

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM312462

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Designed Alloy Products, Inc.		07/31/2014	CORPORATION: ILLINOIS
RECEIVING PARTY DATA			
Name:	Wells Fargo Bank, National Association		
Street Address:	10 S. Wacker Drive, 13th Floor		
Internal Address:	MAC N8405-131		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60606		
Entity Type:	a national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3682941	DESIGNED ALLOYS	
Registration Number:	2521734		
CORRESPONDENCE DATA			
Fax Number:	6127661600		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	612-766-6911		
Email:	susan.carlson@faegrebd.com		
Correspondent Name:	Susan Carlson, Faegre Baker Daniels LLP		
Address Line 1:	90 S 7th St Ste 2200		
Address Line 4:	Minneapolis, MINNESOTA 55402		
NAME OF SUBMITTER:	Susan Carlson		
SIGNATURE:	/e/ Susan Carlson		
DATE SIGNED:	07/31/2014		
Total Attachments: 8			
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TRADEMARK			

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PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this “Agreement”), dated as of July 31, 2014, is made by and among DESIGNED ALLOY PRODUCTS, INC., an Illinois corporation (“DAPI” and the “Debtor”), having a business location at the address set forth below next to its signature, and Wells Fargo Bank, National Association (“Secured Party”), and having a business location at the address set forth below next to its signature.

Recitals

Debtor and Alloy Rod Products, Inc., an Illinois corporation (“ARP”; together with DAPI, collectively, the “Borrowers” and each is a “Borrower”), as borrowers, and Secured Party, as lender, are parties to a Credit Agreement of even date herewith (as amended, restated, modified or supplemented from time to time, the “Credit Agreement”), setting forth the terms on which Secured Party, as lender, may now or hereafter extend credit to or for the account of Borrowers.

As a condition to extending credit to or for the account of Borrowers, Secured Party has required the execution and delivery of this Agreement by Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them in the Credit Agreement. In addition, the following terms have the meanings set forth below:

“Patents” means all of the Debtor’s right, title and interest in and to any and all patents and patent applications, including (a) the patents and patent applications listed on Exhibit A attached hereto, (ii) all continuations, divisionals, continuations-in-part, re-examinations, reissues, and renewals thereof and improvements thereon, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of the Debtor’s rights corresponding thereto throughout the world.

“Security Interest” has the meaning given in Section 2.

“Trademarks” means all of the Debtor’s right, title and interest in and to any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Exhibit B attached hereto, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and future infringements and dilutions thereof, (v) the goodwill of the Debtor’s business symbolized by the foregoing or connected therewith, and (vi) all of the Debtor’s rights corresponding thereto throughout the world.

2. **Security Interest.** Debtor hereby irrevocably pledges and assigns to, and grants Secured Party a security interest (the "Security Interest") with power of sale to the extent permitted by law in, the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Credit Agreement and the Security Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. **Representations, Warranties and Agreements.** The Debtor represents, warrants and agrees as follows:

(a) Existence; Authority. The Debtor is a corporation duly organized, validly existing and in good standing under the laws of the state of Illinois, and this Agreement has been duly and validly authorized by all necessary action on the part of the Debtor.

(b) Patents. Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof, or to which the Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall within 30 days provide written notice to Secured Party with a replacement Exhibit A, which upon acceptance by Secured Party shall become part of this Agreement.

(c) Trademarks. Exhibit B accurately lists all registered Trademarks owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof and all other Trademarks owned by the Debtor. If after the date hereof, the Debtor owns or controls any Trademarks not listed on Exhibit B, or if Exhibit B ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtor shall within 30 days provide written notice to Secured Party with a replacement Exhibit B, which upon acceptance by Secured Party shall become part of this Agreement.

(d) Title. The Debtor has absolute title to each Patent and each Trademark listed on Exhibits A and B as owned by the Debtor, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except Permitted Liens.

(e) No Sale. Except as permitted in the Credit Agreement and the other Loan Documents, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents or Trademarks, or any interest therein, without Secured Party's prior written consent.

(f) Defense. The Debtor will, at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens, except to the extent otherwise expressly permitted under the Credit Agreement and the other Loan Documents.

