

FORM PTO-1594

Attorney Docket No. 43105-199991

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office
RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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

1. Name(s) of conveying party(ies):

National Products Corporation

Individual(s) Association
 General Partnership Limited Partnership
 Corporation (of South Carolina)

Other:

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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name

 Other: Corrective Perfected Security Interest

Execution Date: April 12, 2004

2. Name(s) and address(es) of receiving party(ies):

Name: GrandSouth Bank

Address: 381 Halton Road
Greenville, South Carolina 29606

Individual(s)
 Association
 General Partnership
 Limited Partnership
 Corporation (of South Carolina)
 Other:

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation 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):

76/557,342 (record); 76/557,324 (remove recordation)

Additional numbers attached? Yes No

B. Trademark Registration No.(s): N/A

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

Name: Andrew D. Price

Address: Venable LLP
P.O. Box 34385
Washington, D.C. 20043-9998
Telephone: (202) 344-4000
Facsimile: (202) 344-8300

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41): \$65.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit Account Number 22-0261

(Attach duplicate copy of this page if paying by deposit account)
Attached

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.*Andrew D. Price
Name of Person Signing

Signature
May 12, 2004
Date

Total number of pages including cover sheet, attachments, and document: **9 (see * below)**
*Including Duplicate copy of this page and copy of documents previously filed

DC2DOCS1/544893(03)

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TRADEMARK
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 Other: **Corrective Perfected Security Interest**
Execution Date: **April 12, 2004**

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Greenville, South Carolina 29606**
 Individual(s)
 Association
 General Partnership
 Limited Partnership
 Corporation (of South Carolina)
 Other:
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
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FORM PTO-1594 (03/01)

Exhibit A

**ASSIGNMENT OF
TRADEMARKS AND APPLICATION**

WHEREAS, GrandSouth Bank ("GrandSouth"), a banking corporation organized under the laws of the State of South Carolina, located at 381 Halton Road, Greenville, South Carolina 29606, a secured creditor of National Products Corporation ("NPC"), has sought and obtained permission from the United States Bankruptcy Court for the District of South Carolina, by Order entered April 12, 2004, Case No. 03-10890-jw, to enforce its remedies under state law to recover possession of all trademark rights of NPC, including the trademarks THUNDR BLAST, THUNDER BLAST, and SUPER CHARGED THUNDER BLAST, as well as THUNDR BLAST and Design and THUNDER BLAST and Design, depicted respectfully as follows:

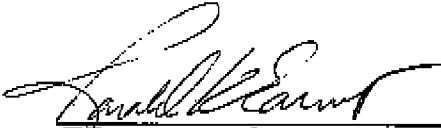


(collectively "Marks"), the common-law rights created by NPC's use of the Marks throughout the United States on or in connection with household, automotive, and industrial degreasers and multipurpose super-strength cleaners since at least as early as (a) June 15, 1996, for THUNDR BLAST and THUNDR BLAST and Design, (b) May 7, 1997, for THUNDER BLAST and THUNDER BLAST and Design, and (c) many years before January 29, 2004, for SUPER CHARGED THUNDER BLAST (collectively "Common-Law Rights"), U.S. Application Serial No. 76/557,342 ("Application"), the goodwill associated with the Marks ("Goodwill"), and the right to sue and claim damages from parties other than Manufacturers' Sales Agency, below, for infringements;

WHEREAS, Manufacturers' Sales Agency ("MSA"), a Tennessee general partnership composed of general partners Mr. Scott W. Ellis and Mr. James L. Ellis, located at 5251 Lance Drive, Knoxville, Tennessee 37909, desires to acquire the Marks; the Common-Law Rights; the Application; the Goodwill; and the right to sue and claim damages for past and future infringements, to the extent MSA may not already own such rights; and

NOW THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, GrandSouth does hereby assign unto MSA all of GrandSouth's right, title and interest in and to the Marks, the Common-Law Rights, the Application, the Goodwill, and its right to sue and claim damages for past and future infringements. And GrandSouth warrants that it has a validly perfected first priority security interest and lien upon the trademark rights assigned herein and that GrandSouth has taken all actions under applicable loan documents and applicable law to execute upon its lien and security interest and, therefore, has full power and authority to make this assignment.

GRANDSOUTH BANK

Signature: 

Name: Howard K. Ernest

Title: President/CEO

Date: April 23, 2004

DC2DOCS1/542395

U.S. BANKRUPTCY COURT
District of South Carolina

Case Number: 03-10890

ORDER

The relief set forth on the following pages, for a total of 3 pages including this page,
is hereby ORDERED.

FILED BY THE COURT
04/09/2004



Entered: 04/12/2004

John E. Waites
US Bankruptcy Court Judge
District of South Carolina

In re: National Products Corporation

Case No. 03-10890-jw

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

In Re:)	Case No. 03-10890-jw
)	
National Products Corporation,)	Chapter 7
)	
<u>Debtor.</u>)	

ORDER

This matter is before the Court upon a Motion to Modify the Automatic Stay filed by GrandSouth Bank ("GrandSouth"), a secured creditor of the above Debtor. It appears from the affidavit of counsel for GrandSouth that the Motion to Modify the Automatic Stay was served on the Debtor, the Trustee, and the Debtor's attorney, and that no objection to the Motion has been filed.

Therefore, I find that the Debtor is in default.

It appears from the Motion and attachments filed by GrandSouth that it has a security interest in Debtor's present and after-acquired accounts, chattel paper, general intangibles (including, but not limited to, tax refunds, registered and unregistered patents, trademarks, service marks, copyrights, trade names, trade secrets, customer lists, licenses, documents, instruments, deposit accounts, certificates of deposit, and all rights of Debtor as a seller of goods), goods of all kinds (including inventory, equipment, fixtures, books and records, investment property), and all proceeds thereof, all of which property is more particularly described in the Factoring Agreement, the Security Agreement and in the Rider to Form UCC-1 referenced in GrandSouth's Motion to Modify. The security interest in the foregoing property is evidenced by the Factoring Agreement dated September 18, 2000 (as subsequently modified), the Security Agreement dated September 18, 2000, and the UCC-1 Financing Statement, with attached Rider to Form UCC-1, dated September 18, 2000 (collectively referred to as the

In re: National Products Corporation

Case No. 03-10890-jw

"Contract"). The Court also finds that Debtor has failed to comply with the terms of the Contract in that it has not paid the obligations incurred thereunder when due. It further appears that GrandSouth has requested and is entitled to an Order which provides relief from the 10 day Stay of Order otherwise provided under Federal Bankruptcy Rule 4001(a)(3).

THEREFORE, IT IS ORDERED that the Stay afforded by 11 U.S.C. § 362, and the 10 day Stay of Order otherwise provided under Federal Bankruptcy Rule 4001(a)(3), be and are hereby immediately modified to permit GrandSouth to enforce its remedies under state law to recover possession of the above-referenced property.

This Order is issued with the understanding that GrandSouth agrees to waive any claim that may arise under 11 U.S.C. § 503(b) or § 507(b) as a result of this Order.

IT IS FURTHER ORDERED that any funds realized by GrandSouth in excess of its debt will be paid to the Trustee.

AND IT IS SO ORDERED.