

05-24-2001



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

FORM PTO-101  
Expires 06/30/01  
OMB 0651-0027

S-18-61

### 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

Execution Date  
Month Day Year  
12 28 2000

Name Hercules Incorporated

Formerly Green Tree Chemical Technologies, Inc.

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

Citizenship/State of Incorporation/Organization \_\_\_\_\_

#### Receiving Party

Mark if additional names of receiving parties attached

Name The CIT Group/Business Credit, Inc.

DBA/AK/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 1211 Avenue of the Americas

Address (line 2) \_\_\_\_\_

Address (line 3) New York City New York, USA State/Country 10036 Zip Code

Individual  General Partnership  Limited Partnership  Association

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.)

#### 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: 002302 FRAME: 0148

**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)**

**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

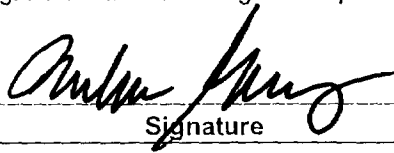
No

**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.

Philippe E. Greenberg

Name of Person Signing



Signature

5/15/2001

Date Signed

**GRANT OF SECURITY INTEREST IN  
PATENTS, TRADEMARKS AND LICENSES**

**THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES** (the "Agreement") made as of this 24 day of December, 2000, by **GREEN TREE CHEMICAL TECHNOLOGIES, INC.**, a Delaware corporation, with its principal place of business at 105 Park Avenue, Seaford Industrial Park, Seaford, Delaware 19973 ( the "Company"), and **THE CIT GROUP/BUSINESS CREDIT, INC.**, a New York corporation, with offices at 1211 Avenue of the Americas, New York, New York 10036 ("CITBC").

**WITNESSETH:**

**WHEREAS**, the Company and CITBC are parties to a certain Financing Agreement of even date herewith, as the same may be amended from time to time (herein the "Financing Agreement"), which Financing Agreement provides (i) for CITBC to make certain loans, advances and extensions of credit, all to or for the account of the Company and (ii) for the grant by the Company to CITBC of a security interest in certain of the Company's assets, including, without limitation, its patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, all as more fully set forth therein;

**NOW THEREFORE**, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and legal sufficiency of which is hereby acknowledged, the Company agrees as follows:

**1. Definitions.** Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.

**2. Grant of Security Interest.** To secure the payment of the "Obligations" (as defined in the Financing Agreement), the Company hereby grants, pledges, mortgages and assigns to CITBC a continuing security interest, effective immediately, in all of the Company's rights, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively herein the "Intellectual Property Collateral"):

(i) United States and all foreign patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith, including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");

(ii) United States and all foreign trademarks, servicemarks, trademark registrations and/or applications and tradenames, including, without limitation, the trademarks and applications, if any, listed on Schedule B attached hereto and made a part hereof, and any and all reissues and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith, including, without limitation, damages and payments for past or future infringements thereof (hereinafter collectively referred to as the "Trademark Collateral");

(iii) United States and all foreign copyrights, including, without limitation, the copyrights listed on Schedule C attached hereto and made a part hereof (hereinafter collectively referred to as the "Copyright Collateral");

(iv) Any license agreement in which the Company is or becomes licensed to use any patents, trademarks or copyrights owned by a third party, including, without limitation, the licenses, if any, listed on Schedule D attached hereto and made a part hereof (hereinafter collectively referred to as the "License Collateral");

(v) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral; and

(vi) All cash and non-cash proceeds of the foregoing.

**3. CITBC's Rights.** Upon the occurrence of any Event of Default hereunder, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC upon the occurrence of any Event of Default hereunder, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CITBC concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs an Event of Default under this Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom provided, however, that from and after the occurrence of an Event of Default such right will, upon the exercise by CITBC of the rights provided by this Agreement, be revoked and the right

of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CITBC or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CITBC any duty or responsibility to maintain the Intellectual Property Collateral.

**4. Fees.** The Company will pay all filing fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and continue perfecting its security interest in the Intellectual Property Collateral.

**5. Representations and Warranties.** The Company represents and warrants that: (a) the Company lawfully possesses and owns the Intellectual Property Collateral and that except for the security interest granted hereby, (b) the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever except for Permitted Encumbrances; (c) that the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof; (d) the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and (e) there are no known infringements of the Intellectual Property Collateral.

