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FORM PTO-1595

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U.S. Department of Commerce

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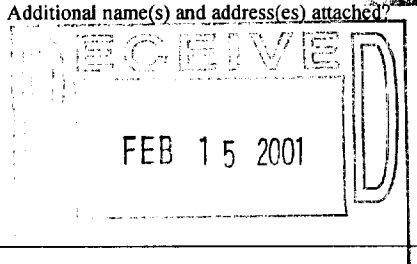
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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name and address of conveying party(ies):  
 Name: Grumman Olson Industries, Inc.  
 Street Address: 1801 South Nottawa Street  
 City: Sturgis  
 State: Michigan ZIP: 49091  
 Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):  
 Name: Transamerica Business Credit Corporation  
 Internal Address: Riverway II, West Office Tower  
 Internal Address: \_\_\_\_\_  
 Street Address: 9399 West Higgins Road  
 City: Rosemont  
 State: Illinois ZIP: 60018  
 Additional name(s) and address(es) attached?  Yes  No

3. Nature of Conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other \_\_\_\_\_  
 Execution Date: October 28, 1999



4. Application number(s) or registration numbers:  
*If being submitted with New Application, execution date of application is:*  
 A. Trademark Application 76/078,004  
 No.(s) \_\_\_\_\_  
 Additional numbers attached?  Yes  No

B. Registration 1,769,963, 1,732,876, 1,703,121, 2,233,684,  
 No.(s) \_\_\_\_\_

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: Paula Campbell Evans  
 Internal Address: Palmer & Dodge LLP  
 Street Address: One Beacon Street  
 City: Boston State: MA ZIP: 02108

6. Total number of application and patents involved: 5  
 7. Total fee (37 CFR 3.41)..... \$ 140.00  
 Enclosed  
 Authorized to charge deficiencies to deposit account  
 8. Deposit account number: 16-0085 Ref. 17079/2  
 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.  
 To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.  
Paula Campbell Evans  
 Name of Person Signing

Paula Campbell Evans  
 Signature

Feb 13, 2001  
 Date

Total number of pages comprising cover sheet attachment and document: 23

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

02/23/2001 AAHMED1 00000064 76078004  
 01 FC:481 40.00 OP  
 02 FC:482 100.00 OP

TRADEMARK  
 REEL: 002240 FRAME: 0964

**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this "Agreement") made and entered into as of October 28, 1999, by GRUMMAN OLSON INDUSTRIES, INC., a New York corporation having its chief executive office and principal place of business at 1801 South Nottawa Street, Sturgis, Michigan 49091 (the "Borrower"), with and in favor of Transamerica Business Credit Corporation, as agent (in such capacity, the "Agent") for the Lenders referred to below.

**W I T N E S S E T H :**

**WHEREAS**, the Borrower, the financial institutions from time to time party thereto as lenders (the "Lenders") and the Agent are entering into a Loan and Security Agreement dated as of even date herewith (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"; terms which are capitalized herein and not otherwise defined shall have the meanings given to them in the Loan Agreement), pursuant to which the Lenders have agreed to extend credit to the Borrower, subject to the terms and conditions set forth in the Loan Agreement; and

**WHEREAS**, it is a condition precedent to the effectiveness of the Loan Agreement that the Borrower shall have executed and delivered this Agreement and granted a security interest in all of its right, title and interest in and to all of its Intellectual Property Collateral (as hereinafter defined) in favor of the Agent for the benefit of the Lenders, as contemplated hereby.

**NOW, THEREFORE**, in consideration of the premises hereof and to induce the Agent and the Lenders to enter into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

**SECTION 1. Security for Obligations.**

(a) Security Interest in Patents. To secure the full and prompt payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations, the Borrower hereby grants and conveys to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in the United States and throughout the world in, to and under all of the now owned and hereafter acquired United States and foreign patents and all patent and design patent applications, and all issues, reissues, re-examinations, continuations, continuations-in-part or

divisions thereof, and all proceeds thereof (hereinafter collectively referred to as the "Patents"). All unexpired United States patents and all currently pending United States patent applications in which the Borrower has an interest are listed on Schedule A attached hereto and made a part hereof. The Borrower hereby further grants, assigns and conveys to the Agent, for the ratable benefit of the Lenders, a valid security interest, having priority over all other security interests in all of the right, title and interest of the Borrower in and to all proceeds, income, royalties, damages and payments now or hereafter due and payable under or in respect of all Patents and in and to all rights during the term of this Agreement to sue, collect and retain damages and payments for past or future infringements of the Patents.

