

D/\$

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

06-23-2000



101387935

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

6-8-00

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  
Effective Date  
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

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/AK/A/T/A

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

- Individual  General Partnership  Limited Partnership  Corporation  Association
  - Other
- 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.)

Citizenship/State of Incorporation/Organization

06/23/2000 DNGUYEN 00000049 75896332

FOR OFFICE USE ONLY

01 FC:A81 40.00 OP  
02 FC:A82 125.00 OP

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 Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 002092 FRAME: 0018

**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="75896332"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1515434"/>	<input type="text" value="1540559"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1530912"/>	<input type="text" value="1663419"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1533174"/>	<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  Check No.

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.

Name of Person Signing

Signature

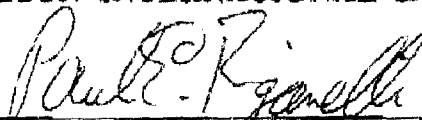
Date Signed

**ASSIGNMENT**

The undersigned, **TECSYN INTERNATIONAL INC.**, the full post office address of whose principal office or place of business is One St. Paul Street, Suite 602, St. Catharines, Ontario, L2R 7L2, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirms that it has sold, assigned and transferred and does hereby sell, assign, and transfer to **POLI-TWINE CANADA LTD.**, the full post office address of whose principal office or place of business is 35 Dussek Street, P.O. Box 1300, Belleville, Ontario, K8N 5E9, and **POLI-TWINE CANADA LTD.**'s successors and assigns, its entire right, title and interest in the United States of America and the throughout the world in and to the cancelled U.S. trade mark application and registration for **POLI-TWINE**, registration number 1,515,434, registered on December 6, 1988, together with any and all goodwill pertaining thereto and all of its rights to oppose applications for the registration of similar or confusing trade marks, the same all to be held and enjoyed by the said **POLI-TWINE CANADA LTD.** as fully and completely as by the said **TECSYN INTERNATIONAL INC.**, had the aforesaid rights not been assigned.

EXECUTED at Toronto, Ontario this 1st day of March, 2000.

**TECSYN INTERNATIONAL INC.**

By:   
Authorized Signing Officer

Name: Paul E. Riganelli

Title: Vice President Administration

**ASSIGNMENT**

The undersigned, **TECSYN INTERNATIONAL INC.**, the full post office address of whose principal office or place of business is One St. Paul Street, Suite 602, St. Catharines, Ontario, L2R 7L2, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirms that it has sold, assigned and transferred and does hereby sell, assign, and transfer to **POLI-TWINE CANADA LTD.**, the full post office address of whose principal office or place of business is 35 Dussek Street, P.O. Box 1300, Belleville, Ontario, K8N 5E9, and **POLI-TWINE CANADA LTD.**'s successors and assigns, its entire right, title and interest in the United States of America and the throughout the world in and to the U.S. trade mark application and registration for **POWER-TY**, original registration number 1,533,174, registered on April 4, 1989, application number 75/896,322, filed January 13, 2000, together with any and all goodwill pertaining thereto and all of its rights to oppose applications for the registration of similar or confusing trade marks, the same all to be held and enjoyed by the said **POLI-TWINE CANADA LTD.** as fully and completely as by the said **TECSYN INTERNATIONAL INC.**, had the aforesaid rights not been assigned.

EXECUTED at Toronto, Ontario this 1st day of March, 2000.

**TECSYN INTERNATIONAL INC.**

By: 

