

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
BLUFFTON MOTOR WORKS LLC		08/15/2012	LIMITED LIABILITY COMPANY: OHIO
RECEIVING PARTY DATA			
Name:	RBS CITIZENS, NATIONAL ASSOCIATION		
Street Address:	1215 Superior Avenue		
Internal Address:	7th Floor		
City:	Cleveland		
State/Country:	OHIO		
Postal Code:	44114		
Entity Type:	National Bank Association: UNITED STATES		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3081748	HYDRODUTY	
Registration Number:	3081747	HYDRODUTY	
CORRESPONDENCE DATA			
Fax Number:	2165837087		
	<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>		
Phone:	2165837000		
Email:	ecaja@ulmer.com		
Correspondent Name:	Edward F. Caja		
Address Line 1:	1660 West 2nd Street, Suite 1100		
Address Line 4:	Cleveland, OHIO 44113		
ATTORNEY DOCKET NUMBER:	24156-0091		
NAME OF SUBMITTER:	Edward F. Caja		

OP \$65.00 3081748

Signature:	/Edward F. Caja/
Date:	08/20/2012
<p>Total Attachments: 13</p> <p>source=RBS_Bluffton#page1.tif source=RBS_Bluffton#page2.tif source=RBS_Bluffton#page3.tif source=RBS_Bluffton#page4.tif source=RBS_Bluffton#page5.tif source=RBS_Bluffton#page6.tif source=RBS_Bluffton#page7.tif source=RBS_Bluffton#page8.tif source=RBS_Bluffton#page9.tif source=RBS_Bluffton#page10.tif source=RBS_Bluffton#page11.tif source=RBS_Bluffton#page12.tif source=RBS_Bluffton#page13.tif</p>	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

BLUFFTON MOTOR WORKS LLC, an Ohio limited liability company (together with its successors and assigns, "Pledgor"), is entering into that certain Amended and Restated Credit and Security Agreement with RBS CITIZENS, NATIONAL ASSOCIATION ("Bank"), dated as of August 15, 2012 (as it may be amended, restated or otherwise modified from time to time, the "Credit Agreement").

WHEREAS, Pledgor desires that Bank grant the financial accommodations to Pledgor as described in the Credit Agreement.

WHEREAS, Pledgor deems it to be in its direct pecuniary and business interests that it obtain from Bank the Commitment, as defined in the Credit Agreement, and the Loans, as hereinafter defined, provided for in the Credit Agreement.

WHEREAS, Pledgor understands that Bank is willing to enter into the Credit Agreement and to grant such financial accommodations to Pledgor only upon certain terms and conditions, one of which is that Pledgor grant to Bank a security interest in and a contingent assignment of the Collateral, as hereinafter defined, and this Intellectual Property Security Agreement (as the same may from time to time be amended, restated or otherwise modified, this "Agreement") is being executed and delivered in consideration of each financial accommodation, if any, granted to Pledgor by Bank, and for other valuable considerations.

NOW, THEREFORE, in consideration of the foregoing premises, to induce Bank to extend credit pursuant to the Credit Agreement, to induce Bank to extend to or for the account of Pledgor such other credit as Bank may from time to time deem advisable (all upon such terms and conditions as Bank may from time to time deem advisable), and in consideration of the foregoing and for other valuable considerations, Pledgor hereby agrees, grants, represents and warrants as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

"Assignment" shall mean an Assignment in the form of Exhibit A hereto.

"Collateral" shall mean, collectively, all of Pledgor's existing and future (a) patent registrations, patent applications, patent licenses, technology licenses, trade secrets, knowhow, trademark registrations, trademark applications, trademark licenses, tradenames, service mark registrations, service mark applications, service mark licenses, domain names, copyright registrations and copyright licenses including, but not limited to, those listed on Schedule 1 hereto (as such Schedule 1 may from time to time be amended, supplemented or otherwise modified); (b) common law trademark and service mark rights, copyrights, improvements and inventions, trade secrets and knowhow; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) all goodwill

associated with any of the foregoing; (e) royalties derived from any of the foregoing; and (f) proceeds of any of the foregoing.

