

09-20-2000



101463340

8-30-00

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

Conveyance Type

- Assignment  License
- Security Agreement  Nunc Pro Tunc Assignment
- Merger
- Change of Name
- Other

Effective Date  
Month Day Year  
08 23 2000

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year  
08 23 2000

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

09/19/2000 DNGUYEN 00000181 75622434

FOR OFFICE USE ONLY

01 FC:481  
02 FC:482

40.00 OP  
100.00 OP

MDE

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 002141 FRAME: 0489

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments. #

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

|   |   |                      |
|---|---|----------------------|
| <input type="text" value="75/622,434"/> | <input type="text" value="76/053,562"/> | <input type="text"/> |
| <input type="text"/>                    | <input type="text"/>                    | <input type="text"/> |
| <input type="text"/>                    | <input type="text"/>                    | <input type="text"/> |

|  |  |  |
|--|--|--|
| <input type="text" value="1,641,899"/> | <input type="text" value="1,857,176"/> | <input type="text" value="1,642,591"/> |
| <input type="text"/>                   | <input type="text"/>                   | <input type="text"/>                   |
| <input type="text"/>                   | <input type="text"/>                   | <input type="text"/>                   |

**Number of Properties**

Enter the total number of properties involved. #

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed  Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

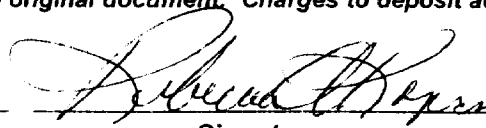
Deposit Account Number: #

Authorization to charge additional fees: Yes  No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Rebecca A. Kopras  
Name of Person Signing

  
Signature

08/23/2000  
Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
**TRADEMARK**

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual     General Partnership     Limited Partnership     Corporation     Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual     General Partnership     Limited Partnership   

Corporation     Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |

SECURITY AGREEMENT  
(Intellectual Property)

ROTO ZIP TOOL CORPORATION, a Wisconsin corporation ("the Borrower"), and BANK ONE, WISCONSIN, a Wisconsin state banking corporation ("the Lender"), are parties to a certain Loan Agreement of even date herewith (such Loan Agreement, together with all amendments, restatements and modifications thereto and all substitutions and replacements thereof, being collectively referred to herein as the "Loan Agreement"), and in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

1. Security Interest In Patents, Trademarks, Licenses, and Proprietary Information.

To secure the payment and performance of all "Indebtedness" (as that term is hereafter defined) of the Borrower to the Lender, the Borrower hereby grants to the Lender a security interest in all of the Borrower's right, title and interest in and to all of the following wherever located, and whether now owned or existing or hereafter acquired or arising:

(a) all patents and patent applications, including, without limitation, all of the inventions and improvements described and claimed therein and all of those patents and patent applications listed on Schedule 1 attached hereto and made a part hereof, and (i) all reissues, divisions, continuations and continuations-in-art thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including, without limitation, all damages and payments for past and future infringements thereof, (iii) all rights to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto (all of the foregoing Collateral described in this Section 1(a) being hereinafter collectively referred to as the "Patents");

(b) all trademarks, trade names, corporate names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, all designs and general intangibles of like nature. all trademark registrations and all applications for registration, including, without limitation, all the trademarks and applications listed on Schedule 2 attached hereto and made a part hereof, together with the all of goodwill of the business connected with the use of, and symbolized by, the foregoing, and (i) all renewals, thereof, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) all rights to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto (all of the foregoing collateral described in this Section 1(b) being hereinafter collectively referred to as the "Trademarks");

(c) all license agreements whether covering Patents or Trademarks with any other party authorizing any sale, manufacturing or use of any Patent or Trademark, whether the Borrower is a licensor or licensee under any such license agreement,

including, without limitation, all of the licenses listed on Schedule 3 attached hereto and made a part hereof (all of the foregoing collateral described in this Section 1(c) being hereinafter collectively referred to as the "Licenses");

(d) all information, manufacturing techniques, processes, formulas, development or experimental works, works in process, trade-secrets, and all other proprietary or confidential matter relating to the products, sales or business of the Borrower (all of the foregoing collateral described in this Section 1(d) being hereinafter collectively referred to as the "Proprietary Information"); and

(e) all proceeds of all of the Patents, Trademarks, Licenses and Proprietary Information, including, without limitation, all license royalties and all proceeds of infringement suits thereof.

