

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Reichhold, Inc.

- Individual(s) Association
General Partnership Limited Partnership
Corporation-State Delaware
Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
Security Agreement Change of Name
Other Release of Security Interest

Execution Date: August 18, 2005

2. Name and address of receiving party(ies)

Name: Bank of America, N.A., as Agent

Internal Address:

Street Address: 300 Galleria Parkway, Ste 800

City: Atlanta State: GA Zip: 30339

- Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State
Other National Banking Assoc.

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) See attached Exhibit A

B. Trademark Registration No.(s) See attached Exhibit A

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Rhonda J. Birdwell Paralegal

Internal Address: Parker, Hudson, Rainer & Dobbs LLP

Street Address: 1500 Marquis Two Tower 285 Peachtree Center Avenue, N.E.

City: Atlanta State: GA Zip: 30303

6. Total number of applications and registrations involved: 44

7. Total fee (37 CFR 3.41): \$ 1,115.00

- Enclosed
Authorized to be charged to deposit account

8. Deposit account number:

502831

DO NOT USE THIS SPACE

9. Signature.

C. Edward Dobbs, Esq.

Name of Person Signing

Signature

October 19, 2005

Date

2689-17

Total number of pages including cover sheet, attachments, and document: 14

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

CH \$1115.00 502831 78518061

EXHIBIT ATrademarks

MARK	JURISDICTION	REGISTRATION NO.
AMBERLAC	federal	502992
Applied Chemistry Applied to You	federal	2303635
AQUATHANE	federal	1899494
AROLON	federal	691544
AROPLAZ	federal	966320
ATLAC	federal	548807
BECKOSOL	federal	1131548
BECKOSOL	federal	1132015
BIVIRTEX	federal	2198997
C-BAR	federal	2068836
DION	federal	635391
DION COR-RES	federal	834186
DION FR	federal	834187
DION VER	federal	1374436
EPOTUF	federal	655966
EPOTUF	federal	1152053
FINE-CLAD	federal	1783167
FINE-TONE	federal	2046598
HPS	federal	2344045
HYDREX	federal	1477248
ITP	federal	1141928
KELSOL	federal	812008
NORPOL	federal	2949941
POLYLITE	federal	1186263
POLYLITE	federal	581098
POLYLITE T.S.R.	federal	1422408
POLYLITE TLP	federal	1546934
REICHHOLD	federal	2156380
REICHHOLD	federal	1029070
REICHHOLD	federal	997201
REICHHOLD	federal	971113
SPECGEN	federal	2424084
SYNTHEMUL	federal	655965
TYGUARD	federal	1994155

Trademark Applications

MARK	APPLICATION NO.
Adding Value To Your Needs of Today and Your Wants of Tomorrow	78318061
Bringing Solutions to the Surface	78518193
DION VPE	75/814789
GOT RESIN?	78465477
INNOVATIVE PERFORMANCE SYSTEMS -- IPS	78521753
PAVEMENT MARKING SOLUTIONS	78523454
REFINING ROADS REDEFINING TECHNOLOGY	78523455
RESAFEN	78396173
URETUF	75 / 433620
UROTUF	78396230

## **TRADEMARK SECURITY AGREEMENT**

(Reichhold)

This **TRADEMARK SECURITY AGREEMENT** is made this 13th day of October, 2005, between **BANK OF AMERICA, N.A.**, a national banking association having an office at 300 Galleria Parkway, Suite 800, Atlanta, Georgia 30339, as collateral and administrative agent for itself and Lenders (as hereinafter defined), (together with its successors in such capacity, "Agent"), and **REICHHOLD, INC.**, a Delaware corporation having its principal place of business at 2400 Ellis Road, Durham, North Carolina 27703-5543 (the "Company").

