

MRD
2-12-02

02-14-2002



FORM PTO-1594
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/04)
Docket: 08 4810 0101

RE

101973030
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):

Lilly Technologies, Inc.
900 Market Street, Suite 200
Wilmington, Delaware 19801

- Individuals
- General Partnership
- Corporation-State of Delaware
- Other: _____
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other: _____
- Merger
- Change of Name

Execution Date: March 24, 2001

2. Name and address of receiving party(ies):

Valspar Sourcing, Inc.
1101 South Third Street
Minneapolis, Minnesota 55415

- Individual(s) citizenship
- General Partnership
- Corporation-State of Minnesota
- Other: _____
- Association
- Limited Partnership

If assignee is not domiciled in the United States, a domestic representative designation is attached:

Yes No

(Designations must be separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)/ Mark(s)

TM

B. Trademark Reg. No.(s)/Mark(s)

720,827
TERECO

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name:
Address: Cindy Smith
Valspar Sourcing, Inc.
Valspar Law Department
1101 South Third Street
Minneapolis, MN 55415

6. Total number of applications and trademarks involved: 1

7. Total fee (37 CFR 3.41): \$40
 Enclosed
 Authorized to be charged to deposit account 502070

8. Please charge any additional fees or credit any overpayments to our Deposit account number: 502070

DO NOT USE THIS SPACE

chg 40

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.

Cindy Smith

Name of Person Signing

Cindy Smith
Signature

December 21, 2001
Date

Total number of pages including cover sheet, attachments, and document: 9

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Commissioner for Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PKZ-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

TRADEMARK

CHAIN OF TITLE

Valspar Sourcing, Inc. claims ownership of, has adopted, used and is using the above-referenced TERECO Registration No. 720,827 issued on September 5, 1961. Title to this Registration changed as follows and noted by the attached documentation.

The United States Trademark Office shows this Registration currently owned by Lilly Technologies, Inc. This Registration is now owned by Valspar Sourcing, Inc. based on the following documentation:

- Certificate of Change of Name from Lilly Technologies, Inc. to Valspar Solutions, Inc. dated February 9, 2001 attached as Exhibit A
- Conveyance Agreement from Valspar Solutions, Inc. to Valspar Sourcing, Inc. dated March 24, 2001 attached as Exhibit B.

Accordingly, the record should show that this Registration is in the name of Valspar Sourcing, Inc. and any documentation issued in connection with this Registration should reflect current ownership by Valspar Sourcing, Inc.

C:\S\TERECOCHAINOFITILE

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "LILLY TECHNOLOGIES, INC.", CHANGING ITS NAME FROM "LILLY TECHNOLOGIES, INC." TO "VALSPAR SOLUTIONS, INC.", FILED IN THIS OFFICE ON THE SECOND DAY OF MARCH, A.D. 2001, AT 9 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

2908646 8100

AUTHENTICATION: 1002716

010106390

DATE: 03-03-01

**CERTIFICATE OF AMENDMENT OF
CERTIFICATE OF INCORPORATION OF
LILLY TECHNOLOGIES, INC.**

The undersigned officer of Lilly Technologies, Inc. (hereinafter referred to as the "Corporation"), a corporation organized and existing pursuant to the provisions of the Delaware General Corporation Law, as amended (hereinafter referred to as the "Act"), desiring to give notice of corporate action effectuating amendment of its Certificate of Incorporation, hereby certifies the following facts:

FIRST: That the amendment to the Corporation's Certificate of Incorporation set forth below (the "Amendment") was duly adopted by the Board of Directors of the Corporation in accordance with the provisions of Section 242 of the Act and has been consented to in writing by the sole stockholder of the Corporation in accordance with Section 228 of the Act.

SECOND: That Article First of the Certificate of Incorporation of the Corporation is amended to read in its entirety as follows:

"FIRST: The name of the Corporation is Valspar Solutions, Inc."

THIRD: That the capital of the Corporation shall not be reduced under or by reason of the Amendment.

FOURTH: That the Amendment shall become effective when filed with the Delaware Secretary of State.

IN WITNESS WHEREOF, the undersigned officer of the Corporation executes this Certificate of Amendment, this 7th day of February, 2001.

By: *John M. Ballbach*
JOHN M. BALLBACH
(print name)
Title: President

CONVEYANCE AGREEMENT

THIS CONVEYANCE AGREEMENT ("Agreement"), dated this 24th day of March, 2001 is made and entered into by and between Valspar Solutions, Inc. ("VTI"), a Delaware corporation, and Valspar Sourcing, Inc. ("VSI"), a Minnesota corporation.

