

04-05-2001



101669577

3/23/01
3/26/01

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/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

State/Country

Zip Code

- Individual General Partnership Limited Partnership

- Corporation Association

Other

Citizenship/State of Incorporation/Organization

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.)

04/04/2001 TDIAZ1 00000032 76147132

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 500.00 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: 002264 FRAME: 0046

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

(801) 532-1500

Name

Lester K. Essig

Address (line 1)

Ray, Quinney & Nebeker

Address (line 2)

79 South Main Street

Address (line 3)

Suite 500

Address (line 4)

Salt Lake City, Utah 84111

Pages

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

#

9

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)

76147132

76128482

76128483

2325914

2279099

2236694

76128484

76128485

76128486

2258235

2252140

2200735

76044059

76047087

76044076

2239895

1938626

Number of Properties

Enter the total number of properties involved.

#

21

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

540.00

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Arthur B. Berger

Name of Person Signing



Signature

March 23, 2001

Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

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

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

Conveying Party

Enter Additional 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

Enter Additional 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

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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 the Assignment.)

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)

76044075	75827749	75827737
75274214		

Registration Number(s)

COLLATERAL ASSIGNMENT OF TRADEMARKS, PATENTS AND LICENSES

21st This Collateral Assignment of Trademarks, Patents and Licenses (the "Agreement") is made as of the day of March, 2001, between Jore Corporation, a Montana corporation, having its principal place of business at 45000 Highway 93 South, Ronan, Montana 59864 (referred to hereinafter as "Assignor"), and First Security Bank, N.A., a national banking association (hereinafter "Assignee"), as "Agent" for itself and for Harris Trust and Savings Bank (sometimes individually referred to as "Harris"). The address of Assignee, as Agent, is 79 South Main Street, Suite 800, Salt Lake City, Utah 84111, and the address of Harris Trust and Savings Bank is 111 West Monroe Street, Fifth Floor East, Chicago, Illinois 60603. First Security Bank, N.A. and Harris Trust and Savings Bank are sometimes hereinafter collectively referred to as the "Banks."

Recitals

The Banks are extending credit to Assignor, pursuant to that certain Credit Agreement dated July 25, 2000, together with all other documentation executed and delivered to the Banks by the Assignor, including but not limited to financing statements, security agreements, guaranties, promissory notes and other related documentation, originally dated July 25, 2000, as subsequently modified and extended, by, between and among Agent (for itself and for Harris) and Assignor. The Credit Agreement was executed in connection with a Revolving Note in the principal sum of \$20,000,000.00 made payable by Assignor to First Security Bank, N.A. and a second Revolving Note made payable to Harris in the principal sum of \$15,000,000.00. The Revolving Notes executed and delivered to the Banks as part of the Credit Agreement total the original principal amount of \$35,000,000 and are hereafter referred to collectively as the "Promissory Notes." The Credit Agreement, together with certain other documents securing, governing or otherwise relating to the loan evidenced by the Promissory Notes, are collectively referred to herein as the "Loan Documents." Banks and Assignor have entered into that "Waiver & Forbearance Agreement" dated as of March 1, 2001, in connection therewith and in order to induce the Banks to execute such "Waiver & Forbearance Agreement," Assignor has agreed to assign to Assignee certain trademark, service mark, trade name, patent and invention rights as described below.

Agreement

In consideration of the foregoing, the mutual benefits to be derived by the parties hereunder and the promises contained herein, Assignor and Assignee, as Agent for the Banks, hereby agree as follows:

1. To secure the complete and timely satisfaction of all of the obligations of Assignor under the Credit Agreement and the Promissory Notes and the other Loan Documents (collectively, the "Obligations"), Assignor, individually and collectively, hereby grants, assigns and conveys to Assignee, as Agent for and on behalf of the Banks, its entire right, title and interest in and to all trademarks, service marks, trade names, patents, patent rights, shop rights and invention rights in which Assignor has an interest, whether as owners, assignees, licensees or otherwise, or which are otherwise held in one or more of its trade names, and all related registrations and applications for the same, which are created by, arise under or exist under, the laws of the United States or any state, territory or political subdivision thereof, or under the laws of any foreign country, state, territory or political subdivision thereof, along with the goodwill of the business and all trade secrets and general intangibles associated with the foregoing, including, but not limited to, those listed in SCHEDULE A hereto, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof (collectively called the "Trademarks and Patents"), together with all permits, license agreements, sublicense agreements, franchises, marketing agreements, distribution agreements, and those licenses and agreements listed in SCHEDULE B hereto, and all proceeds from all of the foregoing, including without limitation all

rights and causes of action corresponding thereto and all renewals and extensions of all of the foregoing (collectively called the "Licenses").

