

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
Quantum Composites, Inc.		12/30/2010	CORPORATION: OHIO
RECEIVING PARTY DATA			
Name:	Texas Capital Bank, N.A., as Administrative Agent		
Street Address:	2000 McKinney Avenue		
Internal Address:	Suite 700		
City:	Dallas		
State/Country:	TEXAS		
Postal Code:	75201		
Entity Type:	national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	2485297	COMPAREM	
Registration Number:	2275945	LYTEX	
Registration Number:	2529599	PEMTEX	
Registration Number:	1489783	QUANTUM COMPOSITES	
CORRESPONDENCE DATA			
Fax Number:	(214)745-5390		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	2147455226		
Email:	awalker@winstead.com		
Correspondent Name:	Andrea Walker, Winstead PC		
Address Line 1:	P.O. Box 50784		
Address Line 4:	Dallas, TEXAS 75250-0784		
ATTORNEY DOCKET NUMBER:	13278-151 QUANTUM COMPOSI		
NAME OF SUBMITTER:	Andrea Walker		

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TRADEMARK
REEL: 004460 FRAME: 0291

Signature:	/Andrea Walker/
Date:	01/25/2011
Total Attachments: 11 source=13278-151Quantum Composites Inc IP Security Agreement#page1.tif source=13278-151Quantum Composites Inc IP Security Agreement#page2.tif source=13278-151Quantum Composites Inc IP Security Agreement#page3.tif source=13278-151Quantum Composites Inc IP Security Agreement#page4.tif source=13278-151Quantum Composites Inc IP Security Agreement#page5.tif source=13278-151Quantum Composites Inc IP Security Agreement#page6.tif source=13278-151Quantum Composites Inc IP Security Agreement#page7.tif source=13278-151Quantum Composites Inc IP Security Agreement#page8.tif source=13278-151Quantum Composites Inc IP Security Agreement#page9.tif source=13278-151Quantum Composites Inc IP Security Agreement#page10.tif source=13278-151Quantum Composites Inc IP Security Agreement#page11.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of December 30, 2010, is made between Quantum Composites, Inc., an Ohio corporation (the "Debtor"), and Texas Capital Bank, N.A., in its capacity as Administrative Agent (as defined in the Credit Agreement described below), for the benefit of each Secured Creditor defined below (Administrative Agent in such capacity, "Secured Party").

BACKGROUND.

Texas Capital Bank, N.A., as Administrative Agent, the Lenders party thereto, and HPC Holdings, LLC, a Delaware corporation (the "Borrower") entered into a Credit Agreement of even date herewith (such agreement, together with all amendments, restatements and other modifications thereto, the "Credit Agreement"). In connection therewith, pursuant to the Security Agreement, dated as of December 30, 2010 (as amended, modified, renewed or extended from time to time, the "Security Agreement"), Debtor has granted to the Secured Party a security interest in the "Collateral" described therein, including the intellectual property identified below, to secure the Secured Obligations.

To supplement the Secured Party's security interest in such intellectual property pursuant to the Security Agreement, Debtor is executing and delivering this Agreement.

Accordingly, the parties hereto agree as follows:

SECTION 1 Definitions; Interpretation.

(a) Terms Defined in Credit Agreement. All capitalized terms used in this Agreement (including in the recitals hereof) and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

(b) Other Definitions. For purposes of this Agreement:

(i) "Copyright License" means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned by Debtor or which Debtor otherwise has the right to license, or granting any right to Debtor under any Copyright now or hereafter owned by any third party, and all rights of Debtor under any such agreement.

(ii) "Copyrights" means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to (a) all copyright rights in any work subject to the copyright Laws of any Governmental Authority, whether as author, assignee, transferee, or otherwise, (b) all registrations and applications for registration of any such copyright in any Governmental Authority, including registrations, recordings, supplemental registrations, and pending applications for registration in any jurisdiction, and (c) all rights to use and/or sell any of the foregoing.

(iii) *"Intellectual Property"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to all intellectual and similar property of every kind and nature, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, Trade Secrets, confidential or proprietary technical and business information, know how, show how or other data or information, Software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

(iv) *"License"* means any Patent License, Trademark License, Copyright License, or other similar license or sublicense.

(v) *"Patent License"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a Patent, now or hereafter owned by Debtor or which Debtor otherwise has the right to license, is in existence, or granting to Debtor any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, is in existence, and all rights of Debtor under any such agreement.

