02-09-2004

Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/200

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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):

HA-International, LLC

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☐ Corporation-State
☑ Other LLC- DE

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

2. Name and address of receiving party(ies)

Name: Bank One, NA
Internal Address:
Street Address: 120 South LaSalle St., 8th FL
City: Chicago State: IL Zip: 60603

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

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

3. Nature of conveyance:

☐ Assignment ☐ Merger
☑ Security Agreement ☐ Change of Name
☐ Other

Execution Date: 1/28/04

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

A. Trademark Application No.(s)
See Attached Schedule A

B. Trademark Registration No.(s)
See Attached Schedule A

Additional number(s) attached ☑ Yes ☐ No

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

Name: Kristin Brozovic
Internal Address:

Street Address: Latham & Watkins Illinois LLC
233 S. Wacker Drive, Suite 5800
City: Chicago State: IL Zip: 60606

6. Total number of applications and registrations involved: 25

7. Total fee (37 CFR 3.41).....$ 640.00

☑ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Kristin Brozovic — Name of Person Signing
Kristin Brozovic — Signature
2/4/04 — Date

Total number of pages including cover sheet, attachments, and document: 18

02/06/2004 ECOOPER 00000006 2680554

01 FC:8521 40.00 OP
02 FC:8522 600.00 OP
03 FC:8523 120.00 OP

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

8-5-04

SCHEDULE A
To
TRADEMARK SECURITY AGREEMENT

Dated as of January 28, 2004

Trademark	Country	Registration No. (Application No.)	Registration Date (Application Date)
HA INTERNATIONAL	US	2680554	28-Jan-2003
HA International Design Logo	US	(76/379,572)	(06-Mar-2002)
ALPHA/BETA MAX	US	2313839	01-Feb-2000
ALPHACURE	US	1369690	12-Nov-1985
ALPHASET	US	1359954	17-Sep-1985
ARCOTE	US	1263883	17-Jan-1984
CORDIS	US	2154788	05-May-1998
FASKURE	US	848431	07-May-1968
LEECOLITE	US	1366151	22-Oct-1985
LEECOTE	US	1362789	01-Oct-1985
NIX-STIX	US	1921332	26-Sep-1995
PLASTISAND (Stylized)	US	604375	12-Apr-1955
SATIN KOTE	US	1664640	19-Nov-1991
SIGMA SAND	US	1481254	22-Mar-1988
SOLVASET	US	1366150	22-Oct-1985
STYRO SHIELD	US	2398494	24-Oct-2000
SUPER F	US	1024425	11-Nov-1975
SUPER SET	US	1079632	20-Dec-1977
THOR (Stylized)	US	318619	30-Oct-1934
VEINGUARD	US	1838324	31-May-1994
TECHNISET	US	1822170	22-Feb-1994
ENVIROTHERM	US	1923140	03-Oct-1995
ENVIROSET	US	1824017	01-Mar-1994
TECHNIKURE	US	1820902	15-Feb-1994
AC-ATTACK	US	1366200	22-Oct-1985

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Agreement**") is made and entered into as of January 28, 2004 by HA-International, LLC, a Delaware limited liability company ("**Debtor**"), in favor of Bank One, NA, as agent ("**Agent**") for the Lenders described below.

WITNESSETH:

WHEREAS, the Debtor, the "Lenders" named therein and the Agent have entered into that certain Loan and Security Agreement dated as of the date hereof (as amended or otherwise modified from time to time, the "**Loan Agreement**"), providing for the extension of credit by the Lenders to Borrower. When capitalized and used herein, terms defined in the Loan Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement; and

WHEREAS, the Lenders have required, as a condition to the extension of credit under the Loan Agreement, that Debtor grant to the Agent, for the benefit of the Lenders, a security interest in and to the Collateral (as defined herein) to secure Debtor's obligations ("**Obligations**") under the Loan Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the premises and in order to induce the Lenders to extend credit under the Loan Agreement, Debtor hereby agrees with the Agent for its benefit and the ratable benefit of the Lenders as follows:

1. Creation of Security Interest. Debtor hereby grants to the Agent a security interest in all of Debtor's right, title and interest in and to the collateral described in Section 2 herein (the "**Collateral**") in order to secure the payment and performance of all Obligations.

