

01-02-2001



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12-08-2000

U.S. Patent & TMO/TM Mail Rpt. Dt. #40

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

12-6-00

### 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

Name  Execution Date  
Month Day Year

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

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: 002204 FRAME: 0041

**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="75422181"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75422183"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75422182"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<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

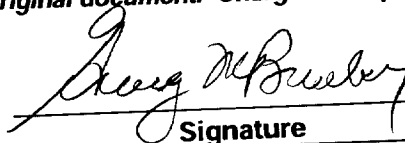
No

**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.

George M. Borababy

Name of Person Signing



Signature

12/6/2000

Date Signed

## TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT is made and entered into to be effective as of March 31, 2000, by SOURCE ONE SPARES, INC., a Texas corporation ("Grantor"), for the benefit of CONGRESS FINANCIAL CORPORATION (SOUTHWEST), a Texas corporation, (Grantee”).

### RECITALS

WHEREAS, Grantor owns the trademarks, trademark registrations, and trademark applications listed on Schedule 1 annexed hereto, and is a party to the trademark licenses listed on Schedule 1 annexed hereto; and

WHEREAS, Grantor and Grantee are parties to that certain Loan and Security Agreement dated the date hereof (as the same may be amended and in effect from time to time, the "Loan Agreement"), providing for extensions of credit to be made to Grantor by Grantee (the "Loans"); and

WHEREAS, pursuant to the terms of the Loan Agreement, Grantor has granted to Grantee a security interest in certain assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired trademarks, together with the goodwill of the business symbolized by Grantor's trademarks, and all proceeds thereof, to secure the payment of all amounts owing by Borrower under the Loan Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby agree as follows:

### I. GRANT OF LIEN AND SECURITY INTEREST

To secure payment and performance of all Obligations (as defined in the Loan Agreement) Grantor hereby grants to Grantee a continuing lien and security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

(a) each trademark, trademark registration and trademark application, including, without limitation, the trademarks, trademark registrations (together with any reissues, continuations or extensions thereof) and trademark applications referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each trademark, trademark registration and trademark application;

(b) each trademark license and all of the goodwill of the business connected with the use of, and symbolized by, each trademark license; and

(c) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any trademark or trademark registration including, without limitation, the trademarks and trademark registrations referred to in Schedule 1 annexed hereto, the trademark registrations issued with respect to the trademark applications referred in Schedule 1 and the trademarks licensed under any trademark license, or (ii) injury to the goodwill associated with any trademark, trademark registration or trademark licensed under any trademark license.

This lien and security interest is granted in conjunction with the liens and security interests granted to Grantee pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Trademark Collateral made and granted hereby 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.

## **II. REPRESENTATIONS AND WARRANTIES**

(a) Grantor does not have any interest in, or title to, any material trademark, trademark registration or trademark application except as set forth in Schedule 1 annexed hereto. This Trademark Security Agreement is effective to create a valid and continuing lien and security interest in and, upon filing of this Trademark Security Agreement with the United States Patent and Trademark Office, perfected first priority liens and security interests in favor of Grantee on the Trademark Collateral described in Schedule 1 and such perfected liens and security interests are enforceable as such as against any and all creditors of and purchasers from Grantor. Upon filing of this Trademark Security Agreement with the United States Patent and Trademark Office, all action necessary or desirable to protect and perfect Grantee's liens and security interests in the Trademark Collateral set forth on Schedule 1 shall have been duly taken.

(b) To Grantor's knowledge, each of the Trademark Collateral is valid, subsisting and enforceable. Grantor has no knowledge of any pending or threatened claim by any third party that any of the Trademark Collateral is invalid or unenforceable or that any third party has an ownership interest therein.

(c) To Grantor's knowledge, Grantor is not infringing upon any trademarks or other intellectual property of any third party.

(d) To Grantor's knowledge, no third party is infringing upon or otherwise violating any of the Trademark Collateral or any other intellectual property right of Grantor.

(e) Grantor has the power and authority to grant liens and security interests in the Trademark Collateral and to Grantor's knowledge such grant shall not cause a breach of any trademark license or other material agreement to which Grantor is a party.

## **III. COVENANTS**

(a) Grantor shall notify Grantee immediately if it knows that any application or registration relating to any Trademark Collateral (now or hereafter existing) will likely become abandoned or dedicated, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court) regarding Grantor's ownership of any Trademark Collateral, its right to register the same, register the validity of same, or Grantor's right to keep and maintain the same. Grantor shall promptly notify Grantee in writing of any event that could reasonably be expected to materially and adversely affect the value of the Trademark Collateral, the ability of Grantor or Grantee to dispose of the same or any portion thereof or the rights and remedies of Grantee in relation thereto.

