

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
Stiles Machinery, Inc.		05/28/2013	CORPORATION: MICHIGAN

RECEIVING PARTY DATA

Name:	PNC Bank, National Association
Street Address:	171 Monroe Avenue
Internal Address:	Locator: Z2-B700-02-2
City:	Grand Rapids
State/Country:	MICHIGAN
Postal Code:	49503
Entity Type:	national bank: UNITED STATES

PROPERTY NUMBERS Total: 10

Property Type	Number	Word Mark
Registration Number:	2210344	CUT RITE
Registration Number:	3732343	ICONNECT
Registration Number:	3677630	IRONWOOD
Registration Number:	3569487	KENTWOOD
Registration Number:	3732344	PROLINK
Registration Number:	3656773	STILES SHOP SOLUTIONS
Registration Number:	1243413	STILES
Registration Number:	1243926	STILES
Registration Number:	2848643	WINSTEP
Registration Number:	3674957	YOUR SUCCESS IS OUR BUSINESS

CORRESPONDENCE DATA

Fax Number: 7346231625

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent

OP \$265.00 2210344

via US Mail.

Phone: (734) 623-1678
Email: nhudge@dickinsonwright.com
Correspondent Name: Nora Hudge, Paralegal
Address Line 1: Dickinson Wright PLLC
Address Line 2: 350 South Main Street, Suite 300
Address Line 4: Ann Arbor, MICHIGAN 48104

ATTORNEY DOCKET NUMBER:	34601-90
NAME OF SUBMITTER:	Nora Hudge, Paralegal
Signature:	/Nora Hudge/
Date:	06/05/2013

Total Attachments: 9

source=PNC Bank-Stiles Security Agreement - Trademarks#page1.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page2.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page3.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page4.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page5.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page6.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page7.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page8.tif
source=PNC Bank-Stiles Security Agreement - Trademarks#page9.tif

Rider to Security Agreement – Trademarks



THIS RIDER TO SECURITY AGREEMENT (“Rider”) is executed as of this 28th day of May, 2013, by and between STILES MACHINERY, INC., a Michigan corporation (the “Grantor”) with an address at 3965 44th Street SE, Grand Rapids, Michigan 49512, and PNC BANK, NATIONAL ASSOCIATION (the “Bank”), with an address at 171 Monroe Avenue, Locator Z2-B700-02-2, Grand Rapids, MI 49503. This Rider is incorporated into and made part of that certain Security Agreement (“Security Agreement”) between the Grantor and the Bank dated of approximate even date herewith, and also into certain other financing documents and security agreements executed by and between the Grantor and the Bank or by and between the Borrower and the Bank (all such documents including this Rider being collectively referred to as “Loan Documents”). “Borrower” means, individually, collectively, and in all combinations, Grantor and Howard S. Twichell Company, a Texas corporation. All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor has adopted, used and is using (or has filed applications, other than intent-to-use applications, for the registration of) the trademarks, service marks and trade names listed on Schedule “A” attached hereto and made part hereof (all such marks or names hereinafter referred to as the “Trademarks”).

The Bank desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Security Agreement) to the Bank, and the Bank desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW, THEREFORE, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. **Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure payment and performance of the Obligations, the Grantor grants a lien and security interest to the Bank in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill and other tangible assets of the Grantor associated with and represented by the Trademarks, and the non-intent-to-use applications for and registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. **Representations and Warranties.** The Grantor represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Grantor, have not been adjudged invalid or unenforceable, and to the best of the Grantor’s knowledge, there is no reason why the Trademarks should be adjudged invalid or unenforceable; (b) each of the Trademarks is valid and enforceable; (c) the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Grantor not to sue third persons; (d) the Grantor has the unqualified right to enter into this Rider and perform its terms; (e) the Grantor has used, and will continue to use for the duration of this Rider, proper notice, as required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; (f) the Grantor has used, and will continue to use for the duration of this Rider, consistent standards of quality in products leased or sold under the Trademarks; and (g) the Grantor will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any of the Trademarks may become invalidated, abandoned, unenforceable, avoided, avoidable or

otherwise diminished in value, and shall notify the Bank immediately if it knows of any reason or has any reason to know of any grounds under which any of the foregoing may occur.

