PACSIMILE OF FORM PTO-1595

RECORDATION FORM COVER SHEET

U.S. DEPARTMENT OF COMMERCE

TRADEMARKS ONLY

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):

Walls Industries, Inc.

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation (Delaware)
☐ Other

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

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

Name: JPMorgan Chase Bank
Address: 2200 Ross Avenue, 3rd Floor
Dallas, TX 75201

☐ Individual(s) citizenship
☐ Association
☐ General Partnership
☐ Corporation
☒ Other – New York Banking Corporation

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

Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

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

Execution Date: July 12, 2004

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

A. Trademark Application No.(s)

78259561
78336024
78354757

Additional numbers attached? ☐ Yes ☒ No

B. Trademark Registration No.(s)

0261696	1153248	1401343	1879874	2170630
0761387	1315901	1407774	1989407	2522822
0762378	1344657	1435795	2012336	2571382
0763157	1344658	1650837	2031885	2676741
0983385	1377344	1678626	2065296	2803572
0984556	1399624	1686509	2067367	
1084058	1401342	1741436	2105694	

Additional numbers attached? ☐ Yes ☒ No

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

Name: Locke Liddell & Sapp LLP

Internal Address: Attn: Patricia Paquet

Street Address: 600 Travis St., Suite 3400

City: Houston State: TX Zip: 77002-3095

6. Total number of applications and registrations involved: 36

7. Total fee (37 C.F.R. 3.41).....$915.00
☐ Enclosed
☐ Authorized to be charged to deposit account (any deficiency in enclosed fees)
☒ Authorized to be charged to deposit account

8. Deposit account number:
12-1322 (Atty Dkt:013214-00045)
(DO NOT attach duplicate copy of this page even if paying by deposit account)

CH $915.00 121322 78259561

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.

PATRICIA PAQUET
Name of Person Signing

Patricia Paquet
Signature

7/16/04
Date

Total number of pages including cover sheet, attachments and document: 10

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement"), dated as of July 12, 2004, is by and between WALLS INDUSTRIES, INC., CLEBURNE, TEXAS, a Delaware corporation ("Debtor"), whose address is 1905 N. Main Street, Cleburne, Texas 76033 Attention: Chief Financial Officer, and JPMORGAN CHASE BANK, a New York banking corporation, whose address is 2200 Ross Avenue, Third Floor, Dallas, Texas 75201, Attention: Courtney Jeans, in its capacity as agent (in such capacity, the "Agent"), under the Credit Agreement (as amended, restated and supplemented from time to time, (the "Credit Agreement") of even date herewith, by and among Debtor, each of the financial institutions which are signatories thereto or which may become a party thereto from time to time (individually, a "Lender" and, collectively, the "Lenders"), and Agent.

WHEREAS, Debtor, Agent and Lenders have entered into the Credit Agreement;

WHEREAS, Debtor and Agent on behalf of Lenders have entered into a Security Agreement (Personal Property) of even date hereof (as said Security Agreement may be amended, restated, modified, supplemented and in effect from time to time, the "Security Agreement"), which sets forth in more detail certain terms and conditions relating to the matters agreed to herein;

WHEREAS, the Credit Agreement contemplates the execution of this Agreement by the parties hereto and the recordation of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of Security Interest. Debtor does hereby grant to Agent on behalf of Lenders a continuing security interest in all of the following (all of the following being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter arising or acquired, to secure the payment of the Debt (as defined in the Security Agreement):

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, designations, slogans, and other source or business identifiers, designs and general intangibles of like nature, and all prints, tags, brochures, advertisements, signage and labels on which any of the foregoing have appeared or appear, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith including, without limitation, any such registrations, recordings and applications, if any, in the United States Patent and Trademark Office, any State thereof, or any other country, and all renewals thereof (each of the foregoing items listed in this paragraph being herein called a "Trademark," and collectively called the "Trademarks"), including, without limitation, each Trademark listed on Schedule 1 attached hereto (and all amendments, supplements, restatements and modifications thereof or thereto from time to time), and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark;

(b) each agreement granting any right to use any Trademark attached (each herein called a "Trademark License," and collectively called the "Trademark Licenses"), including, without limitation, each Trademark License listed in Schedule 1 (and all amendments, supplements, restatements and modifications thereof or thereto from time to time); and

(c) all substitutions for and improvements, products and proceeds of, and all renewals and replacements of, any of the foregoing, and all general intangibles relating to or arising in connection with any of the foregoing, including, without limitation, any claim with respect to same, including for past, present or future infringement or dilution of any Trademark, or for injury to the goodwill associated with any Trademark, or for unfair competition of any type or nature whatsoever, and all insurance and claims for insurance with respect to same.

2. Miscellaneous. This security interest is granted in conjunction with the Liens granted to Agent on behalf of Lenders pursuant to the Security Agreement. Debtor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement and the Credit Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. The terms and provisions hereof are in addition to, and not in limitation of or limited by, those of the Security Agreement, the Credit Agreement and the other Loan Documents. The attached Schedule 1 is incorporated herein by reference for all purposes. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Credit Agreement. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (BUT EXCLUDING THE CONFLICTS OF LAWS PRINCIPLES THEREOF OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW) AND THE UNITED STATES OF AMERICA, INCLUDING WITHOUT LIMITATION, THE UNITED STATES TRADEMARK LAWS.** This Agreement shall be binding upon Debtor, and the trustees, receivers, successors and assigns of Debtor, including all successors in interest of Debtor in and to all or any part of the Trademark Collateral, and shall benefit Agent and its successors and assigns. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. The section headings appearing in this Agreement have been inserted for convenience only and shall be given no substantive meaning or significance whatever in construing the terms and provisions of this Agreement.

