

04-16-2003

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

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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): CROSS & PETERS CO.

4-15-03

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: March 27, 2003

2. Name and address of receiving party(ies)

Name: NATIONAL CITY BANK OF MICHIGAN/ILLINOIS

Street Address: 1001 South Worth City: Birmingham State: MI Zip: 48009

- Individual(s) citizenship Association banking 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)

1665938 1258708 0694314 1308183 1308182

Additional number(s) attached Yes No

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

Name: Marjory G. Basile, Esq.

Internal Address:

Miller, Canfield, Paddock and Stone, PLC

Street Address: 150 W. Jefferson, Suite 2500

City: Detroit State: MI Zip: 48226

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41): \$ 170.00

- 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.

MARJOEY Basile Name of Person Signing

Marjory Basile Signature

4/9/03 Date

Total number of pages including cover sheet, attachments, and document: 21

04/15/2003 LMUELLER 00000204 1665938

01 FC:8521 40.00 DP 02 FC:8522 100.00 DP

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

TRADEMARK REEL: 002712 FRAME: 0299

INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

This INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT ("Agreement"), dated as of March 27, 2003, made by CROSS & PETERS CO., a Michigan corporation, having an office at 10148I Gratiot Avenue, Detroit Michigan 48213-2290 ("Assignor"), in favor of NATIONAL CITY BANK OF MICHIGAN/ILLINOIS, a national banking association having an office at 1001 South Worth, Birmingham, Michigan 48009, as assignee and secured party (the "Bank").

R E C I T A L S:

A. Pursuant to a certain Loan and Financing Agreement dated as of the date hereof (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used and not defined herein have the meanings assigned to them in the Loan Agreement) by and among Assignor and the Bank, the Bank has agreed to make to or for the account of Assignor certain loans up to Twelve Million Two Hundred Thousand 00/100 Dollars (\$12,200,000) (the "Loans").

B. Assignor is the owner of the Assigned Collateral (as hereinafter defined).

C. It is a condition precedent to the obligations of the Bank to make the Loans under the Loan Agreement that Assignor execute and deliver the applicable loan documents (the "Loan Documents"), including this Agreement.

D. This Agreement is given by Assignor in favor of the Bank to secure the payment and performance of all of the Secured Obligations (as defined in Section 2).

A G R E E M E N T:

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Bank hereby agree as follows:

Section 1. Assignment. As collateral security for the payment and performance when due of all the Secured Obligations, Assignor hereby assigns, transfers and grants to Bank, a continuing first priority security interest in and to all of the right, title and interest of Assignor in, to and under the following property, whether now existing or hereafter acquired (collectively, the "Assigned Collateral"):

(i) Patents issued or assigned to and all patent applications filed in the name of or on behalf of Assignor, including, without limitation, the patents and patent applications listed on Schedule A hereto and any filing based thereon in any country in the world, along with any and all (A) inventions and improvements described and claimed therein, (B) reissues, divisions, continuations, extensions and continuations-in-part thereof, (C) foreign applications or issued patents deriving therefrom, (D) income,

royalties, damages, claims and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (E) rights to sue for past, present and future infringements thereof (collectively, the "Patents");

(ii) Trademarks (including service marks) and all existing goodwill in connection therewith, federal and state trademark registrations and applications made by Assignor, common law trademarks and trade names owned by or assigned to Assignor and all registrations and applications for the foregoing, including, without limitation, the registrations and applications listed on Schedule B hereto, along with any and all (A) renewals thereof, (B) income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages, claims and payments for past or future infringements thereof, and (C) rights to sue for past, present and future infringements thereof (collectively, the "Trademarks");

(iii) Copyrights, owned by or assigned to Assignor, including, without limitation, the registrations and applications listed on Schedule C hereto, along with any and all (A) renewals and extensions thereof and termination rights/interests pertinent thereto, (B) income, royalties, damages, claims and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past, present or future infringements thereof, and (C) rights to sue for past, present and future infringements thereof (collectively, the "Copyrights");

(iv) License agreements and covenants not sue to sue with any other party with respect to any Patent, Trademark, or Copyright (other than any existing license agreements or covenants not to sue which by their terms prohibit assignment, transfer, or the grant of a security interest by the Assignor or give the other party thereto the right to terminate the same upon an assignment, transfer or the grant of a security interest thereto which licenses or covenants not to sue do not in the aggregate have a material adverse effect on the value or utility of the Assigned Collateral taken as a whole) listed on Schedule D hereto, along with any and all (A) renewals, extensions, supplements and continuations thereof, (B) income, royalties, damages, claims and payments now and hereafter due and/or payable to Assignor with respect thereto, including, without limitations, damages and payments for past, present or future breaches thereof, (C) rights to sue for past, present and future breaches thereof and (D) any other rights to use, exploit or practice any or all of the Patents, Trademarks or Copyrights (collectively, the "Licenses");

