

12-04-2002

12-4-02

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



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ET U.S. DEPARTMENT OF COMMERCE U.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): TEKONSHA TOWING SYSTEMS, INC. f/k/a TEKONSHA ACQUISITION CORP. 12-4-02

2. Name and address of receiving party(ies) Name: HELLER FINANCIAL, INC., AS AGENT Internal Address: Street Address: 500 WEST MONROE STREET City: CHICAGO State: IL Zip: 60661

3. Nature of conveyance: Security Agreement, Execution Date: 11/15/2002

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed: Name: F. Penelope Johnson in Internal Address: RETURN TO: FEDERAL RESEARCH CORP 1800 15th STREET NW SUITE 920 WASHINGTON DC 20005

6. Total number of applications and registrations involved: 21 7. Total fee (37 CFR 3.41): \$ 540.00 8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature: Penelope Johnson 12/02/2002 Date

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

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

12/05/2002 GTDN11 00000040 75802886

01 FC:8521 02 FC:8522

40.00 DP 500.00 DP

TRADEMARK REEL: 002627 FRAME: 0060

RECORDATION FORM COVER SHEET – TRADEMARKS

Continuation to #4A – Application Nos.

75/802,886
75/809,552
75,802,885
76/439,789
76/007,686

Continuation to #4B – Registration Nos.

2,577,271
2,519,473
2,593,596
2,435,289
2,473,317
2,519,474
2,433,941
2,437,085
2,549,043
2,435,295
2,604,327
2,501,557
2,570,768
2,535,727
1,494,963
2,427,095

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") is dated as of this November 15, 2002 by TEKONSHA TOWING SYSTEMS, INC., f/k/a TEKONSHA ACQUISITION CORP., a Michigan corporation ("Grantor") in favor of Heller Financial, Inc., a Delaware corporation, in its capacity as Agent for the Lenders party to the Credit Agreement (defined below) ("Grantee").

RECITALS:

A. Grantor and Grantee, among others, are parties to a certain Amended and Restated Credit Agreement dated as of June 29, 2001 (as the same has been and hereafter may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") providing for the extensions of credit to be made to Grantor by Lenders.

B. Pursuant to the terms of a certain Security Agreement dated as of the date hereof between Grantor and Grantee (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), Grantor has granted to Grantee, for the benefit of Lenders, a security interest in substantially all of the assets of Grantor, including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined below) and all products and proceeds thereof, to secure, among other things, the payment of all amounts owing by Grantor under the Credit Agreement.

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 Credit Agreement and Security Agreement; Defined Terms. The Credit Agreement and the Security Agreement and the respective terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms defined in the Security Agreement and not otherwise defined herein shall have the respective meanings provided for in the Security Agreement. As used herein, "Trademarks" means collectively all of the following: (a) all 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 in connection therewith; (b) all renewals, reissues, continuations or extensions thereof; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing including damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; (e) all rights corresponding to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Secured Obligations, Grantor hereby grants to Grantee, and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following, whether now owned or existing or hereafter created or acquired:

(i) all Trademarks, including without limitation the Trademarks listed on Schedule 1 annexed hereto; and

(ii) all products and proceeds of the forgoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

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

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

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

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

4. Restrictions on Future Agreements. Grantor agrees that until the Secured Obligations shall have been satisfied in full and the Credit Agreement shall have been terminated, Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under, any Trademark or enter into any other agreement with respect to any Trademark, and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Product Quality. Grantor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's request from time to time, with a certificate of an officer of Grantor certifying Grantor's compliance with the foregoing. Upon the occurrence of an Event of Default, Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

6. Grantee's Right to Sue. After an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Grantee shall commence any such suit, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses incurred by Grantee in the exercise of its rights under this Section 6.

7. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby, by the Security Agreement, by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Grantee upon the occurrence of

an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Grantee deems to be in the best interest of Grantee, 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. This power of attorney shall be irrevocable until the Secured Obligations shall have been paid in full and the Credit Agreement has been terminated. Grantor hereby further acknowledges and agrees that the use by Grantee of the Trademarks shall be worldwide, except as limited by their terms, and without any liability for royalties or related charges from Grantee to Grantor.