2. Assignor covenants and warrants that:

(a) The Trademarks and Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) Each of the Trademarks and Patents is valid and enforceable and Assignor has notified Assignee in writing of all prior challenges, if any, to the validity and enforceability of any of the Trademarks and Patents of which Assignor is aware;

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademarks and Patents, free and clear of any liens, charges and encumbrances, including without limitation licenses, sublicenses, shop rights and covenants by Assignor not to sue third persons;

(d) Assignor has not made any assignments, transfers or conveyances of any kind, whether absolute or for security or collateral purposes, of any of the Trademarks and Patents, and there are no currently effective assignments, collateral assignments, security interests or similar filings with respect to any of the Trademarks and Patents, whether of record with the U.S. Patent and Trademark Office or any other federal, state or local governmental agency or authority or otherwise;

(e) The Trademarks and Patents do not infringe on rights of any third persons; and

(f) Assignor has the unqualified right to enter into this Agreement and perform its terms;

(g) The Licenses are subsisting and are valid and enforceable and have not been terminated or adjudged invalid or unenforceable, in whole or in part;

(h) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Licenses, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Assignor not to sue third persons;

(i) Assignor has not made any assignments, transfers or conveyances of any kind, whether absolute or for security or collateral purposes, of any of the Licenses, and there are no currently effective assignments, collateral assignments, sublicenses, security interests or similar filings with respect to any of the Licenses; and

(j) Assignor has the unqualified right to enter into this Agreement and perform its terms.

3. Assignor agrees that, until all of the Obligations shall have been satisfied in full, Assignor will not enter into any agreement which is inconsistent with Assignor's obligations under this Agreement, without Assignee's prior written consent; provided, that Assignor shall have the right to enter into license and sublicense agreements and other similar agreements in the ordinary course of Assignor's business consistent with Assignor's prior practices upon prior written consent from Assignee.

4. If, before the Obligations have been satisfied in full, Assignor becomes entitled to the benefit of any license, trademark, service mark, trade name, patent, patent right, shop right, invention right, or registration, application, trade secret or goodwill relating to the foregoing, in addition to the Trademarks and Patents and Licenses, or any reissue, division, continuation, renewal, extension, continuation-in-part, or improvement arising

therefrom or from the Trademarks and Patents, or from the Licenses, the provisions of paragraph 1 shall automatically apply thereto and Assignor shall give to Assignee prompt notice thereof in writing.

5. Except as otherwise provided in this Agreement, during the term of this Agreement, Assignee, as Agent for and on behalf of the Banks, hereby licenses back to Assignor the right to use the Trademarks and Patents and Licenses in the ordinary course of Assignor's business, with the quality and nature of goods and services offered by Assignor in connection therewith, and the use of the Trademarks and Patents and Licenses, meeting the same high standards Assignor has maintained in the past, subject to reasonable modification by Assignee from time to time.

6. If any Event of Default (as defined in the Loan Documents) shall have occurred and be continuing, Assignee shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks and Patents and Licenses may be located and, without limiting the generality of the foregoing, Assignee may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, terminate the license described in Section 5 above, and sell at public or private sale or otherwise realize upon, in the State of Idaho or elsewhere, the whole or from time to time any part of the Trademarks and Patents, and/or any portion of the Licenses, or any interest which Assignor may have therein and, after deducting from the proceeds of sale or other disposition of the Trademarks and Patents and Licenses all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to Assignor. Notice of any sale or other disposition of any of the Trademarks and Patents and Licenses shall be given to Assignor at least ten (10) days before the time at which any intended public or private sale or other disposition of any of the Trademarks and Patents and Licenses is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of the Promissory Notes or Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks and Patents and Licenses sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

7. At such time as Assignor shall completely satisfy all of the Obligations, Assignee shall execute and deliver to Assignor all releases reasonably requested by Assignor that may be necessary or proper to re-vest in Assignor full title to the Trademarks and Patents and Licenses, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

