

04-06-2001



101657773

3/30/01  
76/165279

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

#### Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

#### Conveyance Type

- Assignment  License
- Security Agreement  Nunc Pro Tunc Assignment
- Merger
- Change of Name
- Other

Effective Date  
Month Day Year

#### 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/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)   
City

State/Country

Zip Code

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

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

Citizenship/State of Incorporation/Organization

04/05/2001 GTON11 00000222 76165279

#### FOR OFFICE USE ONLY

01 FC:481 40.00 DP  
02 FC:482 500.00 DP

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, TRADEMARK 0231

REEL: 002265 FRAME: 0520

**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

312/876-7628

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)**

76165279		

1719120	1740690	1632685
1493486	1173562	1861963
1005486	814394	998209

**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.

Linda R. Kastner

*Linda R. Kastner*

3/29/01

Name of Person Signing

Signature

Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

**FORM PTO-1618C**  
Expires 05/30/99  
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)**

**Registration Number(s)**

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1208319	1282910	1204232
1224620	1228146	1726530
1151311	1546858	702118
760161	1544967	

# TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of March 21, 2001, by Distribution America, Inc., a Delaware corporation ("Grantor"), in favor of United Hardware Distributing Co., in its capacity as Agent for the Lenders.

## WITNESSETH:

WHEREAS, the Lenders have agreed to lend Two Million Dollars (\$2,000,000) to the Grantor (the "Loan");

WHEREAS, the Loan is evidenced by various promissory notes entitled "Secured Promissory Note - Term Loan A" (the "Term A Notes") and "Secured Promissory Note - Term Loan B" (the "Term B Notes") executed by the Grantor in favor of the Lenders (collectively, the "Notes"), in the respective amounts listed on Exhibit A attached hereto;

WHEREAS, Agent and Lenders are willing to make the Loan as provided for in Notes, but only upon the condition, among others, that Grantor shall have executed and delivered to Agent, for itself and the ratable benefit of Lenders, that certain Security Agreement dated as of the date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Agent, for itself and the ratable benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Agent, on behalf of itself and Lenders, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

(d) 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 licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and Lenders, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

DISTRIBUTION AMERICA, INC.

By: B. Menechal  
Name: BURTON W. MENECHAL  
Title: PRESIDENT

ACCEPTED AND ACKNOWLEDGED BY:

UNITED HARDWARE DISTRIBUTING CO.

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

[Signature Page to Trademark Security Agreement]

TRADEMARK  
REEL: 002265 FRAME: 0525

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

DISTRIBUTION AMERICA, INC.

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

ACCEPTED AND ACKNOWLEDGED BY:

UNITED HARDWARE DISTRIBUTING CO.

By: David A. Heider  
Name: DAVID A. HEIDER  
Title: PRESIDENT

**Schedule 1A  
United States Registrations**

<b>MARK</b>	<b>REGISTRATION NO.</b>	<b>REGISTRATION DATE</b>
AMERICAN CLASSIC	1,940,711	12/12/95
AMERICAN CLASSIC	1,912,913	08/22/95
BEE DESIGN	1,793,963	09/21/93
CATEGORY PROFIT MANAGEMENT	2,434,401	03/06/01
CATEGORY PROFIT MARKETING GROUP	2,434,402	03/06/01
DA & DESIGN	1,719,120	09/22/92
DA THE DISTRIBUTION SERVICES COMPANY	1,775,562	06/08/93
DARTS	1,794,455	09/21/93
DESIGN ONLY	1,214,414	10/26/82
DISTRIBUTION AMERICA	1,740,690	12/15/92
EXPO '98 & DESIGN	2,198,093	10/20/98
FREE-BEE	1,767,735	04/27/93
GOLDEN RULE	1,632,685	01/22/91
GOLDEN RULE (STYLIZED)	1,493,486	06/21/88
GOLDEN RULE GR & DESIGN	1,173,562	10/13/81
GREENBRIER	1,391,232	04/29/86
GREENBRIER	1,383,597	02/18/86
GREENBRIER	776,964	09/15/64
HOME OF THE PROFESSIONALS	1,960,180	03/05/96
LIBERTY DISTRIBUTORS	916,530	07/13/71
MASTER'S PRIDE	1,936,712	11/21/95
MINUTEMAN	937,583	07/11/72
PAINT SOURCE AND HOME DECORATING	2,062,371	05/13/97
PARTNERS	1,919,683	09/16/95
PRICED RIGHT EVERYDAY!	1,986,397	07/09/96
RPM & DESIGN	1,861,963	11/08/94
SENTRY	1,005,486	02/25/75
SENTRY	814,394	09/06/66
SENTRY	998,209	11/12/74
SENTRY & DESIGN	1,208,319	09/14/82
SENTRY & DESIGN	1,282,910	06/26/84
SENTRY & DESIGN	1,204,232	08/10/82
SENTRY & DESIGN	1,224,620	01/18/83
SENTRY & DESIGN	1,228,146	02/22/83
SENTRY LUMBER & BUILDING SUPPLIES	1,726,530	10/20/92
SUPER BUY & DESIGN	1,867,313	12/13/94