Authorized Signing Officer

Name: Paul E. Riganelli

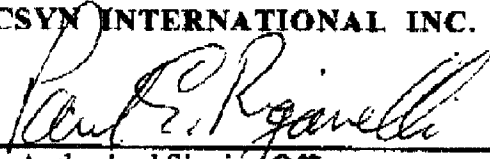
Title: Vice President Administration

## ASSIGNMENT

The undersigned, **TECSYN INTERNATIONAL INC.**, the full post office address of whose principal office or place of business is One St. Paul Street, Suite 602, St. Catharines, Ontario, L2R 7L2, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirms that it has sold, assigned and transferred and does hereby sell, assign, and transfer to **POLI-TWINE CANADA LTD.**, the full post office address of whose principal office or place of business is 35 Dussek Street, P.O. Box 1300, Belleville, Ontario, K8N 5E9, and **POLI-TWINE CANADA LTD.**'s successors and assigns, its entire right, title and interest in the United States of America and the throughout the world in and to the U.S. trade mark application and registration for **POLY-FIL & design**, shown in the attached Schedule "A", registration number 1,663,419, registered on November 5, 1991, together with any and all goodwill pertaining thereto and all of its rights to oppose applications for the registration of similar or confusing trade marks, the same all to be held and enjoyed by the said **POLI-TWINE CANADA LTD.** as fully and completely as by the said **TECSYN INTERNATIONAL INC.**, had the aforesaid rights not been assigned.

EXECUTED at Toronto, Ontario this 1st day of March, 2000.

**TECSYN INTERNATIONAL INC.**

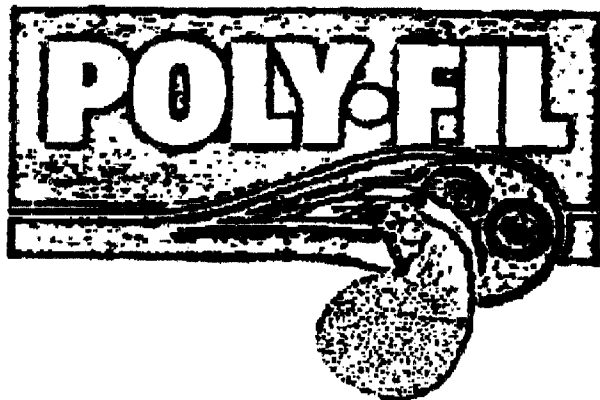
By:   
Authorized Signing Officer

Name: Paul E. Riganelli

Title: Vice President Administration

**SCHEDULE A**

Trademark: POLY-FIL & design  
Country: U.S.  
Registration Date: Nov. 5/91  
Registration No.: 1,663,419

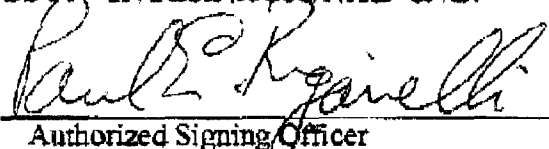


**ASSIGNMENT**

The undersigned, **TECSYN INTERNATIONAL INC.**, the full post office address of whose principal office or place of business is One St. Paul Street, Suite 602, St. Catharines, Ontario, L2R 7L2, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirms that it has sold, assigned and transferred and does hereby sell, assign, and transfer to **POLI-TWINE CANADA LTD.**, the full post office address of whose principal office or place of business is 35 Dussek Street, P.O. Box 1300, Belleville, Ontario, K8N 5E9, and **POLI-TWINE CANADA LTD.**'s successors and assigns, its entire right, title and interest in the United States of America and the throughout the world in and to the U.S. trade mark application and registration for **POLY-IIE & design**, shown in the attached Schedule "A", registration number 1,530,912, registered on March 21, 1989, together with any and all goodwill pertaining thereto and all of its rights to oppose applications for the registration of similar or confusing trade marks, the same all to be held and enjoyed by the said **POLI-TWINE CANADA LTD.** as fully and completely as by the said **TECSYN INTERNATIONAL INC.**, had the aforesaid rights not been assigned.

EXECUTED at Toronto, Ontario this 1st day of March, 2000.

**TECSYN INTERNATIONAL INC.**

By:   
Authorized Signing Officer

Name: Paul E. Riganelli

Title: Vice President Administration

**SCHEDULE A**

**Trademark:** POLY-TIE & design  
**Country:** U.S.  
**Registration Date:** Mar. 21/89  
**Registration No.:** 1,530,912