(v) the entire goodwill of Assignor's business and other general intangibles (including, know-how (including, without limitation, the know-how listed on Schedule E hereto), trade secrets, customer lists, proprietary information, inventions, methods, procedures and formulae) connected with the use of and symbolized by the Trademarks of Assignor; and

(vi) all Proceeds (as defined under the uniform Commercial Code as in effect in any relevant jurisdiction (the "UCC") or under any other relevant law) of any of the foregoing, and in any event, including, without limitation, any and all (i) proceeds of any

insurance (except payments made to a Person which is not a party to this Agreement), indemnity, warranty or guarantee payable to Bank or to Assignor from time to time with respect to any of the Assigned Collateral, (ii) payments (in any form whatsoever) made or due and payable to Assignor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Assigned Collateral by any Governmental Authority), (iii) instruments representing amounts receivable in respect of any Patents, Trademarks or Copyrights, (iv) products of the Assigned Collateral and (v) other amounts from time to time paid or payable under or in connection with any of the Assigned Collateral.

Section 2. Secured Obligations. This Agreement secures, and the Assigned Collateral is collateral security for, the payment and performance in full when due, whether at stated maturity, by acceleration or otherwise (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the filing of a petition in bankruptcy or the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), of (i) all Indebtedness of Assignor now existing or hereafter arising under or in respect of the Loan Agreement (including, without limitation, Assignor's obligations to pay principal, interest and all other charges, fees, expenses, commissions, reimbursements, premiums, indemnities and other payments related to or in respect of the Indebtedness contained in the Loan Agreement) and (ii) without duplication of the amounts described in clause (i), all obligations of Assignor now existing or hereafter arising under or in respect of this Agreement or the other Loan Documents, including, without limitation, but with respect to all charges, fees, expenses, commissions, reimbursements, premiums, indemnities and other payments related to or in respect of the obligations contained in this Agreement or in the other Loan Documents (the obligations described in clauses (i) and (ii), collectively, the "Secured Obligations").

Section 3. No Release. Nothing set forth in this Agreement shall relieve Assignor from the performance of any term, covenant, condition or agreement on Assignor's part to be performed or observed under or in respect of any of the Assigned Collateral or from any liability to any person under or in respect of any of the Assigned Collateral or shall impose any obligation on Bank to perform or observe any such term, covenant, condition or agreement on Assignor's part to be so performed or observed or shall impose any liability on Bank for any act or omission on the part of Assignor relating thereto or for any breach of any representation or warranty on the part of Assignor contained in this Agreement or any other Loan Document, or under or in respect of the Assigned Collateral or made in connection herewith or therewith. The obligations of Assignor contained in this Section 3 shall survive the termination of this Agreement and the discharge of Assignor's other obligations under this Agreement and under the other Loan Documents.

Section 4. Use of Assigned Collateral. Unless an Event of Default (hereinafter defined) has occurred and is continuing, Assignor may continue to exploit, license, use, enjoy and protect the Assigned Collateral throughout the world.

Section 5. Supplements; Further Assurances. (a) Assignor agrees that at any time and from time to time, it will execute and, at its sole cost and expense, file and refile, or permit Bank to file and refile, such financing statements, continuation statements and other documents (including, without limitation, this Agreement), in such offices (including, without limitation, the

United States Patent and Trademark Office and the United States Copyright Office) as Bank may deem necessary or appropriate, wherever required or permitted by law in order to perfect and preserve the rights and interests granted to Bank hereunder.

(b) Assignor hereby authorizes Bank, upon the occurrence and during the continuance of an Event of Default (hereinafter defined) to file financing statements, continuation statements, amendments thereto and other documents, relative to all or any part thereof, without the signature of Assignor where permitted by law, and Assignor agrees to do such further acts and things, and to execute and deliver to Bank such additional assignments, agreements, powers and instruments, as Bank may require to carry into effect the purposes of this Agreement or better to assure and confirm unto Bank its respective rights, powers and remedies hereunder. Assignor shall, upon the request of Bank, and hereby authorizes Bank to, take any and all such actions as may be deemed reasonably necessary or advisable by Bank to perfect and preserve the rights and interests granted to Bank with respect to the Assigned Collateral. All of the foregoing shall be at the sole cost and expense of Assignor. In connection with the foregoing, Assignor hereby grants Bank an irrevocable power of attorney, which power of attorney is coupled with an interest and shall be self-effectuating (the "Power of Attorney") to take any of the actions hereinabove set forth.

