition or otherwise.

3. Loan Agreement. The Liens granted pursuant to this Agreement are granted in conjunction with the Liens granted to Lender pursuant to the Loan Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the Liens granted under this Agreement are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, the parties have executed this Patent, Trademark and Copyright Security Agreement as of the date first set forth above.

**“Grantor”**

**CADET MANUFACTURING COMPANY**

By:   
Name: J.H. Johnson  
Title: President

**GENERAL ELECTRIC CAPITAL CORPORATION**

By: \_\_\_\_\_  
Name: Guy Fuchs  
Title: Duly Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this Patent, Trademark and Copyright Security Agreement as of the date first set forth above.

**“Grantor”**

**CADET MANUFACTURING COMPANY**

By: \_\_\_\_\_

Name: J.H. Johnson

Title: President

**GENERAL ELECTRIC CAPITAL CORPORATION**

By:  \_\_\_\_\_

Name: Guy Fuchs

Title: Duly Authorized Signatory

SCHEDULE I  
to  
PATENT, TRADEMARK AND  
COPYRIGHT SECURITY AGREEMENT

(PART A)

PATENTS

Thermostat	5,396,048
Baseboard	08/568,545

(PART B)

TRADEMARKS

The Hot One	1,748,338
Sofheat	1,270,661
Sofheat II	1,270,662
Three Head Design	1,645,913
Cadet	1,646,680
Your Cold Room Solution	2,067,677
Hidden Aire	2,182,710

(PART C)

COPYRIGHTS

None.