

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|-----------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|----------------------|----------|----------------|-----------------------|
| Peer Bearing Company | | 12/21/2006 | CORPORATION: ILLINOIS |
| Peer Chain Company | | 12/21/2006 | CORPORATION: ILLINOIS |

RECEIVING PARTY DATA

| | |
|-----------------|-----------------------------------|
| Name: | LaSalle Bank National Association |
| Street Address: | 135 South LaSalle Street |
| City: | Chicago |
| State/Country: | ILLINOIS |
| Postal Code: | 60603 |
| Entity Type: | National Banking Association: |

PROPERTY NUMBERS Total: 8

| Property Type | Number | Word Mark |
|----------------|----------|-----------|
| Serial Number: | 78680312 | GRIP-IT |
| Serial Number: | 72261515 | P |
| Serial Number: | 72261514 | PEER |
| Serial Number: | 72245009 | PEER |
| Serial Number: | 75181054 | ZERODRAG |
| Serial Number: | 74537030 | PEER |
| Serial Number: | 76082689 | PROCOAT |
| Serial Number: | 76186509 | QUEST |

CORRESPONDENCE DATA

Fax Number: (312)827-8185
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Email: trademarks@bellboyd.com
 Correspondent Name: Bell, Boyd & Lloyd LLC
 Address Line 1: P.O. Box 1135

CH \$215.00 78680312

Address Line 4: Chicago, ILLINOIS 60690-1135

ATTORNEY DOCKET NUMBER:

115190-35

NAME OF SUBMITTER:

Doug Hatlestad

Signature:

/doug hatlestad/

Date:

12/27/2006

Total Attachments: 7

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PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of December 21, 2006, by PEER BEARING COMPANY, an Illinois corporation and PEER CHAIN COMPANY, an Illinois corporation (collectively, the "Grantors"), in favor of LASALLE BANK NATIONAL ASSOCIATION (the "Bank").

RECITALS

A. The Grantors and/or their affiliates have entered into a Second Amended and Restated Loan and Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") with the Bank, pursuant to which the Bank has agreed to make loans to, and issue or participate in letters of credit for the account of, Grantors and/or their affiliates.

B. Pursuant to the Loan Agreement, the Grantors are required to execute and deliver to the Bank this Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantors have granted to the Bank a security interest in substantially all the assets of the Grantors, including all right, title and interest of the Grantors in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantors under the Loan Agreement.

In consideration of the mutual agreements set forth herein and in the Loan Agreement, the Grantors do hereby grant to the Bank a continuing security interest in all of Grantors' right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantors against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");

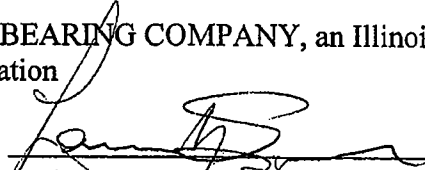
- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantors against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Bank pursuant to the Loan Agreement and subject to limitations set forth therein. The Grantors hereby acknowledge and affirm that the rights and remedies of the Bank with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Loan Agreement.


[signature page follows]

The Grantors have caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PEER BEARING COMPANY, an Illinois corporation

By: 
Name: Laurer Spongen
Title: President

PEER CHAIN COMPANY, an Illinois corporation

By: 
Name: KENNETH SPURGEN
Title: TRAS.

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION

Michael F. Perry
First Vice President

The Grantors have caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PEER BEARING COMPANY, an Illinois corporation

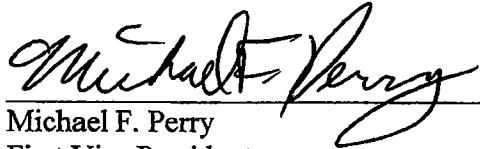
By: _____
Name: _____
Title: _____

PEER CHAIN COMPANY, an Illinois corporation

By: _____
Name: _____
Title: _____

Acknowledged:

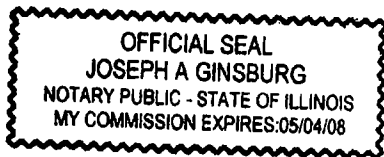
LASALLE BANK NATIONAL ASSOCIATION

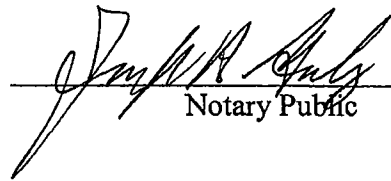


Michael F. Perry
First Vice President

STATE OF Illinois)
) ss
COUNTY OF Lake)

On this 20 day of December, 2006, before me personally appeared the person whose signature is set forth above, to me known, who, being duly sworn, did depose and say that he is the above-indicated officer of the Grantors, and which executed the above instrument; and that he signed his name thereto by authority of the board of directors or similar governing of said entity.





Notary Public

SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Trademarks, Trademark Applications and Trademark Licenses

| Mark Name | Owner of Mark | Trademark Number/Serial Number | Date of Application | Trademark Registration Number | Date of Registration | Status |
|----------------------------|----------------------|---------------------------------------|----------------------------|--------------------------------------|-----------------------------|---------------------|
| GRIP-IT | Peer Bearing Company | 78/680312 | 11/01/2002 | | | Waiting Publication |
| P (stylized letter) | Peer Bearing Company | 72/261515 | 12/27/1966 | 0848165 | 04/30/1968 | Registered |
| PEER (stylized letters) | Peer Bearing Company | 72/261514 | 12/27/1966 | 0842834 | 01/23/1968 | Registered |
| PEER | Peer Bearing Company | 72/245009 | 05/05/1966 | 0835449 | 09/19/1967 | Registered |
| ZERODRAG | Peer Bearing Company | 75/181054 | 10/15/1996 | 2181273 | 08/11/1998 | Registered |
| PEER | Peer Chain Company | 74/537030 | 06/13/1994 | 1898567 | 06/13/1995 | Registered |
| PROCOAT | Peer Chain Company | 76/082689 | 07/03/2000 | 2469664 | 07/17/2001 | Registered |
| QUEST | Peer Chain Company | 76/186509 | 12/27/2000 | 2577898 | 06/11/2002 | Registered |

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents, Patent Applications and Patent Licenses

| Patent Number | Patent Application Number | Date Patent Issued | Date of Patent Application |
|----------------------|----------------------------------|---------------------------|-----------------------------------|
| US 6,840,679 B2 | 10/091,779 | 01/11/2005 | 03/05/2002 |
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