

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

ETAS ID: TM518416

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Patent, Trademark and Copyright Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Watson Industries, Inc.		04/05/2019	Corporation: PENNSYLVANIA
Watson Standard Company		04/05/2019	Corporation: PENNSYLVANIA
Watson Standard Holdings, LLC		04/05/2019	Limited Liability Company: DELAWARE
Watson Standard Adhesives Company		04/05/2019	Corporation: PENNSYLVANIA
Watson Standard Railroad LLC		04/05/2019	Limited Liability Company: PENNSYLVANIA
Watson Standard Realty Company		04/05/2019	Corporation: PENNSYLVANIA
Watson Standard Industrial Coatings, Inc.		04/05/2019	Corporation: PENNSYLVANIA
RECEIVING PARTY DATA			
Name:	PNC Bank, National Association		
Street Address:	300 Fifth Avenue		
Internal Address:	The Tower at PNC Plaza		
City:	Pittsburgh		
State/Country:	PENNSYLVANIA		
Postal Code:	15222		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	4079261	WATSON STANDARD	
Registration Number:	4117423	W	
Registration Number:	3358618	KW268	
Registration Number:	4633606	CHEMSHIELD	
CORRESPONDENCE DATA			
Fax Number:	4125621041		
<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:	412-562-1637		

TRADEMARK

Email: vicki.cremonese@bipc.com
Correspondent Name: Michael L. Dever
Address Line 1: 301 Grant Street
Address Line 2: 20th Floor
Address Line 4: Pittsburgh, PENNSYLVANIA 15219

ATTORNEY DOCKET NUMBER:	0011046-302219
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NAME OF SUBMITTER:	Michael L. Dever
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SIGNATURE:	/Michael L. Dever/
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DATE SIGNED:	04/10/2019
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Total Attachments: 14

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PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

This Patent, Trademark and Copyright Security Agreement (the "**Agreement**"), dated as of April 5, 2019 is entered into by and among EACH OF THE PERSONS LISTED ON THE SIGNATURE PAGES HERETO AND EACH OF THE OTHER PERSONS WHICH BECOME PLEDGORS HEREUNDER FROM TIME TO TIME (each a "**Pledgor**" and collectively, the "**Pledgors**") and PNC BANK, NATIONAL ASSOCIATION, as agent for the Lenders referred to below (the "**Agent**").

WHEREAS, pursuant to that certain (i) Amended and Restated Revolving Credit, Term Loan and Security Agreement (as amended, restated, modified or supplemented from time to time, the "**Credit Agreement**") of even date herewith by and among WATSON INDUSTRIES, INC., a Pennsylvania corporation ("**Watson Industries**"), WATSON STANDARD COMPANY, a Pennsylvania corporation, WATSON STANDARD HOLDINGS, LLC, a Delaware limited liability company, WATSON STANDARD ADHESIVES COMPANY, a Pennsylvania corporation, WATSON STANDARD RAILROAD LLC, a Pennsylvania limited liability company, WATSON STANDARD REALTY COMPANY, a Pennsylvania corporation, and WATSON STANDARD INDUSTRIAL COATINGS, INC., a Pennsylvania corporation (each a "**Borrower**" and collectively, the "**Borrowers**"), the Lenders a party thereto (the "**Lenders**") and the Agent and (ii) EXIM Revolving Credit and Security Agreement (as amended, restated, modified or supplemented from time to time, the "**EXIM Credit Agreement**"), dated as of the date hereof, by and among the Borrowers, the Lenders party thereto, and the Agent, the Agent and the Lenders have agreed to provide certain loans to the Borrowers, and the Pledgors have agreed, among other things, to grant a security interest to the Agent in certain patents, trademarks, copyrights and other property as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. Defined Terms.

(a) Except as otherwise expressly provided herein: (i) capitalized terms used in this Agreement shall have the respective meanings assigned to them in the Credit Agreement; and (ii) the rules of construction set forth in Section 1.4 [Certain Matters of Construction] of the Credit Agreement shall apply to this Agreement. Where applicable and except as otherwise expressly provided herein, terms used herein (whether or not capitalized) shall have the respective meanings assigned to them in the Uniform Commercial Code as enacted in Pennsylvania as amended from time to time (the "**Code**").

