

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
NUPLA CORPORATION		09/04/2007	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	Patriot Capital Funding, Inc., as Agent with respect to certain senior secured loans
Street Address:	274 Riverside Avenue
Internal Address:	First Floor
City:	Westport
State/Country:	CONNECTICUT
Postal Code:	06880
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 39

Property Type	Number	Word Mark
Registration Number:	0858248	CIP
Registration Number:	1581084	DYNAMIC...INNOVATIVE...RESPONSIVE THAT'SWHAT MAKES NUPLA BETTER THAN THE "STONE AGE" COMPETITION!
Registration Number:	1609594	EE SERIES
Registration Number:	3042688	ERGO POWER
Registration Number:	3108127	EXTREME POWER DRIVE
Registration Number:	0620777	IMPAX
Registration Number:	2139580	KEY/LOC
Registration Number:	2023265	LIFETIME
Registration Number:	2134941	MECH/LOC
Registration Number:	2236169	MICRO-STRIKE
Registration Number:	1997706	
Registration Number:	2011222	

OP \$990.00 0858248

Registration Number:	0877573	MULTI-STRAND
Registration Number:	0961982	NULOK
Registration Number:	0846668	NUPLA
Registration Number:	0628215	NUPLA
Registration Number:	1585335	NUPLA
Registration Number:	0857714	NUPLA-BOND
Registration Number:	2793050	NUPLACAST
Registration Number:	0622110	NUPLAFLEX
Registration Number:	0851863	NUPLAGLAS
Registration Number:	0842300	NUPLAGLAS
Registration Number:	2961124	NUPRO
Registration Number:	3002666	POLYTEC
Registration Number:	1916002	POWER DRIVE
Registration Number:	2008307	POWER PYLON
Registration Number:	2961409	PRO-TEC
Registration Number:	1956871	PRO-TEC CLASSIC
Registration Number:	2416592	SMART HAMMER
Registration Number:	1912260	STRIKE FORCE
Registration Number:	3144949	STRIKE PRO
Registration Number:	0979892	STRIKON
Registration Number:	0877572	SUPER-STRAND
Registration Number:	1791304	TAURUS CLASSIC
Registration Number:	1771128	TAURUS NUPLA PROFESSIONAL FIBERGLASS MADE IN U.S.A. FIBERGLASS HANDLE INVENTOR'S SINCE 1938
Registration Number:	1791305	TAURUS SURVIVOR
Registration Number:	1450821	WE CAN HANDLE ANYTHING
Registration Number:	1451319	WE CAN HANDLE ANYTHING
Serial Number:	77051029	

CORRESPONDENCE DATA

Fax Number: (312)863-7806
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 312-863-7198
 Email: nancy.brougher@goldbergkohn.com
 Correspondent Name: Nancy Brougher c/o Goldberg Kohn
 Address Line 1: 55 East Monroe Street
 Address Line 2: Suite 3300

Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER: 5654.012

NAME OF SUBMITTER: Nancy Brougher

Signature: /njb/

Date: 09/06/2007

Total Attachments: 23

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "**Agreement**") is made and entered into as of September 4, 2007 by and between NUPLA CORPORATION, a California corporation (the "**Grantor**") and PATRIOT CAPITAL FUNDING, INC., a Delaware corporation ("**Agent**"), in its capacity as agent for the Purchasers identified in the Senior Secured Loan Agreement (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Loan Agreement**") among the Grantor, Specialty Tools, Inc., a Delaware corporation ("**Parent**"; together with Grantor each a "**Borrower**" and collectively, the "**Borrowers**"), Agent and the Purchasers party thereto (the "**Purchasers**") dated as of even date herewith.

RECITALS

A. Pursuant to the Loan Agreement, the Purchasers have purchased the Notes (as defined in the Loan Agreement) from, and advanced certain loans to, Borrowers and Borrowers have incurred certain obligations to Purchasers and Secured Party. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Loan Agreement.

B. In order to induce the Purchasers to purchase the Notes in accordance with the Loan Agreement, and in consideration therefor, the Grantor has agreed to grant to the Agent, for the benefit of the Purchasers, a perfected lien on the security interest in all of the Grantor's trademarks, copyrights, patents, whether now or hereafter existing, owned or acquired, all pursuant to the terms of this Agreement in order to secure, for the benefit of the Purchasers, (i) the due and punctual payment of (A) the principal and interest (including, without limitation, interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding regardless of whether allowed or allowable in such proceeding) on the Notes, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (B) all other monetary obligations of the Grantor under the Notes, the Loan Agreement, this Agreement or the other Security Documents, including, but not limited to, fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including, without limitation monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding regardless of whether allowed or allowable in such proceeding), and (ii) the due and punctual performance (as applicable) of the covenants, agreements, obligations and liabilities of the Grantor under or pursuant to the Loan Agreement, the Notes, this Agreement or the other Security Documents, or any other note, letter of credit, other agreement, document or instrument with or in favor of Agent or any of the Purchasers, their successors or assigns, each howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, due or to become due (all items set forth in this Recital are collectively, the "**Secured Obligations**").