(vi) *"Patents"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to (a) all letters patent of any Governmental Authority, all registrations and recordings thereof, and all applications for letters patent of any Governmental Authority (including, but not limited to those patents and patent applications listed on Schedule B), and (b) all reissues, continuations, divisions, continuations-in part, renewals, or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

(vii) *"Trade Secrets"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to trade secrets, all know-how, inventions, processes, methods, information, data, plans, blueprints, specifications, designs, drawings, engineering reports, test reports, materials standards, processing standards and performance standards, and all Software directly related thereto, and all Licenses or other agreements to which Debtor is a party with respect to any of the foregoing.

(viii) *"Trademark License"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned by Debtor or which Debtor otherwise has the right to license, or granting to Debtor any right to use any Trademark now or hereafter owned by any third party, and all rights of Debtor under any such agreement.

(ix) *"Trademarks"* means all right, title, and interest of Debtor (in each case whether now or hereafter existing, owned, arising, or acquired) in and to (a) all

trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, all registrations and recordings thereof, and all registration and recording applications filed with any Governmental Authority in connection therewith, and all extensions or renewals thereof (including, but not limited to those trademarks and trademark applications listed on Schedule A), (b) all goodwill associated therewith or symbolized thereby, (c) all other assets, rights and interests that uniquely reflect or embody such goodwill, (d) all rights to use and/or sell any of the foregoing, and (e) the portion of the business to which each trademark pertains.

(x) "*Secured Creditor*" or "*Secured Creditors*" means (a) Secured Party, (b) the L/C Issuer, (c) any Lender, (d) any Affiliate of any Lender that is a party to any Swap Contract with Borrower or any Affiliate of Borrower, (e) any Affiliate of any Lender that is owed any Cash Management Obligation, and (f) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document.

(c) Interpretation. The rules of interpretation set forth in Section 1.02 of the Credit Agreement shall be applicable to this Agreement and are incorporated herein by this reference.

SECTION 2 Security Interest.

(a) Grant of Security Interest. As security for the payment and performance of the Obligations, the Debtor hereby grants to Secured Party, for itself and on behalf of and for the ratable benefit of the other Secured Creditors, a security interest in all of the Debtor's right, title and interest in, to and under the following property, in each case whether now or hereafter existing or arising or in which the Debtor now has or hereafter owns, acquires or develops an interest and wherever located (collectively, the "Collateral"):

(i) all Intellectual Property;

(ii) all commercial tort claims associated with or arising out of any of the aforementioned properties and assets;

(iii) all accounts, all intangible intellectual or other similar property and other general intangibles associated with or arising out of any of the aforementioned properties and assets and not otherwise described above, including all license payments and payments under insurance (whether or not the Secured Party is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the foregoing Collateral; and

(iv) all products, proceeds and supporting obligations of or with respect to any and all of the foregoing Collateral.

(b) Continuing Security Interest. The Debtor agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with the Security Agreement.

(c) Limited Exclusions. Notwithstanding anything herein to the contrary, in no event shall the security interest granted in Section 2.1(a) attach to any lease, license, contract, property rights or agreement to which Debtor is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in the abandonment, termination pursuant to the terms of, or a breach or default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9.406, 9.407, 9.408 or 9.409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable Law (including any Debtor Relief Law) or principles of equity); *provided, however*, that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified above. So long any property of Debtor is excluded from the security interest granted in Section 2.1(a) pursuant to the immediately preceding sentence, such property shall be excluded from the term "Collateral" for all purposes hereunder.

SECTION 3 Supplement to Security Agreement.

The terms and provisions of this Agreement are intended as a supplement to the terms and provisions of the Security Agreement. The rights and remedies of the Secured Party with respect to the security interests granted herein are without prejudice to, and are in addition to those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference.

SECTION 4 Authorization to Supplement.

If the Debtor shall obtain rights to any new Intellectual Property, the provisions of this Agreement shall automatically apply thereto. The Debtor shall give prompt notice in writing to the Secured Party with respect to any such new Intellectual Property. Without limiting the Debtor's obligation under this Section 4, the Debtor authorizes the Secured Party to modify this Agreement by amending Schedule A, B or C to include any such new Trademarks, Patents and Copyrights. No failure to so amend Schedule A, B or C shall in any way affect, invalidate or detract from the Secured Party's continuing security interest in all Collateral, whether or not listed on Schedule A, B or C.

SECTION 5 Further Acts.

