RE

MRD 5-5-98

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

06-10-1998

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

100733602

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

- [X] 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
- [X] Other AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT

Effective Date Month Day Year

Conveying Party

[ ] Mark if additional names of conveying parties attached

Execution Date Month Day Year: 12 19 1997

Name: FAIRCHILD HOLDING CORP.

Formerly:

[ ] Individual [ ] General Partnership [ ] Limited Partnership [ ] Corporation [ ] Association

[ ] Other

[X] Citizenship/State of Incorporation/Organization: DELAWARE

Receiving Party

[ ] Mark if additional names of receiving parties attached

Name: CITICORP USA, INC.

DBA/AKA/TA:

Composed of:

Address (line 1): C/O CITICORP SECURITIES, INC.

Address (line 2): 399 PARK AVENUE, 6th FLOOR, ZONE 4

Address (line 3): NEW YORK (City) NEW YORK (State/Country) 10043 (Zip Code)

[ ] Individual [ ] General Partnership [ ] Limited Partnership

[X] Corporation [ ] Association

[ ] Other

[ ] 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.)*

[X] Citizenship/State of Incorporation/Organization: DELAWARE

FOR OFFICE USE ONLY

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

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 (312) 853-7000

Name ANDREW L. GOLDSTEIN

Address (line 1) SIDLEY & AUSTIN

Address (line 2) ONE FIRST NATIONAL PLAZA

Address (line 3) SUITE 4900

Address (line 4) CHICAGO, ILLINOIS 60603

Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 21

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

[X] 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)		

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 1,015.00

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: # 19-2165

Authorization to charge additional fees: Yes [X] 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.

ANDREW L. GOLDSTEIN		6/5/98
Name of Person Signing	Signature	Date Signed

SCHEDULE A-1

TRADEMARKS REGISTERED WITH THE UNITED STATES PATENT & TRADEMARK OFFICE

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE	CLASS
BOYD BOLT	0794327	08/17/65	6
CAMLOC	1408211	09/09/86	6
CAMLOC & Design	0731729	05/22/62	6
CAMLOC & Design	0414291	06/05/45	8
COILTHREAD	1114796	03/13/79	6
DELRON	0713021	03/28/61	6
DESIGN	1790114	08/31/93	6
DESIGN	1805785	11/23/93	6
EDDIE BOLT	1104193	10/17/78	6
EDDIE BOLT SYSTEM	1141512	11/18/80	6
EL	1630585	01/08/91	6
FAIRCHILD	1728523	10/27/92	6
GRIPPER	1796778	10/05/93	8
HERBIE	1092685	06/06/78	8
HI-TORQUE SPEED DRIVE	0942235	09/05/72	6
KEENSERTS & Design	0676869	04/14/59	6
KWIK KEY	1796756	10/05/93	7
KWIK KEY	1796777	10/05/93	8
MAIROLL	0944036	10/03/72	8
O	0883649	01/06/70	6
PERMA VAC	0684365	09/01/59	9
RAM	1790115	08/31/93	6
RI *(Stylized)*	1785203	08/03/93	6
ROSAN *(Stylized)*	1503558	09/13/88	6, 7, 8, 9
SC	1638142	03/19/91	6
SNAPTAB	1328543	04/02/85	20
STEP START	1565572	11/14/89	9
TEMP-SURE	1256692	11/08/83	9
TRI-SQUARE	1463284	11/03/87	6
TRIDAIR	0879367	10/28/69	6, 13
TWISTER	1786081	08/03/93	8
V-BOLT	0767404	03/31/64	6
VERI-LITE	1439814	05/19/87	6
VOI-SHAN	1083168	06/24/78	6
VS	610243	08/09/55	6
VS	1072525	09/06/77	6
VSI	0698424	05/31/60	6
WEDG-TITE	1609656	08/14/90	9
WEIGHT/MASTER	0804519	03/01/66	6

::ODMA\PCDOCS\CHICAGO4\631482\1 June 5, 1998 (2:50pm)

MRD 1-29-98

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

03-05-1998

100651986

U.S. Department of Commerce
Patent and Trademark Office

RECEIVED
JAN 29 1998
RECEIPT ACCTING. DIV

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

- [X] 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
- [X] Other AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT

Effective Date Month Day Year

Conveying Party

[ ] Mark if additional names of conveying parties attached

Execution Date Month Day Year: 12191997

Name: FAIRCHILD HOLDING CORP.

