

05-09-2000

FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027



101351438

U.S. Department of Commerce  
Patent and Trademark Office

03-12-1999



100978815

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

#### Submission Type

New

Resubmission (Non-Recordation)  
Document ID #

Correction of PTO Error  
Reel #  Frame #

Corrective Document  
Reel #  Frame #

#### Conveyance Type

Assignment  License

Security Agreement  Nunc Pro Tunc Assignment

Merger

Change of Name

Other

Effective Date  
Month Day Year  
06301997

#### Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

06301997

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership  If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

03 10/1999 DMD/JYK 00900176 71428200

FE:461  
FE:432

06.03.01  
03.09.01

*File OK*

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to  
Commissioner of Patents and Trademarks, Box Assignment, Washington, D.C. 20231

TRADEMARK  
REEL: 002068 FRAME: 0623

**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 (202) 637-2275

Name

Brian L. Saliman

Address (line 1)

Latham & Watkins

Address (line 2)

1001 Pennsylvania Avenue, N.W.

Address (line 3)

Suite 1300

Address (line 4)

Washington, DC 20004-2505

**Pages**

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

# 23

**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)**

73/428,200	75/376,167	75/375,154

1,741,770	891,523	1,745,798
1,733,649		

**Number of Properties**

Enter the total number of properties involved.

# 7

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$ 190.00

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.

Cathleen Calkins

03/4/99

Name of Person Signing

Signature

Date Signed

**COOPERHEAT INTELLECTUAL PROPERTY SECURITY AGREEMENT**

(this "*Agreement*"), dated as of June 30, 1997, made by COOPERHEAT, INC. (the "*Borrower*") in favor of DRESDNER BANK AG, NEW YORK AND GRAND CAYMAN BRANCHES, as collateral agent (in such capacity, the "*Collateral Agent*") for the Agents, the Issuing Bank (as defined in the Credit Agreement referred to below) and the several banks and other financial institutions (the "*Lenders*") from time to time parties to the Credit Agreement, dated as of the date hereof (as the same may be amended, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), among the Borrower, MQS Acquisition, Inc., CHT Acquisition, Inc. and MQS Inspection, Inc., each borrowers and cross-guarantors, the Lenders, Dresdner Bank AG, New York and Grand Cayman Branches as the Issuing Bank for the Letters of Credit (the "*Issuing Bank*" and, together with the Lenders and the Agents, the "*Banks*"), and the Agents.

**R E C I T A L S**

**WHEREAS**, the Lenders have severally agreed to make Loans to the Borrower and the other borrowers under the Credit Agreement, and the Issuing Bank has agreed to issue Letters of Credit for the benefit of such parties upon the terms and subject to the conditions set forth in the Credit Agreement; and

**WHEREAS**, it is a condition precedent to the obligation of the Lenders to make any Loans to the Borrower and the other borrowers under the Credit Agreement, and it is a further condition precedent to the obligation of the Issuing Bank to issue any Letters of Credit to such parties, that the Borrower shall have executed and delivered this Agreement to the Collateral Agent, for the ratable benefit of the Banks, to secure payment and performance of all of the obligations and liabilities of the Borrower and the other borrowers under the Credit Agreement and the other Credit Documents.

**A G R E E M E N T**

**NOW, THEREFORE**, to induce (i) the Collateral Agent and the Banks to enter into the Credit Agreement, (ii) the Lenders to make Loans to the Borrower and the other borrowers under the Credit Agreement, and (iii) the Issuing Bank to issue Letters of Credit to the Borrower and the other borrowers under the Credit Agreement, the Borrower hereby agrees with the Collateral Agent, for the ratable benefit of the Banks, as follows:

1. *Defined Terms.*

(a) Unless otherwise defined in this Agreement, capitalized terms shall have the meanings given them in the Credit Agreement. The following terms shall have the following meanings:

"Code" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Copyright Office" means the Register of Copyrights in the Library of Congress.