For purposes of this Agreement, all of the Patents, Trademarks, Licenses, and Proprietary Information and all proceeds thereof shall be collectively referred to herein as the "Intellectual Property."

2. Additional Definitions. The following words shall have the following meanings when used in this Agreement:

Commitment. The word "Commitment" means the obligation of Lender to make any advance or to extend or provide any credit facility of any type or description to or on behalf of Borrower.

Event of Default. The words "Event of Default" means any "Event of Default" as defined in the Loan Agreement or any of the other Related Documents, and any default in the payment or performance when due of any obligation of any type or description Borrower to Lender.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note, including all principal and accrued interest thereon, together with all other liabilities, costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents. In addition, the word "Indebtedness" includes: (a) all other obligations, debts and liabilities, plus any accrued interest thereon, owing by Borrower to Lender of any kind or character, whether now existing or hereafter arising, as well as all present and future claims by Lender against Borrower, and all renewals, extensions, modifications, substitutions and rearrangements of any of the foregoing; whether such indebtedness arises by note, draft, acceptance, guaranty, endorsement, letter of credit, assignment, overdraft, indemnity agreement or otherwise; whether such indebtedness is voluntary or involuntary, due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated; whether Borrower may be liable individually or jointly with others; whether Borrower may be liable primarily or secondarily or as debtor, maker, comaker, drawer, endorser, guarantor, surety, accommodation party or otherwise; and (b) all obligations, debts and liabilities, whether contingent or otherwise, whether

now existing or hereafter arising, of Borrower to Lender arising under or in connection with any Rate Management Transaction.

Note. The word "Note" means the promissory note dated as of the date of this Agreement, in the principal amount of \$30,000,000.00 made by Borrower payable to the order of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for such promissory note.

Related Documents. The words "Related Documents" mean and include without limitation the Note, the Loan Agreement, and all credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Note.

Rate Management Transaction. The words "Rate Management Transaction" mean any transaction (including an agreement with respect thereto) now existing or hereafter entered into between Borrower and Lender which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

3. Restrictions on Future Agreements. The Borrower agrees that until the Indebtedness has been paid in full and all Commitments have expired, the Borrower will not, without the Lender's prior written consent, enter into any agreement (including, without limitation, a license agreement) which is inconsistent with the Borrower's obligations under this Agreement, and the Borrower further agrees that it will not take any action, or permit any action to be taken by another subject to its control, including licensees subject to its control, or fail to take any action, which would materially adversely affect the validity or enforcement of the rights transferred to the Lender under this Agreement.

4. New Patents, Trademarks and Licenses. The Borrower represents and warrants that the Patents, Trademarks and Licenses listed on Schedules, 1, 2 and 3, respectively, constitute all of the patents, trademarks, applications and licenses registered or filed in the United States and now owned by the Borrower. If, before the Indebtedness has been paid in full and all Commitments have expired, the Borrower shall (a) obtain rights to any new patentable inventions, trademarks, trademark registrations, trade names or licenses, or (b) become entitled to the benefit of any patent or trademark application, trademark, trademark registration, or license renewal, or apply for any reissue, division, continuation, renewal or continuations-in-part of any

Patent or any improvement on any Patent, the provisions of Section 1 above shall automatically apply thereto and the Borrower shall provide the Lender with prompt written notice thereof. The Borrower hereby authorizes the Lender to modify this Agreement by amending Schedules 1, 2 and 3, as applicable, to include any future patents, patent applications, trademarks, trademark registrations, trademark applications, trade names and licenses which are Patents, Trademarks or Licenses, as applicable, under Section 1 above or under this Section 4.

5. Term. The rights granted herein shall extend until the Indebtedness has been paid in full and all Commitments have expired.

6. Right to Inspect and Quality Control. The Lender shall have the right, at any time and from time to time during normal business hours, to inspect the Borrower's premises and to examine the Borrower's books, records and operations, including, without limitation, the Borrower's quality control processes. The Borrower agrees that, after the occurrence of an Event of Default, the Lender or an agent or conservator appointed by the Lender, shall have the right to establish such additional product quality controls as the Lender, or said agent or conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products and services sold by the Borrower under the Trademarks. The Borrower agrees: (a) not to sell or assign its interest in, or grant any license under, any of the Intellectual Property without the prior written consent of the Lender; (b) to maintain the quality of any and all products and services in connection with which the Trademarks are used, consistent with the quality and services of said products and services as of the date hereof; and (c) not to change adversely the quality of said products and services without the Lender's express written consent.