Formerly:

[ ] Individual [ ] General Partnership [ ] Limited Partnership [ ] Corporation [ ] Association

[ ] Other

[X] Citizenship/State of Incorporation/Organization: DELAWARE

Receiving Party

[ ] Mark if additional names of receiving parties attached

Name: CITICORP USA, INC.

DBA/AKA/TA:

Composed of:

Address (line 1): C/O CITICORP SECURITIES, INC.

Address (line 2): 399 PARK AVENUE 6TH FLOOR, ZONE 4

Address (line 3): NEW YORK (City) NEW YORK (State/Country) 10043 (Zip Code)

[ ] Individual [ ] General Partnership [ ] Limited Partnership

[X] Corporation [ ] Association

[ ] Other

[ ] 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.)*

[X] Citizenship/State of Incorporation/Organization: DELAWARE

FOR OFFICE USE ONLY

03/03/1998 JSHABAZZ 00000103 1406211
01 FC:481 40.00 OP
02 FC:482 975.00 OP

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

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

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

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 (312) 853-4094

Name CHERYL L. BUCHINO

Address (line 1) 1 FIRST NATIONAL PLAZA

Address (line 2) CHICAGO, ILLINOIS 60603

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 21

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

[x] 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)		

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 1,015.00

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: # 19-2165

Authorization to charge additional fees: Yes [X] 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.

CHERYL L. BUCHINO		1/28/98
Name of Person Signing	Signature	Date Signed

SCHEDULE A-1

TRADEMARKS REGISTERED WITH THE UNITED STATES PATENT & TRADEMARK OFFICE

TRADEMARK	REGISTRATION NO. AND DATE	CLASS	
BIG FOOT	[redacted]	6	ABANDONED
BOYD BOLT	Reg. #0794327 Reg. Date: 8/17/65	6	
CAMLOC	Reg. #1408211 Reg Date: 9/9/86	6	
CAMLOC (and design)	Reg. #0731729 Reg Date: 5/22/62	6	
CAMLOC (and deisgn)	Reg. #0414291 Reg. Date: 6/5/45	6	
COILTHREAD	Reg. #1114796 Reg. Date: 3/13/79	6	
DELRON	Reg. #0713021 Reg. Date: 3/28/61	6	
DESIGN	Reg. # 1790114 Reg. Date:8/31/93	6	
DESIGN	Reg. #1805785 Reg. Date:11/23/93	6	
EDDIE BOLT	Reg. #1104193 Reg.Date:10/17/78	6	
EDDIE BOLT SYSTEM	Reg. #1141512 Reg.Date:11/18/80	6	
EL	Reg. #1630585 Reg. Date:1/8/91	6	
GRIPPER	Reg. #1796778 Reg Date:10/5/93	6	
HERBIE	Reg. #1092685 Reg. Date:6/6/78	6	

mma/reorg/ustm.3

TRADEMARK	REGISTRATION NO. AND DATE	CLASS
HI- TORQUE SPEED DRIVE	Reg. #0942235 Reg. Date: 9/5/72	6
KEENSERTS (and design)	Reg. #0675869 Reg. Date: 4/14/59	6
KWIK KEY	Reg. #1796756 Reg. Date:10/5/93	7
KWIK KEY	Reg. #1796777 Reg. Date: 10/5/93	8
MAIROLL	Reg. #0944036 Reg. Date:10/3/72	8
0	Reg. #0883649 Reg. Date: 1/6/70	6
PERMA VAC	Reg. #0684365 Reg. Date: 9/1/59	9
RAM	Reg. #1790115 Reg. Date:8/31/93	6
RI (stylized)	Reg. #1785203 Reg. Date:8/3/93	6
ROSAN (stylized)	Reg. #1503558 Reg. Date:9/13/88	6, 7, 8, 9
SC	Reg. #1638142 Reg. Date:3/19/91	6
SNAPTAB	Reg. #1328543 Reg. Date:4/2/85	20
TEMP-SURE	Reg. #1256692 Reg. Date: 11/8/83	9
TRIDAIR	Reg. #0879387 Reg. Date: 10/28/69	6, 13
TRI -SQUARE	Reg. #1463284 Reg. Date:11/3/87	6
TWISTER	Reg. #1786081 Reg. Date:8/3/93	8
V-BOLT	Reg. #0767404 Reg. Date: 3/31/64	6
VERI- LITE	Reg. #1439814 Reg. Date:5/19/87	6