Section 6. Representations and Warranties of the Assignor. Assignor hereby represents and warrants as follows:

(i) Necessary Filings. All filings, registrations and recordings necessary, appropriate or requested by Bank to create, preserve, protect and perfect the security interest granted by Assignor to Bank hereby in respect of the Assigned Collateral including, without limitation, filings in the United States Patent and Trademark Office and the United States Copyright Office, have been accomplished or shall be accomplished within 10 days of the date hereof. Upon filings and the acceptance thereof in the appropriate offices under the UCC and in the United States Patent and Trademark Office and Copyright Office, the security interest granted to Bank pursuant to this Agreement in and to the Assigned Collateral (other than unregistered Copyrights and any foreign Assigned Collateral) constitutes and hereafter will constitute a valid and duly perfected security interest in the Assigned Collateral subject to no other liens.

(ii) No Liens. Assignor is, and as to Assigned Collateral acquired by it from time to time after the date hereof will be unless otherwise permitted hereunder, the sole and exclusive owner or, as applicable, licensee of the Assigned Collateral free from any lien or other right, title or interest of any Person other than the lien granted by this Agreement. Assignor shall defend the Assigned Collateral against all claims and demands of all parties at any time claiming any interest therein adverse to Bank.

(iii) Other Financing Statements. Except for Permitted Encumbrances, there is no financing statement (or similar statement or instrument of registration under the law of any jurisdiction) covering or purporting to cover any interest of any kind in the Assigned Collateral and so long as the Secured Obligations remain unpaid, Assignor shall not execute or authorize to be filed in any public office any financing statement (or similar statement or instrument of registration under the law of any jurisdiction) or statements

relating to the Assigned Collateral, except financing statements filed or to be filed in respect of and covering the security interests granted by Assignor pursuant to this Agreement and the other Loan Documents.

(iv) Authorization; Enforceability. Assignor has full power, authority and legal right to assign and grant a security interest in all the Assigned Collateral pursuant to this Agreement, and this Agreement constitutes the legal, valid and binding obligation of Assignor, enforceable against Assignor in accordance with its terms.

(v) No Consents, etc. No authorization, consent, approval, license, qualification or formal exemption from, nor any filing, declaration or registration with, any court, governmental agency or regulatory authority, or with any securities exchange or any other party is required in connection with (x) the execution, delivery or performance by Assignor of this Agreement, (y) the assignment of, and the grant of a lien (including the priority thereof) in the Assigned Collateral by Assignor in the manner and for the purpose contemplated by this Agreement or (z) the exercise of the rights and remedies of Bank created hereby except those that have been obtained or made or are being obtained or made concurrently with the execution hereof, including, without limitation, filings in the appropriate offices under the UCC and in the United States Patent and Trademark Office or United States Copyright Office.

(vi) No Claims. Assignor owns or has rights to use all the Assigned Collateral and all rights with respect to any of the foregoing used in, necessary for or material to Assignor's business as currently conducted and as contemplated to be conducted pursuant to the Loan Documents. To the best of Assignor's knowledge, the use by Assignor of such Assigned Collateral and all such rights with respect to the foregoing does not infringe on the rights of any party. No written claim, and to Assignor's knowledge, no other claim, has been made and remains outstanding that Assignor's use of the Assigned Collateral does or may violate the rights of any third party.

(vii) Assigned Collateral. Assignor represents and warrants to Bank that Schedules A, B, C, D and E attached hereto, respectively, are true, accurate and complete lists as of the date hereof of all issued, registered or applied for United States Patents, Trademarks and Copyrights owned by Assignor.

Section 7. Covenants Concerning Assigned Collateral.