3. Verification of Quality Control. The Grantor hereby grants to the Bank and its employees and agents the right to visit the Grantor's locations which lease, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Grantor's compliance with paragraph 2(f).

4. Covenants. The Grantor further covenants to the Bank that until all of the Obligations have been satisfied in full: (a) the Grantor shall maintain the Trademarks in full force and effect; (b) the Grantor will not enter into any agreements which are inconsistent with the Grantor's obligations under this Rider or which restrict or impair the Bank's rights hereunder; and (c) if the Grantor acquires rights to any new non-intent-to-use Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Bank prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Grantor shall have the right to enter into agreements in the ordinary course of business with respect to the Trademarks.

5. Exclusive Use of Trademarks. So long as this Rider is in effect and so long as the Grantor has not received notice from the Bank that an Event of Default has occurred under the Loan Documents and that the Bank has elected to exercise its rights to assignment hereunder, the Grantor shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Bank shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Negative Pledge. The Grantor agrees not to sell, assign (by operation of law or otherwise) or further encumber its rights and interest in the Trademarks without prior written consent of the Bank. The Grantor shall defend the Trademarks against and shall take other action as is necessary to remove any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, and will defend the right, title and interest of the Bank in and to any of the Grantor's rights under the Trademarks against the claims or demands of all persons whatsoever.

7. No Additional Trademarks. As of the date hereof, the Grantor does not own any Trademarks, or have any Trademarks registered in or the subject of pending applications in the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, other than those grants, registrations or applications for registrations listed on Schedule A annexed hereto and made a part hereof.

8. Pledge of Additional Trademarks. In the event the Grantor, either itself or through any agent, employee, licensee or designee shall:

(a) file or record an application for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof; or

(b) file or record any assignment of any Trademark which the Grantor may acquire, own or license from a third party, with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof;

the Grantor shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Bank thereof, and, upon request of the Bank shall promptly, but in no event more than twenty (20) days subsequent to such notice, execute and deliver any and all assignments, agreements, instruments, documents and papers as the Bank may reasonably request to evidence the Bank's interest in such Trademark and the goodwill of the Grantor associated thereto or represented thereby. The Grantor hereby grants the Bank a power of attorney, irrevocable until the Obligations are fully paid and satisfied, to modify this Rider by amending Schedule A, as applicable, to

include any future Trademarks or Licenses, including, without limitation, registrations or applications appurtenant thereto, covered by this Rider.

9. Remedies Upon Default. (a) Anything herein contained to the contrary notwithstanding, if and while the Grantor shall be in default hereunder or an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Bank, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of the Grantor's default hereunder or an Event of Default under the Loan Documents and while such default or Event of Default exists, the Grantor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Bank to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full.

(c) The Grantor expressly acknowledges that this Rider shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Grantor shall also execute and deliver to the Bank such documents as the Bank shall reasonably request to permanently assign all rights in the Trademarks to the Bank, which documents shall be held by the Bank, in escrow, until the occurrence of an Event of Default hereunder or under the Loan Documents. After such occurrence, the Bank may, at its sole option, record such escrowed documents with the Patent and Trademark Office.

10. Subject to Security Agreement. This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

11. Inconsistent with Security Agreement. All rights and remedies herein granted to the Bank shall be in addition to any rights and remedies granted to the Bank under the Loan Documents. In the event of an inconsistency between this Rider and the Security Agreement, the language of the Security Agreement shall control. The terms and conditions of the Security Agreement are hereby incorporated herein by reference.