mma/reorg/ustm.3

TRADEMARK	REGISTRATION NO. AND DATE	CLASS
VOI- SHAN	Reg. #1083166 Reg. Date.6/24/78	6
VS	Reg. #610243 Reg. Date: 8/9/55	6
VS	Reg. #1072525 Reg. Date: 9/6/77	6
VSI	Reg. #0698424 Reg. Date: 5/31/60	6
WEDG-TITE	Reg. #1609656 Reg. Date.8/14/90	9
WEIGHT/MASTER	Reg. #0804519 Reg. Date:3/1/66	6

TRADEMARK	REGISTRATION NO. AND DATE	CLASS
FAIRCHILD	Reg. #1728523 Reg.Date:10/27/92	6
STEP START	Reg. # 1565572 Reg. Date: 11/14/89	9

mma/reorg/usm.3

AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT

THIS AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT ("Agreement") is made as of December 19, 1997, by and between **Fairchild Holding Corp.**, a Delaware corporation ("Grantor"), and **Citicorp USA, Inc.**, a Delaware corporation, as collateral agent for the "Lenders", the "Issuing Banks" and other "Holders" (in such capacity, the "Collateral Agent"), pursuant to that certain Third Amended and Restated Credit Agreement dated as of December 19, 1997 by and among Grantor, RHI Holdings, Inc., a Delaware corporation ("RHI"), and The Fairchild Corporation, a Delaware corporation ("TFC"), as borrowers (collectively, the "Borrowers" and each, individually, a "Borrower"), Citicorp, in its capacities as the Collateral Agent and an "Administrative Agent" for the Lenders and Issuing Banks, NationsBank, N.A., a national banking association, in its capacity as an "Administrative Agent" for the Lenders and Issuing Banks, and the financial institutions from time to time parties thereto as Lenders and Issuing Banks (such Third Amended and Restated Credit Agreement, as it may be amended, restated, supplemented or otherwise modified from time to time, is hereinafter referred to as the "Credit Agreement").

WITNESSETH:

WHEREAS, Grantor entered into that certain Credit Agreement dated as of March 13, 1996 with certain financial institutions as "Lenders" and "Issuing Banks" and Citicorp as administrative agent for such "Lenders" and "Issuing Banks", as amended (the "Original Credit Agreement"), which Original Credit Agreement was amended and restated in its entirety as evidenced by that certain Amended and Restated Credit Agreement dated as of July 26, 1996 among Grantor, as a borrower, Kaysel d/b/a Fairchild Finance Company, a corporation formed under the laws of The Republic of Ireland, certain financial institutions as "Lenders" and "Issuing Banks" and Citicorp as administrative agent for such "Lenders" and "Issuing Banks", as amended (the "First Amended Credit Agreement"), which First Amended Credit Agreement was amended and restated in its entirety as evidenced by that certain Second Amended and Restated Credit Agreement dated as of July 18, 1997 among Grantor, as a borrower, RHI, as a guarantor, certain financial institutions from time to time parties thereto as "Lenders" and "Issuing Banks" and Citicorp as administrative agent for such "Lenders" and "Issuing Banks", as amended (the "Second Amended Credit Agreement");

WHEREAS, (i) in connection with the Original Credit Agreement, Grantor and Citicorp as administrative agent under the Original Credit Agreement entered into that certain Security Agreement dated as of March 13, 1996 (the "Original Security

Agreement"), (ii) in connection with the First Amended Credit Agreement, Grantor reaffirmed its "Obligations" (as defined in the First Amended Credit Agreement) under the Original Security Agreement pursuant to a certain Reaffirmation Agreement dated as of July 29, 1996 and, (iii) in connection with the Second Amended Credit Agreement, the Original Security Agreement was amended and restated in its entirety as evidenced by that certain Amended and Restated Security Agreement dated as of July 18, 1997 (the "Amended Security Agreement");