7. Release to the Borrower. This Agreement is made for collateral security purposes only. Upon payment in full of the Indebtedness and the expiration of all Commitments, the Lender shall execute and deliver to the Borrower all releases, terminations and other instruments as may be necessary or proper to terminate any and all interest of Lender in and to the Intellectual Property, without any representation or warranty by, or recourse to, the Lender.

8. Duties of the Borrower. The Borrower shall have the duty: (a) to pay all taxes, all maintenance and all other fees, and all other amounts necessary to maintain in full force and effect all of the Intellectual Property; (b) to prosecute diligently any patent application of the Patents and any trademark application of the Trademarks pending as of the date hereof or at any time hereafter until the Indebtedness has been fully paid and all Commitments have expired; (c) to make application on unpatented but patentable inventions and on trademarks, as appropriate; (d) to preserve and maintain all rights in patent applications and patents of the Patents and in trademark applications, trademarks, and trademark registrations of the Trademarks; and (e) to take all reasonable steps to protect the confidentiality of the Proprietary Information. Any expenses incurred in connection with such applications shall be borne entirely by the Borrower, and the Lender shall have no obligation or liability to pay any taxes or fees or other amounts, nor shall the Lender have any duties in connection with applications or maintenance of rights in the Intellectual Property. The Borrower shall not abandon any right to file a patent application or trademark application, or any pending patent application, trademark application, patent or trademark listed on Schedule 1, 2 or 3 of this Agreement without the consent of the Lender.

9. Lender's Right to Sue. At any time after and during the continuance of an Event of Default, the Lender shall have the right, but shall not have any obligation, to bring suit in its own name to enforce the Lender's interest in the Intellectual Property, and, if the Lender shall commence any such suit, the Borrower shall, at the request of the Lender, do at and all lawful acts and execute any and all proper documents required by the Lender in aid of such enforcement and the Borrower shall promptly, upon demand, reimburse and indemnify the Lender for all costs and expenses incurred by the Lender in the exercise of its rights under this Section 9 including reasonable attorneys fees incurred by it.

10. Undertakings. The Borrower agrees to execute any documents including, but not limited to, any financing statement or related document to be filed with any public office deemed necessary by the Lender, that the Lender reasonably requests, to protect the Lender's interests in the Intellectual Property. The Borrower agrees to make any modifications in this Agreement as may be reasonably necessary to permit this document to be recorded in the United States Patent and Trademark Office.

11. Cumulative Remedies: Power of Attorney: Effect on Security Agreement. All of the Lender's rights and remedies with respect to the Intellectual Property shall be cumulative and may be exercised singularly or concurrently. Upon the occurrence of an Event of Default, the Lender shall be entitled to exercise in respect to the Intellectual Property all of the rights and remedies available to a secured party upon default under the Uniform Commercial Code (or the law of any jurisdiction to which any of the Intellectual Property is subject) at the time and, in addition thereto, the rights and remedies provided for herein and such other rights and remedies as may be provided for by law. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or agent of the Lender as its attorney-in-fact, with such power being coupled with an interest, with full power and substitution to do any of the following in the place and stead of Borrower and in the name of Borrower: (a) endorse the Borrower's name on all applications, documents, papers and instruments that may be necessary or desirable as determined by Lender, for the exercise of the Lender's rights under this Agreement including, but not limited to, permitting the Lender to become a "secured party in possession" for purposes of the Uniform Commercial Code; (b) take all necessary actions to sell and transfer title in and dispose of the Intellectual Property; (c) demand, collect, receive, receipt for, sue and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Intellectual Property; (d) execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment for the Intellectual Property; (e) to settle or compromise any and all claims arising under the Intellectual Property, and, in the place and stead of Borrower, to execute and deliver its release and settlement for the claim; and (f) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Borrower, or otherwise which in the sole discretion of Lender may seem to be necessary or advisable. This power is given as security for the Indebtedness, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced in writing signed by the Lender. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The Lender hereby agrees to exercise its right to act as attorney-in-fact for Debtor under this Section only when an Event of