(b) From time to time, Grantor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that the Grantee may reasonably request, in order to perfect and protect any lien or security interest assigned or purported to be assigned hereby or to enable Grantee to exercise and enforce its rights and remedies hereunder with respect to any Trademark Collateral or any other intellectual property of Grantor. Grantor shall inform Grantee in writing of any material right, title or interest in any issued registered trademarks or trademark applications not appearing on Schedule 1 hereto that are acquired, filed, or developed by Grantor after the date hereof or that were otherwise omitted from Schedule 1. Grantor shall execute and deliver any document that Grantee may reasonably request to evidence Grantee's liens and security interests in such trademarks. This Trademark Security Agreement shall automatically apply to such trademarks and such trademarks shall automatically become "Trademark Collateral".

(c) Grantor shall take all actions necessary or reasonably requested by Grantee to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the material Trademark Collateral (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings. Grantor shall use reasonable commercial efforts to prosecute any trademark application comprising a material portion of the Trademark Collateral.

(d) In the event that any material portion of the Trademark Collateral or other material intellectual property is infringed upon, or misappropriated or diluted by a third party, Grantor shall notify Grantee promptly after Grantor learns thereof. Grantor shall, unless it shall reasonably determine that such Trademark Collateral or other intellectual property is not material to the conduct of its business or operations, take commercially reasonable actions under the circumstances to protect such Trademark Collateral or other intellectual property.

(e) Grantor shall not sell, assign, license or otherwise dispose of any of the Trademark Collateral listed on Schedule 1 without first giving written notice thereof to Grantee.

(f) Grantor shall provide proper statutory notice in connection with its use or other exploitation of any of the material Trademark Collateral to the extent reasonably necessary for the protection thereof.

(g) Grantor shall keep commercially reasonable records concerning the Trademark Collateral.

#### IV. REMEDIES

(a) In addition to Grantee's rights and remedies set forth in the Loan Agreement and anything contained herein to the contrary notwithstanding, during the continuation of an Event of Default (as defined in the Loan Agreement), Grantee shall have the right (but not the obligation) to bring suit, in the name of the Grantor, Grantee, or otherwise, to enforce any of the Trademark Collateral, or any other intellectual property or license thereto, in which event Grantor shall, at the reasonable request of Grantee, do all lawful acts and execute any and all documents reasonably required by Grantee in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee in connection with the exercise of its rights hereunder.

(b) For the purpose of enabling Grantee to exercise rights and remedies under the foregoing clause (a) (including, without limiting the terms of such clause (a), in order to take possession of, hold, preserve, process, assemble, prepare for sale, market for sale, sell or otherwise dispose of Trademark Collateral) at such time as Grantee shall be lawfully entitled to exercise such rights and remedies, Grantor hereby grants to Grantee an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to Grantor) to use, license or sublicense any Trademark Collateral now owned or hereafter acquired by Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

*[Remainder of Page Intentionally Left Blank; Signature Page Follows]*

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the day and year first above written.

SOURCE ONE SPARES, INC.

By: Seth W Hall

Name: SETH HALL

Title: PRESIDENT

Acknowledged:

CONGRESS FINANCIAL CORPORATION (SOUTHWEST)

By: Michael Sheff

Name: Michael Sheff

Title: Sr. Vice President

ACKNOWLEDGMENT

STATE OF TEXAS

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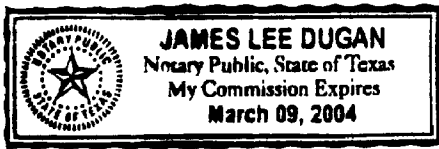
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ss.

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COUNTY OF HARRIS

On this 30<sup>TH</sup> day of March \_\_\_\_\_, 2000 before me personally appeared SETH WAYNE HALL JR., to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument as PRESIDENT of SOURCE ONE SPARES, INC. who being by me duly sworn, did depose and say that he is the PRESIDENT of Source One Spares, Inc., the corporation described in and which executed the foregoing instrument; that he signed the said instrument on behalf of said corporation by order of its Board of Directors; and that he acknowledged said instrument to be the free act and deed of said corporation.



(Seal)

James Lee Dugan  
Notary Public

My commission expires:

3-9-2004



**SCHEDULE 1  
to  
TRADEMARK SECURITY AGREEMENT**

Trademark Registrations

<u>MARK</u>	<u>REG. NO.</u>	<u>DATE</u>
1. Source One Spares	75/422181 (Service Mark)	January 23, 1998
2. S1	75/422183 (Service Mark)	January 23, 1998
3. Spares Direct	75/422182 (Service Mark)	January 23, 1998

Trademark Applications

None.

Trademark Licenses

<u>Name of Agreement</u>	<u>Parties</u>	<u>Date of Agreement</u>
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None.