(b) Security Interest in Trademarks. To secure the full and prompt payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations, the Borrower hereby grants and conveys to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in the United States and throughout the world in, to and under all of its now owned and hereafter acquired trademarks, service marks and trade names, and all similar designations of source or origin (whether or not such name is the subject of a registration or an application therefor), and all registrations and applications to register the same, and all renewals thereof, and the goodwill of the business relating thereto, and all proceeds thereof (hereinafter collectively referred to as the "Trademarks"). All United States trademark registrations and all currently pending United States trademark applications in which the Borrower has an interest are listed on Schedule B attached hereto and made a part hereof. The Borrower hereby further grants to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in and to (i) all proceeds, income, royalties, damages and payments now and hereafter due and payable under or in respect of all Trademarks, (ii) all rights during the term of this Agreement to sue, collect and retain for the Agent's and the Lenders' benefit damages and payments for past or future infringements of the Trademarks and (iii) all rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether the Borrower is a licensee or licensor under any such license agreement.

(c) Security Interest in Copyrights. To secure the full and prompt payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations, the Borrower hereby grants to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in the United States and throughout the world in, to and under all of its now owned and hereafter acquired copyrights, and all registrations and applications to register the same, all renewals thereof, any

written agreement, naming the Borrower as licensor or licensee, granting any right under any copyright or any work which is or may be subject to copyright protection pursuant to Title 17 of the U.S. Code, and all physical things embodying such works (including, without limitation, copies thereof) created or otherwise used in the business of the Borrower, and all proceeds thereof (hereinafter collectively referred to as the "Copyrights"). All United States copyright registrations and all currently pending United States copyright applications in which the Borrower has an interest are listed on Schedule C attached hereto and made a part hereof. The Borrower hereby further grants to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in and to all proceeds, income, royalties, damages and payments now and hereafter due and payable under or in respect of all Copyrights and in and to all rights during the term of this Agreement to sue, collect and retain for the Agent's and the Lenders' benefit damages and payments for past or future infringements of the Copyrights.

(d) Security Interest in Proprietary Information. To secure the full and prompt payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Obligations, the Borrower hereby grants to the Agent, for the ratable benefit of the Lenders, a valid security interest in all of its right, title and interest in the United States and throughout the world in, to and under all of its now owned and hereafter acquired inventions, discoveries, trade secrets, improvements, processes, methods, formulae, applications, ideas, know-how, customer lists, corporate and other business records, license rights, advertising materials, operating manuals, sales literature, drawings, specifications, descriptions, name plates, catalogues, dealer contracts, supplier contracts, distributor agreements, confidential information, consulting agreements, engineering contracts, proprietary information, and goodwill (and all other assets which uniquely reflect such goodwill), and to all income, royalties, damages and payments now and hereafter due and/or payable therefor or in respect thereof and all proceeds thereof (collectively, the "Proprietary Information" and, together with the Patents, the Trademarks, the Copyrights and all other assets described above, the "Intellectual Property Collateral").

## SECTION 2. Representations, Warranties and Covenants of the Borrower.

(a) The Borrower is and will continue to be the owner of all of the Intellectual Property Collateral, free from any adverse claim, security interest, lien or encumbrance in favor of any Person except (i) for the security interest granted under the Loan Documents, (ii) as set forth on Schedule D attached hereto and made a part hereof, and (iii) for Liens,

licenses and other dispositions permitted by the Loan Agreement and this Section 2.

(b) None of the Intellectual Property Collateral is or shall become subject to any lien, security interest or other encumbrance in favor of any Person other than the Agent, except as set forth on Schedule D attached hereto and made a part hereof and except for any Liens, licenses and other dispositions permitted by the Loan Agreement and this Section 2, and the Borrower agrees not to license, transfer, convey or encumber any interest in or to its Intellectual Property Collateral except as permitted by the Loan Agreement and this Section 2. Notwithstanding the foregoing, the Borrower shall be permitted to license (on a non-exclusive basis) any of its Intellectual Property Collateral in the ordinary course of business to (i) third parties for the sole purpose of manufacturing, marketing, advertising, distributing or selling goods or (ii) third parties that do not manufacture, market, advertise, distribute, or sell goods in the United States or to others for sale in the United States. Any license of the Intellectual Property Collateral granted after the Closing Date by the Borrower (each, a "License") shall be in writing and shall not prohibit the Borrower from assigning, transferring, selling, sublicensing or otherwise disposing of all or any of its right, title and interest thereunder to the Agent or its designees in accordance with Section 4 hereof.

(c) Except as disclosed in Schedule D hereto, the Borrower has made no previous assignment, transfer or agreement in conflict herewith or constituting a present or future assignment, transfer, or encumbrance of any of its Intellectual Property Collateral.

(d) Except as disclosed in Schedule D hereto, there is no financing statement or other document or instrument now signed or on file in any public office granting a security interest in or otherwise encumbering any part of the Intellectual Property Collateral, except those showing the Agent as secured party and except for Liens, licenses and other dispositions permitted by the Loan Agreement. So long as any Obligations remain outstanding or any Commitments remain in effect and until the termination, expiration or Collateralization of all Letters of Credit, the Borrower will not execute, and there will not be on file in any public office, any such financing statement or other document or instruments, except for (i) financing statements filed or to be filed in favor of the Agent, (ii) the grant of any license permitted hereunder or under the Loan Agreement, and (iii) any financing statement or other document listed on Schedule D.