**ASSIGNMENT**

The undersigned, **TECSYN INTERNATIONAL INC.**, the full post office address of whose principal office or place of business is One St. Paul Street, Suite 602, St. Catharines, Ontario, L2R 7L2, in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, confirms that it has sold, assigned and transferred and does hereby sell, assign, and transfer to **POLI-TWINE CANADA LTD.**, the full post office address of whose principal office or place of business is 35 Dussek Street, P.O. Box 1300, Belleville, Ontario, K8N 5E9, and **POLI-TWINE CANADA LTD.**'s successors and assigns, its entire right, title and interest in the United States of America and the throughout the world in and to the U.S. trade mark application and registration for **SUPER-CORD &** design, shown in the attached Schedule "A", registration number 1,540,559, registered on May 23, 1989, together with any and all goodwill pertaining thereto and all of its rights to oppose applications for the registration of similar or confusing trade marks, the same all to be held and enjoyed by the said **POLI-TWINE CANADA LTD.** as fully and completely as by the said **TECSYN INTERNATIONAL INC.**, had the aforesaid rights not been assigned.

EXECUTED at Toronto, Ontario this 1st day of March, 2000.

**TECSYN INTERNATIONAL INC.**

By: 

Authorized Signing Officer

Name: Paul E. Riganelli

Title: Vice President Administration

**SCHEDULE A**

**Trademark:** SUPER-CORD & design  
**Country:** U.S.  
**Registration Date:** May 23/89  
**Registration No.:** 1,540,559



Indianapolis, Indiana 46240 as applicant's representative upon whom notice or process in proceedings affecting all of the above marks may be served.

**POLL-TWINE CANADA LTD.**

Dated: May 26, 2000

Per: Ward McNally  
Ward S. McNally, Director,  
Secretary and Treasurer

U.S. TRADEMARK SECURITY AGREEMENT

THIS U.S. TRADEMARK SECURITY AGREEMENT (this "Agreement"), made by POLI-TWINE WESTERN INC., a Delaware corporation and the survivor of the merger of PTW Acquisition Corp., a Delaware corporation and Poli-Twine Western Inc., with its principal place of business located at Building A-16-A, Freeport Center, Clearfield, Utah 84016 ("Borrower"), and NATIONAL BANK OF CANADA, a Canadian chartered bank, with an office located at 125 West 55<sup>th</sup> Street, 23<sup>rd</sup> Floor, New York, New York 10019 ("Bank"). is as follows:

1. DEFINITIONS.

1.1 Loan Agreement. Unless defined herein, any capitalized term used but not defined herein shall have the meaning ascribed thereto in the U.S. Loan Agreement dated of even date herewith between Bank and Borrower (the "Loan Agreement").

1.2 Other Definitional Provisions; Construction. Unless otherwise specified,

(i) As used in this Agreement, accounting terms relating to Borrower not defined in this Agreement have the respective meanings given to them in accordance with GAAP.

(ii) References to the Uniform Commercial Code, or UCC, mean as enacted in the particular jurisdiction(s) encompassed by the reference.

(iii) The definition of any document or instrument includes all schedules, attachments and exhibits thereto and all renewals, extensions, supplements, restatements and amendments thereof. All Schedules attached to this Agreement are incorporated into, made and form an integral part of, this Agreement for all purposes.

(iv) "Hereunder," "herein," "hereto," "this Agreement" and words of similar import refer to this entire document; "including" is used by way of illustration and not by way of limitation, unless the context clearly indicates the contrary; the singular includes the plural and conversely; and any action required to be taken by Borrower is to be taken promptly, unless the context clearly indicates the contrary.

(v) All of the uncapitalized terms contained in this Agreement which are defined under the Code will, unless the context indicates otherwise, have the meanings provided for in the Code.

2. GRANT OF SECURITY. As security for the full, prompt and complete payment and performance of all of the Obligations (as defined in the U.S. Security Agreement) (the "Obligations"), Borrower hereby assigns, pledges and grants to Bank a continuing security interest in Borrower's entire right, title and interest in and to the Trademark Collateral. As used herein, "Trademark Collateral" means: all of Borrower's right, title and interest in and to all of

its now owned or existing and filed and hereafter acquired or arising and filed: trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service mark applications, including each mark, registration, and application listed on Schedule I attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including damages and payment for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, (iv) all rights corresponding thereto throughout the world, (v) the Trademark License Rights (as defined below), and (vi) together in each case with the goodwill of Borrower's business connected with the use of, and symbolized by, the Trademark Collateral.