C. It is a condition precedent to the purchase and acceptance of the Notes by the Purchasers that the Grantor executes and delivers this Agreement.

NOW, THEREFORE, for and in consideration of the covenants and provisions set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

Section 1. **Grant of Security Interest in the Collateral; Obligations Secured.**

(a) As security for the Secured Obligations, the Grantor hereby:

(1) sells, mortgages, conveys, assigns, pledges and grants to the Agent, its successors and assigns, for the benefit of the Purchasers, a continuing and unconditional security interest in, any and all right, title and interest of the Grantor, whether now existing or hereafter acquired or arising, in and to the following:

i. **Patents.** Patents, whether now owned or hereafter acquired, or in which Grantor now has or hereafter acquires any rights (the term "Patent" means and includes (A) all letters patent of the United States of America or any other country or any political subdivision thereof, now existing or hereafter acquired, all registrations and recordings thereof, and all applications for letters patent of the United States of America or any other country or any political subdivision thereof, now existing or hereafter acquired, including without limitation registrations, recordings and applications therefor in the United States Patent and Trademark Office or any other country or any political subdivision thereof and (B) all reissues, continuations, continuations-in-part or extensions thereof), including without limitation each Patent listed on Schedule A-1 hereto, and all of the inventions now or hereafter described and claimed in the Grantor's Patents;

ii. **Patent Licenses.** Patent Licenses, whether now owned or hereafter acquired, or in which the Grantor now has or hereafter acquires any rights (the term "Patent Licenses" means and includes any written agreement granting to any person any right to exploit, use or practice any invention on which a Patent is owned by another person), including without limitation each Patent License listed on Schedule A-2 hereto, and all royalties and other sums due or to become due under or in respect of the Grantor's Patent Licenses, together with the right to sue for and collect all such royalties and other sums;

iii. **Trademarks.** Trademarks, whether now owned or hereafter acquired, or in which the Grantor now has or hereafter acquires any rights (the term "Trademarks" means and includes (A) all trademarks, trade names, trade styles, service marks and logos, all prints and labels on which said trademarks, trade names, trade styles, service marks and logos have appeared or appear and all designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including without limitation registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States of America, any state thereof or any other country or any political subdivision

thereof and (B) all renewals thereof), including without limitation each Trademark application and registration listed on Schedule B-1 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark;

iv. **Trademark Licenses.** Trademark Licenses, whether now owned or hereafter acquired, or in which the Grantor now has or hereafter acquires any rights (the term "Trademark Licenses" means and includes any written agreement granting to any person any right to use or exploit any Trademark or Trademark registration of another person), including without limitation the agreements described in Schedule B-2 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark licensed and all royalties and other sums due or to become due under or in respect of the Grantor's Trademark Licenses, together with the right to sue for and collect all such royalties and other sums;

v. **Copyrights.** Copyrights and Copyright registrations, whether now owned or hereafter acquired, or in which the Grantor now has or hereafter acquires any rights (the term "Copyrights" means and includes (A) all original works of authorship fixed in any tangible medium of expression, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including without limitation registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States of America, any state thereof or any other country or any political subdivision thereof and (B) all renewals thereof), including without limitation each Copyright registration listed on Schedule C-1 hereto;

vi. **Copyright Licenses.** Copyright Licenses, whether now owned or hereafter acquired, or in which the Grantor now has or hereafter acquires any rights (the term "Copyright Licenses" means and includes any written agreement granting to any person any right to use or exploit any Copyright or Copyright registration of another person), including without limitation the agreements described in Schedule C-2 hereto, and all royalties and other sums due or to become due under or in respect of the Grantor's Copyright Licenses, together with the right to sue for and collect all such royalties and other sums; and

vii. **Proceeds and Products.** All proceeds and products of the foregoing and all insurance of the foregoing and proceeds thereof, whether now existing or hereafter arising, including without limitation (A) any claim of the Grantor against third parties for damages by reason of past, present or future infringement of any Patent or any Patent licensed under any Patent License, (B) any claims by the Grantor against third parties for damages by reason of past, present or future infringement or dilution of any Trademark or of any Trademark licensed under any Trademark License, or for injury to the goodwill of the business connected with the use of, or symbolized by, any Trademark or of any Trademark licensed under any Trademark License, (C) any claim of the Grantor against third parties for damages by

reason of past, present or future infringement of any Copyright or any Copyright licensed under any Copyright License, and (D) any claim of the Grantor against third parties for damages by reason of past, present or future infringement of any Copyright or any Copyright licensed under any Copyright License, and (E) any claim by the Grantor against third parties for damages by reason of past, present or future misappropriation or wrongful use or disclosure of any trade secret or other property or right described above or of any such trade secret or other property or right licensed under any license or agreement described above, and together with the right to sue for and collect the damages described in the immediately preceding clauses (A), (B), (C) and (D);

all of the foregoing being herein sometimes referred to as the "Collateral";