(e) Subject to any limitation stated therein or in connection therewith, all information furnished to the Agent and the Lenders concerning the Intellectual Property Collateral

and proceeds thereof is and will be accurate and correct in all material respects.

(f) Except as disclosed in Schedule D hereto, all Intellectual Property Collateral consisting of applications for Patents and for registrations of Trademarks and Copyrights has been duly and properly filed and all Intellectual Property Collateral consisting of issued or granted Patents and of registrations of Trademarks and Copyrights (including, without limitation, any and all renewals, reissues, continuations or divisions thereof, as the case may be) has been and will be duly and properly maintained.

(g) Promptly upon the receipt by the Borrower of an official filing receipt indicating that a patent application or an application for registration of a trademark has been received from the Borrower by the U.S. Patent and Trademark Office (the "PTO") or an application for registration of a copyright has been received from the Borrower by the United States Copyright Office and upon the issuance of any patent or of any trademark or copyright registration, the Borrower shall take all actions and execute and deliver to the Agent all documents necessary or appropriate to perfect a first priority security interest in such patent, trademark or copyright application or such patent or trademark or copyright registration, and the Borrower shall quarterly, or more frequently as the Agent shall reasonably request, cause instruments sufficient to perfect, protect or establish the first priority lien or security interest granted hereunder to be recorded in the PTO with respect to all United States patent applications filed by it or patents issued to it during the prior calendar quarter or preceding period, as the case may be, and with respect to all trademark applications filed by it or trademark registrations issued to it during the prior calendar quarter, the Borrower shall quarterly, or more frequently as the Agent shall request, cause instruments sufficient to perfect, protect or establish the first priority lien or security interest granted hereunder to be recorded in the United States Copyright Office with respect to United States copyright applications filed by it or copyright registrations issued to it during the prior calendar quarter or preceding period, as the case may be.

(h) Except for dispositions of the Intellectual Property Collateral permitted by the Loan Agreement, the Borrower shall not take any action, or permit any action to be taken by others subject to the Borrower's control, including any such licensees, or fail to take any action, or permit others subject to the Borrower's control, including any such licensees, to fail to take any action, subject to the provisions of Section 2(g), which would, in the case of any such actions or failures to act taken singly or together, adversely affect the validity, grant and enforceability of the security interest granted to the Agent herein; provided, however, that, so long as no Event of Default

shall have occurred and be continuing, the Borrower may license (on a non-exclusive basis) all or part of the Intellectual Property Collateral in any lawful manner that is in the ordinary course of business, is deemed to be in the best interest of the Borrower in the exercise of its reasonable business judgment, and is otherwise not explicitly prohibited by this Agreement.

(i) The Borrower shall promptly notify the Agent, in writing, of any suit, action, proceeding, claim or counterclaim brought against the Borrower that would reasonably be expected to adversely affect the Intellectual Property Collateral, and shall, on request, deliver to the Agent a copy of all pleadings, papers, orders or decrees theretofore and thereafter filed in any such suit, action or proceeding, and shall keep the Agent duly advised in writing of the progress of any such suit.

(j) In the event of any material infringement of the Intellectual Property Collateral by others or in the event of any other conduct materially detrimental to the Intellectual Property Collateral by others known or brought to the attention of the Borrower, the Borrower shall as promptly as practicable notify the Agent in writing at the address set forth in the Loan Agreement of such infringement or other conduct and the full nature and extent of such infringement or other conduct known to the Borrower.

(k) If requested by the Agent, the Borrower shall provide the Agent a complete report with respect to its Intellectual Property Collateral and all licenses granted thereof granted by the Borrower. Upon reasonable request by the Agent, the Borrower shall deliver to counsel for the Agent copies of any such Intellectual Property Collateral and other documents concerned with or related to the prosecution, protection, maintenance, enforcement and issuance of the Intellectual Property Collateral.

(l) Except where the abandonment or dedication to the public of any of the Intellectual Property Collateral is deemed to be in the best interest of the Borrower in the exercise of its reasonable business judgment, the Borrower shall notify the Agent in writing at the address set forth in the Loan Agreement at least fifteen (15) days prior to any proposed voluntary abandonment of any of its Intellectual Property Collateral and obtain the prior written consent of the Agent, on behalf of the Majority Lenders or all of the Lenders, as the case may be.

(m) During the term of this Agreement, the Borrower agrees:

(i) whenever any of the registered Trademarks are used by or on behalf of the Borrower, to, if reasonably

practicable and to the extent consistent with past practice, affix or cause to be affixed a notice that the mark is a registered trademark or service mark, which notice shall be in a form accepted or required by the trademark marking laws of each country in which the mark is so used and registered; and

(ii) whenever any of the underlying works covered by registered Copyrights are used by or on behalf of the Borrower to (only to the extent required under the laws of the relevant countries, jurisdictions, territories, or international accords) affix or cause to be affixed a notice that said underlying works are so covered, which notice shall be in a form accepted or required by the copyright laws of such country in which said underlying works are so used and registered.