Default has occurred and is continuing. In the event the Lender exercises its rights and sells the Intellectual Property to be applied against the outstanding Indebtedness in accordance with its rights hereunder, the Lender shall dispose of the Intellectual Property at a public or private sell, in accordance with applicable provisions under the Uniform Commercial Code (or the law of any jurisdiction to which any of the Intellectual Property is subject), and any notice required to be given shall be given at least ten (10) days before the proposed sale. The Borrower shall, in the event of such sale and upon Lender's request, duly execute and acknowledge all documents deemed necessary or advisable by Lender to record title to the Intellectual Property in the name of the purchaser, including valid, recordable assignments of any Patents, Trademarks or Licenses. All proceeds received by the Lender pursuant to the exercise of the Lender's right under this Section shall be applied as follows: first to reimburse all costs and attorneys' fees incurred by the Lender in collection of such proceeds, second to the Indebtedness in such order as the Lender shall determine, and third to the Borrower.

12. Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement and supersedes all prior written and oral agreements and understandings, if any, regarding same. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

13. Applicable Law. This Agreement has been delivered to Lender and is performable in Dane County, Wisconsin. Courts within the State of Wisconsin have jurisdiction over any dispute arising under or pertaining to this Agreement and venue for such dispute shall be in Dane County, Wisconsin. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WISCONSIN AND APPLICABLE FEDERAL LAWS.

14. JURY WAIVER. THE UNDERSIGNED AND LENDER (BY ITS ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THE UNDERSIGNED AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS DOCUMENT OR ANY OTHER RELATED DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING DESCRIBED HEREIN OR IN THE OTHER RELATED DOCUMENTS. ANY OF THE UNDERSIGNED OR LENDER MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS DOCUMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE UNDERSIGNED AND LENDER TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

15. Attorneys' Fees; Expenses. Borrower will upon demand pay to Lender the amount of any and all costs and expenses (including without limitation, reasonable attorneys' fees and expenses) which Lender may incur in connection with: (a) the perfection and preservation of the Intellectual Property assignment and security interests created under this Agreement; (b) the custody, preservation, use or operation of, or the sale of, collection from, or other realization

upon, the Intellectual Property; (c) the exercise or enforcement of any of the rights or Lender under the Agreement; or (d) the failure by Borrower to perform or observe any of the provisions hereof.

16. Termination. Upon (a) the satisfaction in full of the Indebtedness and all obligations hereunder, (b) the expiration of all Commitments, and (c) Lender's receipt of a written request from Borrower for the termination hereof, this Agreement and the security interests created hereby shall terminate. Upon termination of this Agreement and Borrower's written request, Lender will, at Borrower's sole cost and expense, release to Borrower all of Lender's interest in the Intellectual Property as shall not have been sold or otherwise disposed of or applied pursuant to the terms hereof and execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such release.

17. Indemnity. Borrower hereby agrees to indemnify, defend and hold harmless Lender, and its officers, directors, shareholders, employees, agents and representatives (each an "Indemnified Person") from and against any and all liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suites, costs, expenses or disbursements of any kind or nature (collectively, the "Claims") which may be imposed on, incurred by or asserted against, any Indemnified Person (whether or not caused by an Indemnified Person's sole, concurrent or contributory negligence) arising in connection with the Related Documents, the Indebtedness or the Intellectual Property (including, without limitation, the enforcement of the Related Documents and the defense of any Indemnified Person's action or inactions in connection with the Related Documents), except to the limited extent that the Claims against the Indemnified Person are proximately caused by such Indemnified Person's gross negligence or willful misconduct. The Indemnification provided for in this Section shall survive the termination of this Agreement and shall extend and continue to benefit each individual or entity who is or has at any time been an Indemnified Person hereunder.

18. Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

19. Notices. All notices required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered or when deposited with a nationally recognized overnight courier or deposited in the United States mail, first class, postage prepaid, addressed to the party to whom the notice is to be given at the address shown above. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower will keep Lender informed at all times of Borrower's current address.

20. Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstances, such finding shall not render that provisions invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be

stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

21. Successor Interests. This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns; provided, however, Borrower's rights and obligations hereunder may not be assigned or otherwise transferred without the prior written consent of Lender.