(a) Protection of Bank's Security. On a continuing basis, Assignor will, at the sole cost and expense of Assignor, make, execute, acknowledge and deliver, and file and record in the proper filing and recording offices, all such instruments or documents, including, without limitation, appropriate financing and continuation statements and collateral agreements, and take all such action as may be deemed reasonably necessary or appropriate by Bank to carry out the intent and purposes of this Agreement, to assure and confirm to Bank the grant or perfection of a first priority security interest in the Assigned Collateral for the benefit of the Bank, and to enable Bank to exercise and enforce its rights and remedies hereunder with respect to any Assigned Collateral. Without limiting the generality of the foregoing, Assignor (i) will not enter into any agreement that would impair or conflict with Assignor's obligations hereunder; (ii) will, from

time to time, upon Bank's request, cause its books and records to be marked with such legends or segregated in such manner as Bank may specify and take or cause to be taken such other action and adopt such procedures as Bank may specify to give notice to or to perfect the security interest in the Assigned Collateral intended to be conveyed hereby; (iii) will, promptly following its becoming aware thereof, notify Bank of (A) any adverse determination in any proceeding in the United States Patent and Trademark Office or United States Copyright Office with respect to any Patent, Trademark or Copyright, or (B) the institution of any proceeding or any adverse determination in any federal, state or, local court or administrative bodies regarding Assignor's claim of ownership in or right to use any of the Assigned Collateral, its right to register the Assigned Collateral, or its right to keep and maintain such registration in full force and effect; (iv) will maintain and protect the Assigned Collateral necessary for the operation of Assignor's business; (v) will not permit to lapse or become abandoned any Assigned Collateral if such lapse or abandonment would have a materially adverse effect upon Assignor's business, upon the occurrence and during the continuance of an Event of Default (hereinafter defined) will not settle or compromise any pending or future litigation or administrative proceeding with respect to the Assigned Collateral without the consent of Bank; (vi) upon Assignor obtaining knowledge thereof, will promptly notify Bank in writing of any event which may reasonably be expected to adversely affect the value or utility of the Assigned Collateral or any portion thereof, the ability of Assignor or Bank to dispose of the Assigned Collateral or any portion thereof or the rights and remedies of Bank in relation thereto including, without limitation, a levy or threat of levy or any legal process against the Assigned Collateral or any portion thereof; (vii) will not, except with respect to non-exclusive licenses granted in the ordinary course of Assignor's business, license the Assigned Collateral, or amend or permit the amendment of any of the Licenses in a manner that adversely affects the right to receive payments thereunder, or is in any manner adverse to the interests of Bank without the consent of Bank; (viii) until Bank exercises its rights to make collection, will diligently keep adequate records respecting the Assigned Collateral; (ix) will furnish to Bank from time to time statements and amended schedules further identifying and describing the Assigned Collateral and such other materials evidencing or reports pertaining to the Assigned Collateral as Bank may from time to time reasonably request, all in reasonable detail; (x) will pay when due any and all taxes, levies, maintenance fees, charges, assessments, license fees and similar taxes or impositions payable in respect of each item of Assigned Collateral other than taxes, levies and fees payable in respect of items of Assigned Collateral which are no longer necessary or appropriate to Assignor's business; and (xi) will comply in all material respects with all laws, rules and regulations applicable to the Assigned Collateral.

(b) After-Acquired Property. If, before the Secured Obligations shall have been paid and satisfied in full, Assignor shall, (i) obtain any rights to any additional Assigned Collateral or (ii) become entitled to the benefit of any additional Assigned Collateral or any renewal or extension thereof, including any reissue, division, continuation, or continuation-in-part of any Patent, or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and any such item enumerated in clause (i) or (ii) with respect to Assignor shall automatically constitute Assigned Collateral if such would have constituted Assigned Collateral at the time of execution of this Agreement, and be subject to the lien created by this Agreement without further action by any party other than actions required to perfect such lien. Assignor shall promptly provide to Bank written notice of any of the foregoing. Assignor agrees, promptly following the written request by Bank, to confirm the attachment of the lien created by this Agreement to any rights described in clauses (i) and (ii) above if such would have

constituted Assigned Collateral at the time of execution of this Agreement by execution of an instrument in form acceptable to Bank.

(c) Modifications. Assignor authorizes Bank to modify this Agreement by amending Schedules A, B, C, D and E annexed hereto to include any future Assigned Collateral of Assignor, including, without limitation, any of the items listed in Section 7(b).

(d) Applications. Assignor shall file and prosecute diligently all applications for the Patents, the Trademarks or the Copyrights now or hereafter pending that would be useful or beneficial to the businesses of Assignor to which any such applications pertain, and shall do all acts necessary to preserve and maintain all rights in the Assigned Collateral. Any and all costs and expenses incurred in connection with any such actions shall be borne by Assignor. Assignor shall not abandon any right to file a Patent or Trademark or Copyright application, or any pending Patent, Trademark or Copyright application, or any Patent, Trademark or Copyright without the consent of Bank if such abandonment would have a materially adverse effect upon Assignor's business.