WHEREAS, in connection with the First Amended Credit Agreement, Grantor and Citicorp as administrative agent under the First Amended Credit Agreement entered into that certain Trademark Security Agreement dated as of July 29, 1996 (the "Original Trademark Security Agreement") and, in connection with the Second Amended Credit Agreement, Grantor reaffirmed its obligations and liabilities under the Original Trademark Security Agreement pursuant to a certain Reaffirmation Agreement dated as of July 18, 1997;

WHEREAS, the Borrowers, the Collateral Agent, Administrative Agents, Lenders and Issuing Banks have entered into the Credit Agreement providing for the amendment and restatement in its entirety of the Second Amended Credit Agreement, and pursuant to which the Lenders and Issuing Banks have agreed to make and extend certain loans and provide certain other financial accommodations to or for the benefit of the Borrowers and their Subsidiaries;

WHEREAS, Grantor has executed and delivered a certain Second Amended and Restated Security Agreement of even date herewith (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "Security Agreement") in favor of the Collateral Agent, for the benefit of the Collateral Agent, Lenders, Issuing Banks and other Holders, providing for the amendment and restatement in its entirety of the Amended Security Agreement, pursuant to which, among other things, Grantor has granted and reconfirmed its prior grant of a security interest in the "Collateral" (as defined therein) to secure the payment of the Obligations;

WHEREAS, in order to secure the prompt and complete payment, observance and performance of all of the Obligations, the Lenders and the Issuing Banks have required as a condition, among others, to the making of loans and provision of other financial accommodations to or for the account of the Borrowers under the Credit Agreement, that Grantor execute and deliver this Agreement to the Collateral Agent for the benefit of the Collateral Agent, Lenders, Issuing Banks and other Holders on the terms and conditions hereinafter set forth;

TRADEMARK
REEL: 1738 FRAME: 0377

WHEREAS, the parties hereto are parties to that certain Assignment Agreement of even date herewith pursuant to which Citicorp, in its capacity as "Administrative Agent" under the Original Trademark Security Agreement, and certain other agreements, has assigned the Liens granted under the Original Trademark Security Agreement to Citicorp, in its capacity as the Collateral Agent; and

WHEREAS, in view of the amendment and restatement of the Second Amended Credit Agreement and Amended Security Agreement, the undersigned have agreed to amend and restate the Original Trademark Security Agreement (as heretofore reaffirmed) in its entirety;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement. Unless otherwise defined herein or in the Credit Agreement, each capitalized term used herein that is defined in the Security Agreement shall have the meaning specified for such term in the Security Agreement.

(b) The words "hereof", "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Credit Agreement and the Security Agreement. The Credit Agreement, the Security Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

TRADEMARK
REEL: 1738 FRAME: 0378

4. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Grantor hereby reconfirms its grant under the Original Trademark Security Agreement and grants to the Collateral Agent, for its benefit and the benefit of the Lenders, Issuing Banks and other Holders, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Grantor's now owned or existing and hereafter acquired or arising:

(i) trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the goodwill of Grantor's business symbolized by the foregoing and connected therewith, and (e) all of Grantor's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications, together with the items described in clauses (a)-(e) in this Section 4(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(ii) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

TRADEMARK
REEL: 1738 FRAME: 0379

5. Restrictions on Future Agreements. Grantor will not, without the Collateral Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and, subject to the provisions of Section 10 herein, Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Collateral Agent under this Agreement or the rights associated with the Trademarks or Licenses.

6. New Trademarks and Licenses. Grantor represents and warrants that, from and after the Closing Date, (a) the Trademarks listed on Schedule A include all of the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications now owned or held by Grantor, (b) the Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which Grantor is the licensee or licensor and (c) no liens, claims or security interests in such Trademarks and Licenses have been granted by Grantor to any Person other than the Collateral Agent, except those granted with the prior written consent of the Collateral Agent. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of Section 4 above shall automatically apply thereto. Grantor shall give to the Collateral Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Grantor hereby authorizes the Collateral Agent to modify this Agreement unilaterally (i) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and by amending Schedule B to include any future trademark license agreements and service mark license agreements, which are Trademarks or Licenses under Section 4 above or under this Section 6, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A or B thereto, as the case may be, such future

TRADEMARK
REEL: 1738 FRAME: 0380

trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements. The Collateral Agent agrees to promptly notify Grantor upon taking any of the actions described in the immediately preceding sentence.

