

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM358348

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Schaefer Ventilation Equipment, Corp.		10/09/2015	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Spell Capital Mezzanine Partners SBIC, LP, as collateral agent		
Street Address:	200 South Ninth Street		
Internal Address:	Suite 2880		
City:	Minneapolis		
State/Country:	MINNESOTA		
Postal Code:	55337		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 13			
Property Type	Number	Word Mark	
Registration Number:	4658276	SCHAEFER	
Registration Number:	3999835	FLIPFAN	
Registration Number:	2826577	PRO-KOOL	
Registration Number:	3872711	BIGDOG	
Registration Number:	2606512	VERSA FOG	
Registration Number:	2413600	VERSA-MIST	
Registration Number:	1929619	VERSA-KOOL	
Registration Number:	1764368	PLANT-AIR	
Registration Number:	1779393	AMERIC	
Registration Number:	1779392	AMERIC	
Registration Number:	1498527	BARN KOOLER	
Registration Number:	1741148	CATTLE KOOLER	
Registration Number:	2063286	WAY COOL	
CORRESPONDENCE DATA			
Fax Number:	6123408827		
<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>			

CH \$340.00 4658276

Phone: 6124926819
Email: ip.docket@dorsey.com
Correspondent Name: Evan P. Everist
Address Line 1: 50 South Sixth Street
Address Line 2: Suite 1500
Address Line 4: Minneapolis, MINNESOTA 55402

ATTORNEY DOCKET NUMBER: 494780-00005

NAME OF SUBMITTER: Evan P. Everist

SIGNATURE: /Evan P. Everist/

DATE SIGNED: 10/12/2015

Total Attachments: 8

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THIS INSTRUMENT IS SUBJECT TO THE TERMS OF A SUBORDINATION AND INTERCREDITOR AGREEMENT DATED AS OF OCTOBER 9, 2015 IN FAVOR OF FIFTH THIRD BANK, WHICH AGREEMENT (AS AMENDED IN ACCORDANCE WITH ITS TERMS) IS INCORPORATED HEREIN BY REFERENCE.

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this “**Security Agreement**”) made as of the 9th day of October, 2015, is by SCHAEFER VENTILATION EQUIPMENT, CORP., a Delaware corporation (“**Grantor**”), in favor of SPELL CAPITAL MEZZANINE PARTNERS SBIC, LP, a Delaware limited partnership, as collateral agent (in such capacity, together with any successors and assigns in such capacity, “**Collateral Agent**”) for the benefit of itself and the Lenders (as defined below, and together with the Collateral Agent, each a “**Secured Party**” and collectively, the “**Secured Parties**”).

W I T N E S S E T H

WHEREAS, Grantor, Pinnacle Products International, Inc., a Delaware corporation (“**Pinnacle**”, and together with Grantor, collectively, “**Borrowers**” and each a “**Borrower**”), Collateral Agent, and the lenders from time to time party thereto (“**Lenders**”) have entered into that certain Note Purchase and Security Agreement dated as of even date herewith (as amended, restated, modified or supplemented and in effect from time to time, the “**Note Purchase and Security Agreement**”), and other related loan documents dated as of even date herewith (collectively, with the Note Purchase and Security Agreement, and as each may be amended or otherwise modified from time to time, the “**Financing Agreements**”), which Financing Agreements provide (i) for the Lenders to extend certain financial accommodations to the Borrowers and (ii) for the grant by Grantor to Collateral Agent, for the benefit of the Secured Parties, of a security interest in certain of Grantor’s assets, including, without limitation, its trademarks and trademark applications; and

WHEREAS, the Lenders have required that Grantor execute and deliver this Agreement to the Secured Parties as a condition to the extension of certain financial accommodations by the Lenders.

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 Note Purchase and Security Agreement.

2. Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations (as defined in the Note Purchase and Security Agreement), Grantor hereby grants to the Secured Parties, a continuing 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 trademark registrations 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.

3. Warranties and Representations. Grantor warrants and represents to the Secured Parties 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) To the knowledge of Grantor, 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 (other than Permitted 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 right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Except as otherwise set forth herein, Grantor agrees that until Borrowers’ Obligations shall have been satisfied in full and the Financing Agreements shall have been terminated, Grantor shall not, without the prior written consent of Collateral Agent, such consent not to be unreasonably withheld, 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 the Secured Parties 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 Borrowers’ Obligations 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 Collateral Agent, (ii)

become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, or (iii) take any action to register (or re-register) or revive, renew, resuscitate or otherwise claim rights in or protect any abandoned, lapsed or dead trademark, the provisions of this Security Agreement above shall automatically apply thereto and Grantor shall give to Collateral Agent prompt written notice thereof. Grantor hereby authorizes Collateral Agent to modify this Security Agreement by amending Schedule A to include any such Trademarks. In addition, if any of the foregoing events under this Section 5 occurs with respect to any Subsidiary of Grantor, Grantor shall give to Collateral Agent prompt written notice thereof.