### Recitals:

The Company desires to obtain loans and other financial accommodations from certain financial institutions ("Lenders") as are parties from time to time to that certain Credit Agreement dated October 7, 2005 (as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement") by and among the Company, Reichhold Limited and Reichhold UK Limited, Agent, Lenders, the other parties designated as agents thereunder and the other Credit Parties (as defined in the Credit Agreement).

Lenders are willing to make loans and other financial accommodations to the Company from time to time, pursuant to the terms of the Credit Agreement, provided the Company executes this Agreement.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, and in consideration of the premises, the Company hereby agrees with Agent as follows:

1. Capitalized terms used herein (including those used in the Recitals hereto), unless otherwise defined, shall have the meanings ascribed to them in the Credit Agreement.

2. To secure the prompt payment and performance of all of the Obligations (including, without limitation, all of the U.S. Obligations, Canadian Obligations and U.K. Obligations), the Company hereby grants, assigns and pledges to Agent, for the benefit of Secured Parties, a continuing security interest in and Lien upon all of the following property of the Company, whether now existing or hereafter created or acquired (the "Trademark Collateral"):

(a) all trademarks, trademark registrations, trade names and trademark applications, including, without limitation, the trademarks and applications listed on Exhibit A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations,

trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");

(b) the goodwill of the Company's business connected with and symbolized by the Trademarks; and

(c) all proceeds of the foregoing.

3. The Company represents and warrants to Agent and Lenders that:

(a) Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;

(b) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal and valid perfected lien upon and security interest in the Trademark Collateral that is registered in that office and that is listed on Exhibit A attached hereto, enforceable against Company and all third Persons in accordance with its terms;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third Person.

(d) The Company has the unqualified right to enter into this Agreement and perform its terms;

(e) Each of the Trademarks is valid and enforceable; and

(f) The Company is the sole and exclusive owner of the entire right, title and interest in and to all of the Trademark Collateral, free and clear of any liens, charges and encumbrances (except licenses permitted pursuant to Section 6 below), including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by the Company not to sue third Persons, except Permitted Liens.

4. The Company covenants and agrees with Agent and Lenders that:

(a) The Company will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement, and will, upon Agent's request, provide Agent quarterly with a certificate to that effect in the form attached hereto as Exhibit B executed by an officer of the Company;

(b) The Company will not change the quality of the products associated with the Trademarks without Agent's prior written consent; and

(c) Except for Trademarks abandoned by the Company in the Ordinary Course of Business (provided such abandonment could not be reasonably expected to have a Material Adverse Effect), the Company has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the registered Trademarks, including, without limitation, filing an affidavit of use with the

United States Patent and Trademark Office and any applicable foreign filing office for each registered Trademark as required by Applicable Law to maintain the registration thereof without loss of protection therefor.

5. The Company hereby grants to Agent, and its employees and agents (and any Lender or Lenders and their respective employees and agents), the visitation, audit, and inspection rights with respect to Company and the Collateral as set forth in Section 10.1.1 of the Credit Agreement.

6. Until Full Payment of the Obligations, the Company shall not enter into any license agreement relating to any of the Trademarks with any Person except non-exclusive licenses to customers, vendors, suppliers, agents or other service providers of the Company in the regular and ordinary course of the Company's business as presently conducted and for reasonable and customary compensation, licenses to customers in geographic areas other than the United States, United Kingdom and Canada or as otherwise could not reasonably be expected to materially adversely effect the exercise by Agent of any of its rights or remedies with respect to the Trademarks, and shall not become a party to any agreement with any Person that is inconsistent with the Company's obligations under this Agreement.

7. If, before Full Payment of the Obligations, the Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of paragraph 2 hereof shall automatically apply thereto, and the Company shall give to Agent prompt notice thereof in writing.

8. The Company irrevocably authorizes and empowers Agent to modify this Agreement by amending Exhibit A to include any future trademarks and trademark applications within the definition of Trademarks under paragraph 2 or paragraph 7 hereof.