(b) "**Patents, Trademarks and Copyrights**" shall mean and include all of each Pledgor's present and future right, title and interest in and to the following: all trade names, patent applications, patents, trademark applications, trademarks and copyrights, whether now owned or hereafter acquired by each Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations,

renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of the patents, trademarks and copyrights relate provided, that "**Patents, Trademarks and Copyrights**" shall exclude all intent-to-use trademarks.

(c) "**Secured Obligations**" shall mean and include the following: (i) all now existing and hereafter arising Obligations of each and every Pledgor to the Agent, the Lenders, or any provider of any Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services under the Credit Agreement, EXIM Credit Agreement or any of the Other Documents, including all obligations, liabilities, and indebtedness, whether for principal, interest, fees, expenses or otherwise, of each and every of the Pledgors to the Agent, the Lenders, or any provider of any Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services now existing or hereafter incurred under the Credit Agreement or EXIM Credit Agreement or the Notes or the Guaranty Agreement or any of the Other Documents as any of the same or any one or more of them may from time to time be amended, restated, modified or supplemented, together with any and all extensions, renewals, refinancings, and refundings thereof in whole or in part (and including obligations, liabilities, and indebtedness arising or accruing after the commencement of any bankruptcy, insolvency, reorganization, or similar proceeding with respect to any Borrower or which would have arisen or accrued but for the commencement of such proceeding, even if the claim for such obligation, liability or indebtedness is not enforceable or allowable in such proceeding, and including all obligations, liabilities and indebtedness arising from any extensions of credit under or in connection with the Other Documents from time to time, regardless whether any such extensions of credit are in excess of the amount committed under or contemplated by the Other Documents or are made in circumstances in which any condition to extension of credit is not satisfied); (ii) all reimbursement obligations of each and every Pledgor with respect to any one or more Letters of Credit issued by Agent or any Lender; (iii) all indebtedness, loans, obligations, expenses and liabilities of each and every of the Pledgors to the Agent or any of the Lenders of any obligations incurred in connection with any Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services provided by the Agent or such Lenders pursuant to the Credit Agreement; and (iv) any sums advanced by the Agent or the Lenders or which may otherwise become due pursuant to the provisions of the Credit Agreement, the EXIM Credit Agreement the Notes, this Agreement, or any of the Other Documents or pursuant to any other document or instrument at any time delivered to the Agent in connection therewith, including commitment, letter of credit, agent or other fees and charges, and indemnification obligations under any such document or instrument, together with all interest payable on any of the foregoing, whether such sums are advanced or otherwise become due before or after the entry of any judgment for foreclosure or any judgment on any of the Other Documents or with respect to any default under any Obligation. Notwithstanding anything to the contrary contained herein, Secured Obligations shall specifically exclude any and all Excluded Hedge Liabilities.

2. To secure the full payment and performance of all Secured Obligations, each Pledgor hereby grants and conveys a security interest to the Agent, for itself and the benefit of the Lenders and their respective affiliates, in the entire right, title and interest of such Pledgor in and to all of its Patents, Trademarks and Copyrights.

3. Each Pledgor jointly and severally represents and warrants, and covenants that:

(a) the Patents, Trademarks and Copyrights are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the best of such Pledgor's knowledge, each of the Patents, Trademarks and Copyrights is valid and enforceable;

(c) such Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Copyrights, free and clear of any liens, charges and encumbrances, except for Permitted Encumbrances, including pledges, assignments, licenses, shop rights and covenants by such Pledgor not to sue third persons;

(d) such Pledgor has the corporate, limited liability company or partnership power and authority, as applicable, to enter into this Agreement and perform its terms;

(e) no claim has been made to such Pledgor or, to the knowledge of such Pledgor, any other person that the use of any of the Patents, Trademarks and Copyrights does or may violate the rights of any third party;

(f) [reserved];

(g) such Pledgor has used, and will continue for the duration of this Agreement, to take all required action to maintain the validity of its use of the Patents, Trademarks and Copyrights, except for those Patents, Trademarks and Copyrights that are hereafter allowed to lapse in accordance with Paragraph 11 hereof;

(h) such Pledgor will not change its state of incorporation, formation or organization, as applicable without providing thirty (30) days prior written notice the Agent;

(i) such Pledgor will not change its name without providing thirty (30) days prior written notice to the Agent; and

(j) such Pledgor shall preserve its existence as a corporation, partnership or a limited liability company, as applicable, and except as permitted by the Credit Agreement, shall not: (i) in one, or a series of related transactions, merge into or consolidate with any other entity, the survivor of which is not such Pledgor; or (ii) sell all or substantially all of its assets.