2. Collateral. The Collateral is:

(a) all of Debtor's trademarks, trademark registrations, tradenames and trademark applications, which, in each case, are now or hereafter filed with the U.S. Patent and Trademark Office, any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other countries or used in the United States, any state, territory or possession thereof or any other country, including, without limitation, the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof, and (i) renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, tradenames and trademark applications, together with the items described in clauses (i)-(iv) in this subparagraph (a), are sometimes hereinafter referred to, either individually or collectively, as the "**Trademarks**"); and

(b) the goodwill of Debtor's business connected with and symbolized by the Trademarks.

3. Restrictions on Future Agreements. Until the Obligations shall have been satisfied in full, Debtor will not without the Agent's prior written consent, which consent shall not be unreasonably withheld, (a) enter into any agreement, including, without limitation, any license agreement that is inconsistent with Debtor's obligations under this Agreement or any other Financing Agreements to which Debtor is a party, (b) take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action (including, without limitation, the abandonment of any Trademark), that would affect the validity or enforceability of rights that are material to Debtor's business and are transferred to the Agent under this Agreement, or (c) enter into any agreement, including, without limitation, any license agreement that may restrict or inhibit the Agent's rights to sell or otherwise dispose of the Collateral or any part thereof after the occurrence of a Default.

4. New Trademarks. Debtor represents and warrants that the Trademarks listed on Schedule A constitute all of the registered trademarks, tradenames and applications which are as of the date hereof owned by or are pending on behalf of Debtor in the United States or any state of the United States or any other specified country (as set forth on Schedule A). If, before the Obligations shall have been satisfied in full, Debtor shall (a) (i) obtain any registration or apply for any registration after the date hereof in the United States Patent and Trademark Office or in any similar office or agency of a state, territory or possession of the United States or (ii) obtain rights to any trademarks or tradenames used in the United States or any state, territory or possession thereof, or (b) (i) become entitled to the benefit of any trademark application, trademark, tradename or trademark registration in the United States or any state, territory or possession thereof or (ii) become entitled to the benefit of any trademark or tradenames used in the United States or any state, territory or possession thereof, the provisions of Section 1 shall automatically apply thereto and Debtor shall give to the Agent prompt written notice of any such trademarks and tradenames registered in the United States. Debtor hereby authorizes the Agent to modify this Agreement by amending Schedule A to include any future trademarks, trademark registrations, trademark applications and tradenames that are Trademarks, as applicable, under Section 2 or under this Section 4.

5. Additional Representations and Warranties. Debtor hereby represents, warrants, covenants and agrees that:

(a) Except as otherwise provided herein, it is and will continue to be the owner of all its right, title and interest in the Collateral so long as the Trademarks shall continue in force, free from any Lien in favor of any Person other than Agent.

(b) It has the full right and power to grant the security interest in the Collateral made hereby.

(c) It has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer, or encumbrance on any of the Collateral.

(d) So long as any Obligations remain outstanding, it will not execute, and there will not be on file in any public office, any financing statement or other document or instruments evidencing or giving notice of liens affecting the Collateral.

(e) Except as set forth on Schedule B attached hereto, the best of Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademarks which would adversely affect the fair market value of the Collateral or the benefits of this Agreement granted to the Agent, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of the Agent hereunder and Debtor will continue to maintain monitoring and enforcement practices protecting the Collateral.

6. Royalties; Terms. Debtor hereby agrees that the permitted use by the Agent of all Trademarks during the existence of a Default shall be worldwide (provided, that the use of any Trademark in a jurisdiction in which such Trademark is not registered is not prohibited by any applicable governmental authority in such jurisdiction) without any liability for royalties or other related charges from the Agent to Debtor. The term of the security interest granted herein shall extend until the earlier of (a) the expiration of each of the respective Trademarks, or (b) the Obligations have been paid in full.

