

09-03-2002



Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
Tab settings ⇨ ⇨ ⇨

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

102208400

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

1. Name of conveying party(ies):

8-29-02

Henry Technologies, Inc.

- Individual(s)
- General Partnership
- Corporation-State of Illinois
- 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: 07/12/2002

2. Name and address of receiving party(ies)

Name: LaSalle Bank National Association

Internal

Address: Suite 425

Street Address: 135 South LaSalle Street

City: Chicago State: IL Zip: 60603

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other National Banking Association

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)

See Schedule A attached.

Additional number(s) attached Yes No

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

Name: Mariann R. Murphy

Internal Address: Jenner & Block, LLC

Street Address: One IBM Plaza

City: Chicago State: IL Zip: 60611

6. Total number of applications and registrations involved: 19

7. Total fee (37 CFR 3.41): \$ 490.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

10-0460

DO NOT USE THIS SPACE

9. Signature.

Mariann R. Murphy
Name of Person Signing

Signature

August 23, 2002

Date

12

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

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

08/30/2002 LMUELLER 00000203 100460 2062669

01 FC:481 40.00 CH
02 FC:482 450.00 CH

OFFICE OF PATENT RECORDS
2002 AUG 29 AM 9:14
FINANCE SECTION

TRADEMARK
REEL: 002573 FRAME: 0254

CONTINUATION OF ITEM 4B- SCHEDULE A

TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
AC&R (Stylized letters)	2,062,669	May 20, 1997
GARDIAN	2,056,678	April 29, 1997
KWIK KIT	1,368,826	November 5, 1985
HENRY VALVE CO. CONTROLLING FLOW SINCE 1914 & DESIGN	1,024,950	November 11, 1975
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HENRY VALVE CO. CONTROLLING FLOW SINCE 1914 & DESIGN	1,008,161	April 1, 1975
HENRY VALVE CO. CONTROLLING FLOW SINCE 1914 & DESIGN	1,008,154	April 1, 1975
HENRY VALVE CO. CONTROLLING FLOW SINCE 1914	1,008,113	April 1, 1975
HENRY SENTRY	953,626	February 20, 1973
UNI-KIT	928,083	February 1, 1972
SENTRY	832,074	July 18, 1967

Trademark Security Agreement
60086872

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
UNI-COR	823,223	January 31, 1967
UNI-COR	799,028	November 23, 1965
FIL-COR	783,633	January 19, 1965
GOLDEN BANTAM	726,640	January 23, 1962
DESIGN ONLY	670,915	December 9, 1958
DRI-COR	669,284	November 4, 1958
DESIGN ONLY	581,790	November 3, 1953
DESIGN ONLY	548,080	September 18, 1951

TRADEMARK APPLICATIONS

<u>Trademark Application Description</u>	<u>U.S. Application No.</u>	<u>Date Applied</u>
None		

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Security Agreement**") made as of July 12, 2002, by **HENRY TECHNOLOGIES, INC.**, an Illinois corporation, f/k/a Henry Valve Co. and successor by merger to AC&R Components, Inc., having its principal place of business at 3215 North Avenue, Melrose Park, Illinois 60160 ("**Grantor**") in favor of **LASALLE BANK NATIONAL ASSOCIATION**, a national banking association, an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603 ("**Lender**");

W I T N E S S E T H

WHEREAS, Grantor, Henry Technologies, FSC, Inc., a United States Virgin Islands corporation, f/k/a Henry/AC&R International Sales Co., Inc. (each a "**Borrower**" and collectively the "**Borrowers**") and Lender are parties to a certain Loan and Security Agreement dated as of June 14, 1995, as amended (such Loan and Security Agreement, as amended prior to the date hereof, being hereinafter referred to as the "**Original Loan Agreement**");

WHEREAS, Borrowers and Lender are parties to a certain Security Agreement dated as of June 14, 1995, as amended (such Security Agreement, as amended prior to the date hereof, being hereinafter referred to as the "**Original Security Agreement**");

WHEREAS, Borrowers and Lender have agreed to enter into a certain Amended and Restated Loan and Security Agreement dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Amended and Restated Loan Agreement**"), in order to, among other things, (a) amend and restate the Original Loan Agreement and the Original Security Agreement in their entirety; (b) provide for the advance of additional loans to Borrowers; (c) re-evidence, ratify and reaffirm the Original Obligations (as such term is defined in the Amended and Restated Loan Agreement); and (d) set forth the terms and conditions under which Lender will from time to time hereafter make further loans and extensions of credit, as the case may be, to or for the account of Borrowers;

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

1. Incorporation of Financing Agreements. The Loan Agreement and all other related agreements, documents and instruments (collectively, with the Loan Agreement, and as each may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "**Financing Agreements**") and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Amended and Restated Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment, performance and observance of the Liabilities, Grantor hereby grants to Lender, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Grantor's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos,

other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on **Schedule A** attached hereto and by this reference made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Grantor's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Grantor warrants and represents to Lender that:

(i) no material Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such material Trademark been cancelled, in whole or in part and each such material Trademark is presently subsisting;

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

(iii) Grantor has no notice of any suits or actions commenced or threatened with reference to any material Trademark; and

(iv) Grantor has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until such time as all Liabilities have been satisfied in full, Lender has no further commitment to advance funds or make other extensions of credit under the Amended and Restated Loan Agreement or any of the other Financing Agreements, and this Security Agreement has terminated pursuant to the respective terms and provisions hereof, Grantor shall not, without the prior written consent of Lender, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Lender under this Security Agreement.