4. Each of the obligations and additional liabilities of each and every Pledgor under this Agreement are joint and several with the obligations of the other Pledgors, and each Pledgor hereby waives to the fullest extent permitted by Law any defense it may otherwise have to the payment and performance of the Obligations that its liability hereunder is limited and not joint and several. Each Pledgor acknowledges and agrees that the foregoing waiver serves as a material inducement to the agreement of the Agent and the Lenders to make the Loans, and that the Agent and the Lenders are relying on such waiver in entering into this Agreement. The undertakings of each Pledgor hereunder secure the obligations of the Borrowers, itself and the other Pledgors. The Agent and the Lenders, or any of them, may, in their sole discretion, elect to enforce this Agreement against any Pledgor without any duty or responsibility to pursue any

other Pledgor and such an election by the Agent and the Lenders, or any of them, shall not be a defense to any action the Agent and the Lenders, or any of them, may elect to take against any Pledgor. Each of the Lenders and the Agent hereby reserves all rights against each Pledgor.

5. Each Pledgor agrees that, until all of the Secured Obligations shall have been indefeasibly paid in full, all commitments have been terminated and all Letters of Credit and Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services have expired or been terminated, it will not enter into any agreement (for example, a license agreement) which is inconsistent with such Pledgor's obligations under this Agreement, without the Agent's prior written consent which shall not be unreasonably withheld except such Pledgor may license technology in the ordinary course of business without the Agent's consent to suppliers and customers to facilitate the manufacture and use of such Pledgor's products.

6. If, before payment in full of all of the Secured Obligations and expiration of termination of all Lender-Provided Interest Rate Hedges, Lender-Provided Foreign Currency Hedges, or Cash Management Products and Services, any Pledgor shall own any new trademarks or any new copyrightable or patentable inventions, or any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation in part of any Patent, Trademark or Copyright or any improvement on any Patent, Trademark or Copyright, the provisions of this Agreement shall automatically apply thereto and such Pledgor shall give to the Agent prompt notice thereof in writing. Each Pledgor and the Agent agree to modify this Agreement by amending Schedule A to include any future patents, patent applications, trademark applications, trademarks, copyrights or copyright applications and the provisions of this Agreement shall apply thereto.

7. Agent shall have, in addition to all other rights and remedies given it by this Agreement and those rights and remedies set forth in the Credit Agreement, those allowed by applicable Law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks and Copyrights may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is continuing, Agent may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Pledgors, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Agent shall designate by notice to the Pledgors, in Pittsburgh, Pennsylvania or elsewhere, the whole or from time to time any part of the Patents, Trademarks and Copyrights, or any interest which any Pledgor may have therein and, after deducting from the proceeds of sale or other disposition of the Patents, Trademarks and Copyrights all expenses (including fees and expenses for brokers and attorneys), shall apply the remainder of such proceeds toward the payment of the Secured Obligations as the Agent, in its sole discretion, shall determine. Any remainder of the proceeds after payment in full of the Secured Obligations shall be paid over to Pledgors. Notice of any sale or other disposition of the Patents, Trademarks and Copyrights shall be given to Pledgors at least ten (10) days before the time of any intended public or private sale or other disposition of the Patents, Trademarks and Copyrights is to be made, which each Pledgor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Agent may, to the extent permissible under applicable Law, purchase the whole or any part of the Patents, Trademarks and Copyrights sold,

free from any right of redemption on the part of Pledgor, which right is hereby waived and released. Nothing in this Agreement waives any duty of the Agent or any right of Pledgor which cannot be waived under Section 9-602 of the UCC or other mandatory provisions of applicable Law which cannot be waived.

8. If any Event of Default shall have occurred and be continuing, each Pledgor hereby authorizes and empowers the Agent to make, constitute and appoint any officer or agent of the Agent, as the Agent may select in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse such Pledgor's name on all applications, documents, papers and instruments necessary for the Agent to use the Patents, Trademarks and Copyrights, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under the Patents, Trademarks and Copyrights to any third person, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of the Patents, Trademarks and Copyrights to any third Person. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the life of this Agreement.