7. Agent's Right to Inspect. Debtor agrees that from and after the occurrence of a Default and the provision by the Agent of written notice to Debtor of the Agent's intention to enforce its rights and claims against any of the Collateral, Debtor shall have a continuing right and license, terminable at will by Agent, to use the Trademarks and the Agent shall have the right to establish such additional product quality controls as the Agent, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Debtor under the Trademarks. Debtor agrees (a) not to sell or assign its interest in, or grant any license under the Trademarks that is inconsistent with Debtor's obligations under this Agreement or any other Financing Agreement to which Debtor is a party without the prior written consent of the Agent; (b) to maintain the quality of any and all products in connection with which the Trademarks are used, substantially consistent with the quality of such products as of the date hereof; (c) not reduce the quality of such products without the Agent's express written consent; and (d) to provide the Agent, promptly upon request, with a certificate of an officer of Debtor certifying Debtor's compliance with the foregoing.

8. Termination of Agent's Security Interest. This Agreement is made for collateral purposes only. Upon payment in full of all Obligations and termination of the Commitments, the Agent shall, at Debtor's sole cost and expense, execute and deliver to Debtor all termination statements and other instruments as may be necessary or proper to terminate the Agent's security interest in the Collateral, subject to any disposition thereof which may have been made by the Agent pursuant to Section 15 or any other provision hereof or pursuant to any other Financing Agreement to which Debtor is a party.

9. Duties of Debtor. Debtor shall (a) prosecute diligently any trademark application that is part of the Trademarks pending as of the date hereof or thereafter until the Obligations shall have been paid in full, (b) make application for trademarks, as Debtor may deem appropriate, (c) preserve and maintain all rights in trademark applications, trademarks,

tradenames, and trademark registrations that are part of the Trademarks, and material to Debtor's business, (d) not abandon any right to file a trademark application nor any pending trademark application, in each case if material to Debtor's business, if the value thereof could reasonably be expected to justify the cost of obtaining such trademark registration, and (e) not abandon any given Trademark material to Debtor's business without the consent of the Agent. Any expenses incurred in connection with the applications referred to in this Section 9 shall be borne by Debtor. Debtor agrees to retain an experienced trademark attorney for the filing and prosecution of all such applications and other proceedings and to cause such attorney to keep the Agent and its counsel advised on a current basis of any such applications or proceedings.

If Debtor fails to comply with any of the foregoing duties, the Agent, upon prior notice to Debtor, may so comply in Debtor's name to the extent permitted by law, but at Debtor's expense, and Debtor hereby agrees to reimburse the Agent in full for all reasonable expenses, including the fees and disbursements of attorneys and paralegals (including charges for inside counsel) incurred by the Agent in protecting, defending and maintaining the Collateral.

In the event that Debtor shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to discharge any Lien prohibited hereby, or shall fail to comply with any other duty hereunder, the Agent may, but shall not be required to pay, satisfy, discharge or bond the same for the account of Debtor, and all moneys so paid out shall be Obligations of Debtor repayable on demand, together with interest at the highest rate charged under the Loan Agreement.

Debtor shall take all action reasonably necessary to preserve and maintain the validity, perfection and first priority of the Agent's security interest granted herein in the Collateral.

10. Agent's Right to Sue. From and after the occurrence of a Default and the provision by the Agent of written notice to Debtor of the Agent's intention to enforce its right and claims against any of the Collateral, the Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Collateral, and any licenses thereunder, and, if the Agent shall commence any such suit, Debtor shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents required by the Agent in aid of such enforcement and Debtor shall indemnify and shall, upon demand, promptly reimburse the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this Section 10.

11. Waivers. No course of dealing between Debtor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under the Loan Agreement 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.