9. At any time that a Borrower Group Event of Default exists with respect to the Company, Agent shall have, in addition to all other rights and remedies given it by this Agreement and the Credit Agreement, all rights and remedies under Applicable Law and all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Agent may immediately, for the benefit of Secured Parties, without demand of performance and without notice (except as described in the next sentence, if required by Applicable Law), or demand whatsoever to the Company, each of which the Company hereby expressly waives, collect directly any payments due the Company in respect of the Trademark Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Trademark Collateral. The Company hereby agrees that ten (10) days written notice to the Company of any public or private sale or other disposition of any of the Trademark Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by Applicable Law. At any such sale or disposition, Agent may, to the extent permitted by law, purchase the whole or any part of the Trademark Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Trademark Collateral all reasonable costs and expenses incurred by Agent in enforcing its rights hereunder (including, without limitation, all reasonable attorneys' fees), Agent shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as may be authorized

or required by the Credit Agreement. Any remainder of the proceeds after Full Payment of the Obligations shall be paid over to the Company. If any deficiency shall arise, the Company and each Guarantor of the Obligations (to the extent of its Guaranty) shall remain jointly and severally liable therefor.

10. The Company hereby makes, constitutes and appoints Agent and any officer or agent of Agent as Agent may select, as the Company's true and lawful attorney-in-fact, with full power to do any or all of the following if a Borrower Group Event of Default with respect to the Company shall exist: to endorse the Company's name on all applications, documents, papers and instruments necessary for Agent to continue the registration of or to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of any Trademark Collateral to any other Person. The Company 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 until Full Payment of the Obligations.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Agent in connection with the preparation of this Agreement and any other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including, without limitation, all taxes in connection therewith) with the United States Patent and Trademark Office or in any other public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, Liens or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by the Company (it being the intent of the Company and Agent that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all renewal fees with respect to the Trademarks) or, if paid by Agent in its sole discretion, shall be reimbursed by the Company **on demand** by Agent and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the per annum interest rate then applicable for Base Rate Loans.

12. The Company shall use its commercially reasonable efforts to detect any infringers of the Trademarks and shall notify Agent in writing of material infringements detected. The Company shall have the duty, through counsel acceptable to Agent, to prosecute diligently any trademark application for a Trademark pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full and the Credit Agreement terminated, to make federal application on registrable but unregistered Trademarks (subject to Company's reasonable discretion in the Ordinary Course of Business or, during the existence of an Event of Default or a Default, promptly upon Agent's request), to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed necessary or desirable by Agent to preserve and maintain all rights in the Trademarks, unless in any such case the Company has determined that such Trademark is no longer material to the conduct of its business. Any reasonable expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of Agent, unless the Company has determined that such trademark application or trademark is no longer material to the conduct of its business.

13. Notwithstanding anything to the contrary contained in paragraph 12 hereof, at any time that a Borrower Group Event of Default exists with respect to the Company, Agent shall have the right, but shall in no way be obligated, to bring suit instead in its own name to enforce the Trademarks and any license hereunder, or to defend any suit or counterclaim in its own name to protect the Trademarks or any license hereunder, in either of which events the Company shall at the request of Agent do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Agent to aid such enforcement, or defense, and the Company shall promptly, **upon demand**, reimburse and indemnify Agent for all reasonable costs and expenses incurred in the exercise of Agent's rights under this paragraph 13.

14. If the Company fails to comply with any of its obligations hereunder and at the time of such failure or as a result thereof a Borrower Group Event of Default exists with respect to the Company, then to the extent permitted by Applicable Law, Agent may discharge such obligations in the Company's name or in Agent's name, in Agent's sole discretion, but at the Company's expense, and the Company agrees to reimburse Agent in full for all expenses, including, without limitation, reasonable attorneys' fees, incurred by Agent in prosecuting, defending or maintaining the Trademarks or Agent's interest therein pursuant to this Agreement.

15. No course of dealing between the Company and Agent or any Lender, nor any failure to exercise, nor any delay in exercising, on the part of Agent or any Lender, any right, power or privilege hereunder or under any of the other Loan Documents 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.