(n) Subject to the provisions of Section 4(g), all income, royalties, payments and damages due and payable to the Borrower under or in respect of the Intellectual Property Collateral shall be remitted to the Lockbox or the Collection Account established in accordance with Section 2.7 of the Loan Agreement.

(o) The Borrower agrees, upon the request by the Agent, during the term of this Agreement:

(i) to execute, acknowledge and deliver all additional instruments and documents necessary or appropriate to effect the purposes and intents of this Agreement, in a form reasonably acceptable to counsel for the Agent;

(ii) to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intents of this Agreement, and to create, evidence, perfect (except to the extent not perfectible by using commercially reasonable efforts pursuant to the laws of the relevant country, jurisdiction or territory) and continue the security interests of the Agent, for the ratable benefit of the Lenders, in its Intellectual Property Collateral; and

(iii) Without limiting the generality of the foregoing, the Borrower:

(A) authorizes the Agent, in the Agent's reasonable discretion, to modify this Agreement without first obtaining the Borrower's approval of or signature to such modification by amending Schedule A, B or C hereof to include a reference to any right, title or interest in any Copyright, Patent or Trademark acquired or developed by the



Borrower after the execution hereof, or to delete any reference to any right, title or interest in any Copyright, Patent or Trademark in which the Borrower no longer has or claims any right, title or interest; and

(B) hereby authorizes the Agent, in the Agent's reasonable discretion, to file one or more financing or continuation statements or other notices of security interest and amendments thereto relative to all or any portion of the Intellectual Property Collateral without the signature of the Borrower where permitted by law.

(p) The Borrower represents and warrants to the Agent that:

(i) the security interests granted to the Agent hereunder in United States patents and patent applications (the "U.S. Patents") and in the United States trademark registrations and applications (the "U.S. Trademarks"), upon the filing of appropriate filings with the PTO and appropriate UCC financing statements, shall constitute a first priority, perfected security interest in the U.S. Patents and U.S. Trademarks; provided, however, that recordation, filing or registration of such security interest may be required to perfect such security interest in U.S. Patents and U.S. Trademarks acquired by the Borrower after the date hereof;

(ii) the security interests granted to the Agent hereunder in the registered United States Copyrights and Copyright applications (the "U.S. Copyrights"), upon the filing of appropriate filings with the United States Copyright Office and appropriate UCC financing statements, shall constitute a first priority, perfected security interest in the U.S. Copyrights; provided, however, that recordation, filing or registration of such security interest may be required to perfect such security interest in U.S. Copyrights acquired by the Borrower after the date hereof; and

(iii) the security interests granted to the Agent hereunder in the Proprietary Information located in the United States, upon the filing of any appropriate filings with the PTO or United States Copyright Office and appropriate UCC financing statements, shall constitute a first priority, perfected security interest in such Proprietary Information, to the extent that a first security interest can be created through such filings; provided, however, that recordation, filing or registration of such security interests may

be required to perfect such security interest in the Proprietary Information acquired by the Borrower after the date hereof.

SECTION 3. Indemnity. The Borrower agrees to indemnify the Agent and each Lender from and against any and all claims, losses and liabilities arising out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement and any actions taken pursuant to Section 4 or any failure to act thereunder), except for claims, losses or liabilities resulting from the gross negligence or willful misconduct of the Agent or such Lender.

SECTION 4. Rights and Remedies Upon an Event of Default.

(a) If any Event of Default shall have occurred and be continuing, then and in every such case, subject to any mandatory requirements of applicable law then in effect, the Agent, in addition to other right and remedies provided for herein and any rights now or hereafter existing under applicable law, shall have all rights and remedies as a secured creditor under the UCC in all relevant jurisdictions and may:

(i) personally, or by agents or attorneys, immediately take possession of the Intellectual Property Collateral or any part thereof, from the Borrower or any other Person who then has possession of any part thereof, with or without notice or process of law, and for that purpose may enter upon the Borrower's premises where any of the Intellectual Property Collateral is located and remove the same and use in connection with such removal any and all services, supplies, aids and other facilities of the Borrower; and/or

(ii) sell, assign or otherwise liquidate, or direct the Borrower to sell, assign or otherwise liquidate, any or all of the Intellectual Property Collateral or any part thereof, and take possession of the proceeds of any such sale or liquidation.