8. Assignor shall have the duty, through counsel acceptable to Assignee, to prosecute diligently any trademark or patent application of the Trademarks and Patents pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make application on Trademarks and Patents used but not yet registered by Assignor and to preserve and maintain all rights in trademark and patent applications and the Trademarks and Patents. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor shall not abandon any pending trademark, service mark, trade name or patent application, or any trademark, service mark, trade name, patent, patent right or shop right, without the consent of Assignee, which consent shall not be unreasonably withheld. Assignor shall have the duty, through counsel acceptable to Assignee, to preserve, maintain and protect diligently all Licenses until the Obligations shall have been paid in full, and Assignor shall not permit the termination or expiration of such Licenses without the consent of Assignee, which consent shall not be unreasonably withheld.

9. Upon the occurrence of an Event of Default (as defined in the Credit Agreement), Assignee shall have the right but shall in no way be obligated to bring suit in its own name to enforce the Trademarks and Patents and Licenses, in which event Assignor shall at the request of Assignee do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this paragraph 8.

10. Assignor shall execute, deliver and file such additional documents and take such further actions as Assignee deems necessary or appropriate to perfect and maintain the perfection of and otherwise protect Assignee's security interests (and to properly register Assignee's interests) in the Trademarks and Patents and Licenses.

11. No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under any of the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. All of Assignee's rights and remedies with respect to the Trademarks and Patents and Licenses, whether established hereby or by the other Loan Documents, or by any other agreements, or by law, shall be cumulative and may be exercised singularly or concurrently.

13. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, 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.

14. This Agreement is subject to modification only by a writing signed by all of the parties.

15. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided that Assignor may not assign its rights or delegate its duties under this Agreement without the prior written consent of Assignee.

16. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the law of the State of Idaho.

WITNESS the execution hereof as of the day and year first above written.

ASSIGNOR:

JORE CORPORATION
a Montana corporation

By: 
Name: Monte Gese

Title: CFO

ASSIGNEE:

FIRST SECURITY BANK, N. A., as Agent, for itself
And for and in behalf of Harris Trust and Savings Bank

By: 
Name: J. Mamoolin

Title: Vice President

The BANKS:

FIRST SECURITY BANK, N. A.

By: [Signature]
Name: [Signature]
Title: Vice President

HARRIS TRUST AND SAVINGS BANK

By: [Signature]
Name: [Signature]
Title: VICE PRESIDENT

583230.1

SCHEDULE A

(to Collateral Assignment of Trademarks and Patents [including Collateral Assignment of Licenses] dated March ____ 2001, between Jore Corporation and First Security Bank, N.A., as Agent, for itself and in behalf of Harris Trust and Savings Bank.

TRADEMARKS

<u>Application or Registration No.</u>	<u>Mark</u>	<u>Type of Mark</u>
2,325,914 (Registered/U.S.)	POWER-GUIDE	Trademark
2,279,099 (Registered/U.S.)	AUTOJAW	Trademark
2,236,694 (Registered/U.S.)	SPEED-SHANK	Trademark
2,258,235 (Registered/U.S.)	MONTANA TOOL CORPORATION	Trademark
2,252,140 (Registered/U.S.)	TORQUE DRIVER	Trademark
2,200,735 (Registered/U.S.)	HIGH TORQUE POWER DRIVER	Trademark
2,239,895 (Registered/U.S.)	BIT-LOK	Trademark
1,938,626 (Registered/U.S.)	QUAD-DRIVER	Trademark
76-147132 (Pending/U.S.)	FAST CHUCK	Trademark
76-128482 (Pending/U.S.)	FAST SHANK	Trademark
76-128483 (Pending/U.S.)	ADVANCED PROCESS CONTROL	Trademark
76-128484 (Pending/U.S.)	FAST CHANGE SYSTEM AND DESIGN	Trademark
76-128485 (Pending/U.S.)	FAST IN-FAST OUT	Trademark
76-128486 (Pending/U.S.)	FAST CONNECT SYSTEM	Trademark
76-044059 (Pending/U.S.)	JORE	Trademark
76-047087 (Pending/U.S.)	GOLD POINT	Trademark
76-044076 (Pending/U.S.)	WHERE INNOVATION MEETS REALITY	Trademark
76-044075 (Pending/U.S.)	JORETECH	Trademark
75-827749 (Pending/U.S.)	MASTER CHUCK	Trademark
75-827737 (Pending/U.S.)	FAST CHUCK	Trademark
75-274214 (Pending/U.S.)	SPEED-LOK	Trademark
(Common Law Rights/U.S.)	FAST CHANGE DRILLING AND DRIVING SYSTEM	Trademark