### 3. LICENSE; SECURITY INTEREST.

3.1 Grant of Licenses. Borrower hereby grants, assigns and conveys to Bank Borrower's entire right, title and interest in, to and under all license agreements with any Person, whether Borrower is licensor or licensee under any such license agreement, including the licenses listed on Schedule I, with respect to any trademarks, service marks, and trade names and all rights thereto and thereunder (collectively, all such rights of Borrower as licensor or licensee are sometimes referred to herein as the "Trademark License Rights").

3.2 License by Bank. In consideration of the undertaking of Borrower to fulfill the covenants of this Agreement and to discharge the Obligations, Bank grants to Borrower a personal, non-transferable, exclusive right and license (without recourse, representation or warranty of any kind), to exercise the Trademark License Rights (such right and license referred to herein as the "License"). Upon the occurrence and during the continuance of an Event of Default and upon notice from Bank to Borrower: (i) the License shall terminate forthwith, (ii) all rights and interests in, to and under the License shall revert to Bank, and (iii) Bank shall have all other rights and remedies provided herein and in the other Loan Documents to which Borrower is a party or by which Borrower's property is bound (collectively, the "Loan Documents"). If the Event of Default ceases to exist, then, without any further action on the part of Bank, the License shall revert with Borrower.

3.3 Security Interest in the License. As security for the full and prompt performance of all of the Obligations, Borrower hereby assigns, pledges and grants to Bank a continuing security interest in all of the right, title and interest of Borrower in and to the License.

### 4. REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants that:

(i) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral and sole licensee under the License, free and clear of any Lien, charge and encumbrance, including all pledges, assignments, releases and covenants by Borrower not to sue any other Person in respect of the Trademark Collateral and the License, except as otherwise disclosed in Schedule I.

(ii) Set forth in Schedule I is a complete and accurate list of all the Trademark License Rights, trademarks, trade names, service marks, trademark and service mark registrations, and applications for trademark or service mark registrations owned by Borrower.

(iii) To the best of Borrower's knowledge, except as otherwise disclosed on Schedule I each trademark, service mark, trade name, trademark and service mark registration, and application for trademark or service mark registration identified in Schedule I is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and each registered trademark and service mark and each application for trademark and service mark registration is valid, registered or registrable and enforceable. Borrower will notify Bank in writing of all prior uses of any material item of the Trademark Collateral of which Borrower is aware which could lead to such item becoming invalid or unenforceable, including prior unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such item.

(iv) To the best of Borrower's knowledge, there is no license, release, covenant not to sue, or non-assertion assurance given to any Person with respect to any part of the Trademark Collateral except as otherwise disclosed in Schedule I.

(v) To the best of Borrower's knowledge, reasonable and proper statutory notice has been used in connection with the use of each registered trademark and service mark.

(vi) To the best of Borrower's knowledge, the Trademark License Rights are in full force and effect, and Borrower is not in default of any of the Trademark License Rights and no event has occurred which with notice or the passage of time, or both, might constitute a default by Borrower under the Trademark License Rights.

(vii) Except for the recording of this Agreement with the United States Patent and Trademark Office and the filing of applicable perfecting documents with the State of Utah, no authorization, consent, approval or other action by, and no notice to or filing or recording with, any Governmental Authority is currently or is reasonably expected to be required either (a) for the grant by Borrower of the Liens granted hereby or for the execution, delivery or performance of this Agreement by Borrower, or (b) for the perfection of Bank's rights and remedies hereunder.

In addition to its general obligation to update any representations and warranties, Borrower shall, upon learning that any representation or warranty under this Section 4 has for any reason become untrue, immediately notify Bank in writing.

#### 5. FURTHER ASSURANCES.

5.1 Required Borrower Actions. Borrower will from time to time, at its expense, promptly execute and deliver all further instruments, documents, and agreements and take all further action, that may be reasonably necessary or desirable, or that Bank may reasonably request, in order (i) to continue, perfect and protect the assignment and the Liens granted or purported to be granted hereby or (ii) to enable Bank to exercise and enforce its rights and remedies

hereunder with respect to any part of the Trademark Collateral and the License, or both. Without limiting the generality of the foregoing, Borrower will sign and file such financing statements and such other instruments or notices as may be necessary or desirable, or as Bank may reasonably request, in order to perfect and preserve the Liens granted or purported to be granted hereby.