(2) provided, however, the Collateral described above shall not include any interest of the Grantor in any contract, license, permit or similar general intangible if the granting of a security interest therein is prohibited by the terms of the written agreement creating or evidencing such contract, license, permit or similar intangible, provided, further, that, notwithstanding anything set forth in the proviso set forth above to the contrary, to the extent not prohibited by law, the Agent, for the benefit of the Purchasers, shall at all times have a security interest in all rights of the Grantor to payments of money due or to become due under any such contract, license, permit or similar general intangible, and all proceeds thereof, and, if and when the prohibition which prevents the granting of a security interest in any such property is removed, terminated or otherwise becomes unenforceable as a matter of law, the Agent will be deemed to have, and at all times to have had, a security interest in such property and the Collateral will be deemed to include, and at all times to have included, such property; and

(3) in furtherance of granting such security interests, grants, bargains, sells, transfers, conveys and assigns as security to the Agent, for the benefit of the Purchasers, the Patents, the Patent Licenses, the Copyrights and the Copyright Licenses. Notwithstanding anything herein to the contrary, this Agreement shall not operate as a sale, transfer, conveyance or other assignment to Agent of any applications by the Grantor for a Trademark based on an intent to use the same if and so long as such application is pending and not matured into a registered Trademark (such pending applications which are based on intent to use being hereinafter referred to collectively as "Intent-To-Use Applications"), but rather, if and so long as the Grantor Intent-To-Use Application is pending this Agreement shall operate only to create a security interest for collateral purposes in favor of Agent, for the benefit of the Purchasers, on such Intent-To-Use Application as collateral security for the Secured Obligations.

(b) This Agreement, including the security interest granted hereunder, is made and given to secure, and shall secure, the prompt payment or performance in full when due, whether by lapse of time, acceleration or otherwise, of the Secured Obligations.

Section 2. **Continuing Agreement; Termination and Release.** This Agreement is made for collateral purposes only. This Agreement shall be a continuing agreement in every respect and shall remain in full force and effect until all of the Secured Obligations shall have been indefeasibly paid and satisfied and all commitments of the Purchasers under the Loan Agreement have been terminated. Upon such termination of this Agreement, the Agent shall, upon the request and at the expense of the Grantor, forthwith release, assign and transfer, without recourse, and, to the extent applicable, deliver, against receipt and without recourse to the Agent, such of the Collateral as may then be in the possession of the Agent and as shall not have been sold or otherwise applied pursuant to the terms hereof to or on the order of the Grantor. Said release, assignment, transfer and delivery shall include an instrument in form recordable in the United States Patent and Trademark Office and the United States Copyright Office by which the Agent shall terminate, release and, without representation, recourse or warranty, reassign to the Grantor all rights in each Patent, Patent License, Trademark, Trademark License, Copyright and Copyright License, including each registration thereof and application therefor, conveyed and transferred to the Agent pursuant to this Agreement.

Section 3. **No Release.** Nothing set forth in this Agreement shall relieve the Grantor from the performance of any term, covenant, condition or agreement on the Grantor's part to be performed or observed under or in respect of any of the Collateral or from any liability to any party under or in respect of any of the Collateral or impose any obligation on the Agent to perform or observe any such term, covenant, condition or agreement on the Grantor's parts to be so performed or observed or impose any liability on the Agent for any act or omission on the part of the Grantor relative thereto or for any breach of any representation or warranty on the part of the Grantor contained in this Agreement or under or in respect of the Collateral or made in connection herewith or therewith.

Section 4. **Use of Collateral.** Notwithstanding anything to the contrary contained herein, until an Event of Default has occurred and is continuing and until otherwise notified by the Agent, the Grantor may continue to exploit, license, use, enjoy and protect the Collateral throughout the world and the Agent shall from time to time execute and deliver, upon written request of the Grantor, any and all instruments, certificates or other documents, in the form so requested, necessary or appropriate in the reasonable judgment of the Grantor to enable the Grantor to continue to exploit, license, use, enjoy and protect the Collateral throughout the world. In furtherance of the foregoing but subject to Sections 9 and 10 hereof, the Agent grants to the Grantor an exclusive, perpetual, world-wide, royalty-free right and license, with the right to exploit, license, use, enjoy and protect the Patents, the Patent Licenses, the Copyrights and the Copyright Licenses for any and all purposes.

Section 5. **Representations and Warranties of the Grantor.** The Grantor hereby represents and warrants to the Agent as follows:

(a) The Grantor is, and, as to the Collateral acquired by it from time to time after the date hereof, the Grantor will be, the owner or, as applicable, licensee of all the Collateral. The Grantor's rights in the Collateral are and shall remain free and clear of any

lien, pledge, security interest, encumbrance, assignment, collateral assignment or charge of any kind, including without limitation any filing of, or agreement to file, a financing statement as Grantor under the Uniform Commercial Code or any similar statute, except for the lien and security interest created by this Agreement and Permitted Liens. The Grantor has made no previous assignment, conveyance, transfer or agreement in conflict with the liens granted hereby. The Grantor further represents and warrants to the Agent that Schedules A-1, A-2, B-1, B-2, C-1 and C-2 hereto, respectively, are true and correct lists of all Patents, Patent Licenses, Trademarks, Trademark Licenses, Copyrights and Copyright Licenses owned or used by the Grantor as of the date hereof and that Schedules A-1, A 2, B-1, B-2, C-1 and C-2 are true and correct with respect to the matters set forth therein as of the date hereof.