"Copyrights" means all copyrights, copyright registrations and copyright applications that are owned by the Borrower, or in which the Borrower acquires any assignable right or interest, at any time prior to the termination of this Agreement.

"Trademarks" means all the trademarks, trademark registrations, tradenames and trademark applications that are owned by the Borrower, or in which the Borrower acquires any assignable right or interest, at any time prior to the termination of this Agreement.

(b) The provisions of Section 1.2 of the Credit Agreement are incorporated herein by reference as if fully set forth herein.

2. *Grant of Security Interest.* As collateral security for the prompt and complete payment and performance when and as due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, the Borrower hereby grants to the Collateral Agent, for the ratable benefit of the Banks, a security interest in all of the following property now owned or at any time hereafter acquired by the Borrower (collectively, the "Collateral"):

(a) (i) all Copyrights filed with the Copyright Office and, to the extent applicable, any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other country or used by the Borrower in the United States, any state, territory or possession thereof or any other country (including, without limitation, the copyrights, copyright registrations and copyright applications listed on Schedule 1 to this Agreement); and (ii) all Trademarks filed with the U.S. Patent and Trademark Office, and, to the extent applicable, any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other country or used by the Borrower in the United States, any state, territory or possession thereof or any other country (including, without limitation, all of the Trademarks listed on Schedule 2 to this Agreement);

(b) any renewals and extensions of any Copyright or Trademark;

(c) all income, royalties, damages and payments now and hereafter due or payable with respect to the Copyrights and the Trademarks (including, without limitation payments received under any licenses entered into in connection with the Copyrights and the Trademarks and damages and payments for past or future infringements of the Copyrights and the Trademarks);

(d) all right, title and interest in all physical materials embodying works with respect to which the Borrower owns or holds rights in any Copyrights;

(e) the right to sue for past, present and future infringements of the Copyrights and the Trademarks;

(f) all rights corresponding to the Copyrights and the Trademarks throughout the world;

(g) the goodwill of the Borrower's business connected with and symbolized by the Trademarks;

(h) any written agreement naming the Borrower as licensor or licensee, granting any right in or to any Copyright or copyright registration in the United States or any foreign country, including, without limitation, any agreement referred to in Schedule 1 to this Agreement;

(i) any agreement, written or oral, providing for the grant by or to the Borrower of any right to use any Trademark (including, without limitation, any agreement referred to in Schedule 2 to this Agreement);

(j) any and all present and future agreements, whether written or oral, including, without limitation, assignments and consents, as any such agreements may from time to time be amended or supplemented, pursuant to which the Borrower now has or hereafter acquires any direct or beneficial interest in any Copyright or Trademark, or is a grantor of rights to any third party with respect to any copyright or trademark, whether as a party to any such agreement or as an assignee of any rights under any such agreement, including, without limitation, any agreement referred to in Schedules 1 and 2 to this Agreement; and

(k) all products and proceeds of the foregoing.

Notwithstanding the foregoing, the Collateral shall not include any of the Collateral described herein that by its express enforceable terms prohibits the assignment of such Collateral where such Collateral is obtained by the Borrower in the ordinary course of its business.

3. *Restrictions on Future Agreements.* Until this Agreement has terminated, the Borrower will not, without the Collateral Agent's prior written consent, (a) enter into any agreement regarding any of the Collateral (including, without limitation, any license or sublicense agreement) that is inconsistent with Borrower's obligations under this Agreement, the Credit Agreement or any other Credit Document, (b) knowingly take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of any Copyright or Trademark) that would materially adversely affect the validity or enforceability of the rights transferred to the Collateral Agent, for the ratable benefit of the Banks, under this Agreement, or (c) enter into any other contractual obligations with respect to the Collateral (other than licenses and sublicenses entered into in the ordinary course of business) that may restrict or inhibit the Collateral Agent's rights to sell or otherwise dispose of the Collateral or any part thereof after the occurrence, and during the continuance, of a Default or an Event of Default.