(b) Any collateral repossessed by the Agent under or pursuant to Section 4(a) and any other Intellectual Property Collateral whether or not so repossessed by the Agent, may be sold, assigned, leased or otherwise disposed of under one or more contracts or as an entirety, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner, at such time or times, at such place or places and on such terms as the Agent may, in compliance with any mandatory requirements of applicable law, determine to be commercially reasonable. Any such disposition which shall be a private sale or other private proceedings permitted by such

requirements shall be made upon not less than ten (10) days' written notice to the Borrower. Any such disposition which shall be a public sale permitted by such requirements shall be made upon not less than ten (10) days' written notice to the Borrower specifying the time and place of such sale and, in the absence of applicable requirements of law, shall be by public auction (which may, at the option of the Agent, be subject to reserve), after publication of notice of such auction not less than ten (10) days prior thereto in two newspapers in general circulation in the jurisdiction in which such auction is to be held. To the extent permitted by any such requirement of law, the Agent may bid for and become the purchaser of the Intellectual Property Collateral or any item thereof, offered for sale in accordance with this Section without accountability to the Borrower (except to the extent of surplus money received). If, under mandatory requirements of applicable law, the Agent shall be required to make disposition of the Intellectual Property Collateral within a period of time which does not permit the giving of notice to the Borrower as hereinabove specified, the Agent need give the Borrower only such notice of disposition as shall be reasonably practicable in view of such mandatory requirements of applicable law. The Agent shall not be obligated to make any sale of Intellectual Property Collateral regardless of notice of sale having been given. The Agent 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.

(c) Upon the occurrence and during the continuance of an Event of Default, the Agent shall have the right at any time to make any payments and do any other acts the Agent may deem necessary to protect its security interests in the Intellectual Property Collateral, including, without limitation, the rights to pay, purchase, contest or compromise any encumbrance, charge or Lien which, in the reasonable judgment of the Agent, appears to be prior to or superior to the security interests granted hereunder, and appear in and defend any action or proceeding purporting to affect its security interests in, and/or the value of, the Intellectual Property Collateral. The Borrower hereby agrees to reimburse the Agent for all reasonable payments made and expenses incurred under this Agreement including reasonable fees, expenses and disbursements of attorneys and paralegals acting for the Agent, including any of the foregoing payments under, or acts taken to protect its security interests in, the Intellectual Property Collateral, which amounts shall be secured under this Agreement, and agree they shall be bound by any payment made or act taken by the Agent hereunder absent the Agent's gross negligence or willful misconduct. The Agent shall have no obligation to make any of the foregoing payments or perform any of the foregoing acts.

(d) The Borrower hereby irrevocably authorizes and appoints the Agent, or any Person or agent the Agent may

designate, as the Borrower's attorney-in-fact, with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, at the Borrower's cost and expense, in the Agent's discretion, to, upon the occurrence and during the continuance of an Event of Default, take any action and to execute any instrument that the Agent may deem necessary or advisable to accomplish the purposes and intents of this Agreement and to exercise all of the following powers, which powers, being coupled with an interest, shall be irrevocable until all of the Obligations shall have been paid and satisfied in full, the termination of the Commitments and the expiration, termination or Collateralization of all Letters of Credit:

(i) ask for, demand, collect, bring suit, recover, compromise, administer, accelerate or extend the time of payment, issue credits, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Intellectual Property Collateral;

(ii) receive, take, endorse, negotiate, sign, assign and deliver and collect any checks, notes, drafts or other instruments, documents and chattel paper, in connection with clause (i) above;

(iii) receive, open and dispose of all mail addressed to the Borrower and notify postal authorities to change the address for delivery thereof to such address as the Agent may designate;

(iv) give Persons indebted on the Intellectual Property Collateral notice of the Agent's interest therein, and/or to instruct such Persons to make payment directly to the Agent for the Borrower's account and/or to request, at any time from Persons indebted on the Intellectual Property Collateral, verification of information concerning the Intellectual Property Collateral and the amounts owing thereon;

(v) convey any item of Intellectual Property Collateral to any purchaser thereof;

(vi) record any instruments under Section 2(g) hereof;

(vii) make any payments or take any acts under Section 4(c) hereof; and

(viii) file any claims or take any action or institute any proceedings that the Agent may reasonably deem necessary or desirable for the collection of any of the Intellectual Property Collateral or otherwise to

enforce the rights of the Agent with respect to any of the Intellectual Property Collateral.

The Agent's authority under this Section 4(d) shall include, without limitation, the authority to execute and give receipt for any certificate of ownership or any document, transfer title to any item of Intellectual Property Collateral of the Borrower, sign the Borrower's name on all financing statements or any other documents deemed necessary or appropriate to preserve, protect or perfect the security interest in the Intellectual Property Collateral and to file the same, prepare, file and sign the Borrower's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with any Intellectual Property Collateral of the Borrower and prepare, file and sign the Borrower's name on a proof of claim in bankruptcy or similar document against any customer of the Borrower, and to take any other actions arising from or incident to the rights, powers and remedies granted to the Agent in this Agreement. This power of attorney is coupled with an interest and is irrevocable by the Borrower.