Pursuant to a corporate plan to integrate the operations of The Valspar Corporation and its subsidiaries and the operations of the recently acquired Lilly Industries, Inc. and its subsidiaries, VTI and VSI hereby enter into this Agreement.

ARTICLE I

Definitions

The following definitions shall for all purposes, unless otherwise clearly indicated to the contrary, apply to the terms used in this Agreement:

- 1.1 "Assets" means all VTI's right, title and interest, legal or equitable, in and to the assets, properties, contract rights, licenses, permits, interests, claims, demands, causes of action, utility (and similar) deposits, and business, owned, used or acquired by VTI in connection with its intellectual property; the procurement and intellectual property management functions recently acquired from The Valspar Corporation, all as identified by the departments set forth in the Departments List; including, but not limited to, the furniture, fixtures, equipment and other things of personal property set forth in the Personal Property List; intellectual property set forth on the Intellectual Property List; and contracts set forth in the Contract List.
- 1.2 "Department List" means the document entitled "Departments of VTI Transferred to VSI" prepared by VTI reflecting those business functions, identified by cost centers, which will be conveyed to VSI as of the Effective Time, which is attached hereto and incorporated herein.
- 1.3 "Effective Time" means 12:04 a.m. on March 24, 2001.
- 1.4 "Liabilities" means, with respect to the Assets being transferred pursuant to this Agreement, all liabilities associated with the Assets and all future liabilities, duties and obligations of every kind, character and description, whether known or unknown and whether accrued or contingent, specifically related thereto, along with liabilities set forth in the Liabilities List. To the extent that any Assets are transferred which have liabilities allocable to a cost center not conveyed to VSI, the term Liabilities means a fair allocation of any such future liabilities, duties and obligations.

- 1.5 "Liabilities List" means the document entitled "Liabilities of VTI Transferred to VSI" prepared by VTI reflecting those liabilities which will be conveyed to VSI as of the Effective Time, which is attached hereto and incorporated herein.
- 1.6 "Leases List" means the document entitled "Leases Assigned by VTI to VSI" prepared by VTI reflecting the real estate leases of VTI to be assigned to VSI as of the Effective Time, which list is attached hereto and incorporated herein.
- 1.7 "Personal Property List" means the document entitled "Personal Property of VTI Transferred to VSI" prepared by VTI to reflect the items of personal property owned by VTI that will be transferred to VSI as of the Effective Time, which list is attached hereto and incorporated herein.
- 1.8 "Contract List" means the document entitled "Contracts Assigned by VTI to VSI" prepared by VTI reflecting the contracts of VTI to be assigned to VSI as of the Effective Time, which list is attached hereto and incorporated herein.
- 1.9 "Intellectual Property List" means the document entitled "Intellectual Property of VTI Transferred to VSI" prepared by VTI reflecting the intellectual property owned by VTI that will be transferred to VSI effective as of the Effective Time, which list is attached hereto and incorporated herein.

ARTICLE II

Conveyances

VTI hereby grants, bargains, sells, conveys, assigns, transfers and delivers all of the Assets, at and as of the Effective Time, to have and to hold the said Assets hereby granted, bargained, sold, conveyed, assigned, transferred and delivered or intended so to be unto VSI, its successors and assigns, to and for its and their own use forever, together with all and singular the properties, assets, members and appurtenances thereunder belonging or in anywise incident or appertaining thereto.

If the conveyance, assignment, grant or license attempted to be made hereunder of any agreement, lease, permit, license, right, claim or other Asset would be ineffective as between VTI and VSI and without the consent of any third person, or would serve as a cause for terminating or invalidating any such agreement, lease, permit, license, right, claim or other Asset or would cause or serve as a cause for the loss of ownership thereof, then such Asset is temporarily excluded from the aforesaid conveyance and assignment. However, VTI shall, to the greatest extent permitted, hold such Asset for the exclusive use and benefit of VSI until such consent has been obtained. Upon the obtaining of such consent no future conveyance or assignment shall be required, but full and complete title to such Asset shall automatically become vested in VSI by virtue of this Agreement.

ARTICLE III

Acknowledgment of Contributions

VSI hereby acknowledges that the Assets transferred hereunder shall be conveyed to VSI pursuant to Section 351 of the Internal Revenue Code of 1986, as amended (the Code) without the issuance of additional shares of stock.