9. Upon payment in full of all of the Secured Obligations and expiration or termination of all Lender-Provided Interest Rate Hedges, any Lender-Provided Foreign Currency Hedges, or Cash Management Products and Services, this Agreement shall terminate and the Agent shall execute and deliver to the Pledgors all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Pledgors full title to the Patents, Trademarks and Copyrights, subject to any disposition thereof which may have been made by the Agent pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and expenses incurred by Agent in connection with the preparation of this Agreement 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, the protection, maintenance or preservation of the Patents, Trademarks and Copyrights, or the defense or prosecution of any actions or proceedings arising out of or related to the Patents, Trademarks and Copyrights, shall be borne and paid by the Pledgors within fifteen (15) days of demand by Agent, and if not paid within such time, shall be added to the principal amount of the Secured Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

11. Except to the extent not material to its business, each Pledgor shall have the duty, through counsel reasonably acceptable to the Agent, to prosecute diligently any patent applications of the Patents, Trademarks and Copyrights pending as of the date of this Agreement if commercially reasonable or thereafter until payment in full of the Secured Obligations and expiration or termination of all Lender-Provided Interest Rate Hedges, Lender-Provided Foreign Currency Hedges, or Cash Management Products and Services, to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of such Pledgor to do so) and to preserve and maintain all rights in patent applications and patents of the Patents, including the payment of all maintenance fees. Any expenses

incurred in connection with such an application shall be borne by the Pledgors. Except to the extent not material to its business, no Pledgor shall abandon any Patent, Trademark or Copyright without the consent of the Agent, which shall not be unreasonably withheld.

12. Each Pledgor shall have the right, with the consent of the Agent, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its own name, and to join the Agent, if necessary, as a party to such suit so long as the Agent is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents, Trademarks and Copyrights and any licenses thereunder. Each Pledgor shall in accordance with Section 10, reimburse and indemnify the Agent for all damages, costs and expenses, including reasonable legal fees, incurred by the Agent as a result of such suit or joinder by such Pledgor.

13. No course of dealing between any Pledgor and the Agent, nor any failure to exercise nor any delay in exercising, on the part of the Agent, any right, remedy, power or privilege of the Agent hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No waiver of a single Event of Default shall be deemed a waiver of a subsequent Event of Default.

14. All of the Agent's rights and remedies with respect to the Patents, Trademarks and Copyrights, whether established hereby or by the Credit Agreement or by any other agreements or by Law, shall be cumulative and not exclusive of any rights or remedies which it may otherwise have under the Other Documents, under the Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services or by Law, and the Agent may enforce any one or more remedies hereunder successively or concurrently at its option.

15. (a) It is the intention of the parties that this Agreement be enforceable to the fullest extent permissible under applicable Law, but that the unenforceability (or modification to conform to such Law) of any provision or provisions hereof shall not render unenforceable, or impair, the remainder hereof. If any provision in this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, this Agreement shall, as to such jurisdiction, be deemed amended to modify or delete, as necessary, the offending provision or provisions and to alter the bounds thereof in order to render it or them valid and enforceable to the maximum extent permitted by applicable Law, without in any manner affecting the validity or enforceability of such provision or provisions in any other jurisdiction or the remaining provisions hereof in any jurisdiction without invalidating the remaining provisions hereof.

(b) Without limitation of the preceding Subsection (a), to the extent that applicable Law (including applicable Laws pertaining to fraudulent conveyance or fraudulent or preferential transfer) otherwise would render the full amount of any Pledgor's obligations hereunder invalid, voidable, or unenforceable on account of the amount of a Pledgor's aggregate liability under this Agreement, then, notwithstanding any other provision of this Agreement to the contrary, the aggregate amount of such liability shall, without any further action by the Agent or any of the Lenders or such Pledgor or any other Person, be automatically limited and reduced to the highest amount which is valid and enforceable as determined in such action or proceeding, which

(without limiting the generality of the foregoing) may be an amount which is equal to the greater of:

(i) the fair consideration actually received by such Pledgor under the terms and as a result of the Other Documents and the Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services and the value of the benefits described in Paragraph 25 hereof, including (and to the extent not inconsistent with applicable federal and state laws affecting the enforceability of guaranties) distributions, commitments, and advances made to or for the benefit of such Pledgor with the proceeds of any credit extended under the Other Documents or the Lender-Provided Interest Rate Hedge, any Lender-Provided Foreign Currency Hedge, or any Cash Management Products and Services, or

(ii) the excess of (1) the amount of the fair value of the assets of such Pledgor as of the date of this Agreement as determined in accordance with applicable federal and state laws governing determinations of the insolvency of debtors as in effect on the date hereof, over (2) the amount of all liabilities of such Pledgor as of the date of this Agreement, also as determined on the basis of applicable federal and state laws governing the insolvency of debtors as in effect on the date hereof.