12. Termination of Agreement. Upon payment and performance of all Obligations under the Loan Documents, the Bank shall execute and deliver to the Grantor all documents necessary to re-vest all rights in and to the Trademarks in the Grantor and/or terminate any interest of the Bank therein.

13. Prosecution of Trademark Applications. (a) Subject to the terms of the Loan Documents, with respect to the Trademarks that are or could reasonably be expected to be material to Grantor's business, the Grantor shall have the duty to prosecute diligently any trademark application with respect to such Trademarks pending as of the date of this Rider or thereafter, until the Obligations shall have been satisfied in full, to preserve and maintain all rights in the registration and grant of such Trademarks, to halt any infringement of such Trademarks, and upon reasonable request of the Bank, the Grantor shall make federal application on registrable but unregistered trademarks belonging to the Grantor that are or could reasonably be expected to be material to Grantor's business. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Grantor. The Grantor shall not abandon any Trademark without the written consent of the Bank.

(b) The Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Bank may, if the Grantor deems it necessary or after an Event of Default under the Loan Documents, be joined as a nominal party to such suit if the Bank shall have been satisfied that it is not thereby

incurring any risk of liability because of such joinder. The Grantor shall promptly, upon demand, reimburse and indemnify the Bank for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Bank in the fulfillment of the provisions of this paragraph.

14. Responsibility and Liability. The Grantor assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies and holds the Bank and each director, officer, employee, affiliate and agent thereof, harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees and expenses) arising out of any alleged defect in any product manufactured, promoted or sold by the Grantor in connection with any of the Trademarks or otherwise arising out of the Grantor's operation of its business from the use of the Trademarks. In any suit, proceeding or action after an Event of Default brought by the Bank under any License for any sum owing thereunder, or to enforce any provisions of such License, the Grantor will indemnify and keep the Bank harmless from and against all expense, loss or damage suffered by reason of any defense, set off, recoupment, claim, counterclaim, reduction or liability whatsoever of the obligee thereunder or arising out of a breach of the Grantor of any obligation thereunder or arising out of any agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from the Grantor, and all such Obligations of the Grantor shall be and remain enforceable against and only against the Grantor and shall not be enforceable against the Bank.

15. Bank's Rights. The Bank may, in its sole discretion, pay any amount or do any act required of the Grantor hereunder or requested by the Bank to preserve, defend, protect, maintain, record or enforce the Grantor's obligations contained herein, the Obligations of the Grantor to the Bank, the Trademarks, or the right, title and interest granted the Bank herein, and which the Grantor fails to do or pay, and any such payment shall be deemed an advance by the Bank to the Grantor and shall be payable on demand together with interest thereon at the default rate specified in the Loan Documents.

16. Protection of the Trademarks. With respect to any Trademarks that are or could reasonably be expected to be material to Grantor's business, the Grantor agrees that if it learns of any use by any person or any term or design likely to cause confusion with any such Trademark, or of any claim of any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to any such Trademarks, the Grantor shall promptly notify the Bank of such use, lien, security interest, claim, right or other encumbrance and, if requested by the Bank, shall join with the Bank, at the Grantor's expense, in such action as the Bank, in its reasonable discretion, may deem advisable for the protection of the Bank's interest in and to any such Trademarks, it being understood that the foregoing shall not preclude the Grantor from bringing an action against a person for the protection of the Grantor's interest in and to any such Trademarks.

17. Additional Remedies. Upon the occurrence of an Event of Default under the Loan Documents, the Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in the Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse the Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Bank in protecting, defending and maintaining the Trademarks.