ARTICLE IV

Assumption of Liabilities

As consideration for the grant, bargain, sale, conveyance, assignment, transfer and delivery made under Article II and for any conveyances, assignments, transfers and deliveries to be made by VTI to VSI pursuant to Article IX, VSI hereby assumes and agrees to perform and fully discharge all of the Liabilities. VSI hereby agrees to indemnify, defend and hold harmless VTI, its successors and assigns, from and against any and all costs, liabilities and expense, including court costs and attorney's fees and expenses, arising from or connected with the Liabilities hereby assumed.

ARTICLE V

Covenant of VSI

VSI hereby covenants to convey, assign, transfer or grant to VTI any asset that should not be considered an Asset and which is inadvertently conveyed to VSI pursuant to this Agreement which VTI duly notifies VSI of such inadvertent conveyance.

ARTICLE VI

Warranties

ALL SALES, CONVEYANCES, ASSIGNMENTS, TRANSFERS AND DELIVERIES TO BE MADE HEREUNDER WILL BE MADE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND (INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY OF TITLE). ALL ASSETS, RIGHTS AND BUSINESSES ARE SOLD, CONVEYED, ASSIGNED, TRANSFERRED AND DELIVERED HEREBY "AS IS", AND VSI EXPRESSLY DISCLAIMS ANY WARRANTIES OF CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. This Agreement is made, however, with full rights of substitution and subrogation of VTI in and to all covenants, warranties and other rights of indemnification by others heretofore given or made with respect to any of the assets.

ARTICLE VII

Sales Taxes and Recording Fees

VSI agrees to pay any sales, use and similar taxes, if any, arising out of the sales, conveyances, assignments, transfers and deliveries to be made hereunder, and shall pay any documentary, filing and recording fees required in connection therewith.

ARTICLE VIII

Further Assurances

From time to time after the date hereof, and without any further consideration, VTI agrees to execute and deliver such instruments of conveyance, assignment, transfer and delivery, and take such other action, as VSI may reasonably require in order more effectively to vest in VSI beneficial and record title to the Assets to be conveyed and assigned hereunder or intended so to be and to put VSI in actual possession and operating control of such Assets. After the date hereof, VTI agrees to use its best efforts to obtain, without additional cost to VSI any and all consents and approvals that may be necessary to vest or confirm title to all the Assets in VSI.

ARTICLE IX

Power of Attorney

VTI does hereby constitute and appoint VSI, acting through its duly authorized officers, its successors and assigns, the true and lawful attorney of VTI with full power of substitution for it and in its name, place and stead or otherwise but on behalf of VTI, its successors and assigns, and for the benefit of VSI, its successors and assigns, to demand and receive from time to time any and all property and assets, real, personal, and mixed, tangible and intangible, hereby conveyed and assigned or intended so to be and to execute in the name of VTI, its successors and assigns, deeds, assignments and other instruments of further assurance and to give receipts and releases in respect of the same, and from time to time to institute and prosecute in the name of VSI or VTI for the benefit of VSI as may be appropriate, any and all proceedings at law, in equity or otherwise which VSI, its successors and assigns, may deem proper in order to collect, assert or enforce any claims, rights or title of any kind in and to the Assets hereby conveyed and assigned or intended so to be, and to defend and compromise any and all actions, suits or proceedings in respect of any of said Assets and to do any and all such acts and things in furtherance of this conveyance Agreement as VSI, its successors or assigns, shall deem advisable. VTI hereby declares that the appointment hereby made and the powers hereby granted are and shall be revocable by VTI or its successors or assigns.

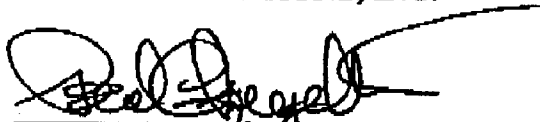
ARTICLE X

General


- 10.1 Headings-All article section headings in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any of the provisions hereof.
- 10.2 Binding Effect-This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- 10.3 Integration-This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.
- 10.4 Counterparts-This Agreement may be executed in any number of counterparts, all of which together shall constitute one agreement binding on the parties hereto.
- 10.5 Applicable Law-This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF this Agreement has been executed on behalf of the parties hereto as of the date first above written.

VALSPAR SOLUTIONS, INC.


 Name: Paul C. Negel
 Title:

VALSPAR SOURCING, INC.


 Name: Tom Wood
 Title: President