**6. Application of Proceeds.** The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CITBC in connection with such sale and the exercise of CITBC's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CITBC in such order as CITBC may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct. The Company shall remain liable for any deficiency.

**7. Reports on Applications.** The Company shall provide CITBC with a list of any new applications for any United States or foreign patents, copyrights, registered trademarks, tradenames, servicemarks and licenses, which new applications, patents, trademarks, tradenames, copyrights, servicemarks and licenses shall be subject to the terms and conditions of the Financing Agreement and this Agreement.

**8. Defense of Claims.** The Company will defend at its own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all costs and expenses incurred by CITBC in defending any such action, claim or proceeding.

**9. Rights Cumulative.** This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify, restrict or limit any of the rights and remedies that CITBC has under the Financing Agreement. The Company agrees to execute and deliver to CITBC (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this Agreement, including, without limitation, financing statements under the Uniform Commercial Code.

**10. Construction and Invalidity.** Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.

**11. Binding Effect.** This Agreement shall be binding upon the Company, and its successors and assigns and shall inure to the benefit of CITBC and its successors and assigns.

**12. CHOICE OF LAW.** THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CITBC WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CITBC AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CITBC EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.

**13. Events of Default.** Any of the following constitutes an Event of Default under this Agreement:

(i) The Company fails to perform or observe any agreement, covenant or condition required under this Agreement shall not be deemed to be an Event of Default unless and until such Default shall remain unremedied for a period of 5 days after the earlier to occur of (i) notice thereof from CITBC to the company, or (ii) the Company's actual knowledge thereof;

(ii) Any warranty or representation made by Company, in this Agreement shall be or becomes false or misleading in any material respect shall not be deemed to be an Event of Default unless and until such Default shall remain unremedied for a period of 15 days after the earlier to occur of (i) notice thereof from CITBC to the Company, or (ii) the Company's actual knowledge thereof; or

(iii) The occurrence of any Event of Default under the Financing Agreement which is not waived in writing by CITBC.

**14. Notices.** The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CITBC written notice in the manner provided in the Financing Agreement of:

(i) any claim by a third party that the Company has infringed on the rights of a third party;

(ii) any suspected infringement by a third party on the rights of the Company; or

(iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.

**15. Further Assurances.** The Company will take any such action as CITBC may reasonably require to further confirm or protect CITBC's rights under this Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CITBC a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any lawful action in the Company's behalf required to effectuate the terms, provisions and conditions of this Agreement.

**16. Termination.** This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Company thereunder. Upon the Company's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement as of the 27 day of December, 2000.

**GREEN TREE CHEMICAL TECHNOLOGIES, INC.**

By: \_\_\_\_\_

Name: Bruce A. Edge  
Title: President

Agreed and Accepted this  
\_\_\_\_ day of December, 2000

**THE CIT GROUP/BUSINESS CREDIT, INC.**

By: \_\_\_\_\_

Name: Barbara Ferish  
Title: Vice President

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

**between**

**GREEN TREE CHEMICAL TECHNOLOGIES, INC.**

**and**

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. PATENTS**

Title

Patent No.

Issue Date

See Attached List



**SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

between

**GREEN TREE CHEMICAL TECHNOLOGIES, INC.**

and

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. TRADEMARKS**

Title or Mark

Registration No.

Registration Date

See Attached List

**SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS,  
TRADEMARKS AND LICENSES**

between

**GREEN TREE CHEMICAL TECHNOLOGIES, INC.**

**and**

**THE CIT GROUP/BUSINESS CREDIT, INC.**

**U.S. LICENSES**

Name

Registration No.

