

FORM PTO 1594 (Rev. 6-93) **RECORDATION COVER SHEET** U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office
TRADEMARKS ONLY

OMB No. 0651-0011 (exp. 4/94)
 To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
 PW Poly Corp

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

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

2. Name and address of receiving party(ies)
 Name: Wells Fargo Business Credit, Inc.
 Internal Address: Wells Fargo Center, N9312-040 MAC
 Street Address: Sixth and Marquette
 City: Minneapolis State: MN ZIP: 55479

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Corrected Assignment to correct execution date on Reel 002778, Frame 0216
 Execution Date: October 1, 2003

4. Application number(s) or patent number(s):
 A. 78/228172

Additional numbers attached? Yes No

B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Elizabeth C. Buckingham
 Internal Address: Dorsey & Whitney LLP
 Street Address: Suite 1500, 50 South Sixth Street
 City: Minneapolis State: MN ZIP: 55402-1498

6. Total Number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41)..... \$40.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
04-1420
 (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.

Elizabeth C. Buckingham Elizabeth C. Buckingham January 27, 2004
 Name of person Signing Signature Date

Total number of pages comprising cover sheet: 1

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

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

Mail Stop Assignment Recordation Services
 Director of the United States Patent and Trademark Office
 PO Box 1450
 Alexandria, Virginia 22313-1450

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, DC 20540.

CH \$40.00 041420 78228172

TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of October 1, 2003, is made by and between PW Poly Corp., a Minnesota corporation, having a business location at the address set forth below next to its signature (the "Debtor"), and Wells Fargo Business Credit, Inc., a Minnesota corporation having a business location at the address set forth below next to its signature (the "Secured Party").

Recitals

The Debtor and the Secured Party are parties to a Credit and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtor.

As a condition to extending credit to or for the account of the Debtor, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Credit Agreement) which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Credit Agreement).

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of the Debtor's right, title and interest in and to: (i) trademarks, service marks, collective membership marks, including all common law rights, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, (iv) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit A.

2. Security Interest. The Debtor hereby irrevocably pledges and grants the Secured Party a security interest (the "Security Interest"), with the power of sale to the extent permitted by law, in the Trademarks to secure payment of the Obligations, and together with the goodwill of the business associated with said Trademarks, said Trademarks to be held and enjoyed by the Secured Party or its designee for its use and behalf, and for the legal representatives, successors and assigns of the Secured Party or its designee, as fully and entirely as the same would have been held by the Debtor had this Agreement not been made. As set forth in the Credit Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor.

(a) After the occurrence and continuation of an Event of Default under the Credit Agreement or this Agreement, the Secured Party shall receive transfer of the Trademarks that are subject to the Security Interest that may be assigned from the Debtor pursuant to an Assignment of Trademarks substantially in the form of Exhibit B.

(b) The Debtor hereby irrevocably authorizes the Secured Party to date undated Assignment of Trademarks and otherwise complete such Assignment at the time of transfer.

(c) Notwithstanding the foregoing provisions of this Section 2, the Secured Party acquires no security interest or other rights in the United States for any Trademark that is the subject of an intent-to-use application before the U.S. Patent and Trademark Office until such time as a verified amendment to allege use or verified statement of use is filed with the U.S. Patent and Trademark Office for such application or the Secured Party arranges for an assignment of such intent-to-use Trademarks from the Secured Party to a purchaser that would satisfy the requirements of Section 10 of the Lanham Act, 15 U.S.C. Section 1060. At the time the Secured Party seeks to transfer all other Trademarks pursuant to Exhibit B, it may also transfer any U.S. intent-to-use applications provided that such applications satisfy the conditions of the preceding sentence.

(d) Notwithstanding the foregoing provisions of this Section 2, the foregoing assignment shall be effective only upon the occurrence of an "Event of Default" under the Security Agreement and upon written notice by the Secured Party to the Debtor of the acceptance of the Secured Party of this Assignment; unless and until the acceptance of this Assignment, the Assignment shall have no effect. After the occurrence and continuation of an Event of Default under the Security Agreement, and execution of the Assignment of Trademarks attached hereto as Exhibit B, the Secured Party shall be entitled to transfer the Trademarks pursuant to the Assignment of Trademarks attached hereto as Exhibit B.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of the Debtor.

(b) **Trademarks.** Exhibit A accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of the Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit A need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to the Debtor's or any Affiliate's business(es). If after the date hereof, the Debtor owns or controls any Trademarks not listed on Exhibit A (other than common law marks which are not material to the Debtor's or any Affiliate's business(es)), or if Exhibit A ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement. The Debtor has marked with an asterisk each U.S. intent-to-use trademark application listed on Exhibit A for which a verified amendment to allege use or statement of use has not been filed.

(c) **Validity.** None of the Trademarks have been adjudged in a court to be invalid or unenforceable in whole or in part.

(d) **Title.** Except as otherwise indicated, the Debtor has absolute title to each Trademark listed on Exhibit A, free and clear of all Liens except Permitted Liens. Except as otherwise indicated, the Debtor (i) will have, at the time the Debtor acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Trademarks free and clear of all Liens except Permitted Liens. Notwithstanding the foregoing, the Debtor represents and warrants that its common law trademarks are free and clear of all Liens except Permitted Liens but does not represent and warrant that it has absolute title to such common law trademarks.

