

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Intellectual Property Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Ward Adhesives Holdings, Inc.		07/13/2012	CORPORATION: DELAWARE
Ward Adhesives, Inc.		07/13/2012	CORPORATION: WISCONSIN
Applied Products, Inc.		07/13/2012	CORPORATION: MINNESOTA
RECEIVING PARTY DATA			
Name:	Fifth Third Bank		
Street Address:	222 S. Riverside Plaza, 30th Floor		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60606		
Entity Type:	Banking Corporation: OHIO		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3618308	AP APPLIED PRODUCTS INDUSTRIAL SOLUTIONS3: ADHESIVES · ASSEMBLY TOOLS · AUTOMATION	
Serial Number:	85412619	ASURE	
CORRESPONDENCE DATA			
Fax Number:	3146673633		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	3145526000		
Email:	ipdocket@thompsoncoburn.com		
Correspondent Name:	Jennifer A. Visintine		
Address Line 1:	1 US Bank Plaza		
Address Line 2:	Thompson Coburn LLP		
Address Line 4:	St. Louis, MISSOURI 63101		
ATTORNEY DOCKET NUMBER:	970901-85586		

CH \$65.00 3618308

NAME OF SUBMITTER:	Jennifer A. Visintine
Signature:	/JAV/
Date:	07/18/2012
Total Attachments: 11 source=Intellectual Property Security Agreement#page1.tif source=Intellectual Property Security Agreement#page2.tif source=Intellectual Property Security Agreement#page3.tif source=Intellectual Property Security Agreement#page4.tif source=Intellectual Property Security Agreement#page5.tif source=Intellectual Property Security Agreement#page6.tif source=Intellectual Property Security Agreement#page7.tif source=Intellectual Property Security Agreement#page8.tif source=Intellectual Property Security Agreement#page9.tif source=Intellectual Property Security Agreement#page10.tif source=Intellectual Property Security Agreement#page11.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Agreement") is made and entered into as of July 13, 2012, by and among Fifth Third Bank, an Ohio banking corporation ("Lender"), Ward Adhesives Holdings, Inc., a Delaware corporation ("Ward Holdings"), Ward Adhesives, Inc., a Wisconsin corporation ("Ward Adhesives") and Applied Products, Inc., a Minnesota corporation ("Applied Products") (Ward Holdings, Ward Adhesives and Applied Products are each individually a "Borrower" and collectively the "Borrowers").

WITNESSETH:

WHEREAS, contemporaneously herewith, Lender is providing certain extensions of credit, loans and other financial accommodations (the "Financial Accommodations") to Borrowers pursuant to that certain Amended and Restated Loan and Security Agreement of even date herewith by and among Lender and Borrowers (as amended or restated from time to time, the "Loan Agreement") and the "Other Agreements" (as defined in the Loan Agreement) (the Loan Agreement, together with the Other Agreements are collectively the "Loan Documents");

WHEREAS, pursuant to the Loan Documents, Borrowers granted to Lender a first position priority security interest and lien in and to all of Borrowers' assets, including, without limitation, all patents, trademarks, trademark registrations, trade names, copyrights, all applications therefor and all other intellectual or proprietary rights or interests of any kind, nature or description whatsoever; and

WHEREAS, Lender is willing to provide the Financial Accommodations to Borrowers, provided, among other things, Borrowers execute and deliver this Agreement to Lender.

NOW, THEREFORE, in consideration of the Financial Accommodations, the mutual promises and understandings of Borrowers and Lender set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrowers covenant unto and agree with Lender as follows:

1. **Incorporation of Loan Agreement.** The Loan Documents and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms in this Agreement, including the Schedules, which have an initial capital letter where not required by the rules of grammar, and which are not otherwise defined herein, are used herein as defined in the Loan Agreement.