4. *New Copyrights.* The Borrower represents and warrants that Schedule 1 to this Agreement accurately identifies all of the registered Copyrights that are owned by, or with respect to which a registration is pending on behalf of, the Borrower as of the Closing Date and all other registered Copyrights and Copyrights for which a registration is pending in which the Borrower has acquired any assignable right or interest as of the Closing Date. If, prior to the termination of this Agreement, the Borrower shall (i)(a) obtain any registration or apply for any registration for any copyright after the Closing Date in the Copyright Office or in any similar office or agency of a state, territory or possession of the United States or any similar office or agency in another country, or (b) obtain any assignable right to or any interest in any copyright, or (ii) become entitled to the benefit of any copyright registration or copyright application, the Collateral Agent, for the ratable benefit of the Banks, shall have a security interest in each such copyright, copyright registration and copyright application. In the event that the Borrower becomes the owner of, or acquires any assignable right to or interest in, any copyright, copyright registration and copyright application after the Closing Date, the Borrower shall promptly (i) notify the Collateral Agent and update Schedule 1 to this Agreement to the extent necessary to accurately identify each such copyright, copyright registration and copyright application, and (ii) provide the Collateral Agent with a copy of each such updated schedule.

5. *New Trademarks.* The Borrower represents and warrants that Schedule 2 to this Agreement accurately identifies all of the registered Trademarks that are owned by, or with respect to which a registration is pending on behalf of, the Borrower as of the Closing Date and all other Trademarks and Trademarks for which a registration is pending in which the Borrower has acquired any assignable right or interest as of the Closing Date. If, prior to the termination of this Agreement, the Borrower shall (i)(a) obtain any registration or apply for any registration for any trademark or tradename after the Closing Date in the United States Patent and Trademark Office or in any similar office or agency of a state, territory or possession of the United States or (b) obtain any assignable right to or any interest in any trademark or tradename, or (ii) become entitled to the benefit of any trademark registration, trademark application or tradename, the Collateral Agent, for the ratable benefit of the Banks, shall have a security interest in each such trademark, trademark registration, trademark application and tradename. In the event that the Borrower becomes the owner of, or acquires any assignable right to or interest in, any trademark, trademark registration, trademark application or tradename after the Closing Date, the Borrower shall promptly (i) notify the Collateral Agent and update Schedule 2 to this Agreement to the extent necessary to accurately identify, and (ii) provide the Collateral Agent with a copy of each such updated schedule.

6. *Representations and Warranties.* The Borrower hereby represents, warrants, covenants and agrees that on the Closing Date and the date of each Borrowing:

(a) Except as otherwise provided in this Agreement or any other Credit Document, it is and will continue to be the owner of all its right, title and interest in the Copyrights and the Trademarks free from any Liens other than Permitted Liens.

(b) It has the full right and power to grant the security interest in the Collateral to the Collateral Agent, for the benefit of the Banks, as and to the extent granted by this Agreement.

(c) It has made no previous assignment, transfer or agreements in conflict with this Agreement or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral, except as permitted by the Credit Agreement.

(d) Until this Agreement has terminated, it will not execute and, except as otherwise permitted by the Credit Agreement or any other Credit Document, there will not knowingly be on file in any public office, any financing statement or other document or instruments or any other Credit Document evidencing or giving notice of Liens affecting the Collateral, other than Permitted Liens.

(e) To its knowledge, no material infringement or unauthorized use presently is being made of any of either the Copyrights or the Trademarks that could materially adversely affect the fair market value of the Collateral, taken as a whole, or the benefits, rights or powers granted to the Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement or the validity, priority or perfection of the security interests granted in the Collateral pursuant to this Agreement or the remedies of the Collateral Agent, for the ratable benefit of the Banks, under this Agreement, and the Borrower shall continue to maintain monitoring and enforcement practices that protect the Collateral.

(f) The Borrower's chief executive office and chief place of business is set forth on Schedule 3 to this Agreement as amended pursuant to Section 9(b) of this Agreement.