*-Remainder of Page Intentionally Left Blank-
[signature page follows]*

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

TEKONSHA TOWING SYSTEMS, INC., f/k/a
TEKONSHA ACQUISITION CORP., a Michigan
corporation

By: Timothy A. Gosline
Name: Timothy A. Gosline
Title: Vice President & Secretary

Agreed and Accepted
As of the Date First Written Above

HELLER FINANCIAL, INC., as Agent

By: _____
Name: _____
Title: _____

Trademark Security Agreement

TRADEMARK
REEL: 002627 FRAME: 0065

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

TEKONSHA TOWING SYSTEMS, INC., f/k/a
TEKONSHA ACQUISITION CORP., a Michigan
corporation

By: _____
Name: _____
Title: _____

Agreed and Accepted
As of the Date First Written Above

HELLER FINANCIAL, INC., as Agent

By: *Joe Bomic*
Name: *Joe Bomic*
Title: *Senior Vice President*

SCHEDULE 1

Tekonsha Towing Systems, Inc. Trademarks

Trademark	Country	Appl No	Filing Date	Reg No	Reg Date
ACCUPOWER	United States of America	76014688	03/31/2000	2577271	06/11/2002
ACCUTRAC	United States of America	76014686	03/31/2000	2519473	12/18/2001
BARGMAN ¹	Canada	1072367	08/23/2000		
BARGMAN	United States of America	76013907	03/27/2000	2593596	07/16/2002
COMMANDER	United States of America	76013908	03/27/2000	2435289	03/13/2001
DEFENDER	United States of America	76014683	03/31/2000	2473317	07/31/2001
DIGITRAC	United States of America	75802886	09/20/1999		
ELECTROTEK	United States of America	76014689	03/31/2000	2519474	12/18/2001
ENVOY	Australia	782594	01/08/1999	782594	01/08/1999
ENVOY	Canada	1001408	01/06/1999	535285	10/20/2000
ENVOY	Mexico	359461	01/07/1999	658878	01/07/1999
ENVOY	United States of America	75545049	08/31/1998	2433941	03/06/2001
ENVOY XP	Australia	782593	01/08/1999	782593	01/08/1999
ENVOY XP	Canada	1001407	01/06/1999	534505	10/13/2000
ENVOY XP	Mexico	359460	01/07/1999	658877	01/07/1999
OMNITRAC	United States of America	75809552	09/28/1999		

¹ The mark "BARGMAN" is owned by Tekonsha Towing Systems, Inc., but is used by Bargman.

Trademark	Country	Appl No	Filing Date	Reg No	Reg Date
PILOT	United States of America	76013910	03/27/2000	2437085	03/20/2001
POD & DESIGN	United States of America	76014687	03/31/2000	2549043	03/19/2002
POWERFRAME	United States of America	76014685	03/31/2000	2435295	03/13/2001
POWERTRAC	United States of America	75802885	09/20/1999		
PRODIGY	United States of America	76259582	05/21/2001	2604327	08/06/2002
PROTRUK	United States of America	76439789	08/12/2002		
REFLEX	United States of America	75928128	02/24/2000	2501557	10/30/2001
SENTINEL	United States of America	76013909	03/27/2000	2570768	05/21/2002
SHUR-SET III & DESIGN	United States of America	76014670	03/31/2000	2535727	02/05/2002
SUREPULL	Canada	1072365	08/23/2000		
SUREPULL & DESIGN	United States of America	76007686	03/23/2000		
TEKONSHA	Australia		11/03/1994	644632	11/03/1994
TEKONSHA	United States of America	73693854	10/26/1987	1494963	07/05/1988
VOYAGER	Australia		11/02/1994	644540	11/02/1994
VOYAGER	Canada	1072366	08/23/2000		
VOYAGER	United States of America	76010090	03/27/2000	2427095	02/06/2001

CUJ-1033683v1