(g) Maintenance. The Debtor will at its own expense maintain the Patents and the Trademarks necessary in the conduct of the Debtor's business to the extent reasonably advisable in its business, including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Secured Party: (i) sufficient written notice, of at least 30 days, to allow Secured Party to timely pay (if Secured Party elects to so pay in its sole discretion) any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) Secured Party's Right to Take Action. If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time if immediate action is necessary to maintain any Patent or Trademark as required by subsection (h)), or if the Debtor notifies Secured Party that it intends to abandon a Patent or Trademark, Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at Secured Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) Costs and Expenses. Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay Secured Party on written demand the amount of all moneys expended and all reasonable costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Secured Party in connection with or as a result of Secured Party's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Secured Party at the Default Rate.

(j) Power of Attorney. Solely for purposes of, and to facilitate Secured Party's taking action under subsection (i) and exercising its rights under Section 6 (but without limiting any other appointment contained in any other Loan Document), the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3 to the extent the Debtor has failed to take such action, or, necessary for Secured Party, after an Event of Default and until such Event of Default may be cured or waived in accordance with the Credit Agreement, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

4. **Debtor's Use of the Patents and Trademarks.** The Debtor shall be permitted to control and manage its Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. **Events of Default.** The occurrence of an Event of Default (as defined in the Credit Agreement) shall constitute an event of default under this Agreement (herein called an "Event of Default").

6. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter, Secured Party may, at its option, take any or all of the following actions: (a) Secured Party may exercise any or all remedies available under the Credit Agreement; (b) Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks; and (c) Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. **Miscellaneous.** This Agreement can be waived, modified, amended, terminated or discharged only explicitly in a writing signed by Secured Party and Debtor, and the Security Interest can be released, only explicitly in a writing signed by Secured Party. A waiver signed by Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Secured Party's rights or remedies. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. Secured Party shall not be obligated to preserve any rights Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective participants, successors and assigns and shall take effect when signed by Debtor and delivered to Secured Party, and Debtor waives notice of Secured Party's acceptance hereof. Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Illinois without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

Signature page follows

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

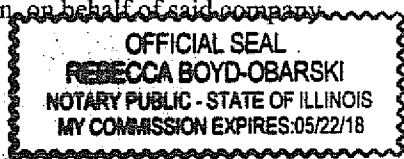
Designed Alloy Products, Inc.
601 W New York Street
Aurora, IL 60506
Attn: Michael Schroeder
Fax: (630) 906-2755
Email: mschroeder@designedalloys.com

DESIGNED ALLOY PRODUCTS, INC.

By: Cristi A Hoffman
Name: Cristi A. Hoffman
Title: Chairman of the Board

STATE OF ILLINOIS)
)
COUNTY OF DuPAGE)

The foregoing instrument was acknowledged before me this 28th day of July, 2014, by Cristi A. Hoffman, the Chairman of the Board of Designed Alloy Products, Inc., an Illinois corporation, on behalf of said company.



Rebecca Boyd-Obarski
Notary Public

EXHIBIT A

UNITED STATES ISSUED PATENTS

None.

UNITED STATES PATENT APPLICATIONS

None.

FOREIGN ISSUED PATENTS; FOREIGN PATENT APPLICATIONS

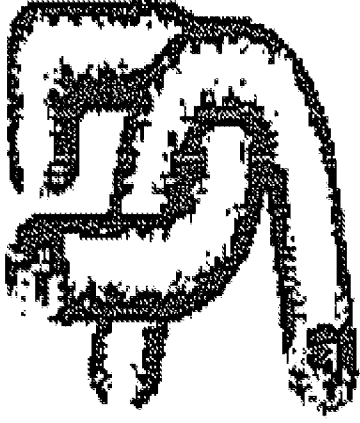
None.

Exhibit A

EXHIBIT B

**UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKS**

REGISTRATIONS

Owner	Trademark	Registration Number	Registration Date	Status
Designed Alloy Products, Inc.	Designed Alloys	3682941	9/15/2009	Currently Active
Designed Alloy Products, Inc.		2521734	12/25/2001	Currently Active

APPLICATIONS; COLLECTIVE MEMBERSHIP MARKS; SUPPLEMENTAL REGISTERED MARKS; UNREGISTERED MARKS MATERIAL TO BUSINESS

None.

FOREIGN ISSUED TRADEMARKS, SERVICE MARKS AND COLLECTIVE MEMBERSHIP MARKS; FOREIGN APPLICATIONS FOR TRADEMARKS, SERVICE MARKS AND COLLECTIVE MEMBERSHIP MARKS

None.

Exhibit B