5.2 Financing Statements. Borrower hereby authorizes Bank to file one or more financing statements relative to all or any part of the Trademark Collateral and the License without the signature of Borrower where permitted by law. A carbon, photographic or other reproduction of this Agreement or any financing statement covering any of the Trademark Collateral or any part thereof or the License shall be sufficient as a financing statement where permitted by law.

5.3 Further Information. Borrower will furnish to Bank from time to time statements and schedules further identifying and describing the Trademark Collateral and such other reports in connection with the Trademark Collateral and the License as Bank may reasonably request, all in reasonable detail.

5.4 Additional Ownership Interests. Borrower agrees that, should Borrower obtain an ownership interest in any of the Trademark License Rights, trademark, service mark, trade name, trademark or service mark registration, or application for trademark or service mark registration, which is not now identified in Schedule I, (i) Borrower will give prompt written notice of any material item to Bank, (ii) the provisions of Section 2 shall automatically apply to any such Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, and (iii) any such Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, and together with the goodwill of the business connected with the use of the mark and symbolized by it, shall automatically become part of the Trademark Collateral. Borrower authorizes Bank to modify this Agreement by amending Schedule I to include any of the Trademark License Rights, trademark, service mark, trademark or service mark registration, or application for trademark or service mark registration, which becomes part of the Trademark Collateral under this Section 5.4.

5.5 Maintenance of Rights. With respect to any trademark necessary to the conduct of Borrower's business, Borrower will take all steps Borrower reasonably deems appropriate in any proceeding before the United States Patent and Trademark Office (or agency in any other country or any political subdivision of that country) or in any court to maintain each registered trademark, service mark, and trademark or service mark registration, and to pursue each application for trademark or service mark registration now or hereafter included in the Trademark Collateral, including the filing of applications for renewal, the payment of maintenance fees, and the participation in opposition, interference and infringement proceedings. To the extent Borrower reasonably determines it necessary to the conduct of Borrower's business, Borrower agrees to take corresponding steps with respect to each new or other registered trademark, service mark, trademark or service mark registration, and application for trademark or service mark registration to which Borrower is now or later becomes entitled. Any expenses incurred in connection with such activities shall be borne by Borrower. Borrower shall

not abandon any right to file an application for trademark or service mark registration, or abandon any pending application, registration, trademark or service mark, unless Borrower reasonably determines that the goodwill of the business connected with and symbolized by such application, registration, trademark or service mark is not necessary in the conduct of Borrower's business.

5.6 Notification. Borrower will notify Bank immediately when it learns: (i) that any material item of the Trademark Collateral may become abandoned or dedicated; (ii) of any adverse determination or any development (including the institution of any proceeding in the United States Patent and Trademark Office or any court) regarding any material item of the Trademark Collateral; or (iii) that it is or, with reasonable certainty, will be in default in any material respect of any the Trademark License Rights.

5.7 Infringement. If Borrower becomes aware that any material item of the Trademark Collateral is infringed or misappropriated by any Person, Borrower will endeavor to give Bank prompt notice and will, if necessary under the circumstances, promptly sue for infringement or misappropriation and for recovery of all damages caused by such infringement or misappropriation, and will take such other actions as Borrower deems appropriate under the circumstances to protect the Trademark Collateral. Any expense incurred in connection with the foregoing activities shall be borne by Borrower.

5.8 Statutory Notice. Borrower will continue to use reasonable and proper statutory notice in connection with its use of each registered trademark or service mark.

6. TRANSFERS AND OTHER LIENS. Borrower shall not:

(i) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Trademark Collateral or the License, except (a) as may be expressly permitted by the Loan Agreement and (b) that Borrower may license any Trademark Collateral in the ordinary course of Borrower's business, provided that such license is necessary or desirable in the conduct of Borrower's business;

(ii) create or suffer to exist any Lien or other charge or encumbrance upon or with respect to any of the Trademark Collateral except as otherwise disclosed in Schedule I, or as otherwise expressly permitted by the Loan Agreement; or

(iii) take any other action in connection with any of the Trademark Collateral or the License that would impair the value of the interests or rights thereunder of Borrower in any material respect.

