TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Disston Company		09/15/2006	CORPORATION: MASSACHUSETTS

RECEIVING PARTY DATA

Name:	Wells Fargo Bank, National Association
Street Address:	300 Commercial Street
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02109
Entity Type:	Association:

PROPERTY NUMBERS Total: 16

Property Type	Number	Word Mark
Registration Number:	2556122	AGGRESSOR
Registration Number:	669575	BLU-MOL
Registration Number:	621165	BLU-MOL
Registration Number:	1211329	CHALLENGER
Registration Number:	1316575	CHALLENGER
Registration Number:	90101	DISSTON
Registration Number:	1389695	DISSTON
Registration Number:	961991	"GRIT-EDGE"
Registration Number:	1448160	REMGRIT
Registration Number:	685101	SPEED-BAND
Registration Number:	1164366	THE AGGRESSOR
Registration Number:	1736074	THE AGGRESSOR
Registration Number:	1796759	THE POINT

CH $415.00 2556122

Registration Number:	1632927	TURBO BIT
Registration Number:	2988846	XTREME
Registration Number:	870292	ZIPPIDI-DO

CORRESPONDENCE DATA

Fax Number: (703)415-1557

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 703-415-1555

Email: mail@specializedpatent.com

Correspondent Name: Christopher E. Kondracki

Address Line 1: 2001 Jefferson Davis, Hwy., Suite 1007

Address Line 4: Arlington, VIRGINIA 22202

ATTORNEY DOCKET NUMBER:	6110801
NAME OF SUBMITTER:	Christopher E. Kondracki/
Signature:	/Christopher E. Kondracki/
Date:	11/07/2006

Total Attachments: 12

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of September 15, 2006, is made by and between **DISSTON COMPANY**, a Massachusetts corporation having a business location at the address set forth below next to its signature (the "**Debtor**"), and **WELLS FARGO BANK, NATIONAL ASSOCIATION** (the "**Secured Party**"), acting through its Wells Fargo Business Credit operating division, and having a business location at the address set forth below next to its signature.

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**. The recitals set forth above are incorporated herein by reference to the same extent and with the same force and effect as if fully set forth herein. Terms used and not defined herein shall have the meanings provided in the Credit Agreement. In addition, the following terms have the meanings set forth below:

   "**Patents**" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

   "**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, 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, and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on **Exhibit B**.

2. **Security Interest**. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the "**Security Interest**") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Indebtedness. 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. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

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) **Patents.** **Exhibit A** accurately lists all Patents owned or controlled by the Debtor as of the date hereof, or which the Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on **Exhibit A**, or if **Exhibit A** ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall within 60 days of obtaining such ownership, control or right, or of the date on which **Exhibit A** ceases to reflect the existence and status of applications and letters patent pertaining to the Patents 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.

(c) **Trademarks.** **Exhibit B** accurately lists all Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** 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 B** (other than common law marks which are not material to the Debtor's or any Affiliate's business(es)), or if **Exhibit B** 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 B**, which upon acceptance by the Secured Party shall become part of this Agreement.

(d) **Affiliates**. As of the date hereof, no Affiliate owns or has a right to have assigned to it any items used by Debtor that would, if such item were owned by the Debtor, constitute Patents or Trademarks. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then the Debtor shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to the Debtor; or (ii) notify the Secured Party of such item(s) and cause such Affiliate to execute and deliver to the Secured Party a patent and trademark security agreement substantially in the form of this Agreement.

(e) **Title.** The Debtor has good and marketable title to each Patent and each Trademark listed on **Exhibits A and B**, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** Except as permitted in the Credit Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.

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

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(h) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Except to the extent permitted under the Credit Agreement, the Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or 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 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, 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.

(i) **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 Patent or 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.

(j) **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 3(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.

(k) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection 3(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 Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or 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 Indebtedness.

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4. **Debtor's Use of the Patents and Trademarks**. The Debtor shall control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and 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**. Upon the occurrence of an Event of Default and at any time thereafter, 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 Patents and Trademarks.

   (c) The Secured Party may enforce the Patents and 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 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 Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and 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 the Commonwealth of Massachusetts 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.

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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 Indebtedness.

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

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TRADEMARK
REEL: 003423 FRAME: 0967

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above as a sealed instrument.

DISSTON COMPANY

5 Industrial Drive West

South Deerfield, Massachusetts 01373

By _____

Rongling Huang, Assistant Secretary

WELLS FARGO BANK, NATIONAL ASSOCIATION

Wells Fargo Bank, National Association

300 Commercial Street

Boston, Massachusetts 02109

By _____

_____

TRADEMARK
REEL: 003423 FRAME: 0968

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above as a sealed instrument.