“Debt” shall mean, collectively, (a) all Indebtedness incurred by Pledgor to Bank pursuant to the Credit Agreement and includes the principal of and interest on all Notes; (b) each extension, renewal or refinancing thereof in whole or in part; (c) the commitment and other fees, and any prepayment fees payable thereunder; (d) every other liability, now or hereafter owing to Bank or any affiliate of Bank, by Pledgor, and includes, without limitation, every liability, whether owing by only Pledgor or by Pledgor with one or more others in a several, joint or joint and several capacity, whether owing absolutely or contingently, whether created by note, overdraft, guaranty of payment or other contract or by quasi-contract, tort, statute or other operation of law, whether incurred directly to Bank (or any affiliate thereof) or acquired by Bank (or any affiliate thereof) by purchase, pledge or otherwise and whether participated to or from Bank (or any affiliate thereof) in whole or in part; and (e) all Related Expenses.

“Event of Default” shall mean an event or condition that constitutes an event of default pursuant to Section 6 hereof.

“Loan” shall mean any Loan, as defined in the Credit Agreement, granted pursuant to the Credit Agreement.

“Person” shall mean any individual, sole proprietorship, partnership, joint venture, unincorporated organization, corporation, limited liability company, institution, trust, estate, government or other agency or political subdivision thereof or any other entity.

Capitalized terms used in this Agreement without definition have the meanings ascribed to such terms in the Credit Agreement.

2. Grant of Security Interest. In consideration of and as security for the full and complete payment of all of the Debt, Pledgor hereby agrees that Bank shall at all times have, and hereby grants to Bank, a security interest in all of the Collateral, including (without limitation) all of Pledgor’s future Collateral, irrespective of any lack of knowledge by Bank of the creation or acquisition thereof.

3. Warranties and Representations. Pledgor represents and warrants to Bank that:

(a) Pledgor owns all of the Collateral (provided that in the case of any license included in the Collateral where Pledgor is a licensee, Pledgor enjoys the rights of a licensee thereunder) and, whether the same are registered or unregistered, no such Collateral has been adjudged invalid or unenforceable;

(b) to Pledgor’s knowledge the Collateral is valid and enforceable;

(c) Pledgor has no knowledge of any claim that the use of any of the Collateral does or may violate the rights of any Person;

(d) except for liens permitted pursuant to Section 5.9 of the Credit Agreement, Pledgor is the sole and exclusive owner of the entire and unencumbered

right, title and interest in and to the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Pledgor not to sue third Persons; provided that in the case of any license included in the Collateral where Pledgor is a licensee, Pledgor's rights as a licensee thereunder are unencumbered, and that, in the case of any license included in the Collateral where Pledgor is a licensor, Pledgor's ownership of the licensed intellectual property is subject to the rights granted to any licensee thereunder;

(e) Pledgor has full power, authority and legal right to pledge the Collateral and enter into this Agreement and perform its terms; and

(f) this Agreement does not violate and is not in contravention of any other agreement to which Pledgor is a party or any judgment or decree to which Pledgor is a party or to which Pledgor is bound.

4. Further Assignment Prohibited. Pledgor shall not enter into any agreement that is inconsistent with Pledgor's obligations under this Agreement other than sales, assignments, licenses or sublicenses in the ordinary course of Pledgor's business.

5. Standard Patent and Trademark Use. Pledgor shall not use the Collateral in any manner that would jeopardize the validity or legal status thereof. Pledgor shall comply with all patent marking requirements as specified in 35 U.S.C. §287. Pledgor shall further conform its usage of any trademarks to standard trademark usage, including, but not limited to, using the trademark symbols ®, TM, and SM where appropriate.