Section 8. Transfers and Other Liens. Assignor shall not (i) sell, convey, assign or otherwise dispose of, or grant any option with respect to, any of the Assigned Collateral or (ii) create or permit to exist any lien upon or with respect to any of the Assigned Collateral, other than the lien granted to Bank under this Agreement and the Permitted Encumbrances.

Section 9. Reasonable Care. Bank shall be deemed to have exercised reasonable care in the custody and preservation of the Assigned Collateral in its possession if such Assigned Collateral is accorded treatment substantially equivalent to that which Bank, in its individual capacity, accords its own property, it being understood that Bank shall have no responsibility for taking any necessary steps to preserve rights against any party with respect to any Assigned Collateral.

Section 10. Event of Default Definition. For the purposes of this Agreement the term "Event of Default" shall mean:

(i) Assignor's failure to comply with and perform any of the terms, conditions, covenants and obligations of Assignor hereunder; or

(ii) The occurrence of an Event of Default (as such term is defined in the Loan Agreement and the other Loan Documents) under the Loans.

Section 11. Remedies Upon Default.

(a) Remedies; Disposition of Collateral. If any Event of Default shall have occurred and be continuing, then and in every such case, Bank may, (i) to the full extent permitted by law, (A) exercise any and all rights as beneficial and legal owner of the Assigned Collateral, including, without limitation, perfecting assignment of any and all consensual rights and powers with respect to the Assigned Collateral and (B) sell or assign or grant a license to use, or cause to be sold or assigned or a license granted to use any or all of the Assigned Collateral (in the case of Trademarks, along with the goodwill associated therewith) or any part thereof, in each case, free of all rights and claims of Assignor therein and thereto. In that connection, Bank, pursuant to the

Power of Attorney herein granted, shall have the right to cause any or all of the Assigned Collateral to be transferred of record into the name of Bank or its nominee and the right to impose (1) such limitations and restrictions on the sale or assignment of the Assigned Collateral as Bank may deem to be necessary or appropriate to comply with any law, rule or regulation (federal, state or local) having applicability to the sale or assignment, and (2) any necessary or appropriate requirements for any required governmental approvals or consents;

(ii) Exercise in respect of the Assigned Collateral, in addition to other rights and remedies provided for herein, in the Loan Agreement, in the other Loan Documents, or otherwise available to it, all the rights and remedies of a secured party under the UCC to the extent permitted by applicable law and whether or not the UCC is applicable thereto. Assignor agrees that, to the extent notice of sale shall be required by law, five days' notice from Bank of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place shall constitute commercially reasonable notification of such matters. No notification need be given to Assignor if it has signed, after the occurrence of any Event of Default then continuing, a statement renouncing or modifying any right to notification of sale or other intended disposition;

(iii) Bank may be the purchaser of any or all of the Assigned Collateral at any public or private sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Assigned Collateral sold at such sale, to use and apply any of the Secured Obligations owed to it as a credit on account of the purchase price of such item of Assigned Collateral payable by it at such sale. To the extent Bank or any other party is a purchaser at any such sale, such purchaser shall acquire the property sold absolutely free from any claim or right on the part of Assignor. Bank shall not be obligated to make any sale of the Assigned Collateral regardless of notice of sale having been given. Bank may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Assignor hereby waives, to the fullest extent permitted by applicable law, any claims against Bank arising by reason of the fact that the price at which any Assigned Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if Bank accepts the first offer received and does not offer such Assigned Collateral to more than one offeree.

(b) (i) Waiver of Notice and Claims. Assignor hereby expressly waives, except as otherwise provided in the Loan Agreement, to the fullest extent permitted by applicable law, any and all notices, advertisements hearings or process of law in connection with the exercise by Bank of any of its rights and remedies hereunder. Bank shall not be liable to any Person for any incorrect or improper payment made pursuant to this Section 11 in the absence of gross negligence or willful misconduct.