2. **Collateral Assignment of Intellectual Property.** To secure the full and timely payment and performance of the Liabilities, each Borrower hereby grants and conveys to Lender a first position priority security interest and lien in and to all of such Borrower's right, title and interest in and to all of its now owned or existing and hereafter acquired or arising (collectively the "Intellectual Property Collateral"):

A. (i) the trademarks, trademark registrations and applications listed on Schedule A, (ii) renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iv) the right to sue for past, present and future infringements thereof, and (v) all rights corresponding thereto throughout the world (collectively the "Trademarks");

B. (i) the patents, patent registrations and the applications listed on Schedule B, including, without limitation, the inventions and improvements claimed in connection therewith, (ii) renewals, reissues, divisions, continuations, extensions and continuations-in-part thereof, (iii) all income, royalties, damages and payments now or hereafter due or payable under or with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iv) the right to sue for past, present and future infringements thereof; and (v) all rights corresponding thereto throughout the world (collectively the "Patents");

C. (i) the copyrights and applications for registration listed on Schedule C, (ii) renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under or with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iv) the right to sue for past, present and future infringements thereof, and (v) all rights corresponding thereto throughout the world (collectively the "Copyrights");

D. license agreements for Trademarks, Patents and Copyrights listed on Schedule D (collectively the "Licenses"); and

E. the goodwill of such Borrower's business connected with and symbolized by the Trademarks, Patents, Copyrights and Licenses.

This Agreement is made for collateral purposes only. Borrowers acknowledge and agree that upon the occurrence and continuance of an Event of Default, Lender shall have the power to use and/or sell the Intellectual Property Collateral in accordance with Section 11 of the Loan Agreement.

3. **Restrictions on Future Agreements.**

A. Borrowers agree that until the Liabilities shall have been paid and satisfied in full and the Loan Documents have been terminated, Borrowers will not, without Lender's prior written consent, enter into any document, instrument or agreement which is inconsistent with Borrowers' obligations under this Agreement. Borrowers further agree that they will not take any action, or permit any action to be taken by others subject to their control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Lender under this Agreement.

B. Each Borrower hereby represents and warrants to Lender that such Borrower has not granted any license to any Person other than Lender in connection with any of the Intellectual Property Collateral. Each Borrower hereby covenants unto Lender that until the Liabilities shall have been paid and satisfied in full and the Loan Documents have been terminated, such Borrower shall not grant any license to any third party in connection with the Intellectual Property Collateral without Lender's prior written consent, which consent shall not be unreasonably withheld or delayed.

4. **New Trademarks, Patents, Copyrights and Licenses.** Each Borrower represents and warrants that the Trademarks, Patents, Copyrights and Licenses listed on Schedules A, B, C and D respectively constitute all of the registered trademarks, registered patents, registered copyrights, applications therefor and licenses thereof now owned by such Borrower. Borrowers hereby authorize Lender to modify this Agreement by amending Schedules A, B, C and D to include any future registered trademarks, registered patents, registered copyrights, applications therefor and licenses thereof.

5. **Royalties; Terms.** Each Borrower hereby agrees that the use by Lender of all Intellectual Property Collateral after an Event of Default as described above shall be without any liability for royalties or other related charges from Lender to Borrowers. The term of the assignments granted herein shall extend until the earlier of (i) the expiration of each of the respective Trademarks, Patents, Copyrights and Licenses assigned hereunder, or (ii) the payment to Lender of the Liabilities in full and the termination of the Loan Documents.

6. **Lender's Right to Inspect.** If an Event of Default has occurred and is continuing, Borrowers agree that Lender shall have the right to establish such additional product quality controls as Lender, in its sole discretion, may deem necessary to assure maintenance of the quality of products sold by Borrowers under the Trademarks, Patents, Copyrights or Licenses. Each Borrower agrees (i) not to sell or assign its interest in, or grant any licenses under, the Trademarks, Patents, Copyrights or Licenses except as otherwise permitted by Section 9.3(H) of the Loan Agreement, and (ii) to maintain the quality of any and all products produced in connection with the Intellectual Property Collateral consistent with commercially reasonable practices.