On a continuing basis, the Debtor shall make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, and take all such action as may be reasonably requested by the Secured Party to carry out the intent and purposes of this Agreement, or for assuring, confirming or protecting the grant or perfection of the security interest granted or purported to be granted hereby, to ensure the Debtor's compliance with this Agreement or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to the Collateral, including any documents for filing with the United States Patent and Trademark Office (the "*PTO*"), the United States Copyright Office (the "*Copyright Office*") and/or any applicable state office. The Secured Party may record this

Agreement, an abstract thereof, or any other document describing the Secured Party's interest in the Collateral with the PTO and the Copyright Office, including any modification hereof as provided above, at the expense of the Debtor.

SECTION 6 Binding Effect.

This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Debtor, the Secured Party, the L/C Issuer and the Lenders and their respective successors and assigns and shall bind any Person who becomes bound as a debtor to this Agreement.

SECTION 7 Governing Law.

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF TEXAS, EXCEPT AS REQUIRED BY MANDATORY PROVISIONS OF LAW AND TO THE EXTENT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR THE REMEDIES HEREUNDER, IN RESPECT OF ANY COLLATERAL ARE GOVERNED BY THE LAW OF A JURISDICTION OTHER THAN TEXAS.

SECTION 8 Entire Agreement; Amendment.

(a) **ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

(b) This Agreement shall not be amended except by the written agreement of the parties as provided in the Credit Agreement.

SECTION 9 Severability.

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of this Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

SECTION 10 Counterparts.

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

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

THE DEBTOR

QUANTUM COMPOSITES, INC.

By: Terry Morgan
Name: TERRY MORGAN
Title: PRESIDENT

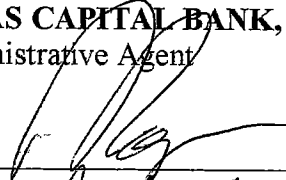
Address:

1310 S. Valley Center Dr.
Bay City, MI 48706

Attn: TERRY MORGAN
Email: TMORGAN@HARDYKPIPESTEEL.COM
Fax No.: 410-466-9576

THE SECURED PARTY

TEXAS CAPITAL BANK, N.A., as
Administrative Agent

By: 
Name: Richard L. Rogers
Title: SVP

Address:

Texas Capital Bank, N.A.

2100 McKinney Avenue, Suite 900
Dallas, Texas

Attn.: Richard L. Rogers

Fax No.: (214) 932-6607

Email: rick.rogers@texascapitalbank.com

SCHEDULE A
to the Intellectual Property Security Agreement

Issued Trademarks of the Debtor

Country	Trademark	Registration No.	Issue Date	Goods/Services (Int. Class)	Owner
United States	COMPAREM	2485297	09/04/2001	Computer program for analyzing cost and structural considerations for specified materials and designs for composite parts made from molded compounds (09)	Quantum Composites, Inc.
United States	LYTEX	2275945	09/07/1999	Thermosetting synthetic resinous compositions in sheet form containing an epoxy component for use in molding structural parts	Quantum Composites
United States	PEMTEX	2529599	01/15/2002	Unfinished molded conductive resin compositions specifically for use in fuel cell technology as well as other molded electrically conductive applications (01)	Quantum Composites, Inc.
United States	QUANTUM COMPOSITES	1489783	05/31/1988	Reinforced polymer molding compounds sold as raw materials for industrial use to fabricators	Quantum Composites, Inc.

Pending Trademark Applications of the Debtor

Country	Trademark	Application No.	Filing Date	Goods/Services (Int. Class)	Owner
				None	

SCHEDULE B
to the Intellectual Property Security Agreement

Issued Patents of the Debtor

Country	Patent Title	Patent No.	Issue Date	Owner
United States	Highly conductive molding compounds and fuel cell bipolar plates comprising these compounds	6251308	06/26/2001	Quantum Composites, Inc.
United States	Process of injection molding highly conductive molding compounds and an apparatus for this process	6365069	04/02/2002	Quantum Composites, Inc.
United States	Highly conductive molding compounds for use as fuel cell plates and the resulting products	6436315	08/20/2002	Quantum Composites, Inc.
United States	Highly conductive molding compounds having an increased distribution of large size graphite particles	6752937	06/22/2004	Quantum Composites, Inc.

Pending Patent Applications of the Debtor

Country	Patent Title	Patent No.	Filing Date	Owner
				None

SCHEDULE C
to the Intellectual Property Security Agreement

Copyright Registrations of the Debtor

Registered Owner/ Debtor	Nature of Debtor's Interest (e.g. owner, licensee)	Serial No.	Copyright	Issue Date	Country of Issue
None					

Copyright Applications of the Debtor

Registered Owner/Debtor	Nature of Debtor's Interest (e.g. owner, licensee)	Registration No.	Copyright	Application Date	Country of Application
None					

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