(ii) Assignor hereby waives, to the fullest extent permitted by applicable law, notice or judicial hearing in connection with Bank's taking possession or Bank's disposition of any of the Assigned Collateral, including,

without limitation, any and all prior notice and hearing for any prejudgment remedy or remedies and any such right which Assignor would otherwise have under law, and Assignor hereby further waives to the extent permitted by applicable law; (i) all damages occasioned by such taking of possession; (ii) all other requirements as to the time, place and terms of sale or other requirements with respect to the enforcement of Bank's rights hereunder; and (iii) all rights of redemption, appraisal, valuation, stay, extension or moratorium now or hereafter in force under any applicable law. Any sale of, or the grant of options to purchase, or any other realization upon, any Assigned Collateral shall operate to divest all right, title, interest, claim and demand, either at law or in equity, of Assignor therein and thereto, and shall be a perpetual bar both at law and in equity against Assignor and against any and all parties claiming or attempting to claim the Assigned Collateral so sold, optioned or realized upon, or any part thereof, from, through or under Assignor.

Section 12. Application of Proceeds. The proceeds received by Bank in respect of any sale of, collection from or other realization upon all or any part of the Assigned Collateral pursuant to the exercise by Bank of its remedies as a secured creditor as provided in Section 11 hereof shall be applied, together with any other sums then held by Bank pursuant to this Agreement, promptly by Bank as follows:

First, to the payment of all costs and expenses, fees, commissions and taxes of such sale, collection or other realization, including, without limitation, compensation to Bank and its agents and counsel, and all expenses, liabilities and advances made or incurred by Bank in connection therewith, together with interest on each such amount at the default rate of interest set forth in the Loan Documents (the "Default Rate") from and after the date such amount is due, owing or unpaid until paid in full;

Second, to the indefeasible payment in full in cash of the Secured Obligations, ratably according to the unpaid amounts thereof, without preference or priority of any kind among amounts so due and payable, together with interest on each such principal amount at the Default Rate from and after the date such principal amount is due, owing or unpaid until paid in full; and

Third, to Assignor, or its successors or assigns, or to whomsoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, any surplus then remaining from such proceeds.

Section 13. Expenses. Assignor will upon demand pay to Bank the amount of any and all expenses, including the reasonable fees and expenses of its counsel and the fees and expenses of any experts and agents, which Bank may incur in connection with (i) the collection of the Secured Obligations, (ii) the enforcement and administration of this Agreement, (iii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Assigned Collateral, (iv) the exercise or enforcement of any of the rights of Bank hereunder or (v) the failure by Assignor to perform or observe any of the provisions hereof. All amounts payable by Assignor under this Section 13 shall be due upon demand and shall be part of the Secured

Obligations. Assignor's obligations under this Section 13 shall survive the termination of this Agreement and the discharge of Assignor's other obligations hereunder.

Section 14. No Waiver; Cumulative Remedies.

(a) No failure on the part of Bank to exercise, no course of dealing with respect to, and no delay on the part of Bank in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and are not exclusive of any remedies provided by law.

(b) In the event Bank shall have instituted any proceeding to enforce any right, power or remedy under this instrument by foreclosure, sale or otherwise, and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to Bank, then and in every such case, Assignor and Bank shall be restored to their respective former positions and rights hereunder with respect to the Assigned Collateral, and all rights, remedies and powers of Bank shall continue as if no such proceeding had been instituted.

Section 15. Bank May Perform; Bank Appointed Attorney-in-Fact. If Assignor shall fail to do any act or thing that it has covenanted to do hereunder or any warranty on the part of Assignor contained herein shall be breached, Bank may (but shall not be obligated to) do the same or cause it to be done or remedy any such breach, and may expend funds for such purpose. Any and all amounts so expended by Bank shall be paid by Assignor promptly upon demand therefor, with interest at the highest rate then in effect under the Loan Agreement during the period from and including the date on which such funds were so expended to the date of repayment. Assignor's obligations under this Section 15 shall survive the termination of this Agreement and the discharge of Assignor's other obligations under this Agreement and the Loan Agreement. Assignor hereby appoints Bank its attorney-in-fact with an interest, with full authority in the place and stead of Assignor and in the name of Assignor, or otherwise, from time to time in Bank's discretion to take any action and to execute any instrument consistent with the terms of this Agreement and the other Loan Documents which the Bank may deem necessary or advisable to accomplish the purposes of this Agreement. The foregoing grant of authority is a power of attorney coupled with an interest and such appointment shall be irrevocable for the term of this Agreement. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

Section 16. Indemnity.