6. Event of Default.

(a) The occurrence of any of the following shall constitute an "Event of Default" under this Agreement: (i) if an Event of Default, as defined in the Credit Agreement, shall occur under the Credit Agreement; (ii) if Pledgor shall fail to perform any obligation of Pledgor to be performed under this Agreement and that failure shall not have been fully corrected within thirty (30) days after the giving of written notice thereof to Pledgor by Bank that the specified failure is to be remedied; (iii) the falsity, inaccuracy or material breach by Pledgor of any written warranty, representation or statement made or furnished to Bank or by or on behalf of Pledgor, or (iv) the failure to have perfected a first priority security interest in the Collateral.

(b) Pledgor expressly acknowledges that Bank shall record this Agreement with the United States Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, Pledgor shall also execute and deliver to Bank the Assignment, which Assignment shall have no force and effect and shall be held by Bank, in escrow, until the occurrence and during the continuance of an Event of Default; provided that, anything herein to the contrary notwithstanding, the security interest granted herein shall be effective as of the date of this Agreement. After the occurrence of an Event of Default (unless such Event of Default has been cured or waived prior to Bank providing the notice provided for this paragraph), the Assignment shall take effect immediately upon certification of such fact by an authorized officer of Bank in the form

attached as Exhibit A hereto and upon written notice to Pledgor and thereafter Bank may, in its sole discretion, record the Assignment with the United States Patent and Trademark Office.

(c) If an Event of Default shall occur, Pledgor irrevocably authorizes and empowers Bank to terminate Pledgor's use of the Collateral and to exercise such rights and remedies as allowed by law. Without limiting the generality of the foregoing, Bank may immediately sell at public or private sale, in a commercially reasonable manner, or otherwise realize upon all or, from time to time, any of the Collateral together with the associated goodwill, or any interest that Pledgor may have therein, and, after deducting from the proceeds of sale or other disposition of the Collateral all commercially reasonable expenses (including all reasonable expenses for attorneys' and brokers' fees and other legal services), Bank shall apply such proceeds against payment of the Debt. Any remainder of the proceeds, after payment in full of the Debt, shall be paid to Pledgor. At any such sale or other disposition, Bank may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Pledgor, which right is hereby waived and released.

7. Termination At such time as the Debt has been irrevocably paid in full, the Commitment, as defined in the Credit Agreement, terminated, and the Credit Agreement terminated and not replaced by any other credit facility with Bank, this Agreement shall terminate and, upon request of Pledgor, Bank shall promptly, and in any event within ten (10) business days, execute and deliver to Pledgor all deeds, assignments, and other instruments as may be necessary or proper to release Bank's security interest in and assignment of the Collateral and to preserve Pledgor's full title to the Collateral, subject to any disposition thereof that may have been made by Bank pursuant hereto.

8. Attorneys' Fees, Costs and Expenses. Any and all commercially reasonable out-of-pocket costs and expenses, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by Bank in connection with the amendment and enforcement of this Agreement, all renewals, required affidavits and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by Pledgor, as required by this Agreement, within five (5) days of demand by Bank, and, until so paid, shall be added to the principal amount of the Debt.

9. Bank's Rights to Enforce. Pledgor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Collateral. Bank shall have the right, but shall have no obligation, to join in any such action. Pledgor shall promptly, and in any event within ten (10) days of demand, reimburse and indemnify Bank and Bank for all actual damages, commercially reasonable costs and expenses, including attorneys' fees incurred by Bank in connection with the provisions of this Section 9, in the event Bank elects to join in any such action commenced by Pledgor.

10. Power of Attorney. Pledgor hereby authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, with the power to endorse, after the occurrence and during the continuance of an Event of Default, Pledgor's name on all applications, documents, papers and instruments necessary for Bank to use the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third party, or necessary for Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral, together with associated goodwill to a third party or parties. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

11. Bank's Right to Perform Obligations. If Pledgor fails to comply with any of its obligations under this Agreement, Bank may, but is not obligated to, do so in Pledgor's name or in Bank's name, but at Pledgor's expense, and Pledgor hereby agrees to reimburse Bank on demand in full for all commercially reasonable out-of-pocket expenses, including reasonable attorneys' fees, incurred by Bank in protecting, defending and maintaining the Collateral.