(b) The Grantor has made all necessary filings and recordations to protect its interests in the Collateral.

(c) The Grantor owns directly or has rights to use in all material respects the Collateral and all rights with respect to any of the foregoing used in or reasonably necessary for the business of the Grantor in the ordinary course as presently conducted. Except as may be disclosed in the Loan Agreement, the use of the Collateral and all rights with respect to the foregoing by the Grantor do not, to the actual knowledge of the Grantor, infringe, in any material respect, on the rights of any party, nor has any claim of such infringement been made.

(d) Upon the filing of financing statements including the Collateral in the appropriate offices under the Uniform Commercial Code, and the filing of this Agreement in the United States Patent and Trademark Office and the United States Copyright Office, as applicable, this Agreement will create a valid and duly perfected lien on and security interest in the Collateral which is registered in and with the United States of America effective against purchasers from and creditors of the Grantor, subject to no prior liens or encumbrances other than Permitted Liens.

Section 6. **Covenants and Agreements of the Grantor.** The Grantor hereby covenants and agrees with the Agent as follows:

(a) On a continuing basis, the Grantor will, at the expense of the Grantor, subject to any prior licenses, encumbrances and restrictions and prospective licenses, encumbrances and restrictions permitted hereunder, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places within the United States of America, all such instruments, including without limitation appropriate financing and continuation statements and collateral agreements, and take all such action as may reasonably be deemed necessary or advisable by the Agent (i) to carry out the intent and purposes of this Agreement, (ii) to assure and confirm to the Agent the grant or perfection of the security interest in the Collateral intended to be created hereby, subject to no prior Liens or encumbrances other than Permitted Liens, for the benefit of the Agent or (iii) to enable the

Agent to exercise and enforce its rights and remedies hereunder with respect to the Collateral.

(b) Without limiting the generality of the foregoing paragraph (a) of this Section 6, the Grantor (i) will not enter into any agreement that would adversely impair or conflict with the Grantor's obligations hereunder; (ii) will, promptly following its becoming aware thereof, notify the Agent of (x) any final adverse determination in any proceeding in the United States Patent and Trademark Office or the United States Copyright Office or (y) the institution of any proceeding or any adverse determination in any federal, state, local or foreign court or administrative body regarding the Grantor's claims of ownership in or right to use any of the Collateral, its right to register any such Collateral or its right to keep and maintain such registration; (iii) will preserve and maintain all rights in the Collateral, unless no longer used in the ordinary course of the Grantor's business or no longer deemed necessary to the Grantor's business; (iv) will not grant or permit to exist any lien or encumbrance upon or with respect to the Collateral or any portion thereof except Permitted Liens and will not execute any security agreement or financing statement covering any of the Collateral except in favor of the Agent; (v) will not permit to lapse or become abandoned (unless no longer used in the ordinary course of the Grantor's business or no longer deemed necessary to the Grantor's business), or settle or compromise any pending or future material adverse litigation or material adverse administrative proceeding with respect to any Collateral without the prior written consent of the Agent, or, except for licenses of Collateral in the ordinary course of business and except as otherwise permitted by the Loan Agreement, contract for sale or otherwise sell, convey, assign or dispose of, or grant any option with respect to, the Collateral or any portion thereof (unless no longer used in the ordinary course of the Grantor's business or no longer deemed necessary to the Grantor's business); (vi) upon the Grantor obtaining knowledge thereof, will promptly notify the Agent in writing of any event that could have a Material Adverse Effect on the value of any of the Collateral, the ability of the Grantor or the Agent to dispose of any such Collateral or the rights and remedies of the Agent in relation thereto, including without limitation a levy or threat of levy or any legal process against any such Collateral; (vii) will diligently keep reasonable records respecting the Collateral; (viii) hereby authorizes the Agent, in its sole discretion, to file one or more financing or continuation statements relative to all or any part of the Collateral without the signature of the Grantor where permitted by law; (ix) will furnish to the Agent from time to time statements and schedules further identifying and describing the Collateral and such other materials evidencing or reports pertaining to the Collateral as the Agent may reasonably request, all in reasonable detail; (x) will pay when due any and all taxes, levies, maintenance fees, charges, assessments, licenses fees and similar taxes or impositions payable in respect of the Collateral except to the extent being contested in good faith by appropriate proceedings which prevent the enforcement of the matter being contested (and for which the Grantor has established adequate reserves) and do not interfere with the business of the Grantor in the ordinary course or unless no longer necessary to the Grantor's business; and (xi) comply in all material respects with all laws, rules and regulations applicable to the Collateral.