12. Severability. The provisions of this 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 Agreement in any jurisdiction. If any provision hereof shall render an otherwise valid Trademark invalid or ineffective, then such provision shall be void ab initio to the extent that the validity or effectiveness of the Trademark is thereby preserved and Debtor shall make suitable other valid arrangements to provide the Agent with equivalent protections to that intended hereby.

13. Amendments. This Agreement or any provision thereof may be changed, waived, or terminated only by signed consent of the parties hereto.

14. Remedies. If a Default shall have occurred and be continuing, then the Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code (the "Code") (whether or not the Code applies to the affected Collateral) and also may (a) require Debtor, and Debtor hereby agrees that it will upon the request of the Agent, forthwith, (i) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (ii) take such other action as the Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (b) without notice except as specified below, sell the Trademarks and the goodwill of the businesses related thereto or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as the Agent may deem commercially reasonable. Debtor agrees that at least ten (10) days' notice to Debtor of the time and place of any public sale or the time which any private sale is to be made shall constitute reasonable notification. The Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. The Agent 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.

15. Cumulative Remedies; Power of Attorney. All of the Agent's rights and remedies with respect to the Collateral, whether established hereby or by any other agreements, or by law shall be cumulative and may be exercised singularly or concurrently. Debtor hereby authorizes the Agent to make, constitute and appoint any officer or agent of the Agent as the Agent may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact which power of attorney shall be irrevocable and shall be deemed to be coupled with an interest. The power of attorney shall only be exercisable from and after the occurrence of a Default (a) to (i) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for the Agent in the use of the Collateral including, without limitation, if Debtor fails to execute and deliver within three (3) Business Days the assignment substantially in the form of Exhibit A hereto, or (ii) take any other actions with respect to the Collateral as the Agent deems in the best interest of the Agent, and (b) after the provision by the Agent of written notice to Debtor of the Agent's intention to enforce its rights and claims against any of the Collateral, to (i) grant or issue any exclusive or non-exclusive license under the Collateral to anyone, or (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Obligations shall have been paid in full. Debtor acknowledges and agrees that this Agreement is not intended to

limit or restrict in any way the rights and remedies of the Agent under any other Financing Agreement but rather is intended to facilitate the exercise of such rights and remedies. The Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Code as enacted in any jurisdiction in which the Collateral may be located. Recourse to security will not be required at any time.

16. Notice. Any notice, approval, consent or other communication to any party hereunder shall be in the form and manner as set forth in the Loan Agreement and to the addresses set forth in the preamble to this Agreement.

17. Continuing Security Interest. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until payment in full of the Obligations, (b) be binding upon Debtor, its successors and assigns, and (c) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Agent, the Lenders and their respective successors, transferees and assigns.

18. Authority of Agent. The Agent shall have and be entitled to exercise all powers hereunder which are specifically delegated to the Agent by the terms hereof, together with such powers as are reasonably incident thereto. The Agent may perform any of its duties hereunder or in connection with the Collateral by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of counsel concerning all such matters. Neither the Agent nor any director, officer, employee, attorney or agent of the Agent shall be liable to Debtor for any action taken or omitted to be taken by it or them hereunder, except for its or their own gross negligence or willful misconduct; nor shall the Agent be responsible for the validity, effectiveness or sufficiency hereof or of any document or security furnished pursuant hereto. The Agent and its directors, officers, employees, attorneys and agents shall be entitled to rely on any communication, instrument or document believed by it or them to be genuine and correct and to have been signed or sent by the proper person or persons. Debtor agrees to indemnify and hold harmless the Agent and any other person from and against any and all costs, expenses (including fees and expenses of attorneys and paralegals (including charges of inside counsel)), claims or liability incurred by the Agent or such person hereunder, unless such claim or liability shall be due to willful misconduct or gross negligence on the part of the Agent or such person.

19. Interpretation of Agreement. Time is of the essence of each provision of this Agreement of which time is an element. All terms not defined herein or in the Loan Agreement shall have the meaning set forth in the Code, except where the context otherwise requires.