18. Governing Law. THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

19. Counterparts. This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission or electronic transmission in PDF format shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission or electronic transmission in PDF format shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission or electronic transmission in PDF format.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

WITNESS / ATTEST:

STILES MACHINERY, INC.
(Corporation, Partnership or other Entity)

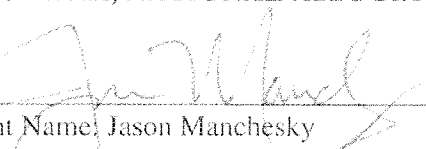
Print Name: _____
Title: _____
(Include title only if an officer of entity signing to the right)

By: _____
Print Name: Peter Kleinschmidt
Title: Chief Executive Officer

Print Name: _____
Title: _____
(Include title only if an officer of entity signing to the right)

By: _____
Print Name: Tim Northup
Title: Chief Financial Officer

PNC BANK, NATIONAL ASSOCIATION

By:  _____
Print Name: Jason Manchesky
Title: Vice President

STATE OF MICHIGAN)
)
COUNTY OF KENT)

ss:

On this, the _____ day of May, 2013, before me, a Notary Public, the undersigned officer, personally appeared Peter Kleinschmidt, who acknowledged himself/herself to be the Chief Executive Officer of Stiles Machinery, Inc., a Michigan corporation, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public, _____ County, MI
Print Name: _____
Acting in Kent, County, MI
My commission expires: _____

STATE OF MICHIGAN)
) ss:
COUNTY OF KENT)

On this, the 24th day of May, 2013, before me, a Notary Public, the undersigned officer, personally appeared Tim Northup, who acknowledged himself/herself to be the Chief Financial Officer of Stiles Machinery, Inc., a Michigan corporation, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Suzanne Miller-Schallinger
Notary Public, KENT County, MI
Print Name: SUZANNE MILLER-SCHALLINGER
Acting in Kent, County, MI
My commission expires: 9/14/2019

STATE OF MICHIGAN)
) ss:
COUNTY OF KENT)

On this, the _____ day of May, 2013, before me, a Notary Public, the undersigned officer, personally appeared Jason Manchesky, who acknowledged himself/herself to be the Vice President of PNC BANK, NATIONAL ASSOCIATION and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Suzanne Miller-Schallinger
Notary Public, KENT County, MI
Print Name: SUZANNE MILLER-SCHALLINGER
Acting in Kent, County, MI
My commission expires: 9/14/2019

STATE OF MICHIGAN)
)
) ss:
COUNTY OF KENT)

On this, the _____ day of May, 2013, before me, a Notary Public, the undersigned officer, personally appeared Tim Northup, who acknowledged himself/herself to be the Chief Financial Officer of Stiles Machinery, Inc., a Michigan corporation, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

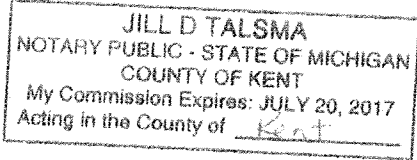
Notary Public, _____ County, MI
Print Name: _____
Acting in Kent, County, MI
My commission expires: _____

STATE OF MICHIGAN)
)
) ss:
COUNTY OF KENT)

On this, the 24th day of May, 2013, before me, a Notary Public, the undersigned officer, personally appeared Jason Manchesky, who acknowledged himself/herself to be the Vice President of PNC BANK, NATIONAL ASSOCIATION and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Jill D Talsma
Notary Public, Kent County, MI
Print Name: Jill D Talsma
Acting in Kent, County, MI
My commission expires: 7/20/17



SCHEDULE A TO RIDER TO SECURITY AGREEMENT - TRADEMARKS

<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION OR FILING DATE</u>
Cut-Rite	2,210,344	USA	December 15, 1998
iConnect	3,732,343	USA	December 29, 2009
Ironwood	3,677,630	USA	September 1, 2009
Kentwood	3,569,487	USA	February 3, 2009
ProLink	3,732,344	USA	December 29, 2009
Stiles Shop Solutions	3,656,773	USA	July 21, 2009
Stiles (trademark)	1,243,413	USA	June 28, 1983
Stiles (service mark)	1,243,926	USA	June 28, 1983
WinSTEP	2,848,643	USA	June 1, 2004
Your Success Is Our Business (service mark)	3,674,957	USA	September 1, 2009