(c) If, before the Secured Obligations shall have been indefeasibly paid and satisfied in full in cash and all commitments of the Purchasers under the Loan Agreement have been terminated, the Grantor shall obtain any rights to or become entitled to the benefit of any new Patent, patent application, service mark, trade name, Trademark, trademark application, trademark registration, Copyright, copyright application, copyright registration, license renewal or extension, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and the same shall automatically constitute Collateral and be and become subject to the assignment, lien and security interest created hereby, as the case may be, without further action by any party, all to the same extent and with the same force and effect as if the same had originally been Collateral hereunder. If the Grantor so obtains or becomes entitled to any of the rights described above, the Grantor shall promptly give written notice thereof to the Agent. The Grantor agrees to confirm the attachment of the lien and security interest created hereby to any such rights described above by execution of instruments, including, but not limited to, instruments for recordation with the United States Patent and Trademark Office and the United States Copyright Office, in form and substance acceptable to the Agent.

(d) The Grantor shall promptly notify the Agent of any future Collateral and, upon receipt of such notice by the Agent, Schedules A-1, A-2, B-1, B-2, C-1 and C-2 hereto shall be deemed amended to include reference to any such future Collateral.

(e) The Grantor shall prosecute diligently applications for the Patents, Trademarks and Copyrights now or hereafter pending and make application on unpatented but patentable inventions and registrable but unregistered Trademarks and Copyrights, that, in each case, in the Grantor's reasonable judgment would be materially beneficial to the business of the Grantor in the ordinary course as presently, and as now contemplated will be, conducted, file and prosecute opposition and cancellation proceedings and perform all acts necessary to preserve and maintain all rights in the Collateral, unless as to any Patent, Trademark or Copyright, in the reasonable judgment of the Grantor, such Patent, Trademark or Copyright has become immaterial or obsolete to such business of the Grantor. Any expenses incurred in connection with such actions shall be borne by the Grantor.

(f) Unless, in the reasonable judgment of the Grantor, immaterial or obsolete to the Grantor's business, the Grantor shall not abandon any right to file any material patent application, trademark application, service mark application, copyright application, Patent, Trademark or Copyright without the prior written consent of the Agent.

Section 7. **Supplements; Further Assurances.** The Grantor (i) agrees it will join with the Agent in executing and, at its own expense, file and refile, or permit the Agent to file and refile, such financing statements, continuation statements and other instruments and documents (including without limitation this Agreement) in such offices (including without limitation the United States Patent and Trademark Office and the United States Copyright Office) as the Agent may reasonably deem necessary or appropriate in order to perfect and preserve the rights and interests granted to the Agent hereunder and (ii)

hereby authorizes the Agent to file and refile such instruments and documents and any other instruments or documents related thereto without the signature of the Grantor where permitted by law and (iii) agrees to do such further acts and things, and to execute and deliver to the Agent such additional instruments and documents, as the Agent may reasonably require to carry into effect the purposes of this Agreement or to better assure and confirm unto the Agent its rights, powers and remedies hereunder. All of the foregoing are to be at the sole cost of the Grantor. Any reasonable costs of the foregoing incurred by the Agent shall be payable by the Grantor upon demand, together with interest thereon from the date of incurrence until so paid, and shall constitute additional Secured Obligations.

Section 8. **The Agent May Perform.** If the Grantor fails to perform any agreement contained herein after receipt of a written request to do so from the Agent, the Agent may itself (upon ten (10) days' prior written notice to the Grantor unless the Agent in good faith determines that immediate payment or performance is reasonably necessary to protect or preserve the Collateral), but shall not be obligated to, perform, or cause performance of, such agreement, and the reasonable expenses of the Agent, including the reasonable fees and expenses of its counsel, so incurred in connection therewith shall be payable by the Grantor.

Section 9. **Remedies.** Upon the occurrence and during the continuation of any Event of Default, the Agent shall have, in addition to all other rights provided herein, in the Security Documents, in the Loan Agreement or by law, the rights and remedies of a secured party under the Uniform Commercial Code, and further the Agent may, without demand and without advertisement, notice (except as required by law), hearing or process of law, all of which the Grantor hereby waives, at any time or times, sell and deliver any or all of the Collateral at public or private sale, for cash, upon credit or otherwise, at such prices and upon such terms as the Agent deems advisable, in its sole discretion. At any public sale, or, to the extent permitted by applicable law, at any private sale, made pursuant to this Section 9, the Agent may bid for or purchase, free from any right of redemption, stay or appraisal and all rights of marshalling, the Collateral and any other security for the Secured Obligations or otherwise on the part of the Grantor (all said rights being also hereby waived and released by the Grantor to the fullest extent permitted by law), and may make payment on account thereof by using any claim then due and payable to the Agent from the Grantor as a credit against the purchase price, and the Agent may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to the Grantor therefor. In addition to all other sums due the Agent hereunder, the Grantor shall pay the Agent all reasonable costs and expenses incurred by the Agent, including reasonable attorneys' fees and court costs, in obtaining, liquidating or enforcing payment of the Collateral or the Secured Obligations or in the prosecution or defense of any action or proceeding by or against the Agent or the Grantor concerning any matter arising out of or connected with this Agreement or the Collateral or the Secured Obligations.