6. Term. The term of this Security Agreement shall extend until the payment in full of Borrowers' Obligations 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 any Secured Party of any Trademark shall be without any liability for royalties or other related charges from any Secured Party 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 Collateral Agent, or a conservator appointed by Collateral Agent, shall have the right to establish such additional product quality controls as Collateral 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 Borrowers' Obligations and termination of the Financing Agreements, Collateral Agent shall take such actions 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 Collateral 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 Obligations.

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 Borrowers' Obligations 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 Borrowers' obligations under this Section 10 shall be borne by Grantor.

11. Collateral Agent's Right to Sue. After the occurrence and during the continuance of an Event of Default, Collateral Agent shall have the right, but shall in no way be

obligated, to bring suit in its own name to enforce the Trademarks and, if Collateral Agent shall commence any such suit, Grantor shall, at the request of Collateral Agent, do any and all lawful acts and execute any and all proper documents required by Collateral Agent in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Collateral Agent for all costs and expenses incurred by Collateral Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between any Borrower and any Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of any Secured Party, 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 the Secured Parties' 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 Collateral Agent upon the occurrence and during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Collateral Agent as Collateral 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 Collateral Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Collateral Agent deems to be in the best interest of the Secured Parties, 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 Borrowers' Obligations 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 the Secured Parties under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. The Secured Parties 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 Minnesota.

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 the Secured Parties, their 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 Minnesota 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 Collateral Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

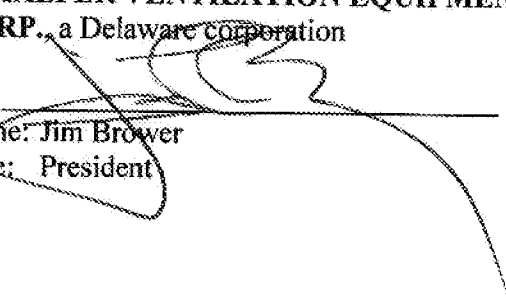
20. Survival of Representations. All representations and warranties of Grantor contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

[Remainder of page intentionally left blank; signature page follows]

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

GRANTOR:

**SCHAEFER VENTILATION EQUIPMENT,
CORP.**, a Delaware corporation


By: 
Name: Jim Brower
Title: President

Agreed and Accepted as of the date first written above.

COLLATERAL AGENT:

SPELL CAPITAL MEZZANINE PARTNERS SBIC, LP, as Collateral Agent

By: SCMP Management I, LLC, its General Partner

By: 

Name: Andrew P. Leonard



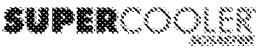






Title: Managing Director

SCHEDULE A

TRADEMARKS/TRADEMARK APPLICATIONS

<u>Trademark Description</u>	<u>U.S. Serial / Registration No.</u>	<u>Filing Date</u>	<u>Registration Date</u>
SCHAEFER	85624330 / 4658276	May 14, 2012	December 23, 2014
FLIPFAN	85160391 / 3999835	October 25, 2010	July 19, 2011
PRO-KOOL	78186189 / 2826577	November 18, 2002	March 23, 2004
BIGDOG	77959349 / 3872711	March 15, 2010	November 9, 2010
VERSA FOG & DESIGN	76009893 / 2606512	March 24, 2000	August 13, 2002
VERSA-MIST & DESIGN	75662901 / 2413600	March 18, 1999	December 19, 2000
VERSA-KOOL	74573844 / 1929619	September 15, 1994	October 24, 1995
PLANT-AIR	74306363 / 1764368	August 19, 1992	April 13, 1993
AMERIC	74188397 / 1779393	July 25, 1991	July 29, 1993
AMERIC	74184609 / 1779392	July 11, 1991	June 29, 1993
BARN KOOLER	73683467 / 1498527	September 11, 1987	August 2, 1988
CATTLE KOOLER	74263483 / 1741148	April 7, 1992	December 22, 1992
WAYCOOL	75121523 / 2063286	June 5, 1996	May 20, 1997

Common Law Trademarks:

				
				[intentionally left blank]

Grantor also has common law trademark rights in Versa-Filler™ and Zubri™.