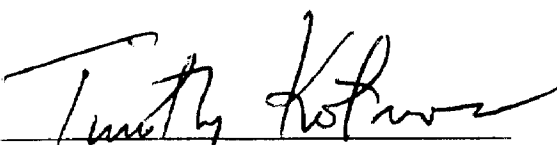
22. Waiver. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right to thereafter demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of any of Borrower's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Dated: August 23, 2000

**ROTO ZIP TOOL CORPORATION**

By:   
Name: Rebecca A. Kopras  
Title: Treasurer

**BANK ONE, WISCONSIN**

By:   
Name: Timothy Kofner  
Title: Vice President

STATE OF WISCONSIN )  
 ) SS:  
COUNTY OF Dane )

The forgoing instrument was acknowledged on this 23rd day of August, 2000, before me, by Rebecca A. Kopras, the Treasurer of Roto Zip Tool Corporation, a Wisconsin corporation, on behalf of that corporation.

In witness whereof, I hereunto set my hand and official seal.

Elizabeth K. Morris  
Printed Name: Elizabeth K. Morris  
Notary Public, State of Wisconsin  
My commission expires: 9-21-03

STATE OF WISCONSIN )  
 ) SS:  
COUNTY OF Dane )

The foregoing instrument was acknowledged before me on this the 23rd day of August, 2000, by Timothy Kotnour, the Vice President of Bank One, Wisconsin, a Wisconsin state banking corporation, on behalf of that state banking corporation.

In witness whereof, I hereunto set my hand and official seal.

Elizabeth K. Morris  
Printed Name: Elizabeth K. Morris  
Notary Public, State of Wisconsin  
My commission expires: 9-21-03

SCHEDULE 1

PATENTS AND APPLICATIONS FOR PATENTS

| <u>Patent No.</u> | <u>Country</u> | <u>Issue Date</u> | <u>Title</u>                                     |
|-------------------|----------------|-------------------|--|
| 5,902,080         | U.S.A.         | 5/11/1999         | Spiral Cutting Tool with Detachable Battery Pack |
| 5,813,805         | U.S.A.         | 9/29/1998         | Spiral Cutting Tool with Detachable Handle       |
| 5,143,490         | U.S.A.         | 9/1/1992          | Bit for Cutting Sheetrock                        |
| 5,323,823         | U.S.A.         | 6/28/1994         | Wood Router Bit                                  |
| 6,048,260         | U.S.A.         | 4/11/2000         | Angle Attachment for Power Tool                  |

*RM* *KK*  
Patent Application

Serial No

Country

Filing Date

Title

None.

SCHEDULE 2

TRADEMARKS AND APPLICATIONS FOR REGISTRATION

| <u>Reg. No.</u> | <u>Country</u> | <u>Mark</u> | <u>Reg. Date</u> |
|-----------------|----------------|-------------|------------------|
| 1,641,899       | U.S.A.         | Roto Zip    | 4/23/1991        |
| 1,857,176       | U.S.A.         | Spira Cut   | 10/4/1994        |
| 1,642,591       | U.S.A.         | Zip         | 4/30/1991        |

| <u>Application Serial No.</u> | <u>Country</u> | <u>Mark</u> | <u>Application Filing Date</u> |
|-------------------------------|----------------|-------------|--------------------------------|
| 75622434                      | U.S.A.         | Zip Mate    | 1/19/99                        |
| 76053562                      | U.S.A.         | Revolution  | 5/22/00                        |

*KK  
BM*

SCHEDULE 3

LICENSE AGREEMENTS

Date of Agreement

None.

Licensor/Licensee

Subject of License

AK  
BM



*August 23, 2000*

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, DC 20231

Ladies and Gentlemen:

Enclosed for recordation in the trademark records of your offices is an original and one copy of the Recordation Form Cover Sheet Trademarks Only, together with a Security Agreement (Intellectual Property) and our check for \$140.00 made payable to the Commissioner of Patents and Trademarks.

Also enclosed for recordation in the patent records at your office is an original and one copy of the Recordation Form Cover Sheet Patents Only, together with a Security Agreement (Intellectual Property), and our check for \$200.00 made payable to the Commissioner of Patents and Trademarks.

Please file-stamp and return photocopies of the enclosures by return mail on the enclosed stamped self-addressed envelope. Please return the recorded originals to my attention at the above address as soon as possible.

Thank you for your assistance with this matter.

Sincerely,

*Betsy Morris  
Commercial Loan Coordinator  
(608) 282-6790*