Without in any way limiting the foregoing, upon the occurrence and during the continuation of any Event of Default, the Agent may to the full extent permitted by applicable law, with ten (10) days' prior notice to the Grantor, and without advertisement,

notice, hearing or process of law of any kind, all of which the Grantor hereby waives, (i) exercise any and all rights as beneficial and legal owner of the Collateral, including without limitation any and all consensual rights and powers with respect to the Collateral and (ii) sell or assign or grant a license to use, or cause to be sold or assigned or a license granted to use, any or all of the Collateral or any part hereof, in each case free of all rights and claims of the Grantor therein and thereto, but subject to any existing licenses in the Collateral permitted under the terms of this Agreement. In that connection, the Agent shall have the right to cause any or all of the Collateral to be transferred of record into the name of the Agent or its nominee as well as the right to impose (i) such limitations and restrictions on the sale or assignment of the Collateral as the Agent may deem to be necessary or appropriate to comply with any law, rule or regulation, whether federal, state or local, having applicability to the sale or assignment and (ii) requirements for any necessary governmental approvals.

Failure by the Agent to exercise any right, remedy or option under this Agreement or any other agreement between the Grantor and the Agent or provided by law, or delay by the Agent in exercising the same, shall not operate as a waiver; no waiver shall be effective unless it is in writing, signed by the party against whom such waiver is sought to be enforced and then only to the extent specifically stated. Neither the Agent nor any party acting as attorney for the Agent shall be liable hereunder for any acts or omissions or for any error of judgment or mistake of fact or law other than their gross negligence or willful misconduct. The rights and remedies of the Agent under this Agreement shall be cumulative and not exclusive of any other right or remedy which the Agent may have.

The Agent shall have and be entitled to exercise all rights, remedies and powers hereunder, together with such powers as are reasonably incidental thereto, on behalf of the Purchasers under the Loan Agreement, as the Agent may elect from time to time.

Section 10. **Power of Attorney.** The Grantor hereby irrevocably appoints the Agent, its nominee, or any other person whom the Agent may designate as the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor, the Agent or otherwise, upon the occurrence and during the continuation of any Event of Default, or if the Grantor fails to perform any agreement contained herein within ten (10) days after the Agent's written request, then to the extent necessary to enable the Agent to perform such agreement itself, from time to time in the Agent's discretion, to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including without limitation to record an assignment of the Trademarks and Trademark Licenses, if any, to the Agent with the United States Patent and Trademark Office, to prosecute diligently any Patent, Trademark or Copyright or any application for Patents, Trademarks or Copyrights pending as of the date of this Agreement or thereafter until the Secured Obligations shall have been indefeasibly paid in full, to make application on unpatented but patentable inventions and registrable but unregistered Trademarks or Copyrights, to file and prosecute opposition and cancellation proceedings, to do all other acts necessary or desirable to preserve all rights in Collateral and otherwise to file any claims or take any action or institute any proceedings which the Agent may deem necessary or desirable to accomplish the purpose of this Agreement. The Grantor

hereby ratifies and approves all acts of any such attorney and agree that neither the Agent nor any such attorneys will be liable for any acts or omissions nor for any error of judgment or mistake of fact or law other than their gross negligence or willful misconduct. The foregoing power of attorney, being coupled with an interest, is irrevocable until the Secured Obligations have been indefeasibly paid and satisfied.

Section 11. **Application of Proceeds.** The proceeds of any sale of Collateral pursuant to this Agreement or otherwise, and any Collateral consisting of cash, shall be applied after receipt by the Agent as set forth in Section 4.5 of the Security Agreement:

Section 12. **Miscellaneous.**

(a) The Grantor hereby indemnifies the Agent for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, reasonable costs, reasonable expenses or disbursements (including reasonable attorneys' fees) of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent, in any way relating to or arising out of, directly or indirectly, (i) the manufacture, use or sale or other disposition of products or processes utilizing or embodying any Collateral or (ii) any transactions contemplated hereby or any enforcement of the terms hereof, including, but not limited to, any action of, or failure to act by, the Agent in connection with this Agreement; provided, however, that the Grantor shall not be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the Agent.

(b) All communications hereunder shall be in writing and shall be given to the relevant party, and shall be deemed to have been made when given to the relevant party, in accordance with the Loan Agreement.

(c) In the event that any provision hereof shall be deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by any court, this Agreement shall be construed as not containing such provision, but only as to such jurisdictions where such law or interpretation is operative, and the invalidity of such provision shall not affect the validity of any remaining provisions hereof, and any and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

(d) This Agreement shall be deemed to have been made in this State of New York and shall be governed by and construed in accordance with the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of New York. The headings in this instrument are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

(e) This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterpart signature pages, each constituting an original, but all together one and the same instrument.