5. New Trademarks. Grantor represents and warrants that, based on a diligent investigation of the public record by Grantor, the Trademarks listed on **Schedule A** constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Grantor. If, before all Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Lender, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions

of this Security Agreement above shall automatically apply thereto and Grantor shall give to Lender written notice within thirty (30) days thereafter. Grantor hereby authorizes Lender to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. This Security Agreement is made for collateral purposes only. Upon satisfaction in full of all Liabilities, the termination of all commitments of Lender to advance funds or make other extensions of credit under the Amended and Restated Loan Agreement or any of the other Financing Agreements, and termination of this Security Agreement pursuant to the respective terms and provisions hereof. Grantor agrees that upon the occurrence and during the continuance of an Event of Default, the use by Lender of all Trademarks shall be without any liability for royalties or other related charges from Lender to Grantor.

7. Product Quality. Grantor agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence and during the continuance of an Event of Default, Grantor agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such additional product quality controls as Lender, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

8. Release of Security Interest. This Security Agreement is made for collateral purposes only. Upon satisfaction in full of all Liabilities, termination of all commitments of Lender to advance funds or make other extensions of credit under the Amended and Restated Loan Agreement or any of the other Financing Agreements, and termination of this Security Agreement pursuant to the respective terms and provisions hereof, at the expense of Grantor, Lender shall take such actions as may, in each case, be reasonably requested by Grantor in order to effect the termination of the security interests created hereby.

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Grantor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Grantor and until paid shall constitute Liabilities.

10. Duties of Grantor. Grantor shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until such time as all Liabilities have been satisfied in full, Lender has no further commitment to advance funds or make other extensions of credit under the Amended and Restated Loan Agreement or any of the other Financing Agreements, and this Security Agreement has terminated pursuant to the respective terms and provisions hereof, (ii) to preserve and maintain all rights in the material Trademarks, as commercially reasonable and (iii) to ensure that the material Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Grantor's obligations under this Section 10 shall be borne by Grantor.

11. Lender's Right to Sue. After the occurrence and during the continuance of an Event of Default, Lender shall have the right, but shall in no way be obligated, to bring suit in its

own name to enforce the Trademarks and, if Lender shall commence any such suit, Grantor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this **Section 11**.

12. **Waivers.** No course of dealing between Grantor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Financing Agreements 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.

13. **Severability.** The provisions of this Security 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 Security Agreement in any jurisdiction.

14. **Modification.** This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in **Section 5** hereof or by a writing signed by the parties hereto.

15. **Cumulative Remedies; Power of Attorney; Effect on Financing Agreements.** All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to, upon the occurrence and during the continuance of an Event of Default, (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Lender deems to be in the best interest of Lender, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted pursuant to this **Section 15**, and any other power of attorney granted by Grantor to Lender hereunder, are in each case powers coupled with an interest and shall be irrevocable until such time as all Liabilities have been satisfied in full, Lender has no further commitment to advance funds or make other extensions of credit under the Amended and Restated Loan Agreement or any of the other Financing Agreements, and this Security Agreement has terminated pursuant to the respective terms and provisions hereof. Grantor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of Lender, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois and applicable federal law.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

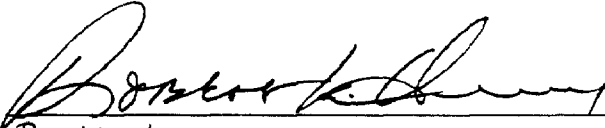
19. Further Assurances. Grantor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Lender shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and the agreements set forth herein.

20. Survival of Representations. All representations and warranties of Grantor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

*-Remainder of Page Intentionally Left Blank-
[Signature Page Follows]*

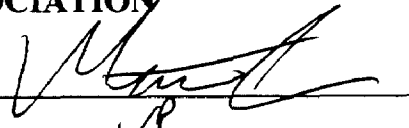
IN WITNESS WHEREOF, Grantor has duly executed this Security Agreement as of the date first written above.

HENRY TECHNOLOGIES, INC., an Illinois corporation

By 
Its President

Agreed and Accepted
As of the Date First Written Above

LASALLE BANK NATIONAL ASSOCIATION

By 
Its VP

SCHEDULE A

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<u>Trademark Application Description</u>	<u>U.S. Application No.</u>	<u>Date Applied</u>
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