20. Reinstatement. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by the Agent or any Lender in respect of the Obligations is rescinded or must otherwise be restored or returned by the Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Debtor or upon the appointment of any intervenor or conservator of, or trustee or similar official for, the Debtor or any substantial part of its assets, or otherwise, all as though such payments had not been made.

TRADEMARK
REEL: 002789 FRAME: 0983

21. Final Expression. This Agreement, together with any other agreement executed in connection herewith, is intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

22. Survival of Provisions. All representations, warranties and covenants of Debtor contained herein shall survive the execution and delivery of this Agreement, and shall terminate only upon the full and final payment and performance by Debtor of its indebtedness and obligations secured hereby.

23. Release; Termination of Agreement.

(a) Except otherwise provided in the Loan Agreement, Debtor may sell or dispose of any Collateral not material to Debtor's business, and any other Collateral upon Agent's written consent. To give effect to any sale or disposal of Collateral in accordance with the foregoing sentence, the Agent shall execute and deliver to Debtor a release or releases (including, without limitation, Uniform Commercial Code termination statements and instruments of satisfaction, discharge, or reconveyance) in form reasonably satisfactory to the Agent to release the lien of this Agreement with respect to such released Collateral. Such releases shall be without warranty by or recourse to the Agent, except as to the absence of any prior assignments by the Agent of its interest in the Collateral, and shall be at the expense of Debtor.

(b) This Agreement shall terminate upon full and final payment and performance of all the Obligations and termination of the Loan Agreement and the other Financing Agreements. At such time, the Agent shall, at the request of Debtor, reassign and redeliver to Debtor all of the Collateral hereunder which has not been sold, disposed of, retained or applied by the Agent in accordance with the terms hereof. Such reassignment and redelivery shall be without warranty by or recourse to the Agent, except as to the absence of any prior assignments by the Agent of its interest in the Collateral, and shall be at the expense of Debtor.

24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement.

25. Statute of Limitations. Debtor hereby waives the right to plead any statute of limitations as a defense to any indebtedness or obligations hereunder or secured hereby to the full extent permitted by law.

26. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL; WAIVER OF DAMAGES.

(a) THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED UNDER THE LAWS OF THE STATE OF ILLINOIS, AND ANY DISPUTE ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE

RELATIONSHIP ESTABLISHED BETWEEN DEBTOR, THE AGENT AND THE LENDERS IN CONNECTION WITH THIS AGREEMENT, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH THE INTERNAL LAWS (AS OPPOSED TO THE CONFLICTS OF LAWS PROVISIONS) AND DECISIONS OF THE STATE OF ILLINOIS.

(b) EXCEPT AS PROVIDED IN THE NEXT PARAGRAPH, DEBTOR AND THE AGENT AGREE THAT ALL DISPUTES BETWEEN THEM ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED ONLY BY STATE OR FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, BUT DEBTOR AND THE AGENT ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF THE COUNTY OF COOK, STATE OF ILLINOIS. DEBTOR WAIVES IN ALL DISPUTES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS.

(c) DEBTOR AGREES THAT THE AGENT AND ANY LENDER SHALL HAVE THE RIGHT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TO PROCEED AGAINST DEBTOR OR ITS PROPERTY IN A COURT IN ANY LOCATION REASONABLY SELECTED IN GOOD FAITH TO ENABLE THE AGENT OR ANY LENDER TO REALIZE ON SUCH PROPERTY, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE AGENT OR ANY LENDER. DEBTOR AGREES THAT IT WILL NOT ASSERT ANY PERMISSIVE COUNTERCLAIMS IN ANY PROCEEDING BROUGHT BY THE AGENT OR ANY LENDER TO REALIZE ON SUCH PROPERTY, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE AGENT OR ANY LENDER. DEBTOR WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH THE AGENT OR ANY LENDER HAS COMMENCED A PROCEEDING DESCRIBED IN THIS PARAGRAPH INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS.