12. Additional Documents. Pledgor shall, upon written request of Bank, enter into such additional documents or instruments as may be reasonably required by Bank in order to effectuate, evidence or perfect Bank's interests in the Collateral as evidenced by this Agreement.

13. New Collateral. If, before the Debt shall have been satisfied in full, Pledgor shall obtain rights to any new Collateral, the provisions of Section 1 shall automatically apply thereto as if the same were identified on Schedule 1 as of the date hereof and Pledgor shall give Bank prompt written notice thereof.

14. Modification for New Collateral. Pledgor hereby authorizes Bank to modify this Agreement by amending Schedule 1 to include any existing or future Collateral as contemplated by Sections 1 and 13 hereof and, at Bank's request, Pledgor shall execute any documents or instruments reasonably required by Bank in order to modify this Agreement as provided in this Section 14, provided that any such modification to Schedule 1 shall be effective without the signature of Pledgor.

15. No Waiver. No course of dealing between Pledgor and Bank, nor any failure to exercise, nor any delay in exercising, on the part of Bank, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. Remedies Cumulative. All of the rights and remedies of Bank with respect to the Collateral, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be executed singularly or concurrently.

17. Severability. The provisions of this 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 Agreement in any jurisdiction.

18. Modifications. This Agreement may be amended or modified only by a writing signed by Pledgor and Bank, except that any modification to Schedule 1 hereto pursuant to Section 14 shall be effective without the signature of Pledgor. In the event that any provision herein is deemed to be inconsistent with any provision of any other document, other than the Credit Agreement, the provisions of this Agreement shall control. In the event that any provision herein is deemed to be inconsistent with any provision of the Credit Agreement, the provisions of the Credit Agreement shall control.

19. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, except that Pledgor may not assign any of its rights or duties hereunder without the prior written consent of Bank. Any attempted assignment or transfer without the prior written consent of Bank shall be null and void.

20. Notice. All notices, requests, demands and other communications provided for hereunder shall be in writing and, if to Pledgor, mailed or delivered to it, addressed to it at the address specified on the signature pages of the Credit Agreement, and, if to Bank, mailed or delivered to it, addressed to the address of Bank specified on the signature pages of the Credit Agreement. All notices, statements, requests, demands and other communications provided for hereunder shall be overnight delivery or first-class mail with postage prepaid by registered or certified mail, addressed as aforesaid, or sent by facsimile with telephonic confirmation of receipt, except that all notices hereunder shall not be effective until received.

21. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Ohio, without regard to principles of conflicts of law. Pledgor hereby irrevocably submits to the non-exclusive jurisdiction of any Ohio state or federal court sitting in Cleveland, Ohio, over any action or proceeding arising out of or relating to this Agreement, and Pledgor hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Ohio state or federal court. Pledgor hereby irrevocably waives, to the fullest extent permitted by law, any objection it may now or hereafter have to the laying of venue in any action or proceeding in any such court as well as any right it may now or hereafter have to remove such action or proceeding, once commenced, to another court on the grounds of FORUM NON CONVENIENS or otherwise. Pledgor agrees that a final, nonappealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.


22. JURY TRIAL WAIVER. PLEDGOR AND BANK, TO THE EXTENT PERMITTED BY LAW, EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN BANK AND PLEDGOR, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED

IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF BANK TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT BETWEEN PLEDGOR AND BANK.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of August 15, 2012.

BLUFFTON MOTOR WORKS LLC

By: 
Name: W. Todd Martin
Title: Secretary

RBS CITIZENS, NATIONAL ASSOCIATION

By: _____
Name: Gregg A. Bush
Title: Vice President

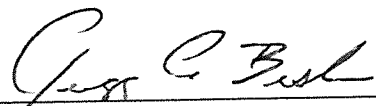
[Signature Page to IP Security Agreement]

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of August 15, 2012.

