

TRADEMARK ASSIGNMENT

Electronic 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
Kyklos Bearing International, Inc.		04/30/2008	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	LaSalle Business Credit, LLC, as Agent		
Street Address:	135 South LaSalle Street		
Internal Address:	Suite 425		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60603		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	0852267	NDH	
Serial Number:	77437896	KBI	
Serial Number:	77437885	KBI	
CORRESPONDENCE DATA			
Fax Number:	(312)609-5005		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(312) 609-7838		
Email:	podonoghue@vedderprice.com		
Correspondent Name:	Patricia O'Donoghue, Vedder Price P.C.		
Address Line 1:	222 North LaSalle Street		
Address Line 2:	Suite 2500		
Address Line 4:	Chicago, ILLINOIS 60601		
ATTORNEY DOCKET NUMBER:	37530.00.0012		
NAME OF SUBMITTER:	Patricia O'Donoghue		

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Signature:	/Patricia O'Donoghue/
Date:	06/27/2008
<p>Total Attachments: 11</p> <p>source=Kyklos Bearing TM Security Agreement#page1.tif source=Kyklos Bearing TM Security Agreement#page2.tif source=Kyklos Bearing TM Security Agreement#page3.tif source=Kyklos Bearing TM Security Agreement#page4.tif source=Kyklos Bearing TM Security Agreement#page5.tif source=Kyklos Bearing TM Security Agreement#page6.tif source=Kyklos Bearing TM Security Agreement#page7.tif source=Kyklos Bearing TM Security Agreement#page8.tif source=Kyklos Bearing TM Security Agreement#page9.tif source=Kyklos Bearing TM Security Agreement#page10.tif source=Kyklos Bearing TM Security Agreement#page11.tif</p>	

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the “**Security Agreement**”) is made as of this 30th day of April, 2008, by KYKLOS BEARING INTERNATIONAL, INC., a Delaware corporation (“**Grantor**”), with an office at 2509 Hayes Avenue, Sandusky, Ohio, in favor of LaSalle Business Credit, LLC, as agent (“**Agent**”) for itself and various other lenders (“**Lenders**”), with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603.

W I T N E S S E T H:

WHEREAS, Grantor, Agent and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as amended and restated or otherwise modified from time to time, the “**Loan Agreement**”) and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the “**Financing Agreements**”), which Financing Agreements provide for (i) Agent and Lenders to, from time to time, extend credit to or for the account of Grantor and (ii) the grant by Grantor to Agent, on behalf of itself and the other Lenders, of a security interest in certain of its assets, including, without limitation, Grantor’s trademarks and trademark applications.

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

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant of Security Interest. To secure the complete and timely payment and satisfaction of the Liabilities, Grantor hereby grants to Agent, on behalf of itself and the other Lenders, a continuing first priority security interest in Grantor’s entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than “intent to use” applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the “**Trademarks**”); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Grantor’s business connected with the use of and symbolized by the Trademarks; and license agreements with any other party in connection with any Trademarks or such other party’s

trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications, whether Grantor is licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B attached hereto, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Agent's and Lenders' rights under the Loan Agreement (all of the foregoing being hereinafter referred to collectively as the "**Licenses**"). Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include (A) any license agreement which by its terms prohibits the grant of the security interest contemplated by this Security Agreement or (B) any intent-to-use trademark applications to the extent the granting of a security interest hereunder shall in any way adversely affect such application.

3. Warranties and Representations. Grantor warrants and represents to Agent that:

(i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) Subject to Permitted Liens, Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Grantor not to sue third persons;

(iii) Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iv) Grantor has the unqualified corporate right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that as of the date of this Security Agreement and until the Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, Grantor shall not, without the prior written consent of Agent, on behalf of itself and the other Lenders, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Agent, on behalf of itself and the other Lenders, under this Security Agreement.

5. New Trademarks. Grantor represents and warrants that, based on a diligent investigation by Grantor, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Grantor. If, before the Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Agent, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Grantor shall give to Agent prompt written notice thereof. Grantor hereby authorizes Agent, on behalf of itself and the other

Lenders, to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. The term of this Security Agreement shall extend until the payment in full of the Liabilities and the termination of the Financing Agreements. Grantor agrees that upon the occurrence and during the continuance of an Event of Default, the use by Agent of all Trademarks shall be without any liability for royalties or other related charges from Agent to Grantor.

7. Product Quality. Grantor agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Grantor agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of the Liabilities and termination of the Financing Agreements, Agent, on behalf of itself and the other Lenders, shall take such actions (including execution of all deeds, releases, termination statements and other discharges) as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements.

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Grantor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Agent in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Grantor and until paid shall constitute Liabilities.

10. Duties of Grantor. Grantor shall have the duty (i) to file and prosecute diligently as commercially reasonable any trademark applications pending as of the date hereof or hereafter until the Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with the Liabilities under this Section 10 shall be borne by Grantor.