(d) DEBTOR AND THE AGENT EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT. INSTEAD, ANY DISPUTES RESOLVED IN COURT WILL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

(e) DEBTOR (I) AGREES THAT NEITHER THE AGENT NOR ANY LENDER SHALL HAVE ANY LIABILITY TO DEBTOR (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) FOR LOSSES SUFFERED BY DEBTOR IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO, THE TRANSACTIONS CONTEMPLATED AND THE RELATIONSHIP ESTABLISHED BY

THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, UNLESS IT IS DETERMINED BY A JUDGMENT OF A COURT THAT IS BINDING ON THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, THAT SUCH LOSSES WERE THE RESULT OF ACTS OR OMISSIONS ON THE PART OF THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, CONSTITUTING GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW AND (II) WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY CLAIM AGAINST THE AGENT OR ANY LENDER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE), EXCEPT A CLAIM BASED UPON GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW. WHETHER OR NOT SUCH DAMAGES ARE RELATED TO A CLAIM THAT IS SUBJECT TO THE WAIVER EFFECTED ABOVE AND WHETHER OR NOT SUCH WAIVER IS EFFECTIVE, NEITHER THE AGENT NOR ANY LENDER SHALL HAVE ANY LIABILITY WITH RESPECT TO, AND DEBTOR HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY CLAIM FOR, ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES SUFFERED BY DEBTOR IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO THE TRANSACTIONS CONTEMPLATED OR THE RELATIONSHIP ESTABLISHED BY THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, UNLESS IT IS DETERMINED BY A JUDGMENT OF A COURT THAT IS BINDING ON THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, THAT SUCH DAMAGES WERE THE RESULT OF ACTS OR OMISSIONS ON THE PART OF THE AGENT OR SUCH LENDER, AS THE CASE MAY BE, CONSTITUTING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR KNOWING VIOLATIONS OF LAW.

(f) DEBTOR WAIVES ALL RIGHTS OF NOTICE AND HEARING OF ANY KIND PRIOR TO THE EXERCISE BY THE AGENT OR ANY LENDER OF ITS RIGHTS FROM AND AFTER THE OCCURRENCE OF AN EVENT OF DEFAULT TO REPOSSESS THE COLLATERAL WITH JUDICIAL PROCESS OR TO REPLEVY, ATTACH OR LEVY UPON THE COLLATERAL OR OTHER SECURITY FOR THE OBLIGATIONS. DEBTOR WAIVES THE POSTING OF ANY BOND OTHERWISE REQUIRED OF THE AGENT OR ANY LENDER IN CONNECTION WITH ANY JUDICIAL PROCESS OR PROCEEDING TO OBTAIN POSSESSION OF, REPLEVY, ATTACH OR LEVY UPON COLLATERAL OR OTHER SECURITY FOR THE OBLIGATIONS, TO ENFORCE ANY JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE AGENT OR ANY LENDER, OR TO ENFORCE BY SPECIFIC PERFORMANCE, TEMPORARY RESTRAINING ORDER, PRELIMINARY OR PERMANENT INJUNCTION THIS AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT BETWEEN DEBTOR, AGENT AND THE LENDERS.

[Signature Page Follows]

IN WITNESS WHEREOF, Debtor has duly executed and delivered this Agreement as of the day and year first above written.

HA-INTERNATIONAL, LLC

By: _____
Name: Keith McLean
Title: CEO

By acceptance hereof as of the day and year first above written, the Agent agrees to be bound by the provisions hereof.