(c) Notwithstanding anything to the contrary in this Section or elsewhere in this Agreement, this Agreement shall be presumptively valid and enforceable to its full extent in accordance with its terms, as if this Section (and references elsewhere in this Agreement to enforceability to the fullest extent permitted by Law) were not a part of this Agreement, and in any related litigation, the burden of proof shall be on the party asserting the invalidity or unenforceability of any provision hereof or asserting any limitation on any Pledgor's obligations hereunder as to each element of such assertion.

16. This Agreement supersedes all prior understandings and agreements, whether written or oral, between the parties hereto relating to a grant of a security interest in the Patents, Trademarks and Copyrights by any Pledgor. This Agreement is subject to waiver, modification, supplement or amendment only by a writing signed by the parties, except as provided in Paragraph 6 and Paragraph 26 hereof with respect to additions and supplements to Schedule A hereto.

17. Each Pledgor hereby agrees to be bound by the provisions of Section 3.10 [Taxes] of the Credit Agreement and shall make all payments free and clear of Taxes to the extent required therein.

18. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided, however, that no Pledgor may assign or transfer any of its rights or obligations hereunder or any interest herein, and any such purported assignment or transfer shall be null and void.

19. This Agreement shall be governed by, construed, and enforced in accordance with the internal laws of the Commonwealth of Pennsylvania, without regard to its conflict of laws principles, except to the extent the validity or perfection of the security interests or the remedies

hereunder in respect of any Patents, Trademarks or Copyrights are governed by the law of a jurisdiction other than the Commonwealth of Pennsylvania.

20. Each Pledgor hereby irrevocably submits to the nonexclusive jurisdiction of any Pennsylvania state or federal court sitting in Allegheny County, in any action or proceeding arising out of or relating to this Agreement, and each Pledgor hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Pennsylvania state or federal court. Each Pledgor hereby waives to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each Pledgor hereby appoints the process agent identified below (the "**Process Agent**") as its agent to receive on behalf of such party and its respective property service of copies of the summons and complaint and any other process which may be served in any action or proceeding. Such service may be made by mailing or delivering a copy of such process to the Pledgor in care of the Process Agent at the Process Agent's address, and each Pledgor hereby authorizes and directs the Process Agent to receive such service on its behalf. Each Pledgor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions (or any political subdivision thereof) by suit on the judgment or in any other manner provided at law. Each Pledgor further agrees that it shall, for so long as any commitment or any obligation of any Borrower to any Lender remains outstanding, continue to retain Process Agent for the purposes set forth in this Section 20. The Process Agent is the **Watson Industries**, with an office on the date hereof as set forth in the Credit Agreement. The Process Agent hereby accepts the appointment of Process Agent by the Pledgors and agrees to act as Process Agent on behalf of the Pledgors.

21. This Agreement may be executed by different parties hereto on any number of separate counterparts, each of which, when so executed and delivered, shall be deemed an original, and all such counterparts shall together constitute one and the same instrument. Each Pledgor acknowledges and agrees that a telecopy or electronic transmission to the Agent or any Lender of the signature page hereof purporting to be signed on behalf of such Pledgor shall constitute effective and binding execution and delivery hereof by such Pledgor.

22. EACH PLEDGOR HEREBY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE CREDIT AGREEMENT, ANY OF THE OTHER DOCUMENTS OR THE PATENTS, TRADEMARKS AND COPYRIGHTS TO THE FULLEST EXTENT PERMITTED BY LAW.

23. All notices, statements, requests, demands, directions and other communications (collectively, "notices") given to or made upon any party hereto under the provisions of this Agreement shall be given to the applicable party hereto at the address set forth and in the manner provided in Section 16.6 [Notices] of the Credit Agreement. The Agent and the Lenders may rely on any notice (whether or not made in the manner contemplated by this Agreement) purportedly made by or on behalf of any Pledgor, and the Agent and the Lenders shall have no duty to verify the identity or authority of the Person giving such notice.