(g) Schedule 1 to this Agreement, as amended pursuant to Section 4 of this Agreement, accurately identifies all of the registered Copyrights that are owned by or are pending on behalf of the Borrower and all other Copyrights in which the Borrower has acquired any right or interest.

(h) Schedule 2 to this Agreement, as amended pursuant to Section 5 of this Agreement, accurately identifies all of the registered Trademarks that are owned by or are pending on behalf of the Borrower and all other trademarks in which the Borrower has acquired any right or interest.

(i) The Borrower has registered or filed for registration all material Copyrights owned by the Borrower. To Borrower's knowledge, each Copyright is subsisting, unexpired, enforceable, has not been adjudged invalid and has not been expressly abandoned and has not entered the public domain. To Borrower's knowledge, no holding, decision or judgment has been rendered by any Governmental Authority directed to any Copyright that would limit, cancel or question the validity of any such Copyright, and no action or proceeding is pending that seeks to limit, cancel or question the validity of any Copyright.

(j) The Borrower has registered or filed for registration all material Trademarks owned by the Borrower. Each Trademark is valid, subsisting, unexpired, unenforceable and has not been expressly abandoned. No holding, decision or judgment has been rendered by any Governmental Authority that directed to any Trademark would limit,

cancel or question the validity of any Trademark and no action or proceeding is pending that seeks to limit, cancel or question the validity of any Trademark.

7. *Collateral Agent's Right to Maintain Quality.* The Borrower agrees that upon the occurrence of and during the continuance of a Default or an Event of Default, the Collateral Agent shall have the right to establish such additional product quality controls as the Collateral Agent, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by the Borrower or any of its Subsidiaries that bear any Copyright or any Trademark. The Borrower agrees (i) not to sell or assign its interest in, or, other than in the ordinary and usual course of business, grant any license or sublicense under, any Copyright or Trademark without the prior written consent of the Collateral Agent, (ii) to maintain the quality of any and all products in connection with which the Copyrights or Trademarks are used, consistent with the quality of such products as of the Closing Date, and (iii) to provide the Collateral Agent, upon its request, with a certificate of an officer of the Borrower certifying the Borrower's compliance with the foregoing.

8. *Royalties.* The Borrower hereby agrees that the permitted use by the Collateral Agent in accordance with the terms of this Agreement, for the ratable benefit of the Banks, of all Copyrights and Trademarks shall be worldwide without any liability for royalties or other related charges from the Collateral Agent or any of the Banks to the Borrower.

9. *Duties of the Borrower.* The Borrower shall (i) prosecute diligently any copyright or trademark application that is part of the Copyrights or Trademarks pending as of the Closing Date or thereafter until this Agreement has terminated, (ii) make application on copyrights and trademarks as the Borrower reasonably determines to be appropriate, (iii) take all reasonable steps to preserve and maintain all rights in copyright applications, copyrights, and copyright registrations that are part of the Copyrights, and all rights in trademark applications, trademarks, tradenames, and trademark registrations that are part of the Trademarks, (iv) not abandon any right to file a copyright or trademark application nor any pending copyright or trademark application if the value thereof could reasonably be expected to justify the cost of obtaining such copyright, and (v) not abandon any Copyright or Trademark without the consent of the Collateral Agent. Any expenses incurred in connection with the applications referred to in this Section 9 shall be borne by the Borrower. The Borrower agrees to retain attorneys experienced in copyright and trademark filings for the filing and prosecution of all such applications and other proceedings.

