

06-12-2002

918,120-287

Form PTO-1594
(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

OFFICE OF RECORDS

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DEPARTMENT OF COMMERCE
S. Patent and Trademark Office

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

1. Name of conveying party(ies):

Arrow Group Industries, Inc.

Individual(s)

General Partnership

Corporation

Other

Association

Limited Partnership

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

1. Nature of conveyance:

Assignment

Security Agreement

Corporation-State

Other: Grant of Trademark Security Interest

Execution Date: May 29, 2002

Merger

Change of Name

2. Name and address of receiving party(ies)

Name: Wells Fargo Bank, National Association, as Administrative Agent

Internal

Address:

Street Address: 333 South Grand Avenue, 9th Floor

City: Los Angeles State: CA Zip: 90071

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 2,216,709; 1,291,825; 1,047,993; 1,206,943; 1,206,944; and 1,206,945

Additional number(s) attached Yes No

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

Name: Lisa H. Juelle

Internal Address:

Street Address: O'MELVENY & MYERS LLP

400 South Hope Street

City: Los Angeles State: CA Zip: 90071-2899

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41) \$165.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(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.

Lisa H. Juelle

Name of Person Signing

Lisa H. Juelle
Signature

June 5, 2002

Date

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

[]

06/12/2002 6TON11 00000005 2216709

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

01 FC:481
02 FC:482

40.00 OP
125.00 OP

LA1:972999.1

TRADEMARK
REEL: 002523 FRAME: 0906

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, ARROW GROUP INDUSTRIES, INC., a Delaware corporation ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Arrow Group Industries, Inc., a Delaware corporation ("**Company**"), has entered into a Credit Agreement dated as of May 29, 2002 (said Credit Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Credit Agreement**") with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the "**Lenders**"), and Wells Fargo Bank, National Association, as Administrative Agent for the Lenders (in such capacity, "**Secured Party**") pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Company; and

WHEREAS, Company may from time to time enter, or may from time to time have entered, into one or more Interest Rate Agreements (collectively, the "**Lender Interest Rate Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Interest Rate Agreements are entered into (in such capacity, collectively, "**Interest Rate Exchangers**"); and

WHEREAS, pursuant to the terms of a Security Agreement dated as of May 29, 2002 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral; and

WHEREAS, the CIT Group/Business Credit, Inc. ("CIT") and Company have entered into that certain Financing Agreement dated as of May 29, 2002, pursuant to which CIT and the other Lenders thereunder (as defined therein) have agreed to extend certain financial accommodations (the "**CIT Indebtedness**") to Company; and

WHEREAS, as security for the prompt payment and performance of the CIT Indebtedness, Grantor has granted CIT a first-priority security interest in the Trademark Collateral; and

WHEREAS, CIT and Secured Party have entered into that certain Intercreditor Agreement dated May 29, 2002 (the "**Intercreditor Agreement**"), establishing the various rights, priorities and interests as between CIT and Secured Party;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located

(the **“Trademark Collateral”**):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the **“Trademarks”**), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the **“Trademark Registrations”**), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the **“Trademark Rights”**), and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith (the **“Associated Goodwill”**); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term **“proceeds”** includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

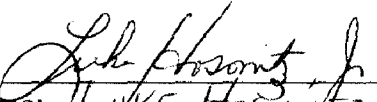
Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

Notwithstanding anything in the Security Agreement to the contrary, in the event of any conflict between any provision of the Security Agreement and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall control and the conflicting provision of the Security Agreement shall be deemed to be inapplicable.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 29th day of May, 2002.

ARROW GROUP INDUSTRIES, INC.

By: 
Name: LUKE HOSHNIETZ, JR
Title: V.P. FINANCE, CFO

SCHEDULE A

TO

GRANT OF TRADEMARK SECURITY INTEREST

<u>Registered Owner</u>	<u>United States Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Arrow Group Industries, Inc.	EZEE SHED	2,216,709	January 5, 1999
Arrow Acquisition, Inc.	YARDSAVER	1,291,825	August 8, 1984
Arrow Acquisition, Inc.	STORETTE	1,047,993	September 14, 1976
Arrow Acquisition, Inc.	ARROW WORLD'S LEADING MAKER OF STORAGE BUILDINGS & Design	1,206,943	September 7, 1982
Arrow Acquisition, Inc.	ARROW & Design	1,206,944	September 7, 1982
Arrow Acquisition, Inc.	ARROW	1,206,945	September 7, 1982

*Note: Arrow Acquisition, Inc. was the former name of Arrow Group Industries, Inc.

SCHEDULE A

TO

GRANT OF TRADEMARK SECURITY INTEREST

Canadian Trademarks in the name of "Arrow Group Industries, Inc."

<u>Registered Owner</u>	<u>Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Arrow Group Industries, Inc.	EZEE SHED	TMA 553,849	September 29, 2000
Arrow Group Industries, Inc.	PERMAPLATE & DESIGN	1,117,767	October 5, 2001