Registration Date

See Attached List

Monthly rental: \$0.00

**Tradenames**

Green Tree  
Rite-Off

**US Patents**

<b>Patent</b>	<b>Registration No.</b>	<b>Owner of Record</b>	<b>Security Interest</b>
EMULSION POLYMERIZATION PROCESS FOR MAKING WATERBORNE NITROCELLULOSE-ACRYLIC EMULSIONS USEFUL FOR WOOD FINISHING LACQUERS OF LOW VOLATILE ORGANIC CONTENT	5143970	Green Tree Chemical Technologies, Inc.	none
NITROCELLULOSE COMPOSITION OF REDUCED YELLOWING ON CONTAINING BORAX (OR BORIC ACID OR HYDROGEN PEROXIDE) AND/OR CHLORINATED HYDANTOIN DERIVATIVE	5254161	Green Tree Chemical Technologies, Inc.	none
MAKING SPHEROIDAL NITROCELLULOSE FROM WATER-WET FIBROUS NC BY STEPS OF PARTIAL DRYING, TREATING WITH SOLVENT/COSOLVENT AND SUBJECTING TO BILATERAL AGITATION	5144020	Green Tree Chemical Technologies, Inc.	none
SLOW BURNING, ALCOHOL-FREE NITROCELLULOSE COMPOSITION CONTAINING NONSOLVATING PLASTICIZER	5830266	Green Tree Chemical Technologies, Inc.	none
RADIATION CURABLE UNSATURATED POLYESTER COATING COMPOSITIONS INCLUDING ORGANOSOLUBLE CELLULOSE DERIVATIVE, PARTICULARLY NITROCELLULOSE	5254603	Green Tree Chemical Technologies, Inc.	none

PROCESS FOR ROADWAY MARKING BY SPRAYING WITH PAINT HAVING REACTION PRODUCT OF NITROCELLULOSE, HYDROXYACRYLIC RESIN AND ISOCYANATE RESIN AS BINDER	4752502	Green Tree Chemical Technologies, Inc.	none
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US Trademarks

<b>Mark</b>	<b>Registration No.</b>	<b>Owner of Record</b>	<b>Security Interest (date of execution)</b>
POP HAIR	2,254,441	Rite-Off, Inc. (DE corp.)	LaSalle Business Credit, Inc. (9/18/98)
STRING CONFETTI	2,217,941	Rite-Off, Inc. (DE corp.)	LaSalle Business Credit, Inc. (9/18/98)
BUOY-O-BUOY	2,047,917	Sirrom Investment, Inc. <sup>1</sup>	LaSalle Business Credit, Inc. (9/18/98)
MAINTAINIT	2,089,819	Sirrom Investment, Inc.	LaSalle Business Credit, Inc. (9/18/98)
NEON STREAMER	2,049,952	Sirrom Investment, Inc.	LaSalle Business Credit, Inc. (9/18/98)
CHALK ART	2,012,425	Sirrom Investment, Inc.	LaSalle Business Credit, Inc. (9/18/98)
GENERATION 2000	1,742,595	Sirrom Investment, Inc.	LaSalle Business Credit, Inc. (9/18/98)

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<sup>1</sup> In September, 1998, Green Tree Acquisition Corp., then a wholly owned subsidiary of Green Tree Technologies and the purchaser of all of the outstanding stock of Rite-Off, Inc., and Rite-Off, Inc. granted Sirrom Investments a security interest in the trademarks owned by Rite-Off, Inc. Immediately after the purchase of the Rite-Off stock, Green Tree Acquisition Corp. merged into Rite-Off. Sirrom Investments recorded the security interest filing. Attached to this list is a copy of what was filed. Unfortunately, the US Patent and Trademark Office made a mistake when it recorded the security interest by recording "an assignment of entire interest and goodwill."

<b>Mark</b>	<b>Registration No.</b>	<b>Owner of Record</b>	<b>Security Interest (date of execution)</b>
RITE-OFF	861,799	Sirrom Investment, Inc. (Note: Registrant is not Rite-Off, Inc. (DE corp.) but Riteoff, Inc. (NY corp.)	LaSalle Business Credit, Inc. (9/18/98) and Perpetual Savings Bank, F.S.B. 4/27/89
PARCELL (Stylized)	1,924,951	Green Tree Chemical Technologies, Inc. <sup>2</sup>	LaSalle Business Credit, Inc. (6/16/00)

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<sup>2</sup> Our search indicates that there are 2 other assignments recorded against this registration. One assignment (a partial assignment) is from Cri-Tech, Inc. to Immix Elastomers, LLC, dated 7/24/98, and the other assignment (a full assignment) is from Immix Elastomers, LLC to USTRUST (Bank) dated 7/29/98. We believe that these assignments were erroneously recorded against this registration and are seeking to correct it.