(a) The Borrower shall maintain the security interests created in favor of the Collateral Agent, for the ratable benefit of the Banks, in the Collateral pursuant to this Agreement as valid and duly perfected first priority security interests, subject only to Permitted Liens, and shall defend such security interests as may be reasonably necessary to protect such interests against claims and demands of all Persons whomsoever. At any time and from time to time, upon the written request of the Collateral Agent, and at the sole expense of the Borrower, the Borrower shall promptly and duly execute and deliver such further instruments and documents and take such further actions as the Collateral Agent may reasonably request for the purposes of obtaining or preserving all of the benefits, rights and powers granted to the Collateral Agent and the Banks pursuant to this Agreement. In addition, the Borrower shall, and



shall cause all of its Subsidiaries to, execute and deliver such further documents and instruments and take such further actions as are necessary or desirable, or that are reasonably requested by the Collateral Agent, to create and maintain in favor of the Collateral Agent, for the ratable benefit of the Banks, valid and duly perfected first priority security interests in all of the Collateral under all applicable laws and to defend such security interests from all persons whomsoever.

(b) The Borrower shall not permit any of the changes described below unless (i) at least 10 days prior to such change, the Collateral Agent shall have received written notice of such change and an updated copy of each schedule to this Agreement required to be updated as a result of such change, and (ii) all filings and notices have been made to maintain in favor of the Collateral Agent, for the ratable benefit of the Banks, a valid and duly perfected first priority security interest in the Collateral, subject to no Liens other than Permitted Liens and those created pursuant to the Credit Documents:

(1) change the location of its chief executive office and chief place of business from that set forth on Schedule 3 to this Agreement, as amended; or

(2) change its name, identity or corporate structure to such an extent that any financing statement filed in favor of the Collateral Agent in connection with this Agreement would become inaccurate or misleading.

10. *Remedies.* If a Default or an Event of Default shall have occurred and be continuing and upon notice by the Collateral Agent to the Borrower, the Collateral Agent on behalf of the Banks may exercise, in addition to all other rights and remedies granted to the Collateral Agent and the Banks in this Agreement, any Credit Document and any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code (whether or not the Code applies to any part of the Collateral) and any other applicable laws. Without limiting the generality of the foregoing, the Collateral Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Borrower or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral or any part thereof, or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Collateral Agent or any Bank or elsewhere upon such terms and conditions as it may reasonably deem advisable and at such commercially reasonable prices as it may reasonably deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Collateral Agent or any Bank shall have the right upon any such public sale or sales and, to the extent permitted by law upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of (to the extent permitted by law) any right or equity of redemption in the Borrower, which right or equity is (to the extent permitted by law) hereby waived or released. The Collateral Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses incurred therein or

incidental to the care or safekeeping of any of the Collateral or reasonably relating to the Collateral or the rights of the Collateral Agent and the Banks under this Agreement (including, without limitation, reasonable attorneys' fees and disbursements) in accordance with the provisions of the Credit Agreement. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be in writing and deemed reasonable and proper if given at least 10 days before such sale or other disposition.

The Borrower waives and agrees not to assert any rights or privileges that it may acquire under Section 9-112 of the Code.

11. *Collateral Agent's Appointment as Attorney-in-Fact; Collateral Agent's Performance of Borrower's Obligations.*

(a) The Borrower hereby irrevocably constitutes and appoints the Collateral Agent and any officer or agent of the Collateral Agent (each, an "Attorney") with full power of substitution, as its true and lawful attorney-in-fact, with full irrevocable power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name from time to time in the Collateral Agent's discretion, for the purpose of carrying out the terms of this Agreement, to, upon the occurrence and during the continuance of a Default or an Event of Default, (i) take any and all appropriate action and (ii) execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, the Borrower hereby gives each Attorney the power and right, on behalf of the Borrower, without notice to or assent by the Borrower, to do the following upon the occurrence and during the continuance of a Default or an Event of Default to the extent permitted by law:

(1) to execute and deliver any and all agreements, instruments, documents, and papers as the Collateral Agent may reasonably request to evidence the security interest of the Collateral Agent, for the ratable benefit of the Banks, in any Collateral;

(2) to pay or discharge taxes and Liens levied or placed on or threatened against any of the Collateral;

(3) to execute, in connection with any sale provided for in Section 10 of this Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral and any part thereof; and