16. All of Agent's rights and remedies with respect to the Trademark Collateral, whether established hereby or by any of the other Loan Documents, or by any other agreements or by Applicable Law shall be cumulative and may be exercised singularly or concurrently.

17. 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.

18. This Agreement, together with the other Loan Documents, constitutes and expresses the entire understanding of the parties hereto with respect to the subject matter hereof, and supercedes all prior agreements and understandings, inducements or conditions, whether expressed or implied, oral or written. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 8 hereof.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Agent and of each Secured Party and upon the successors and permitted assigns of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Agent.

20. The Company hereby waives notice of Agent's acceptance hereof.



21. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.

22. **To the fullest extent permitted by Applicable Law, the Company and Agent each waives the right to trial by jury in any action, suit, proceeding or counterclaim of any kind arising out of or related to this Agreement or the Trademark Collateral.**

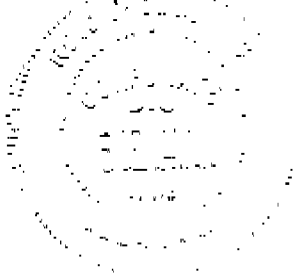
*[remainder of page intentionally left blank-signatures on following page]*

WITNESS the execution hereof under seal as of the day and year first above written.

ATTEST:

*Daniel E. Uyesato*  
Daniel E. Uyesato, Secretary

[CORPORATE SEAL]



REICHHOLD, INC.  
("Company")

By: *John S. Gaither*  
John S. Gaither, President

Accepted in Atlanta, Georgia

BANK OF AMERICA, N.A.,  
as Agent

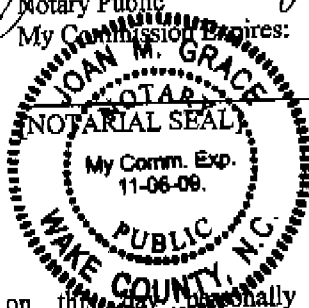
By: *Douglas Cowan*  
Title: Vice President

STATE OF NORTH CAROLINA §  
§  
COUNTY OF WAKE §

BEFORE ME, the undersigned authority, on this day personally appeared John S. Gaither, President of Reichhold, Inc., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 3 day of October, 2005.

Joan M. Grace  
Notary Public  
My Commission Expires: 11-06-09



STATE OF GEORGIA )  
COUNTY OF FULTON )

BEFORE ME, the undersigned authority, on this day personally appeared Douglas Cowan, Vice President of Bank of America, N.A., as Agent, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 14<sup>th</sup> day of October, 2005.

Ruth Pattenhouse  
Notary Public  
My Commission Expires: 01-30-07

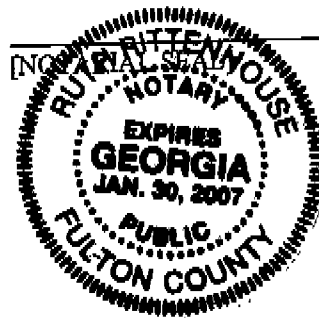


EXHIBIT B  
CERTIFICATE

The undersigned officer of REICHHOLD, INC. (the "Company"), DOES HEREBY CERTIFY to Bank of America, N.A. ("Agent") as collateral and administrative agent for itself and certain other financial institutions ("Lenders") as are parties from time to time to the Credit Agreement among Agent, the other parties designated as agents thereunder, the Company Reichhold Limited, Reichhold UK Limited and Lenders, that the quality of the products associated with the Trademarks listed on Exhibit A of the Trademark Security Agreement dated October 13, 2005, between the Company and Agent (as amended from time to time to include future trademarks and trademark applications) (the "Agreement"), has been maintained at a level consistent with the quality of such products at the time of the execution of the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate, this 13<sup>th</sup> day of October, 2005.

REICHHOLD, INC.

By: 

John S. Gaither, President