7. **Nature and Termination of Lender's Security Interest.** This Agreement is made for collateral purposes only. Except as otherwise provided in Sections 3, 6, 8 and 13 hereof, nothing contained herein shall be deemed to limit in any way Borrowers' right to use the Trademarks, Patents, Copyrights or Licenses or to grant to Lender any right to use the Trademarks, Patents, Copyrights or Licenses prior to an Event of Default.

8. **Duties of Borrowers.** Borrowers shall have the duty (i) except to the extent Borrower in the exercise of their business judgment elect otherwise, to prosecute diligently any trademark, patent and copyright registration pending as of the date hereof or at any time hereafter, until the Liabilities shall have been paid in full, (ii) to make applications for trademarks, patents and copyrights, as appropriate, and (iii) except to the extent Borrower in the exercise of their business judgment elect otherwise, to preserve and maintain all Intellectual Property Collateral. Any expenses incurred in connection with such applications shall be borne by Borrowers. Borrowers shall not abandon any Intellectual Property Collateral, without the consent of Lender.

9. **Lender's Right to Sue.** If an Event of Default has occurred and is continuing, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name or in the name of a Borrower to enforce the Trademarks, Patents, Copyrights and Licenses. If Lender shall commence any such suit, Borrowers shall, at the request of Lender, do any and all acts and execute any and all instruments, documents and agreements required by Lender to enforce such Intellectual Property Collateral, and Borrowers shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights and remedies under this Section 9.

10. **Waivers.** Lender's failure at any time or times hereafter to require strict performance by Borrowers of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith. Any suspension or waiver by Lender of an Event of Default shall not suspend, waive or affect any other Event of Default, whether same is prior or subsequent thereto and whether of the same or a different type. None of the undertakings, agreements, warranties, covenants and representations of Borrowers contained in this Agreement and no Event of Default by Borrowers shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing signed by an officer of Lender and directed to Borrowers specifying such suspension or waiver.

11. **Severability.** The provisions of this 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 Agreement in any jurisdiction.

12. **Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 4 hereof or by a writing signed by the parties hereto.

13. **Cumulative Remedies; Power of Attorney; Effect on Loan Agreement.** All of Lender's rights and remedies with respect to the Intellectual Property Collateral, whether established hereby, by the Loan Documents, by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Borrower hereby authorizes Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its sole discretion, as such Borrower's true and lawful attorney-in-fact, with power, if an Event of Default has occurred and is continuing and commencement by Lender of any of its rights and remedies whatsoever, whether pursuant to this Agreement, the Loan Documents, at law, in equity or otherwise, to (a) endorse such Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in connection with selling the Intellectual Property Collateral, (b) to the extent consistent with Lender's rights as a secured creditor, and subject to Borrower's rights, under the Uniform Commercial Code, take any other actions with respect to the Intellectual Property Collateral as Lender decides in its sole and absolute discretion, (c) to the extent consistent with Lender's rights as a secured creditor, and subject to Borrower's rights, under the Uniform Commercial Code, assign, pledge, sell, convey or otherwise transfer title in or dispose of the Intellectual Property Collateral to any person or entity as Lender may determine in its discretion, and (d) grant or issue any non-exclusive license under the Intellectual Property Collateral, to any person or entity. Each Borrower agrees to indemnify Lender for any infringement claims or other similar claims filed or asserted against Lender from the use of any of the Intellectual Property Collateral by Borrowers. Borrowers hereby ratify all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Liabilities shall have been paid in full and all financing arrangements between Borrowers and Lender have been terminated. Borrowers acknowledge and agree that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Documents, at law or in equity, but rather is in addition to and intended to facilitate the exercise of such rights and remedies.

14. **Binding Effect; Benefits.** This Agreement shall be binding upon Borrowers and their successors and assigns, and shall inure to the benefit of Lender, its nominees, successors and assigns.