<b>MARK</b>	<b>REGISTRATION NO.</b>	<b>REGISTRATION DATE</b>
SUPREME ELEGANCE	1,954,676	02/06/96
THE PROBLEM SOLVERS	1,437,542	04/21/87
THE RETAIL PROFITABILITY MARKET	2,233,078	03/16/99
TRUST WORTHY & DESIGN	1,151,311	04/14/81
TRUST WORTH BUILDING CENTERS	1,546,858	07/04/89
TRUSTWORTHY	702,118	08/02/60
TRUSTWORTHY	760,161	11/12/63
TRUSTWORTHY BUILDING CENTERS	1,544,967	6/20/89
TUFF SAK	1,476,799	02/16/88
VALU-PLUS	1,900,272	06/20/95
WE'RE THE PROBLEM SOLVERS!	1,434,302	03/24/87
YES, WE CAN!	1,858,003	10/11/94

**Schedule 1B**  
**United States Trademark Applications**

<b>MARK</b>	<b>APPLICATION NO.</b>	<b>APPLICATION DATE</b>
CDN LOGO	76/026,101	04/17/00
CHEM-D2B.COM	76/027,746	04/17/00
CHEMICAL DISTRIBUTION NETWORK AND DESIGN	76/025,896	04/17/00
CONTRACTOR-RIGHT & DESIGN	76/214,716	02/16/01
CPM	75/838,318	11/02/99
DISTRIBUTION AMERICAN-PET GROUP & DESIGN	76/165,279	11/15/02
EVERY DAY VALUE PRICED (STYLIZED)	75/936,890	03/07/00
INDU/COM SOLUTIONS	76/025,894	04/17/00
PAINT SUNDRY GROUP	75/901,038	01/20/00
PAINTER'S SOURCE AND DESIGN	75/853,944	11/19/99
PRICED RIGHT EVERYDAY!	75/832,351	10/26/99
PROMOTIONAL EXPRESS	75/840,703	10/25/99
RPS	75/840,706	10/25/99

**Schedule 1C  
Foreign Trademark Registrations**

<b>MARK</b>	<b>COUNTRY</b>	<b>REG. NO.</b>	<b>REG. DATE</b>
GOLDEN RULE	Australia	582,938	11/01/94
RPM & DESIGN	Australia	653,173	02/14/95
DA & DESIGN	Canada	TMA427148	05/13/94
DA AND THE DISTRIBUTION SERVICE	Canada	TMA427151	05/13/94
DISTRIBUTION AMERICA	Canada	437906	01/06/95
GOLDEN RULE & DESIGN	Canada	TMA443778	06/16/95
GOLDEN RULE & GR DESIGN	Canada	TMA443779	06/16/95
SENTRY & DESIGN	Canada	327632	05/15/87
SENTRY & DESIGN	Canada	340942	05/27/88
SENTRY LUMBER & BUILDING SUPPLIES & DESIGN	Canada	TMA550720	09/16/98
TRUSTWORTHY	Canada	TMA315541	06/20/86
SENTRY	China	1,125,883	11/06/97
SENTRY	China	114,996	02/07/98
SENTRY & DEVICE	China	1,109,183	07/09/97
SENTRY HARDWARE & DEVICE	China	1,143,715	01/14/98
SENTRY	Costa Rica	112,464	03/17/99
GOLDEN RULE	Mexico	419,502	08/07/92
PRICED RIGHT EVERYDAY!	Mexico	607,915	04/29/99
SENTRY	Mexico	420,421	08/20/92
TRUSTWORTHY	Mexico	419,501	08/07/92
GOLDEN RULE	Panama	074,184	05/13/96
SENTRY	Panama	057,124	08/19/92
SENTRY	Philippines	101,344	11/09/99
TRUSTWORTHY	Puerto Rico	35,974	08/13/96
TRUSTWORTHY & DESIGN	Puerto Rico	35,973	08/13/96

**Schedule 1D  
Foreign Trademark Applications**

<b>MARK</b>	<b>COUNTRY</b>	<b>APPLN. NO.</b>	<b>APPLN. DATE</b>
PRICED RIGHT EVERYDAY!	Canada	893905	10/20/98

EXHIBIT A

Term A Notes

<u>Lender</u>	<u>Total</u>
Amarillo Hardware Co.	61,032
Blish-Mize Co.	61,032
The Emery-Waterhouse Co.	61,032
HDW, Inc.	61,031
House-Hasson Hardware	61,032
Jensen Distribution Services	61,032
Monroe Hardware Co., Inc.	61,032
Orgill, Inc.	61,032
United Hardware Distributing Co.	61,032

Term B Notes

<u>Lender</u>	<u>Total</u>
Amarillo Hardware Co.	142,857
Blish-Mize Co.	142,857
The Emery-Waterhouse Co.	142,857
Florida Hardware Co.	75,000
HDW, Inc.	142,857
House-Hasson Hardware	142,857
Jensen Distribution Services	142,857
Monroe Hardware Co., Inc.	142,857
Orgill, Inc.	142,857
United Hardware Distributing Co.	142,857
Watters & Martin, Inc.	50,000
Wright & Wilhelmy Co.	40,000