(e) Upon the occurrence and during the continuance of an Event of Default, all cash proceeds received by the Agent in respect of any sale of, collection from, or other realization upon all or any part of the Intellectual Property Collateral shall be applied by the Agent against the Obligations in the order set forth in Section 9.3(c) of the Loan Agreement.

(f) The Agent shall have the right of setoff as provided Section 11.3 of the Loan Agreement.

(g) Upon the occurrence and during the continuance of an Event of Default, all income, royalties, payments and damages under or in respect of the Intellectual Property Collateral of the Borrower, if any, received thereafter shall be held by the Borrower in trust for the benefit of the Agent and the Lenders, separate from the Borrower's own property or funds and immediately turned over to the Agent with proper assignments or endorsements. Upon the occurrence and during the continuance of an Event of Default, the Agent shall have the right to notify payors of income, royalties, payments and damages under or in respect of the Intellectual Property Collateral to make payment directly to the Agent.

(h) Each and every right, power and remedy hereby specifically given to the Agent shall be in addition to every other right, power and remedy specifically given under this Agreement or under the other Loan Documents or now or hereafter existing at law or in equity, or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time or simultaneously and as often and in such order as may be deemed expedient by the Agent. All such rights, powers and remedies

shall be cumulative and the exercise or the beginning of exercise of one shall not be deemed a waiver of the right to exercise of any other or others. No delay or omission of the Agent in the exercise of any such right, power or remedy and no renewal or extension of any of the Obligations shall impair any such right, power or remedy or shall be construed to be a waiver of any Default or Event of Default or any acquiescence therein.

SECTION 5. Miscellaneous Provisions.

(a) Notices. All notices, approvals, consents or other communications required or desired to be given hereunder shall be in writing and sent by certified or registered mail, return receipt requested, or by overnight delivery service, with all charges prepaid, or by telecopier, if to the Agent, then to Transamerica Business Credit Corporation, at 555 Theodore Fremd Avenue, Suite C-301, Rye, New York 10580, Telecopy: (914) 921-0110, Attention: Mr. Michael S. Burns, Senior Vice President, with a copy to Transamerica Business Credit Corporation, 9399 West Higgins Road, Suite 600, Rosemont, Illinois 60018, Telecopy: (847) 685-1143, Attention: General Counsel, and with a copy to Luskin, Stern & Eisler LLP, 330 Madison Avenue, New York, New York 10017, Telecopy: (212) 293-2705, Attention: Michael Barocas, Esq., and if to the Borrower, then to Grumman Olson Industries, Inc., 1801 South Nottawa Street, Sturgis, Michigan 49091, Telecopy: (616) 651-8067, Attention: Mr. William Wachino, Jr., Chief Financial Officer, with a copy to Baker & Daniels, 301-B South Main Street, Suite 307, Elkhart, Indiana 46516-6119, Telecopy: (219) 296-6001, Attention: M. Angella Castille, Esq., or, as to any party, at such other address as shall be designated by such person in a written notice to each other party. All such notices and correspondence shall be deemed given (i) if sent by certified or registered mail, three Business Days after being postmarked, (ii) if sent by overnight delivery service, when received at the above stated addresses or when delivery is refused and (iii) if sent by facsimile transmission, when receipt of such transmission is confirmed.

(b) Headings. The headings in this Agreement are for purposes of reference only and shall not affect the meaning or construction of any provision of this Agreement.

(c) Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect, in that jurisdiction only, such clause or provision, or part thereof, and shall not in any manner affect such clause or provision in any other jurisdiction or any other clause or provision of this Agreement in any jurisdiction.

(d) Amendments, Waivers and Consents. Any amendment or waiver of any provision of this Agreement and any consent to any departure by the Borrower from any provision of this Agreement shall not be effective unless the same shall be in writing and signed by the Borrower and the Agent (with the consent of the Lenders or the Majority Lenders, as required by the Loan Agreement) and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(e) Interpretation. Time is of the essence in each provision of this Agreement of which time is an element. All terms not defined herein or in the Loan Agreement shall have the meaning set forth in the UCC, except where the context otherwise requires. To the extent a term or provision of this Agreement conflicts with the Loan Agreement and is not dealt with herein with more specificity, the Loan Agreement shall control with respect to the subject matter of such term or provision. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant in determining the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

(f) Continuing Security Interest. This Agreement shall create a continuing security interest in the Intellectual Property Collateral and shall (i) remain in full force and effect until the payment in full in cash of the Obligations, the termination of the Commitments and the expiration, termination or Collateralization of all outstanding Letters of Credit, (ii) be binding upon the Borrower and its successors and assigns and (iii) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent and the Lenders and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), any Lender may, in accordance with the terms of the Loan Agreement, assign or otherwise transfer all or any portion of its rights and obligations under the Loan Documents (including, without limitation, all or any portion of any Commitment, any Loans or any Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, in each case as provided in the Loan Agreement.