(e) **No Sale.** Except as permitted in the Credit Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of, or enter into any agreement that is in conflict with its obligations under this Agreement with respect to, the Trademarks, or any interest therein, without the Secured Party's prior written consent.

(f) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(g) **Maintenance.** The Debtor will at its own expense maintain the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications for trademark registrations that are reasonably viable and all affidavits and renewals possible with respect to trademark registrations and applications therefor, and maintenance fees for registered trademarks and registered service marks. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee due and payable on any Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least thirty (30) days, to allow the Secured Party to timely pay any such maintenance fees which may become due on any registered trademarks and registered service marks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.

(j) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (i) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications,

financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

4. Debtor's Use of the Trademarks. The Debtor shall be permitted to control and manage the Trademarks, including the right to exclude others from infringing the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. During any Default Period as defined in the Credit Agreement, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Credit Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks that are subject to the Security Interest pursuant to Section 2(c).

(c) The Secured Party may enforce the Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or

remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Minnesota without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

PW Poly Corp.
222 South Ninth Street
Suite 2880
Minneapolis, MN 55402

PW POLY CORP.

By *[Signature]*
Its COO

Wells Fargo Business Credit, Inc.
Wells Fargo Center
N9312-040 MAC
Sixth and Marquette
Minneapolis, Minnesota 55479

WELLS FARGO BUSINESS CREDIT, INC.

By _____
Mona M. Krueger
Its Vice President

STATE OF MINNESOTA)
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me this 10th day of December ~~November~~ 2003, by Dobson West, the COO of PW Poly Corp., a Minnesota corporation, on behalf of the corporation.



Heidi Jo Sampson
Notary Public

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of November, 2003, by Mona M. Krueger, a Vice President of Wells Fargo Business Credit, Inc., a Minnesota corporation, on behalf of the corporation.

Notary Public

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

PW Poly Corp.
222 South Ninth Street
Suite 2880
Minneapolis, MN 55402

PW POLY CORP.

By _____
Its _____

Wells Fargo Business Credit, Inc.
Wells Fargo Center
N9312-040 MAC
Sixth and Marquette
Minneapolis, Minnesota 55479

WELLS FARGO BUSINESS CREDIT, INC.

By Mona M. Krueger
Mona M. Krueger
Its Vice President

STATE OF MINNESOTA)
)
COUNTY OF _____)

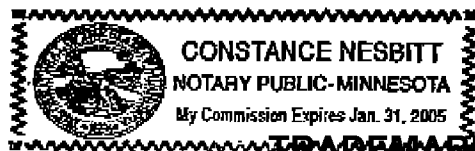
The foregoing instrument was acknowledged before me this _____ day of November 2003, by _____, the _____ of PW Poly Corp., a Minnesota corporation, on behalf of the corporation.

Notary Public

STATE OF Minnesota)
)
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me this 10th day of November, 2003, by Mona M. Krueger, a Vice President of Wells Fargo Business Credit, Inc., a Minnesota corporation, on behalf of the corporation.

Constance Nesbitt
Notary Public



**Trademark Security Agreement
Exhibit A**

Trademarks

PW POLY* ¹	78/228,172	3/20/03	Polyethylene pipe, tubing and fittings
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¹ The Debtor does not have absolute title to this Trademark free and clear of all liens to the extent such title is restricted pursuant to Section 10 of the Lanham Act, 15 U.S.C. Section 1060.

**Trademark Security Agreement
Exhibit B**

Assignment of Trademarks

This Assignment having an effective date of _____, is made by and between _____, a _____, located and doing business at _____, ("Assignor") and Wells Fargo Business Credit, Inc., a Minnesota corporation, located and doing business at Wells Fargo Center, MAC N9312-040, Sixth and Marquette, Minneapolis, Minnesota 55479 ("Assignee").

WHEREAS, Assignor has adopted and owns certain trademarks ("Trademarks") identified in Exhibit A hereto.

WHEREAS, Assignee pursuant to the terms of that certain Trademark Security Agreement dated _____ and the Credit Agreement, as defined therein, is desirous of acquiring the Trademarks.

NOW THEREFORE, in consideration of and in exchange for good and valuable consideration, the receipt of which is hereby acknowledged, Assignor does hereby sell, assign and transfer unto Assignee, and its successors and assigns, all of its right, title and interest in and to the Trademarks, and the registrations and applications therefor, and all rights corresponding thereto throughout the world and all renewals and extension thereof, together with that part of the good will of the business connected with the use of and symbolized by the Trademarks. Assignor hereby covenants that it has full right to convey the entire interest herein assigned, and that it has not executed, and will not execute, any agreements inconsistent herewith.

Those Trademarks identified on Exhibit A with an asterisk are the subject of pending intent-to-use applications in the U.S. Patent and Trademark Office, (the "ITU Marks"). Each ITU Marks is the subject of a verified allegation of use under § 1(c) or 1(d) of the Lanham Act that has been filed with the U.S. Patent and Trademark Office, or it is hereby assigned as part of a transfer of the entire business or portion thereof to which the ITU Marks pertain as required by § 10 of the Lanham Act.

Assignor hereby irrevocably authorizes Assignee to date this undated Assignment and otherwise complete this Assignment at the time of transfer.

IN WITNESS WHEREOF, the parties have executed this Assignment of Trademarks as of the dates identified below.

_____ (Assignor)

Date: _____

By: _____
Title: _____

WELLS FARGO BUSINESS CREDIT, INC. (Assignee)

Date: _____

By: _____
Title: _____