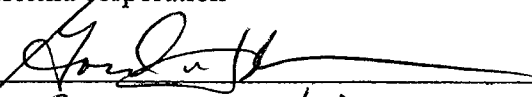
(f) Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Agent that are contained in this Agreement shall bind and inure to the benefit of its respective successors and assigns. The Grantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Agent.

[signatures on following pages]

IN WITNESS WHEREOF, the Grantor has caused this Agreement to be duly executed as of the date first above written.

GRANTOR:

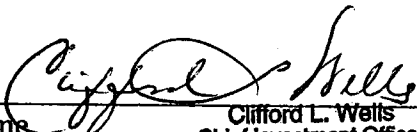
NUPLA CORPORATION,
a California corporation

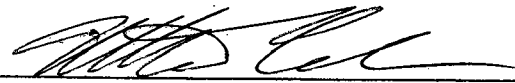
By: 
Name: Gordon C.C. Liao
Title: Vice President & Secretary

Accepted and agreed to by the Agent as of the date first above written.

AGENT:

PATRIOT CAPITAL FUNDING, INC.,
a Delaware corporation, as Agent

By 
Name Clifford L. Wells
Chief Investment Officer
Its _____

By 
Name Matthew R. Colucci
Managing Director
Its _____

SCHEDULE A-1

TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patent Numbers And Pending Patent Application Numbers

Title	Application No.	Patent No.	Date of Issue	Date Filed	Exp. Date
Nonrecoil Hammer	09/586,841	6,234,048	May 22, 2001	June 5, 2000	June 5, 2020
Nonrecoil Hammer	09/236,851	6,227,075	May 8, 2001	January 25, 1999	January 25, 2019
Method of Making a Nonrecoil Impact Tool	09/364,415	6,052,885	April 25, 2000	July 30, 1999	July 30, 2019
Hand Tool Having Interchangeable and Replaceable Striking Heads, and Assembly Process	09/113,735	5,996,442	December 7, 1999	July 10, 1998	July 10, 2018
Nonrecoil Impact Tool	09/042,139	5,960,677	October 5, 1999	March 13, 1998	March 13, 2018
Process for Manufacturing a Filament Wound, Localized Strength Tool Handle	08/781,360	5,804,012	September 8, 1998	January 21, 1997	January 21, 2017
Hand Tool and Process for Manufacturing Same	08/691,746	5,699,700	December 23, 1997	August 2, 1996	August 2, 2016
Shovel with Composite Socket and Process for Manufacturing Same	08/706,997	5,664,820	September 9, 1997	September 4, 1996	September 4, 2016
Method and Apparatus for Attaching a Tool Handle to a Tool Head	08/676,632	5,651,631	July 29, 1997	July 10, 1996	July 10, 2016
Pultrusion Process for Manufacturing Composite Rod Assemblies	08/452,159	5,632,837	May 27, 1997	May 26, 1995	May 26, 2015
Extension Pole	08/374,194	5,493,758	February 27, 1996	January 18, 1995	February 27, 2013
Method for Making Surface Protective Striking Tools	08/349,313	5,458,840	October 17, 1995	December 5, 1994	December 5, 2014
Surface Protective Striking Tools	08/167,418	5,375,486	December 27, 1994	December 14, 1993	December 14, 2013

Title	Application No.	Patent No.	Date of Issue	Date Filed	Exp. Date
Method of Making a Plastic Encased Tool Component Having a Lightweight Hollow Core	07/926,750	5,262,113	November 16, 1993	August 6, 1992	August 6, 2012
Process for Attaching Tool Heads to Ends of Composite Handles	07/712,690	5,123,304	June 23, 1992	June 10, 1991	June 10, 2011
Replacement Tool Handle, Hand Tool and Method	07/487,420	5,056,381	October 15, 1991	March 1, 1990	March 1, 2010
Tool Handle and Method of Attaching a Handle to a Percussive Tool Head	07/486,440	5,031,272	July 16, 1991	February 28, 1990	February 28, 2010

Table Two – Foreign Patents

Title	Application No.	Patent No.	Date Filed	Status
EPO: Non-Recoil Hammer	99967098.7	EP1154878	November 8, 1999	Active
EPO: Tool Handle and Method of Attaching a Handle to a Percussive Tool Head	91902903.3	EP0517709	October 23, 1990	Active
France: Tool Handle	901.546	901.546	March 7, 1990	Active

SCHEDULE A-2
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patent Licenses

[None]

SCHEDULE B-1**TO INTELLECTUAL PROPERTY SECURITY AGREEMENT****Registered Trademarks
And Trademark Applications**