24. Each Pledgor acknowledges and agrees that, in addition to the other rights of the Agent hereunder and under the Other Documents, because the Agent's remedies at law for failure

of such Pledgor to comply with the provisions hereof relating to the Agent's rights: (a) to inspect the books and records related to the Patents, Trademarks and Copyrights; (b) to receive the various notifications such Pledgor is required to deliver hereunder; (c) to obtain copies of agreements and documents as provided herein with respect to the Patents, Trademarks and Copyrights; (d) to enforce the provisions hereof pursuant to which such Pledgor has appointed the Agent its attorney-in-fact; and (e) to enforce the Agent's remedies hereunder, would be inadequate and that any such failure would not be adequately compensable in damages, such Pledgor agrees that each such provision hereof may be specifically enforced.

25. Each Pledgor hereby acknowledges, represents, and warrants that it receives synergistic benefits by virtue of its affiliation with a Borrower and/or the other Pledgors and that it will receive direct and indirect benefits from the financing arrangements contemplated by the Credit Agreement and that such benefits, together with the rights of contribution and subrogation that may arise in connection herewith are a reasonably equivalent exchange of value in return for providing this Agreement.

26. At any time after the initial execution and delivery of this Agreement to the Agent and the Lenders, additional Persons may become parties to this Agreement and thereby acquire the duties and rights of being Pledgors hereunder by executing and delivering to the Agent and the Lenders a joinder document to the Credit Agreement or a Guarantor Security Agreement pursuant to the Credit Agreement, as the case may be, and, in addition, a new Schedule A hereto shall be provided to the Agent with respect to such new Pledgor. No notice of the addition of any Pledgor shall be required to be given to any pre-existing Pledgor and each Pledgor hereby consents thereto.


[SIGNATURES APPEAR ON FOLLOWING PAGES]

**[SIGNATURE PAGE – PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]**


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed
by their respective officers or agents thereunto duly authorized, as of the date first above written.

PLEDGORS:


WATSON INDUSTRIES, INC.

By: 
Name: Henry K. Watson IV
Title: President


WATSON STANDARD COMPANY

By: 
Name: Henry K. Watson IV
Title: President


WATSON STANDARD ADHESIVES
COMPANY

By: 
Name: Henry K. Watson IV
Title: President

WATSON STANDARD INDUSTRIAL
COATINGS


By: 
Name: Henry K. Watson IV
Title: President

WATSON STANDARD RAILROAD LLC

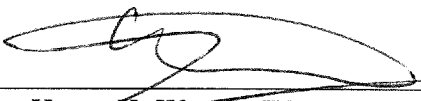
By: 
Name: Henry K. Watson IV
Title: President

**[SIGNATURE PAGE – PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]**

WATSON STANDARD REALTY COMPANY

By: 
Name: Henry K. Watson IV
Title: President


WATSON STANDARD HOLDINGS, LLC

By: 
Name: Henry K. Watson IV
Title: President

[SIGNATURE PAGE – PATENT, TRADEMARK
AND COPYRIGHT SECURITY AGREEMENT]

AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Agent

By: 
Name: Felicia E. Leksono
Title: Vice President

**SCHEDULE A
TO
PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

**LIST OF REGISTERED PATENTS,
TRADEMARKS, TRADE NAMES AND COPYRIGHTS**

1. Registered Patents: None.
2. Trademarks:

Company or Subsidiary that is the Owner of the IP	Description of IP	Identification Number	Filing Date	Application or Registration Number	Jurisdiction in which IP is Registered
Watson Standard Company	WATSON STANDARD trademark	85226287	1/26/2011 (filed); 1/3/2012 (registered)	4079261	USPTO
Watson Standard Company	"W" logo trademark for use in Adhesives for General Industrial use in manufacturing and packaging industries, coatings in the nature of surface treatments for general industrial use in the manufacturing and packaging industries and all-purpose lubricants for use in the manufacturing and packaging industries.	85287908	4/6/2011 (filed); 3/27/2012 (registered)	4117423	USPTO

Company or Subsidiary that is the Owner of the IP	Description of IP	Identification Number	Filing Date	Application or Registration Number	Jurisdiction in which IP is Registered
Watson Standard Holdings, Inc.	KW268 word mark	77104800	2/12/2007 (filed); 12/25/2007 (registered)	3358618	USPTO
Watson Standard Company	CHEMSHIELD	86030969	8/7/2013 (filed); 11/4/2014 (registered)	4633606	USPTO

3. Trade Names: None.

4, Copyrights: None.