(a) Indemnity. Assignor agrees to indemnify, pay and hold harmless the Bank and the officers, directors, employees, agents and affiliates of the Bank (collectively, called the Indemnitees") from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs (including, without limitation, settlement costs), expenses or disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitee shall be designated a party thereto), which may be imposed on, incurred by, or

asserted against that Indemnitee, in any manner relating to or arising out of this Agreement or any other Loan Document (including, without limitation, any misrepresentation by the Assignor in this Agreement or any other Loan Document) (the "indemnified liabilities"); provided that Assignor shall have no obligation to an Indemnitee hereunder with respect to indemnified liabilities that arose from the gross negligence or willful misconduct of that Indemnitee. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, Assignor shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all liabilities incurred by the Indemnitees or any of them.

(b) Survival. The obligations of Assignor contained in this Section 16 shall survive the termination of this Agreement and the discharge of Assignor's other obligations under this Agreement and under the other Loan Documents.

(c) Reimbursement. Any amounts paid by any Indemnitee as to which such Indemnitee has the right to reimbursement shall constitute Secured Obligations secured by the Assigned Collateral.

Section 17. Litigation.

(a) Unless there shall occur and be continuing an Event of Default, Assignor shall have the right to commence and prosecute in its own name, as real party in interest, for its own benefit and at its sole cost and expense, such applications for protection of Assigned Collateral, suits, proceedings or other actions for infringement, counterfeiting, unfair competition, dilution or other damage as are in its reasonable business judgment necessary to protect the Assigned Collateral. Assignor shall promptly notify Bank in writing as to the commencement and prosecution of any such actions, or threat thereof relating to the Assigned Collateral and shall provide to Bank such information with respect thereto as may be reasonably requested. Assignor shall indemnify and hold harmless Bank for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, expenses or disbursements (including attorneys' fees and expenses and, with respect to Bank) of any kind whatsoever which may be imposed on, incurred by or asserted against Bank in connection with or in any way arising out of such suits, proceedings or other actions.

(b) Upon the occurrence and during the continuance of an Event of Default, Bank shall have the right but shall in no way be obligated to file applications for protection of the Assigned Collateral and/or bring suit in the name of Assignor or Bank to enforce the Assigned Collateral and any license thereunder; in the event of such suit, Assignor shall, at the request of Bank, do any and all lawful acts and execute any and all documents required by Bank in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Bank, as the case may be, for all costs and expenses (including fees and expenses of counsel) incurred by Bank in the exercise of its rights under this Section 17. In the event that Bank shall elect not to bring suit to enforce the Assigned Collateral, Assignor agrees, at the request of Bank, to use all measures, whether by action, suit, proceeding or otherwise, to prevent the infringement, counterfeiting or other diminution in value of any of the Assigned Collateral by others and for that purpose agrees to diligently maintain any action, suit or proceeding against any person so infringing necessary to prevent such infringement unless Assignor has determined that the

Assigned Collateral that is the subject of any pending or contemplated infringement or enforcement action or proceeding does not contain or represent any value or utility (other than of an immaterial nature), consistent with prudent business practices.

Section 18. Modification in Writing. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, nor consent to any departure by Assignor therefrom, shall be effective unless the same shall be done in accordance with the terms of the Loan Agreement and unless in writing and signed by Bank. Any amendment, modification or supplement of or to any provision of this Agreement, any waiver of any provision of this Agreement, and any consent to any departure by Assignor from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. Except where notice is specifically required by this Agreement or any other Loan Document, no notice to or demand on Assignor in any case shall entitle Assignor to any other or further notice or demand in similar or other circumstances.

Section 19. Termination; Release. When all the Secured Obligations have been indefeasibly paid in full and the commitment of the Bank to make any loan under the Loan Agreement shall have expired, this Agreement shall terminate. Upon termination of this Agreement or any release of Assigned Collateral in accordance with the provisions of the Loan Agreement, Bank shall, upon the request and at the sole cost and expense of Assignor, forthwith assign, transfer and deliver to Assignor, against receipt and without recourse to or warranty by Bank, such of the Assigned Collateral to be released (in the case of a release) as shall not have been sold or otherwise applied pursuant to the terms hereof, and shall deliver to Assignor proper instruments (including UCC termination statements on Form UCC-3 and documents suitable for recordation in the United States Patent and Trademark Office, the United States Copyright Office or similar domestic or foreign authority) acknowledging the termination of this Agreement or the release of such Assigned Collateral, as the case may be.

Section 20. Notices. Unless otherwise provided herein or in the Loan Agreement, any notice or other communication herein required or permitted to be given shall be given in the manner set forth in the Loan Agreement, if to Assignor, addressed to it at the address set forth in the Loan Agreement, if to Bank, addressed to it at the address set forth in the Loan Agreement, or as to any party at such other address as shall be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section 20; provided that notices to Bank shall not be effective until received by Bank.