BLUFFTON MOTOR WORKS LLC

By: _____
Name: _____
Title: _____

RBS CITIZENS, NATIONAL ASSOCIATION

By:  _____
Name: Gregg A. Bush
Title: Vice President

[Signature Page to IP Security Agreement]

SCHEDULE 1

Intellectual Property


Utility Patents and Applications:

Title	App. Patent No.	Filing Issue Date
Electric Motors for Washdown, Food Processing, and Chemical Applications	7,042,124	05/09/06

Design Patents and Applications: NONE

Utility Models and Applications: NONE

Registered Trademarks:

Trademark	Country	Reg. No.	Reg. Date
HYDRODUTY (stylized)	U.S.A.	3,081,748	04/18/06
			
HYDRODUTY (design)	U.S.A.	3,081,748	
HYDRODUTY	U.S.A.	3,081,747	04/18/06

Registered Copyrights: NONE

Material Unregistered Trademarks:

1. V-SERIES

Domain Names: NONE

EXHIBIT A

FORM OF ASSIGNMENT

THIS DOCUMENT SHALL BE HELD BY BANK IN ESCROW PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE INTELLECTUAL PROPERTY SECURITY AGREEMENT, DATED AS OF AUGUST 15, 2012 (AS THE SAME MAY FROM TIME TO TIME BE AMENDED, RESTATED OR OTHERWISE MODIFIED, THE "AGREEMENT"), EXECUTED BY BLUFFTON MOTOR WORKS LLC ("PLEDGOR") IN FAVOR OF RBS CITIZENS, NATIONAL ASSOCIATION, BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF BANK CERTIFIES THAT AN EVENT OF DEFAULT (AS DEFINED IN THE AGREEMENT) HAS OCCURRED AND IS CONTINUING AND THAT BANK HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL (AS DEFINED BELOW) AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT

RBS CITIZENS, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____

ASSIGNMENT

WHEREAS, BLUFFTON MOTOR WORKS LLC, an Ohio limited liability company ("Pledgor") is the owner of the Collateral, as hereinafter defined;

WHEREAS, Pledgor has executed an Intellectual Property Security Agreement, dated as of August 15, 2012 (as the same may from time to time be amended, restated or otherwise modified, the "Agreement") in favor of RBS CITIZENS, NATIONAL ASSOCIATION ("Bank"), pursuant to which Pledgor has granted to Bank a security interest in and contingent assignment of the Collateral as security for the Debt, as defined in the Agreement;

WHEREAS, the Agreement provides that the security interest in the Collateral is effective as of the date of the Agreement;

WHEREAS, the Agreement provides that this Assignment shall become effective upon the occurrence of an Event of Default, as defined in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and assigns, subject to the limitations stated in the paragraph immediately following, does hereby

transfer, assign and set over unto Bank, its successors, transferees and assigns, all of its existing and future (a) patent registrations, patent applications, patent licenses, technology licenses, trade secrets, knowhow, trademarks, trade registrations, trademark applications, trademark licenses, trade names, service marks, domain names, copyright registrations and copyright licenses, whether federal or state; (b) common law trademark rights, copyrights, improvements and inventions; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) goodwill associated with any of the foregoing; (e) royalties arising from the foregoing; and (f) proceeds of any of the foregoing (collectively, the "Collateral"), including, but not limited to, the Collateral listed on Schedule 1 hereto that is registered in the United States Patent and Trademark Office in Washington, D.C. or that is the subject of pending applications in the United States Patent and Trademark Office.

This Assignment shall be effective only upon the certification of an authorized officer of Bank, as provided above, that (a) an Event of Default, as defined in the Agreement, has occurred and is continuing, and (b) Bank has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by its duly authorized officer as of August 15, 2012.

BLUFFTON MOTOR WORKS LLC

By: _____
 Name: _____
 Title: _____

THE STATE OF)
) SS:
 COUNTY OF)

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said BLUFFTON MOTOR WORKS LLC, an Ohio limited liability company, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of August, 2012.

 NOTARY PUBLIC
 My Commission expires:

SCHEDULE 1 TO EXHIBIT A

Patents

Trademarks

Copyrights