(g) Reinstatement. To the extent permitted by law, this Agreement shall continue to be effective or be reinstated if at any time any amount received by the Agent or any of the Lenders in respect of the Obligations is rescinded or must otherwise be restored or returned by the Agent or any of the Lenders upon the occurrence or during the pendency of any bankruptcy, reorganization or other similar proceeding applicable to the Borrower, or upon or during the occurrence of any

dissolution, liquidation or winding up of the Borrower, all as though such payments had not been made.

(h) Survival of Provisions. All representations, warranties and covenants of the Borrower contained herein shall survive the Closing Date, and shall terminate only upon the full and final payment and performance of the Obligations secured hereby, the termination of the Loan Agreement and the other Loan Documents and the expiration, termination or Collateralization of all Letters of Credit.

(i) Agent May Perform. If the Borrower fails to perform any agreement contained herein, the Agent may itself perform, or cause performance of, such agreement, and the reasonable expenses of the Agent incurred in connection therewith shall be payable by the Borrower and shall constitute Obligations secured by this Agreement.

(j) No Duty on Agent. The powers conferred on the Agent hereunder are solely to protect the interest of the Agent and the Lenders in the Intellectual Property Collateral and shall not impose any duty upon the Agent to exercise any such powers. Except for the safe custody of any Intellectual Property Collateral in its possession and the accounting for moneys actually received by it hereunder, the Agent shall have no duty as to any Intellectual Property Collateral, as to ascertaining or taking action with respect to matters relative to any Intellectual Property Collateral, whether or not the Agent or any Lender has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Intellectual Property Collateral. The Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Intellectual Property Collateral in its possession if such Intellectual Property Collateral is accorded treatment substantially equal to that which the Agent accords its own similar property. To the extent the Intellectual Property Collateral is held by a custodian, the Agent shall be deemed to have exercised reasonable care if it has selected the custodian with reasonable care.

(k) Delays; Partial Exercise of Remedies. No delay or omission of the Agent to exercise any right or remedy hereunder, whether before or after the happening of any Event of Default, shall impair any such right or shall operate as a waiver thereof or as a waiver of any such Event of Default. No single or partial exercise by the Agent of any right or remedy shall



preclude any other or further exercise thereof, or preclude any other right or remedy.

(1) Release; Termination of Agreement.

(i) The Agent shall release any Lien in favor of the Agent upon the sale, transfer or disposition of any Intellectual Property Collateral permitted to be sold, transferred or disposed of pursuant to Section 7.2(e) of the Loan Agreement in accordance with the terms of such Section.

(ii) Subject to the provisions of subsection (g) hereof, upon the payment in full in cash of the Obligations, the termination of the Commitments and the expiration, termination or Collateralization of all outstanding Letters of Credit, this Agreement and the Liens created hereby shall terminate and all rights in the Intellectual Property Collateral shall revert to the Borrower. At such time, the Agent shall, upon the request and at the expense of the Borrower, (A) execute and deliver to the Borrower such documents and shall take such other actions as the Borrower shall reasonably request to evidence such termination and (B) reassign and redeliver to the Borrower all of the Intellectual Property Collateral hereunder which has not been sold, disposed of, retained or applied by the Agent in accordance with the terms hereof. Such reassignment and redelivery shall be without warranty by or recourse to the Agent.

(m) Counterparts, etc. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement. This Agreement may be executed and delivered by telecopier with the same force and effect as if the same were a fully executed and delivered original counterpart.

(n) GOVERNING LAW. THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES, EXCEPT TO THE EXTENT THAT FEDERAL LAW IS APPLICABLE.

(o) SERVICE OF PROCESS. THE BORROWER AGREES THAT SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL) POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS SET FORTH IN SECTION 5(A). NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE AGENT OR ANY LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF THE AGENT OR ANY

LENDER TO BRING ANY ACTION OR PROCEEDING AGAINST THE BORROWER OR ITS PROPERTY IN THE COURTS OF OTHER JURISDICTIONS.

(p) SUBMISSION TO JURISDICTION. THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY:

(i) SUBMITS FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS, THE COURTS OF THE UNITED STATES OF AMERICA FOR THE NORTHERN DISTRICT OF ILLINOIS AND APPELLATE COURTS FROM ANY THEREOF;

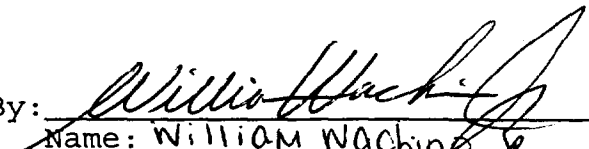
(ii) CONSENTS THAT ANY SUCH ACTION OR PROCEEDING MAY BE BROUGHT IN SUCH COURTS AND WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT COURT AND AGREES NOT TO PLEAD OR CLAIM THE SAME;

(iii) WAIVES THE RIGHT TO ASSERT ANY SETOFF, COUNTERCLAIM OR CROSS-CLAIM IN RESPECT OF, AND ALL STATUTES OF LIMITATIONS WHICH MAY BE RELEVANT TO, SUCH ACTION OR PROCEEDING.