(4) (i) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct; (ii) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any part of the Collateral; (iii) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to protect, preserve, or realize upon the Collateral or any part thereof and to enforce any other right in respect of any part of the Collateral; (iv) to defend any suit, action or proceeding brought against the Borrower with respect to any part of the Collateral; (v) to

settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, to give such discharges or releases as the Collateral Agent may deem appropriate; (vi) to assign, license or sublicense any Collateral throughout the world for such term or terms, on such conditions, and in such manner, as the Collateral Agent shall in its sole discretion determine; and (vii) to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any part of the Collateral as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes, and to do, at the Collateral Agent's option and the Borrower's expense, at any time, or from time to time, all acts and things that the Collateral Agent reasonably deems necessary to protect, preserve or realize upon the Collateral or any part thereof and the security interests of the Collateral Agent, for the ratable benefit of the Banks, and to effect the intent of this Agreement, all as fully and effectively as the Borrower might do.

(b) If the Borrower fails to perform or comply timely with any of its agreements contained in this Agreement, any Attorney may, at the option of the Collateral Agent but without any obligation so to do, perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The reasonable expenses of the Collateral Agent incurred in connection with any actions taken pursuant to this Section 11, together with interest thereon at a rate per annum equal to the Default Rate on Base Rate Loans then in effect from the date payment is demanded by the Collateral Agent to the date reimbursed by the Borrower, shall be payable by the Borrower to the Collateral Agent on demand.

(d) The Borrower hereby ratifies all actions taken by each Attorney pursuant to, and in accordance with, this Section 11. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

12. *Duty of Collateral Agent.* The Collateral Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the Code or otherwise, shall be to deal with it in the same manner as the Collateral Agent deals with similar property for its own account. None of the Collateral Agent, any Bank or any of their respective directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any of the Collateral upon the request of the Borrower or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent and the Banks under this Agreement are solely to protect the interests of the Collateral Agent and the Banks in the Collateral and shall not impose any duty upon the Collateral Agent or any Bank to exercise any such powers. The Collateral Agent and the Banks shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to the Borrower for any act or failure to act under or with respect to this Agreement, except for their own gross negligence or willful misconduct (as determined in a final non-appealable judgment by a court of competent jurisdiction).

13. *Execution of Financing Statements.* If Collateral Agent requests, pursuant to Section 9-402(2)(e) of the UCC, that Borrower file financing statements with respect to the Collateral and Borrower fails to comply with Collateral Agent's request, pursuant to Section 9-402 of the Code, the Borrower authorizes the Collateral Agent to file financing statements with respect to the Collateral without the signature of the Borrower in such form and in such filing offices as the Collateral Agent reasonably determines appropriate to perfect the security interests granted to the Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

14. *Authority of Collateral Agent.* The Borrower acknowledges that the rights and responsibilities of the Collateral Agent under this Agreement with respect to any action taken by the Collateral Agent or the exercise or non-exercise by the Collateral Agent of any option, voting right, request, judgment or other right or remedy provided for in this Agreement or resulting or arising out of this Agreement shall, as between the Collateral Agent and the Banks, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them but, as between the Collateral Agent and the Borrower, the Collateral Agent shall be conclusively presumed to be acting as agent for the Banks with full and valid authority so to act or refrain from acting.

15. *Notices.* All notices, requests and demands to or upon the Collateral Agent or the Borrower under this Agreement shall be given or made in accordance with the Credit Agreement.

16. *Termination and Release.*

(a) This Agreement and the security interests created in favor of the Collateral Agent, for the ratable benefit of the Banks, pursuant to this Agreement shall terminate when all of the Obligations have been fully and indefeasibly paid and when the Banks have no further Commitments under the Credit Agreement and no Letters of Credit are outstanding or unreimbursed, at which time the Collateral Agent shall execute and deliver to the Borrower, or to such person or persons as the Borrower shall reasonably designate, all Uniform Commercial Code termination statements and similar documents prepared by the Borrower at the Borrower's expense that the Borrower shall reasonably request to evidence the release of the Liens and the security interests created by this Agreement with respect to the Collateral.