15. **Notice.** Any and all notices, exercises, demands, requests, consents, designations, waivers and other communications required or desired hereunder shall be delivered to the parties hereto at their addresses set forth in the Loan Agreement and shall be effective as set forth in the Loan Agreement.

16. **Governing Law.** This Agreement shall be deemed to have been executed and delivered in Chicago, Illinois, and shall be governed by and construed in accordance with the internal laws (as opposed to conflicts of law provisions) of the State of Illinois.

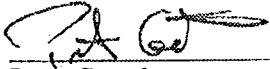
17. **Joint and Several.** All references to "Borrowers" and "Borrower" shall mean Ward Holdings, Ward Adhesives and Applied Products, both individually and collectively, and jointly and

severally, and all representations, warranties, duties, covenants, agreements and obligations of Borrowers shall be the individual and collective representations, warranties, duties, covenants, agreements and obligations of each of Ward Holdings, Ward Adhesives and Applied Products.


[signature page follows]

IN WITNESS WHEREOF, Borrowers' duly authorized officers, members or managers, as applicable, have executed this Agreement as of the date first set forth above.

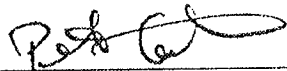
WARD ADHESIVES HOLDINGS, INC.,
a Delaware corporation

By: 
Name: Peter Gotsch
Title: Chairman

WARD ADHESIVES, INC.,
a Wisconsin corporation

By: 
Name: Peter Gotsch
Title: Chairman

APPLIED PRODUCTS, INC.,
a Minnesota corporation

By: 
Name: Peter Gotsch
Title: Chairman

[signature page to Intellectual Property Security Agreement]

ACCEPTANCE

The undersigned, Fifth Third Bank, accepts the foregoing Collateral Assignment of Intellectual Property.

FIFTH THIRD BANK,
an Ohio banking corporation

By: 

Name: Aaron L. Markos

Title: Vice President

SCHEDULE A

**TO
COLLATERAL ASSIGNMENT OF
INTELLECTUAL PROPERTY**

Trademarks and Trademark Registrations

Registrations:

	<u>Trademark</u>	<u>Registration No.</u>	<u>Filing Date</u>
Ward Holdings	NONE		
Ward Adhesives	NONE		
Applied Products	AP APPLIED PRODUCTS INDUSTRIAL SOLUTIONS3: ADHESIVES · ASSEMBLY TOOLS · AUTOMATION	3618308	3/6/2008

Applications:

	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
Ward Holdings	NONE		
Ward Adhesives	ASURE	85412619	9/1/2011
Applied Products	NONE		

SCHEDULE B
TO
COLLATERAL ASSIGNMENT OF
INTELLECTUAL PROPERTY

Patents and Patent Registrations

Registrations:

	<u>Patent</u>	<u>Patent No.</u>	<u>Filing Date</u>
Ward Holdings	NONE		
Ward Adhesives	NONE		
Applied Products	NONE		

Applications:

	<u>Patent</u>	<u>Patent No.</u>	<u>Filing Date</u>
Ward Holdings	NONE		
Ward Adhesives	NONE		
Applied Products	NONE		

SCHEDULE C

**TO
COLLATERAL ASSIGNMENT OF
INTELLECTUAL PROPERTY**

Copyrights and Copyright Applications

Registrations:

	<u>Copyright</u>	<u>Date</u>	<u>Title</u>
Ward Holdings	NONE		
Ward Adhesives	NONE		
Applied Products	NONE		

Applications:

	<u>Copyright</u>	<u>Date</u>	<u>Title</u>
Ward Holdings	NONE		
Ward Adhesives	NONE		
Applied Products	NONE		

SCHEDULE D

**TO
COLLATERAL ASSIGNMENT OF
INTELLECTUAL PROPERTY**

License Agreements

Ward Holdings NONE

Ward Adhesives NONE

Applied Products NONE

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