BANK ONE, NA, as Agent

By: _____
Name: Brian P. Mulroney
Title: Associate Director

[Signature Page to Trademark Security Agreement]

SCHEDULE A
To
TRADEMARK SECURITY AGREEMENT

Dated as of January 28, 2004

Trademark	Country	Registration No. (Application No.)	Registration Date (Application Date)
HA INTERNATIONAL	US	2680554	28-Jan-2003
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ALPHA/BETA MAX	US	2313839	01-Feb-2000
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ARCOTE	US	1263883	17-Jan-1984
CORDIS	US	2154788	05-May-1998
FASKURE	US	848431	07-May-1968
LEECOLITE	US	1366151	22-Oct-1985
LEECOTE	US	1362789	01-Oct-1985
NIX-STIX	US	1921332	26-Sep-1995
PLASTISAND (Stylized)	US	604375	12-Apr-1955
SATIN KOTE	US	1664640	19-Nov-1991
SIGMA SAND	US	1481254	22-Mar-1988
SOLVASET	US	1366150	22-Oct-1985
STYRO SHIELD	US	2398494	24-Oct-2000
SUPER F	US	1024425	11-Nov-1975
SUPER SET	US	1079632	20-Dec-1977
THOR (Stylized)	US	318619	30-Oct-1934
VEINGUARD	US	1838324	31-May-1994
TECHNISET	US	1822170	22-Feb-1994
ENVIROTHERM	US	1923140	03-Oct-1995
ENVIROSET	US	1824017	01-Mar-1994
TECHNIKURE	US	1820902	15-Feb-1994
AC-ATTACK	US	1366200	22-Oct-1985
ALPHACURE	CA	TMA338266	18-Mar-1988
ALPHASET	CA	TMA338265	18-Mar-1988
BETACURE	CA	TMA361461	27-Oct-1989
BETASET	CA	TMA338267	18-Mar-1988
LEECOLITE	CA	TMA362965	10-Nov-1989
VEINGUARD	CA	TMA444545	30-Jun-1995
ACME RESIN and Design	CA	TMA313989	09-May-1986
PLASTISAND	CA	TMA102892	16-Mar-1956

Trademark	Country	Registration No. (Application No.)	Registration Date (Application Date)
HA INTERNATIONAL	MX	753746	28-Jun-2002
HA INTERNATIONAL and Design	MX	757076	30-Jul-2002
HA INTERNATIONAL DE MEXICO	MX	753747	28-Jun-2002
HAI DE MEXICO	MX	753745	28-Jun-2002
SATIN KOTE	MX	320264	22-Aug-2000
VEINGUARD	MX	453883	09-Mar-1994
KROME KOTE	MX	320265	22-Aug-2000
MOLD LITE	MX	389060	18-Sep-1995

SCHEDULE B
To
TRADEMARK SECURITY AGREEMENT

Dated as of January 28, 2004

A demand has been made to United Erie, Co. to cease the use of "Alphenoset" which Debtor believes infringes on Debtor's ALPHASET Trademark (Registration No. 1359954).

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("**Assignment**") is made as of _____, by and between HA-INTERNATIONAL, LLC, a Delaware limited liability company ("**Assignor**"), in favor of BANK ONE, NA ("**Assignee**"), as Agent for the "Lenders" which are or may hereafter become parties to that certain Loan and Security Agreement dated January __, 2004 (as amended or otherwise modified from time to time, the "**Loan Agreement**"), among Assignor, Assignee and the Lenders named therein.

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Trademark Security Agreement dated as of January___, 2004, made by Assignor to Assignee (the "**Agreement**") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled.

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee its entire right, title and interest in and to (a) the trademarks, tradenames, trademark registrations and trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages, payments and other proceeds now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing are sometimes hereinafter referred to, either individually or collectively, as the "Trademarks"), and (b) the goodwill of Assignor's business connected with and symbolized by the Trademarks. The Trademarks and such goodwill are collectively referred to herein as the "Collateral".

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Collateral made hereby and that it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or future assignment or encumbrance of any or all of the Collateral, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

4. Binding Effect; Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Collateral or any part thereof, be governed by and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

HA-INTERNATIONAL, LLC

By:_____

Name:_____

Title:_____

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SCHEDULE I

Trademarks	Trademark Registration Number or (Application Serial Number)	Registration or (Filing Date)

[To be completed at time of outright assignment, to reflect all their existing Trademarks.]