(b) All Collateral used, sold, transferred or otherwise disposed of by the Borrower in accordance with the terms of the Credit Agreement and the other Credit Documents (including, without limitation, pursuant to a waiver or amendment of the terms of the Credit Agreement), shall be used, sold, transferred or otherwise disposed of free and clear of the Lien and the security interest created under this Agreement. In connection with any such sale, transfer or disposition of Collateral, (i) the Collateral Agent shall deliver to the Borrower, or to such person or persons as the Borrower shall reasonably designate, all Uniform Commercial Code termination statements and similar documents prepared by the Borrower at the Borrower's expense that the Borrower shall reasonably request to evidence the release of the Liens and security interests created under this Agreement with respect to such Collateral, and

(ii) any representation, warranty or covenant contained in this Agreement relating to such Collateral shall no longer be deemed to be made with respect to such used, sold, transferred or otherwise disposed Collateral.

17. *Severability.* Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

18. *Amendments in Writing, No Waiver; Cumulative Remedies.*

(a) None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with the provisions of Section 11.11 of the Credit Agreement and pursuant to a written instrument executed by the Borrower and the Collateral Agent; *provided, however,* that the schedules to this Agreement shall be amended and updated by the Borrower as and to the extent required by this Agreement.

(b) Neither the Collateral Agent nor any Bank shall by any act (except by a written instrument pursuant to Section 18(a) of this Agreement) or delay be deemed to have waived any right or remedy under this Agreement or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions of this Agreement. No failure to exercise, nor any delay in exercising, on the part of the Collateral Agent or any Bank, any right, power or privilege under this Agreement shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Collateral Agent or any Bank of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy that the Collateral Agent or such Bank would otherwise have on any future occasion.

(c) The rights and remedies provided to the Collateral Agent and the Banks in this Agreement are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

19. *Section Headings.* The section and subsection headings used in this Agreement are for convenience of reference only and are not to affect the construction of this Agreement or be taken into consideration in the interpretation of this Agreement.

20. *Successors and Assigns.* This Agreement shall be binding upon the successors and assigns of the Borrower and shall inure to the benefit of the Borrower, the Collateral Agent and the Banks and their successors and assigns; *provided, however,* that the Borrower may not assign any of its rights, or delegate any of its duties or obligations, under this Agreement without the prior written consent of the Collateral Agent.

21. *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

WHEREOF, the Borrower has duly executed and delivered this Agreement as of the day and year first above written.

COOPERHEAT, INC.

By: *Gerald C. Allen*  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF NEW YORK            )  
  ) ss.:  
COUNTY OF NEW YORK        )

On the 30th day of June in the year 1997, before me personally came person signing to me known to be the person described in and who executed the foregoing instrument, and acknowledged that (s)he executed the same.

*Maria A. Vargas*  
\_\_\_\_\_  
Notary Public

**MARIA A. VARGAS**  
Notary Public, State of New York  
No. 01VA5072319  
Qualified in Kings County  
Commission Expires January 27, 1999



**COPYRIGHTS**

**SEE ATTACHED**

**TRADEMARKS**

SEE ATTACHED

LOCATION:

PROJECT: Cooperheat

## DISCLOSURE SCHEDULE V

## TRADEMARKS AND COPYRIGHTS

Item 1. Trademarks, Trademark Registrations and Trademark Applications

CODE	TRADEMARK	COUNTRY	RBG #	REG DATE	GOODS	ASSIGN- ABILITY	COMMENTS
CL40 (US CL106	Thermostat	USA	1741770	12/22/92	Combustion Services		Service Mark
	Cooperheat	Canada	165178	9/12/69	Heat Treating Equipment		
CL21	Cooperheat	USA	891523	9/4/90	Heat Treatment Equipment		
	Thermostat	USA	73428200 (Serial #)	5/8/84	Heat Trace Products		
CL1, 12	CooperKnut	USA	1745798	1/12/93	High Temperature Silica Insulation		
CL0007	Cooperheat	Indonesia	314158	10/9/92	Heat Treatment Products		
CL0007	Cooperheat	Malaysia	7204/92	10/13/92	Heat Treatment Products		
I.C. 40	Cooperheat	Thailand	237722/BOR2232	11/30/92	Heat Treatment Services		Service Mark
I.C. 7	Cooperheat	Thailand	237721/K/OR9036	11/30/92	Heat Treatment Equipment		

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Page 1TRADEMARK  
REEL: 002068 FRAME: 0641

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Page 2

LOCATION:  
PROJECT: Cooperheat

DISCLOSURE SCHEDULE V  
TRADEMARKS AND COPYRIGHTS

Item 1. Trademarks, Trademark Registrations and Trademark Applications  
Continued

CODE	TRADEMARK	COUNTRY	REG #	REG DATE	GOODS	ASSIGN- ABILITY	COMMENTS
CL 00084	Cooperheat	Taiwan	589437	3/1/93	Heat Treatment Products		
000007	Cooperheat	Peoples Republic of China	674476	1/21/94	Heat Treatment Products		
00112	Cooperheat	South Korea	24435	7/16/96	Heat Treatment Services		Service Mark
000007, 00040	Cooperheat	Vietnam	8565	10/26/92	Heat Treatment Products		
CL 07, 15	Cooperheat	Brazil	007166230	3/25/90	Heat Treatment Products		
CL 40	Cooperheat	Mexico	124990	10/22/91	Heat Treatment Products		
	Cooperheat/MQS Venezuela C.A.	Venezuela	401061	1/1/96	Heat Treatment Equipment		

TRADEMARK  
REEL: 002068 FRAME: 0642

LOCATION:

PROJECT: Cooprheal

DISCLOSURE SCHEDULE V

TRADEMARKS AND COPYRIGHTS

Item 2. Trademarks and Copyrights

CODE:

TITLE:

FORUM:

NONE

SUMMARY:

CURRENT STATUS:

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FROM

JUN 30 '97 13:17

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LOCATION:

PROJECT: Cooperkeal

DISCLOSURE SCHEDULE V

TRADEMARKS AND COPYRIGHTS

Item 3. Licenses in Which the Business is Licensee

CODE	TRADENAME OR COPYRIGHT	COUNTRY	DESCRIPTION	ASSIGNABILITY	COMMENTS
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NONE

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LOCATION:

PROJECT: Cooperbeal

DISCLOSURE SCHEDULE Y

TRADEMARKS AND COPYRIGHTS

Item 4. Licenses in which the Business is Licensor

NONE

CODE	LICENSOR	LICENSEE	DATE	TRADEMARK	TERRITORY	ASSIGN	COMMENTS
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Approved Term 4/7/97

0000001.0000 4/25/97

LOCATION:

PROJECT: Cooperheat

DISCLOSURE SCHEDULE V

TRADEMARKS AND COPYRIGHTS

Item 5. Registered Use Agreements

NONE

CODE	LICENSOR	LICENSEE	DATE	TRADEMARK	TERRITORY	ASSIGN.	COMMENTS
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LOCATION:

PROJECT: Cooperheal

DISCLOSURE SCHEDULE V

TRADEMARKS AND COPYRIGHTS

Item 6.

Litigation, Claims and Proceedings Related to Trademarks, Tradenames and Copyrights for the Last Three (3) Years

CODE	TRADEMARK	COUNTRY	REG. NO.	REG. USER	ASSIGNABILITY	COMMENTS
						NONE

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4/20/97 10:11 AM 4/27/97

**CHIEF EXECUTIVE OFFICE AND  
CHIEF PLACE OF BUSINESS**

1021 Centennial Avenue  
Piscataway, New Jersey 08854