Section 21. Continuing Security Interest; Assignment. This Agreement shall create a continuing security interest in the Assigned Collateral and shall (i) be binding upon Assignor, its successors and assigns, and (ii) inure, together with the rights and remedies of Bank hereunder, to the benefit of Bank and its successors, transferees and assigns; no other parties (including, without limitation, any other creditor of the Assignor) shall have any interest herein or any right or benefit with respect hereto. Without limiting the generality of the foregoing clause (ii), Bank may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other party, and such other party shall thereupon become vested with all the benefits in respect thereof granted to Bank, herein or otherwise, subject however, to the provisions of the Loan Agreement.

Section 22. GOVERNING LAW; TERMS. THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR PROPERTY ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF MICHIGAN.

Section 23. CONSENT TO JURISDICTION AND SERVICE OF PROCESS. ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ASSIGNOR WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF MICHIGAN AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT ASSIGNOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NONEXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT.

Section 24. Severability of Provisions. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 25. Execution in Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all such counterparts together shall constitute one and the same agreement.

Section 26. Headings. The Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

Section 27. Obligations Absolute. All obligations of Assignor hereunder shall be absolute and unconditional irrespective of:

(i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of Assignor;

(ii) any lack of validity or enforceability of the Loan Agreement or any other Loan Document, or any other agreement or instrument relating thereto;

(iii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Loan Agreement or any other Loan Document, or any other agreement or instrument relating thereto;

(iv) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of or consent to any department from any guarantee, for all or any of the Secured Obligations;

(v) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect of this Agreement or any other Loan Document except as specifically set forth in a waiver granted pursuant to the provisions of Section 18 hereof; or

(vi) any other circumstances which might otherwise constitute a defense available to, or a discharge of, Assignor.

Section 28. Future Advances. This Agreement shall secure the payment of any amounts advanced from time to time pursuant to the Loan Agreement and/or the other Loan Documents.

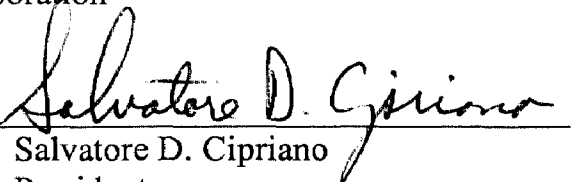
(Signatures on following page)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

ASSIGNOR:

CROSS & PETERS CO., a Michigan Corporation

By:

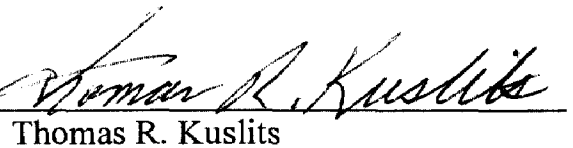

Salvatore D. Cipriano

Its: President

BANK:

NATIONAL CITY BANK OF MICHIGAN/
ILLINOIS, a national banking association

By:


Thomas R. Kuslits

Its: Senior Vice President

(PAGE 15 OF INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT
DATED AS OF MARCH 27, 2003 BY CROSS & PETERS CO. IN FAVOR OF
NATIONAL CITY BANK OF MICHIGAN/ILLINOIS)

BHLIB:411317.2\029030-00027

Schedule A

U.S. Patent Registrations:

Patent No.

Issue

Title

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Schedule B

Trademark Registrations- Cross & Peters, Co.

<u>Reg. No.</u>	<u>Jurisdiction</u>	<u>Date</u>	<u>Mark</u>
1665938	U.S.	11/26/91	Better Made (Int'l Class 29, 20)
M80-002	Michigan	10/1/76	Better Made Special (State Class 46)
5552	Ohio	6/23/87	Better Made Special (Int'l Class 30)
1258708	U.S.	11/22/83	New Era (Int'l Class 29, 30)
0694314	U.S.	3/8/60	New Era (Int'l Class 29)
1308183	U.S.	12/4/84	New Era & Silhouette Design (Int'l Class 29, 30)
1308182	U.S.	12/4/84	Silhouette of a Female Figure (Int'l Class 29)
414120	Canada	7/2/93	Better Made (Int'l Class 29, 30)

Schedule C

U.S. Copyright Registrations:

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Schedule D

Proprietary Rights for which Debtor has a license from a third party:

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Schedule E

Know-how.

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