7. POWER OF ATTORNEY. Borrower hereby irrevocably appoints Bank as Borrower's attorney-in-fact, with full authority in Borrower's place, stead and on Borrower's behalf and in Borrower's name or otherwise, from time to time in Bank's discretion, to take any action and to execute any instrument that Bank may deem necessary or desirable to accomplish the purposes of this Agreement including:



(i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Trademark Collateral;

(ii) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (i) of this Section 7; and

(iii) to file any claims or take any action or institute any proceedings that Bank may deem necessary or desirable for the collection of any of the Trademark Collateral or otherwise to enforce the rights of Bank with respect to any of the Trademark Collateral or the License.

#### 8. BANK MAY PERFORM.

8.1 Performance by Bank. If Borrower fails to perform any of its obligations contained herein, Bank may itself perform, or cause performance of, such obligations, upon prior notice to Borrower (unless an Event of Default has occurred and is continuing, in which case no prior notice is necessary) and the expenses of Bank incurred in connection therewith shall be payable by Borrower under Section 11.2 of this Agreement.

8.2 Inspections. Bank, or its designated representatives, shall have the right, at all reasonable times after reasonable advance notice, to inspect Borrower's premises and to examine books, records and operations relating to the Trademark Collateral.

8.3 Bank May Bring Suit. Bank will have the right, but in no way will be obligated, to bring suit in its own name or in the name of Borrower to enforce any part of the Trademark Collateral or the Trademark License Rights. Borrower will at the reasonable request of Bank do any and all lawful acts and sign any and all proper documents required by Bank in aid of Bank's enforcement actions. On Bank's demand, Borrower will promptly reimburse and indemnify Bank for all costs and expenses incurred by Bank in the exercise of its rights under this Section 8.

9. BANK'S DUTIES. The powers conferred on Bank hereunder are solely to protect its interest in the Trademark Collateral and the License and shall not impose any duty upon Bank to exercise any such powers. Except for the safe custody of any Trademark Collateral in its possession and the accounting for moneys actually received by it under this Agreement, Bank shall have no duty as to any of the Trademark Collateral, the License or as to the taking of any necessary steps to preserve rights against other parties or any other rights pertaining to any Trademark Collateral. Bank shall be deemed to have exercised reasonable care in the custody and preservation of the Trademark Collateral and the License in its possession if the Trademark Collateral and the License are accorded treatment substantially equal to that which Bank accords its own property.

10. REMEDIES. If any Event of Default occurs and is continuing:

(i) Bank may exercise in respect of the Trademark Collateral and the License, in addition to other rights and remedies provided for herein or otherwise available to Bank, all the

rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Trademark Collateral) and also may (a) exercise any and all rights and remedies of Borrower under or otherwise in respect of either the Trademark Collateral or the License, or both; (b) license the Trademark Collateral or any part thereof, or assign its rights to the Trademark License Rights to any Person, and (c) without notice except as specified below, sell the Trademark Collateral or any part thereof in one or more parcels at public or private sale, at any of Bank's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Bank may deem commercially reasonable. In the event of any sale, assignment, or other disposition of any of the Trademark Collateral, the goodwill of the business connected with and symbolized by any Trademark Collateral subject to such disposition shall be included, and Borrower will supply to Bank or its designee Borrower's know-how and expertise relating to the manufacture and sale of products or the provision of services relating to any Trademark Collateral subject to such disposition, and Borrower's customer lists and other records relating to such Trademark Collateral and to the distribution of such products and services. Borrower agrees that, to the extent notice of sale shall be required by law, at least ten days notice to Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Bank shall not be obligated to make any sale of any Trademark Collateral regardless of notice of sale having been given. Bank may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(ii) All payments received by Borrower under or in connection with any of the Trademark Collateral or the License shall be received in trust for the benefit of Bank, shall be segregated from other funds of Borrower and shall be forthwith paid over to Bank in the same form as so received (with any necessary indorsements).