Country	Trademark	Registration No.	Effective Registration Date
Australia	Ee SERIES Logo	551,109	26-Feb-1991
Australia	NUPLA	206,832	12-Dec-1966
Benelux	Ee SERIES Device	494,913	11-Jan-1991
Benelux	NUPLA	304,411	11-May-1971
Benelux	POWER DRIVE	368,708	21-Aug-1980
Canada	NUPLA	TMA 156,839	24-Oct-1966
Canada	NUPLAFLEX	TMA 152,266	28-Jul-1967
Canada	NUPLAGLAS	TMA 152,667	18-Aug-1967
European Community	MECH/LOC	273,631	10-Jun-1996
European Community	MICRO-STRIKE	826,024	15-May-1998
European Community	POWER PYLON	20,446	01-Apr-1996
Finland	CUSH-N-GRIP	125,895	22-Mar-1993
Finland	Ee SERIES Logo	126,789	21-Jun-1993
France	Ee SERIES Device	1,658,804	10-Jan-1991
France	NUPLA	1,380,632	20-Nov-1986
France	POWER DRIVE & Design	1,679,436	14-Sep-1990
Germany	NUPLA	839,611	14-Dec-1966
Norway	CUSH-N-GRIP	155,605	11-Mar-1993
Norway	Ee SERIES & Design	157,284	24-Jun-1993
Norway	NUPLA	108,107	15-Apr-1981
Sweden	NUPLA	120,058	16-Jun-1967
Switzerland	CUSH N GRIP	392,330	20-Aug-1991
Switzerland	Ee SERIES & Design	392,237	20-Aug-1991
Switzerland	NUPLA	P-348,927	08-Jul-1986
Switzerland	POWER DRIVE & Design	P-309,464	01-Dec-1980

Country	Trademark	Registration No	Effective Registration Date
UK	Ee SERIES & Design	B.1,444,360	15-Oct-1990
UK	LOCSTUD	1,451,329	28-Dec-1990
UK	NUPLA	901,291	04-Nov-1966
UK	NUPLA	1,135,125	11-Jun-1980
UK	NUPLA STUDLOC	1,451,334	28-Dec-1990
US	CIP	858,248	08-Oct-1968
US	DYNAMIC...INNOVATIVE...RESPONSIVE THAT'S WHAT MAKES NUPLA BETTER THAN THE "STONE AGE" COMPETITION!	1,581,084	06-Feb-1990
US	Ee Series Logo	1,609,594	14-Aug-1990
US	ERGO POWER	3,042,688	10-Jan-2006
US	EXTREME POWER DRIVE	3,108,127	20-Jun-2006
US	IMPAX (Stylized)	620,777	07-Feb-1956
US	KEY/LOC	2,139,580	24-Feb-1998
US	LIFETIME	2,023,265	17-Dec-1996
US	MECH/LOC	2,134,941	03-Feb-1998
US	MICRO-STRIKE	2,236,169	30-Mar-1999
US	Miscellaneous Design	1,997,706	27-Aug-1996
US	Miscellaneous Design	2,011,222	22-Oct-1996
US	MULTI-STRAND	877,573	23-Sep-1969
US	NULOK	961,982	26-Jun-1973
US	NUPLA	846,668	26-Mar-1968
US	NUPLA & Design	628,215	05-Jun-1956
US	NUPLA Diamond Logo	1,585,335	06-Mar-1990
US	NUPLA-BOND	857,714	01-Oct-1968
US	NUPLACAST	2,793,050	09-Dec-2003
US	NUPLAFLEX (Stylized)	622,110	28-Feb-1956
US	NUPLAGLAS	851,863	02-Jul-1968
US	NUPLAGLAS	842,300	16-Jan-1968
US	NUPRO	2,961,124	07-Jun-2005
US	POLYTEC	3,002,666	27-Sep-2005
US	POWER DRIVE	1,916,002	05-Sep-1995
US	POWER PYLON	2,008,307	15-Oct-1996

Country	Trademark	Registration No.	Effective Registration Date
US	PRO-TEC	2,961,409	07-Jun-2005
US	PRO-TEC CLASSIC	1,956,871	13-Feb-1996
US	SMART HAMMER	2,416,592	26-Dec-2000
US	STRIKE FORCE	1,912,260	15-Aug-1995
US	STRIKE PRO	3,144,949	19-Sep-2006
US	STRIKON	979,892	05-Mar-1974
US	SUPER-STRAND	877,572	23-Sep-1969
US	TAURUS CLASSIC	1,791,304	07-Sep-1993
US	TAURUS NUPLA PROFESSIONAL FIBERGLASS MADE IN U.S.A. FIBERGLASS HANDLE INVENTOR'S SINCE 1938 & Design	1,771,128	18-May-1993
US	TAURUS SURVIVOR	1,791,305	07-Sep-1993
US	WE CAN HANDLE ANYTHING	1,450,821	04-Aug-1987
US	WE CAN HANDLE ANYTHING	1,451,319	04-Aug-1987

Pending Trademarks

Country	Trademark	Application No.	Filing Date
US	Miscellaneous Design	77/051,029	27-Nov- 2006
US	HANDI-HAMMER	78/944,250	03-Aug- 2006

SCHEDULE B-2
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademark Licenses

[None]

SCHEDULE C-1
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Registered Copyrights and Copyright Applications

[None]

SCHEDULE C-2
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

Copyright Licenses

[None]