DISSTON COMPANY

5 Industrial Drive West

South Deerfield, Massachusetts 01373

By _____

Stephen Chen, Chairman

WELLS FARGO BANK, NATIONAL ASSOCIATION

Wells Fargo Bank, National Association

300 Commercial Street

Boston, Massachusetts 02109

By _____

Mark Weik, AVP

TRADEMARK
REEL: 003423 FRAME: 0969

State of California)
)
County of Orange)

On September 14, 2006 before me, Donna Bamsey, Notary Public, personally appeared Rongling Huang, ~~personally known to me (or~~ proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature Donna Bamsey

DONNA BAMSEY
Commission # 1382769
Notary Public - California
Orange County
My Comm. Expires Nov 2, 2006

EXHIBIT A

PATENTS

Patent	Country	Description	Issue Date
5,038,653	United States	Circular Saw Blade	8/13/1991
D395,588	United States	Saw Handle	6/30/1998
5,061,126	United States	Hole Saw & Mandrel Assembly	10/29/1991
D332,524	United States	Tool Box	1/19/1993
5,442,979	United States	Twist Drill	8/22/1995
D478,106	United States	Hole Saw Design	8/5/2003
D478,919	United States	Hole Saw Design	8/26/2003
D478,339	United States	Hole Saw Design	8/12/2003
D478,105	United States	Hole Saw Design	8/5/2003
D516,594	United States	Hole Saw Design	3/7/2006
6,954,989	United States	Door Operating Hardware Installation Guide	10/18/2005

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EXHIBIT B

TRADEMARKS

MARK: AGGRESSOR

Country	Serial Number	Date Filed	Registration No.	Date Issued
United States	78041282	1/2/2001	2556122	4/2/2002

MARK: BLU-MOL

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	72048644	3/28/1958	669,575	11/l 1/1958
United States	71681611	2/14/1955	621,165	2/14/1956

MARK: CHALLENGER

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	73335956	11/6/1981	1211329	10/5/1982
United States	73429785	6/13/1983	1316575	1/29/1985

MARK: DISSTON*

Country	Serial Number	Date Filed	Registration Number	Date Issued
Community Trademark	3598406	1/6/2004	3598406	2/18/2005
United States	71066326	10/17/1912	90101	2/4/1913
United States	73498890	9/11/1984	1389695	4/15/1986

*Subject to a royalty free license to H.K. Porter Company, Inc., it successors and assigns in Indonesia, New Zealand and the Philippines.

*Subject to an exclusive license to Sandvik for products in the industrial market. Sandvik has the right to assign the license without consent.

MARK: GRIT-EDGE

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	72415010	2/9/1972	961,991	6/26/1973

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MARK: REMGRIT

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	619178	9/10/1986 -	1448160	7/21/1987

REMGRIT is owned by Remgrit Corporation. REMGRIT is exclusively licensed, perpetual and worldwide to Rule Grit, Inc. with the right to acquire the mark upon the occurrence of any of three events. SDI is a successor to Rule Grit, Inc.

MARK: SPEED BAND (AND DESIGN)

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	72067201	2/6/1959	685101	9/15/1959

MARK: THE AGGRESSOR

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	73240680	11/28/1979	1164366	8/11/1981
United States	74186098	7/18/199!	1736074	12/1/1992

MARK: THE POINT (AND DESIGN)

Country	Serial Number	Date Filed	Registration No.	Date Issued
United States	74127861	1/4/1991	1796759	10/511993

MARK: TURBO-BIT

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	74047296	4/9/1990	1632927	1/29/1991

MARK: XTREME

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	78090684	10/29/2001	2988846	8/30/2005

Subject to a Settlement Agreement with MK Diamond Products.

TRADEMARK
REEL: 003423 FRAME: 0973

MARK: ZIPPIDI-DO (STYLIZED)

Country	Serial Number	Date Filed	Registration Number	Date Issued
United States	72298200	5/15/1968	870292	6/3/1969

Cease and desist letter sent to Continental D.I.A. Diamond Products, Inc., concerning U.S. Registration No. 3,028,708 and Canadian trademark application No. 1,238,715 for trademark "TERMINATOR XTREME" for power saw blades, power drill bits, power grinding wheels, and polishing pads.

Cease and desist letter sent to Sing Kee Metalware Co. concerning counterfeit holesaws in China.

DOMAIN NAMES

Domain Name	DNS Name Svr's	Expiration Date	Additional Services
Blu-mo.com	nsl9.worldnic.com (P)	14-Jan-09	Web forwarding to blumol.net
	ns20.worldnic.com (S)		
	Dns2.earthlink.net (F)		
Blumol.net	Dns3.earthlink.net (S)	15-Mar-07	
Bluemol.com	ns83.worldnic.com (F)		
	nsS4.worldnzc.com (S)	24-Apr-08	Web forwarding to blumol.net
Blumol.com	ns83.worldnic.com (P)		
	ns84.worldnic.com (S)	24-Apr-08	Web forwarding to blumol.net
Disstonsaws.com	ns.Kennametal.corn (F)		
	auth02.ns.uu.net (S)	23-Apr-08	
	ns.Kennametal.com (F)		
Disstontools.com	auth02.ns.uu.net (S)	23-Apr-08	
	ns.Kennametal.com (F)		
Henrydisston.com	auth02.ns.uu.net (S)	24-Apr-08	
	ns.Kennametal.com (P)		
Remgrit.corn	auth02.ns.uu.net (S)	24-Apr-08	