(iii) All payments made hereunder or in connection with or otherwise in respect of the Trademark Collateral or the License and all cash proceeds received by Bank in respect of any sale of, collection from, or other realization upon all or any part of the Trademark Collateral or the License may, in the discretion of Bank, be held by Bank as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to Bank pursuant to Section 11.2 of this Agreement) in whole or in part by Bank against, all or any part of the Obligations, in such order as Bank shall elect. Any surplus of such cash or cash proceeds held by Bank and remaining after payment in full of all the Obligations shall be paid over to Borrower or to whomsoever may be lawfully entitled to receive such surplus.

## 11. INDEMNIFICATION; EXPENSES.

11.1 Indemnification. In consideration of the execution and delivery of the Loan Agreement and the making of any Loan to Borrower, Borrower agrees to indemnify and hold Bank and Bank's officers, directors, Affiliates, and agents (for the purposes of the Section 11.1, each is an "Indemnified Party") harmless from and against any and all claims, losses and liabilities arising out of or resulting from this Agreement or the transactions contemplated hereby (including enforcement of this Agreement), except claims, losses or liabilities resulting from an Indemnified Party's gross negligence or willful misconduct or breach of this Agreement by

Bank. The indemnification provided for in this Section 11.1 is in addition to, and not in limitation of, any other indemnification or insurance provided by Borrower to Bank.

11.2 Expenses. Borrower will upon demand pay to Bank the amount of any and all reasonable expenses, including reasonable attorneys' fees, which Bank may incur in connection with any and all of the following (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Trademark Collateral and the License, (iii) the exercise or enforcement of any of Bank's rights hereunder, or (iv) the failure by Borrower to perform or observe any of the provisions of this Agreement, all of which constitute part of the Obligations and are secured by the Loan Collateral.

12. AMENDMENTS; WAIVERS; CONSENTS. No amendment or waiver of any provision of this Agreement nor consent to any departure by Borrower from the terms of this Agreement shall in any event be effective unless such amendment or waiver shall be in writing and signed by Bank, and then such amendment or waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

13. NOTICES. Any notice or notification required, permitted or contemplated hereunder shall be in writing, shall be addressed and given to the party to be notified at the address set forth in, and in the manner required by, the Loan Agreement.

14. GENERAL.

14.1 Continuing Rights. This Agreement shall create a continuing assignment to Bank in the Trademark License Rights and a continuing Lien in the Trademark Collateral and License and shall (i) remain in full force and effect until payment in full of the Obligations, (ii) be binding upon Borrower, its successors and assigns, and (iii) inure, together with the rights and remedies of Bank hereunder, to the benefit of Bank and Bank's successors, transferees and assigns.

14.2 Term; The Trademark Collateral and the License Revert. Subject to Section 14.9 below, this Agreement will terminate on the later to occur of (i) the full performance, payment and satisfaction of all of the Obligations and (ii) the termination of the Loan Agreement, at which time the Liens granted hereby shall terminate and all rights to the Trademark Collateral and the License shall revert to Borrower. Upon any such termination, Bank will, at Borrower's expense, execute and deliver to Borrower such documents as Borrower reasonably requests to evidence such termination.

14.3 Severability. If any term or provision of this Agreement is or shall become illegal, invalid or unenforceable in any jurisdiction, all other terms and provisions of this Agreement shall remain legal, valid and enforceable in such jurisdiction and such illegal, invalid or unenforceable provision shall be legal, valid and enforceable in any other jurisdiction.

14.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Ohio (without regard to Ohio conflicts of laws

principles), except to the extent that the validity or perfection of the Liens or the remedies hereunder, in respect of any particular Trademark Collateral are governed by the law of the United States or any other jurisdiction other than the State of Ohio.

14.5 Headings. The headings in this Agreement are for reference purposes only and will not relate to, or affect in any way, the construction or interpretation of this Agreement.

14.6 Survival. The representations, warranties, covenants and agreements contained in this Agreement or in any Schedule attached hereto will survive the signing of this Agreement.