PATENTS

<u>Application or Registration No. or Filing Date</u>	<u>Description by Title:</u>
7-8-98 (Utility/Pending/U.S.)	Quick-Connector
4-14-00 (Provisional/Pending/U.S.)	Drill Bit Case
4-13-00 (Utility/Pending/U.S.)	Two-Way Quick Connector
6-15-00 (Utility/Pending/U.S.)	Tool Holder Case
4,736,658 (Utility/Registered/U.S.)	Screw Holding and Driving Device
5,470,180 (Utility/Registered/U.S.)	Reversible Drill/Driver Tool

5,309,799 (Utility/Registered/U.S.)	Transparent-Sleeve Screw Holding and Driving Tool
5,779,404 (Utility/Registered/U.S.)	Reversible Drill/Driver Tool
6,176,654 (Utility/Registered/U.S.)	Reversible Drill/Driver Tool
5,682,800 (Utility/Registered/U.S.)	Clutch Driver
D 389,519 (Design/Registered/U.S.)	Carpenter's Pencil
5,954,463 (Utility/Registered/U.S.)	Reversible Drill Driver Tool
637485 (Utility/Registered/Europe and Netherlands)	A Screw Holding and Driving Tool
69401865,1 (Utility/Registered/Germany)	Transparent Sleeve Screw Holding and Driving Tool
637485 (Utility/Registered/France)	Transparent Sleeve Screw Holding and Driving Tool
637485 (Utility/Registered/Great Britain)	Transparent Sleeve Screw Holding and Driving Tool
HK1007703 (Utility/Registered/Hong Kong)	A Screw Holding and Driving Tool
715107 (Utility/Registered/Australia)	Reversible Drill/Driver Tool
3,145,873 (Registered/Japan)	Transparent Sleeve Screw Holding and Driving Tool
8-3-94 (Pending/Canada)	Transparent Sleeve Screw Holding and Driving Tool
5-2-95 (Pending/Japan)	Reversible Drill/Driver
5-10-96 (Pending/Canada)	Reversible Drill/Driver
5-10-96 (Pending/Europe)	Reversible Drill/Driver
(Pending/Australia)	Handle
3-19-98 (Pending/Hong Kong)	Reversible Drill/Driver Tool
3-19-98 (Pending/Hong Kong)	Reversible Drill/Driver Tool
6-16-00 (Pending/Canada)	Tool Holder Case
6-9-00 (Provisional/Pending/U.S.)	Work Piece Connector for a Power Tool
4-12-00 (Provisional/Pending/U.S.)	Centerline Circular Saw

(Provisional/To Be Filed/U.S.)

Compact Self-Feeding Merchandiser

(Provisional/To Be Filed/U.S.)

Electro-Magnetic Drive

(Provisional/To Be Filed/U.S.)

Nailer

(Provisional/To Be Filed/U.S.)

MTD Machine

(Provisional/To Be Filed/U.S.)

Ratchet

(Provisional/To Be Filed/U.S.)

Bi-Metal Drill Bit

(Provisional/To Be Filed/U.S.)

Quick Change Hole Saw Adapter

SCHEDULE B

to Collateral Assignment of Trademarks and Patents [including Collateral Assignment of Licenses] dated March ____ 2001, between Jore Corporation and First Security Bank, N.A., as Agent, for itself and in behalf of Harris Trust and Savings Bank.

LICENSES

<u>Licensor/ Date of License Agreement</u>	<u>Title</u>	<u>Country</u>	<u>Registration / Patent Number</u>
Norton Company / 12-27-99	SPEED-LOK	North America	75-274214
Lynx Motion Technology / 3-20-00	SEMA Motor	World	Patent # 5,744,896
Robert Schroder GmbH / 5-11-00	Ratcheting Screw Driver	North America	No Patent
The Stanley Works / April 28, 1999	Three Stanley Stylized Trademarks and Phrases (for Use with Power Tool Accessories)	North America	

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