(q) WAIVER OF JURY TRIAL. THE BORROWER AND THE AGENT HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS, OR ANY OTHER AGREEMENTS OR TRANSACTIONS RELATED HERETO OR THERETO.

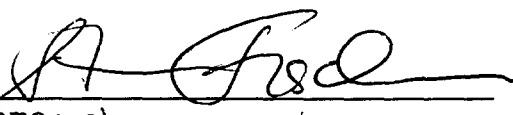
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first above written.

GRUMMAN OLSON INDUSTRIES, INC.

By:   
Name: William Wachin Sr.  
Title: Chief Financial Officer & Secretary

Accepted and Agreed as of the date first above written:

TRANSAMERICA BUSINESS CREDIT CORPORATION, as Agent

By:   
Name: Steven Fischer  
Title: Executive V.P.

Patents and Patent Applications

Trailer Brake System, Test System, Patent No. 4,573,350, Issued 1986, Assigned to the Borrower.

Three Point Seat Restraint, Patent No. 4,889,389, Issued 1989 (joint rights with Seats, Inc.), Assigned to the Borrower.

Vehicle Drain System, Patent No. 5,178,435, Issued 1993, Assigned to the Borrower.

Driver Ventilation for Delivery Truck, serial no. 09/465,106 filed December 16, 1999, Assigned to the Borrower.

Trademarks and Trademark Applications

FREIGHT STAR

Filed 1/24/92, Application No. 74/240766, Registered 5/11/93, Registration No. 1769963,  
Renewal Date 5/11/03

FREIGHT STAR & DESIGN

Filed 3/2/92, Application No. 74/251611, Registered 11/17/92, Registration No. 1732876,  
Renewal Date 11/17/02

ROUTE STAR

Filed 9/19/91, Application No. 74/205168, Registered 7/28/92, Registration No. 1703121,  
Renewal Date 7/28/02

GO design

Filed 6/25/99, Application No. 75/751,397, Registered 4/18/00, Registration No. 2,233,684

FRESHGUARD

Filed 6/26/00, Application No. 76/078004

Schedule C

Copyrights and Copyright Applications

None.

Schedule D

Assignments, Transfers, Agreements, Financing Statements, etc.

None.

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application of:

Trademark 76/078,004

Application

Nos.:

Registration 1,769,963, 1,732,876, 1,703,121,

Nos.: 2,233,684

Entitled:

Examiner:

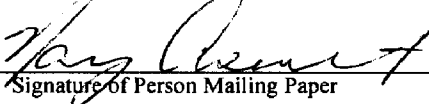
Group Art Unit

**CERTIFICATE OF MAILING UNDER 37 C.F.R. § 1.8a**

I hereby certify that this correspondence (and any paper or fee referred to as being enclosed) is being deposited with the United States Post Office as First Class Mail on the date indicated below in an envelope addressed to Box: Assignment, Commissioner for Patents, Washington, D.C. 20231.

Nancy Arsenault

Name of Person Mailing Paper



Signature of Person Mailing Paper

Box: Assignment  
Commissioner for Patents  
Washington, D.C. 20231

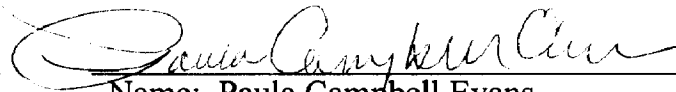
**TRANSMITTAL LETTER**

Enclosed for filing in the above-identified patent application, please find the following documents:

1. Copy of Intellectual Property Security Agreement;
2. Recordation Cover Sheet, Form PTO-1595
3. Check in the amount of \$140.00 for the recordation fee; and
4. Return Post Card.

The Commissioner for Patents is hereby authorized to charge any additional fees or credit any overpayment in the total fees to Deposit Account No. 16-0085, Reference No.17079/2. A duplicate of this transmittal letter is enclosed for this.

Respectfully submitted,

Date: February 13, 2001


Name: Paula Campbell Evans

Registration No.: 32,503

Palmer &amp; Dodge LLP

One Beacon Street

Boston, MA 02108

Tel: 617-573-0100



## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application of:

Trademark 76/078,004

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Examiner:

Group Art Unit

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I hereby certify that this correspondence (and any paper or fee referred to as being enclosed) is being deposited with the United States Post Office as First Class Mail on the date indicated below in an envelope addressed to Box: Assignment, Commissioner for Patents, Washington, D.C. 20231.

Nancy Arsenault

Name of Person Mailing Paper



Signature of Person Mailing Paper

Box: Assignment  
Commissioner for Patents  
Washington, D.C. 20231

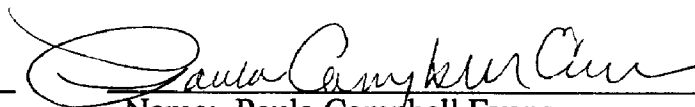
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