14.7 Entire Agreement. This Agreement and the other Loan Documents set forth the entire agreement of the parties with respect to subject matter of this Agreement and supersede all previous understandings, written or oral, in respect thereof.

14.8 Assignment. Bank shall have the right to assign this Agreement and the other Loan Documents. Borrower may not assign, transfer or otherwise dispose of any of its rights or obligations hereunder, by operation of law or otherwise, and any such assignment, transfer or other disposition without Bank's written consent shall be void. All of the rights, privileges, remedies and options given to Bank under the Loan Documents shall inure to the benefit of Bank's successors and assigns, respectively, and all the terms, conditions, covenants, provisions and warranties herein shall inure to the benefit of and bind the permitted successors and assigns of Borrower and Bank, respectively.

14.9 Application of Payments; Revival of Obligations. Bank shall have the continuing right, but not the obligation, to apply or reverse and reapply any payments to any portion of the Obligations. To the extent Borrower makes a payment or payments to Bank or Bank receives any payment or proceeds of the Trademark Collateral or any other collateral or security for Borrower's benefit, which payment(s) or proceeds or any part thereof are subsequently voided, invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy act, state or federal law, common law or equitable cause, then, to the extent of such payment or proceeds received, the Obligations or part thereof intended to be satisfied shall be revived and shall continue in full force and effect, as if such payment or proceeds had not been received by Bank.

14.10 Conflict. If there is any conflict, ambiguity, or inconsistency, in Bank's judgment, between the terms of this Agreement and any of the Loan Documents, then the applicable terms and provisions, in Bank's judgment, providing Bank with greater rights, remedies, powers, privileges, or benefits will control; provided that to the extent that there is any conflict between the express terms of the Loan Agreement and the express terms of this Agreement, the express terms of the Loan Agreement will control.

14.11 WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR BANK TO ENTER INTO THIS AGREEMENT AND FOR BANK TO EXTEND CREDIT TO BORROWER, BANK AND BORROWER EACH WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT

OF OR ARISING OUT OF THIS AGREEMENT OR THE CONDUCT OF THE RELATIONSHIP BETWEEN BORROWER AND BANK.

IN WITNESS WHEREOF, this Agreement has been duly executed by Borrower as of March 1, 2000.

POLI-TWINE WESTERN INC. and the survivor of the merger of PTW Acquisition Corp., a Delaware corporation and Poli-Twine Western Inc.

By: Ward McNally  
Name: Ward McNally  
Title: Vice President

STATE OF OHIO )  
COUNTY OF HAMILTON ) ss:

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of February, 2000, by WARD McNally, Vice President of Poli-Twine Western Inc., a Delaware corporation and the survivor of the merger of PTW Acquisition Corp., a Delaware corporation and Poli-Twine Western Inc., on behalf of the corporation.

Melvin A. Bedree  
Notary Public



MELVIN A. BEDREE, Attorney at Law  
600 W. 12th St. - ST. CINCINNATI, OH 45202  
My commission expires on registration date, Section 147.13 O.R.C.

Accepted as of March 1, 2000.

NATIONAL BANK OF CANADA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE I**  
**[to Trademark Security Agreement]**

<u>Name</u>	<u>File Date</u>	<u>Registration Date</u>	<u>Registration Number</u>	<u>Remarks</u>
POLY-FIL <sup>1</sup>	2/2/88	11/5/91	1,663,419	Expires 11/5/2001
POLY-TIE <sup>1</sup>	2/2/88	3/21/89	1,530,912	Expires 3/21/2012
POWER-TY <sup>1*</sup>	2/22/88	4/4/89	1,533,174	Expires 4/4/2009
SUPER-CORD <sup>1</sup>	2/2/88	5/23/89	1,540,559	Expires 5/23/1999; Renewal filed 3/1999
SUPER-TY		2/6/96	1,955,107	Expires 2/6/2006

C:\NBC Financing\Sch I to Trademark Sec Agt.wpd

---

<sup>1</sup>Provided to PTW by an unwritten licensing agreement with PTC.  
<sup>\*</sup>Timely Affidavit of Uses not filed.