IN WITNESS WHEREOF, Debtor and Agent have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of July 12, 2004.

"Debtor"

WALLS INDUSTRIES, INC., CLEBURNE, TEXAS, a Delaware corporation

By: _____
Name: David Mann
Title: Vice President and Secretary

"Agent"

JPMORGAN CHASE BANK, a New York banking corporation, as Agent

By: _____
Name: _____
Title: _____

Attachment:

Schedule 1 - Trademarks

[SIGNATURE PAGE(S) TO TRADEMARK SECURITY AGREEMENT (WALLS INDUSTRIES, INC.)]

AUSTIN:013214/00045:299214v1

IN WITNESS WHEREOF, Debtor and Agent have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of July 12, 2004.

"Debtor"

WALLS INDUSTRIES, INC., CLEBURNE, TEXAS, a Delaware corporation

By: _____
Name: _____
Title: _____

"Agent"

JPMORGAN CHASE BANK, a New York banking corporation, as Agent

By: _____
Name: KIRK L STATES
Title: VICE PRESIDENT

Attachment:

Schedule 1 - Trademarks

[SIGNATURE PAGE(S) TO TRADEMARK SECURITY AGREEMENT (WALLS INDUSTRIES, INC.)]

AUSTIN:013214/00045:299214v1

Schedule 1 (Trademarks)

TRADEMARKS

Trademarks (United States)

Owner	Trademark	Classes	App No / App date	Reg No/ Reg Date	Status
Walls Industries, Inc., Cleburne, Texas ("Walls")	10X	25		1,401,342 15-Jul-1986	REG
Walls	10X & Design	25		1,401,343 15-Jul-1986	REG
Walls	10X (Stylized)	25		1,153,248 05-May-1981	REG
Walls	ARCTIC ZONE	25		2,012,336 29-Oct-1996	REG
Walls	BIG BORE	25		1,344,658 25-Jun-1985	REG
Walls	BIG BORE & Design	25		1,344,657 25-Jun-1985	REG
Walls	BLACK DUCK	25		2,105,694 14-Oct-1997	REG

Owner	Trademark	Classes	App No / App date	Reg No/ Reg Date	Status
Walls	BLIZZARD PRUF		78/354,757 21-Jan-2004		PEN
Walls	BRUSH HUNTER	25	78/336,024 3-Dec-2003		PEN
Walls	COMMANDER	25		2,031,885 21-Jan-1997	REG
Walls	COMMANDER	25		2,522,822 25-Dec-2001	REG
Walls	DOUBLE ARROWHEAD DESIGN	025		1,989,407 30-Jul-1996	REG
Walls	FROST PRUF	025	78/259,561 06-Jun-2003		PEN
Walls	LEADING THE WAY OUTDOORS	25		2,170,630 07-Jul-1998	REG
Walls	LIBERTY	25		1,084,058 31-Jan-1978	REG
Walls	LIBERTY and design	25		1,407,774 02-Sep-1986	REG

Owner	Trademark	Classes	App No / App date	Reg No/ Reg Date	Status
Walls	LIBERTY and shield design	25		261,696 24-Sep-1929	REG
Walls	LIBERTY FREEDOM and design	25		1,399,624 01-Jul-1986	REG
Walls	LIBERTY RUGGED OUTDOOR GEAR	25		1,377,344 07-Jan-1986	REG
Walls	MASTER MADE	25		2,067,367 03-Jun-1997	REG
Walls	SHIKARI CLOTH	24		2,676,741 21-Jan-2003	REG
Walls	UPLAND	25		762,378 31-Dec-1963	REG
Walls	W WALLS & Design	25		2,803,572 6-Jan-2004	REG
Walls	WALLS	25		2,571,382 21-May-2002	REG
Walls	WALLS	25		1,650,837 16-Jul-1991	REG

Owner	Trademark	Classes	App No / App date	Reg No/ Reg Date	Status
Walls	WALLS BLIZZARD-PRUF	25		1,741,436 22-Dec-1992	REG
Walls	WALLS BLIZZARD-PRUF & Design	25		1,678,626 10-Mar-1992	REG
Walls	WALLS' BLIZZARD-PRUF & design	25		983,385 07-May-1974	REG
Walls	WALLS BREATHABLE WATER-PRUF	25		1,686,509 12-May-1992	REG
Walls	WALLS MASTER MADE	25		2,065,296 27-May-1997	REG
Walls	ZERO ZONE BY WALLS	25		1,879,874 21-Feb-1995	REG
Walls	ZERO-ZONE AND DESIGN	25		984,556 21-May-1974	REG
Walls	WHITE FLYER			0763157 14-Jan-1964	REG
Walls	cowboy design			1435795 7-April-1987	REG

Owner	Trademark	Classes	App No / App date	Reg No/ Reg Date	Status
Walls	BIGBORE			0761387 10-Dec-1963	REG
Walls	***ZAPPERS***			***1315901*** ***22-Jan-1985***	***REG***

Trademarks (CTM Marks)

Owner	Trademark	Classes	App No / App Date	Reg No / Reg Date	Status
Walls	WALLS	9, 18, 25	3213551 6-Jun-2003		PEN

Trademarks (Austria)

Owner	Trademark	Classes	App No / App Date	Reg No / Reg Date	Status
Walls	WALLS	9, 18, 25	3213551 6-Jun-2003		PEN

Trademarks (Benelux)

Owner	Trademark	Classes	App No / App Date	Reg No / Reg Date	Status
Walls	WALLS	9, 18, 25	3213551 6-Jun-2003		PEN
Walls	WALLS	18, 25		568717 3-Jan-1996	REG

Trademarks (Canada)