11. Agent's Right to Sue. During the continuance of an Event of Default, Agent shall have the right, on behalf of itself and the other Lenders, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Agent shall commence any such suit, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Grantor shall, as long as the

Trademarks are owned by Grantor, promptly, upon demand, reimburse and indemnify Agent for all costs and expenses incurred by Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Grantor and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

14. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Agent's and Lenders' rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Agent during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Agent deems to be in the best interest of Agent, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Liabilities shall have been paid in full and the Financing Agreements have been terminated. Grantor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Agent, on behalf of itself and the other Lenders, shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Grantor and its respective successors and assigns, and shall inure to the benefit of Agent, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Grantor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

20. Survival of Representations. All representations and warranties of Grantor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

21. Counterparts. This Security Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement.


[SIGNATURE PAGE FOLLOWS]

Signature Page to Trademark Security Agreement

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

GRANTOR:

KYKLOS BEARING INTERNATIONAL,
INC., a Delaware corporation


By: 
Name: George Thanopoulos
Title: President and Chief Executive Officer

Signature Page to Trademark Security Agreement

Agreed and Accepted as of the date first
written above.

AGENT:

LASALLE BUSINESS CREDIT, LLC, a
Delaware limited liability company

By: 
Name: Thomas J. Brennan
Title: First Vice President

SCHEDULE A

TTRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>Registration No.</u>	<u>Country Name</u>	<u>Date Registered</u>
NDH	A40652	Bolivia	10-Dec-1989
NDH	3256/69	Bophuthatswana	15-Jul-1989
NDH	S.A.3383	Botswana	15-Jul-1989
NDH	6950027	Brazil	10-Jul-1979
NDH	580327	Chile	26-Oct-2000
NDH	1532216	France	22-May-1989
NDH	873950	Germany	20-Sep-1989
NDH	42439	Greece	11-Aug-1989
NDH	21823/2/59	Guatemala	13-Mar-1990
NDH	46267	Lebanon	18-Sep-1984
NDH	69/3256	South Africa	15-Jul-1989
NDH	M594423	Spain	29-Jul-1999
NDH	125/1972(SA)	Swaziland	15-Jul-1989
NDH	3256/69	Transkei	15-Jul-1989
NDH	113014	Turkey	12-Sep-1989
NDH	65033	Turkey	12-Sep-1979
NDH	2223170	United Kingdom	16-Feb-2001
NDH	852267	United States of America	09-Jul-1968
NDH	233160	Uruguay	17-Sep-2000
NDH	148492	Venezuela	02-Aug-1992
NDH	63208	Venezuela	07-Jan-1986

<u>Trademark Description</u>	<u>Registration No.</u>	<u>Country Name</u>	<u>Date Registered</u>
NDH (In Square)	VR 5079 1990	Denmark	27-Jul-1990
NDH EUROPA	1501706	Spain	02-Jul-1991
NDH & Design	VR 5079 1990	Denmark	27-Jul-1990
NDH & Design	1506980 M	Spain	20-Sep-1991
NDH & Design	460694	Benelux	30-May-1989
NDH & Design	02221/1970	Denmark	10-Jul-1970
NDH & Design	2095613	Germany	26-Apr-1995
NDH & Design	856540	Italy	30-Nov-2001
NDH & Design	1506979	Spain	05-Nov-1991
NDH & Design	856540	Italy	30-Nov-2001
NDH & DESIGN (IN SQUARE)	460694	Benelux	30-May-1989
NDH & DESIGN (IN SQUARE)	VR 5079 1990	Denmark	27-Jul-1990
NDH & DESIGN (IN SQUARE)	2095613	Germany	26-Apr-1995
NDH & DESIGN (IN SQUARE)	94007	Greece	17-Jul-1992
NDH & DESIGN (IN SQUARE)	856540	Italy	30-Nov-2001
NDH & DESIGN (IN SQUARE)	1506980 M	Spain	20-Sep-1991
NDH & DESIGN (IN SQUARE)	1506979 M	Spain	05-Nov-1991
NEW DEPARTURE	8268	Australia	06-Oct-1909
NEW DEPARTURE	202818	Australia	06-Oct-1909
NEW DEPARTURE	15042	El Salvador	06-Jul-1987

<u>Trademark Description</u>	<u>Registration No.</u>	<u>Country Name</u>	<u>Date Registered</u>
NEW DEPARTURE	40926	Taiwan	01-Jun-1970
NEW DEPARTURE	139/72	Zambia	20-Apr-1993
NEW DEPARTURE	148506	Venezuala	8/2/1992
New Departure Hyatt	464999	Benelux	02-Apr-1990
New Departure Hyatt	1179713	Germany	30-Jun-1999
New Departure Hyatt	94006	Greece	31-May-1999
New Departure Hyatt	564583	Italy	20-Mar-1992
New Departure Hyatt	1509973	Spain	05-Feb-1992

TRADEMARK APPLICATIONS

<u>Trademark Description</u>	<u>Application No.</u>	<u>Country Name</u>	<u>Date Registered</u>
KBI	77/437,896	United States	April 2, 2008
KBI and Design	77/437,885	United States	April 2, 2008

SCHEDULE B

LICENSES

None.

B-1

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RECORDED: 06/27/2008

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