7. Royalties. Grantor hereby agrees that the use by the Collateral Agent of the Trademarks and Licenses as authorized hereunder in connection with the Collateral Agent's exercise of its rights and remedies under Section 15 hereof or pursuant to Section 8 of the Security Agreement shall be coextensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Collateral Agent or any Lender or any Issuing Bank or any other Holder to Grantor.

8. Right to Inspect; Further Assignments and Security Interests. The Collateral Agent may at all reasonable times (and at any time when an Event of Default exists) have access to, examine, audit, make copies (at Grantor's expense) and extracts from and inspect Grantor's premises and examine Grantor's books, records and operations relating to the Trademarks and Licenses; provided, that in conducting such inspections and examinations, the Collateral Agent shall use reasonable efforts not to disturb unnecessarily the conduct of Grantor's ordinary business operations. From and after the occurrence of an Event of Default, Grantor agrees that the Collateral Agent, or a conservator appointed by the Collateral Agent, shall have the right to establish such reasonable additional product quality controls as the Agent or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks and the Licenses or in connection with which such Trademarks and Licenses are used. Grantor agrees not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Licenses without the prior and express written consent of the Collateral Agent (which consent will not be unreasonably withheld).

9. Nature and Continuation of the Collateral Agent's Security Interest; Termination of the Collateral Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall terminate only when the Obligations have been indefeasibly paid in full in cash and the Credit Agreement and the Security Agreement have been terminated or when the Trademarks and Licenses are released from the lien created hereby. When this Agreement has terminated, the Collateral Agent shall promptly execute and deliver to Grantor,

TRADEMARK
REEL: 1738 FRAME: 0381

at Grantor's expense, all termination statements and other instruments as may be necessary or proper to terminate the Collateral Agent's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by the Collateral Agent pursuant to this Agreement or the Security Agreement.

10. Duties of Grantor. Grantor shall have the duty, to the extent reasonable in the normal conduct of Grantor's business or where otherwise consistent with good business judgment, to: (i) prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, and (ii) make application for trademarks or service marks that are or shall be necessary or economically desirable in the operation of Grantor's business as determined by Grantor in Grantor's reasonable judgement. Grantor further agrees (i) not to abandon any Trademark or License without the prior written consent of the Collateral Agent (which consent will not be unreasonably withheld), and (ii) to use its best efforts to maintain in full force and effect the Trademarks and the Licenses that are or shall be necessary or economically desirable in the operation of Grantor's business as determined by Grantor in Grantor's reasonable business judgment. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Neither the Collateral Agent nor any Lender nor any Issuing Bank nor any other Holder shall have any duty with respect to the Trademarks and Licenses. Without limiting the generality of the foregoing, neither the Collateral Agent nor any Lender nor any Issuing Bank nor any other Holder shall be under any obligation to take any steps necessary to preserve rights in the Trademarks or Licenses against any other parties, but the Collateral Agent may do so at its option from and after the occurrence of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Grantor and shall be added to the Obligations secured hereby.

11. The Collateral Agent's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, the Collateral Agent shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and the Licenses and, if the Collateral Agent shall commence any such suit, Grantor shall, at the request of the Collateral Agent, do any and all lawful acts and execute any and all proper documents required by the Collateral Agent in aid of such enforcement. Grantor shall, upon demand, promptly reimburse the Collateral Agent for all costs and expenses incurred by the Collateral Agent in the exercise of its rights under this Section 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for the Collateral Agent).

TRADEMARK
REEL: 1738 FRAME: 0382

12. Waivers. The Collateral Agent's failure, at any time or times hereafter, to require strict performance by Grantor of any provision of this Agreement shall not waive, affect or diminish any right of the Collateral Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Grantor and the Collateral Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Grantor contained in this Agreement shall be deemed to have been suspended or waived by the Collateral Agent unless such suspension or waiver is in writing signed by an officer of the Collateral Agent and directed to Grantor specifying such suspension or waiver.

13. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided herein or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney. Grantor hereby irrevocably designates, constitutes and appoints the Collateral Agent (and all Persons designated by the Collateral Agent in its sole and absolute discretion) as Grantor's true and lawful attorney-in-fact, and authorizes the Collateral Agent and any of the Collateral Agent's designees, in Grantor's or the Collateral Agent's name, to take any action and execute any instrument which the Collateral Agent may deem necessary or advisable to accomplish the purposes of this Agreement from and after the occurrence and during the continuance of an Event of Default. Upon such occurrence and during the continuance of an Event of Default and the giving by the Collateral Agent of notice to Grantor of the Collateral Agent's intention to enforce its rights and claims against Grantor, the Collateral Agent shall have the right to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for the Collateral Agent in the use of the Trademarks or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Licenses to anyone on commercially reasonable

TRADEMARK
REEL: 1738 FRAME: 0383

terms, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks or the Licenses as the Collateral Agent deems in its own or the Lenders' or the Issuing Banks' or other Holders' best interest. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement terminates pursuant to Section 9 hereof. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Collateral Agent or any Lender or any Issuing Bank or any other Holder under the Credit Agreement, the Security Agreement or any of the other Loan Documents, but rather is intended to facilitate the exercise of such rights and remedies.

The Collateral Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks or the Licenses may be located or deemed located. Upon the occurrence, and during the continuance, of an Event of Default and the election by the Collateral Agent to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code with respect to the Trademarks and Licenses, Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Collateral Agent or any transferee of the Collateral Agent and to execute and deliver to the Collateral Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Collateral Agent's sole discretion, to effect such assignment, conveyance and transfer. All of the Collateral Agent's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by the Security Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Collateral Agent may exercise any of the rights and remedies provided in this Agreement, the Credit Agreement, the Security Agreement and any of the other Loan Documents. The Collateral Agent agrees that it will notify Grantor of the intended disposition of any Patents or Licenses within a commercially reasonable time prior to such intended disposition, the time of delivery of which notice the parties hereto agree shall in no event be required to be greater than five (5) days.

16. Effectiveness; Successors and Assigns. This Agreement shall become effective on the Effective Date, whereupon

TRADEMARK
REEL: 1738 FRAME: 0384

the terms and provisions of the Original Trademark Security Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement shall not constitute a novation. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of the Collateral Agent, the Lenders, the Issuing Banks and other Holders and their respective nominees, successors and assigns. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Grantor; provided, however, that Grantor shall not voluntarily assign or transfer its rights or obligations hereunder without the Collateral Agent's prior written consent.

17. Governing Law. **This Agreement has been executed and delivered by the parties hereto in New York, New York. Any dispute between the Collateral Agent and Grantor arising out of or related to the relationship established between them in connection with this Agreement, and whether arising in contract, tort, equity, or otherwise, shall be resolved in accordance with the laws of the State of New York.**

18. Notices. All notices, requests and other communications required or desired to be served, given or delivered hereunder shall be given in the manner specified in Section 15.08 of the Credit Agreement and to the addresses specified on the signature pages thereof or such other addresses as may be substituted therefor from time to time as provided in such Section 15.08.

19. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

21. Merger. This Agreement represents the final agreement of Grantor with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between Grantor and the Collateral Agent or any Lender or any Issuing Bank or any other Holder.

TRADEMARK
REEL: 1738 FRAME: 0385

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

FAIRCHILD HOLDING CORP.

By Karen L. Schneckenburger
Karen L. Schneckenburger
Vice President & Treasurer

Accepted and agreed to as of the day and year first above written.

CITICORP USA, INC.,
as Collateral Agent

By Timothy L. Freeman
Timothy L. Freeman
Attorney-in-Fact

TRADEMARK
REEL: 1738 FRAME: 0386

Schedule A
to
Trademark Security Agreement

Dated as of December 19, 1997

Trademarks

None, except:

(See attached Schedule A-1)

Trademark and Service Mark Applications

None.

TRADEMARK
REEL: 1738 FRAME: 0387

Schedule B
to
Trademark Security Agreement

Dated as of December 19, 1997

License Agreements

None.

TRADEMARK
REEL: 1738 FRAME: 0388

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

The foregoing Trademark Security Agreement was acknowledged before me this 19th day of December, 1997, by Karen L. Schneckenburger, a Vice President and Treasurer of Fairchild Holding Corp., a Delaware corporation, on behalf of such corporation.

Notary Public

My commission expires:_____

H. SCOTT KENYON
Notary Public, State of New York
No. 01KE5016236
Qualified in Rockland County
Certificate Filed in New York County
Commission Expires August 9, 1999

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

The foregoing Trademark Security Agreement was acknowledged before me this 19th day of December, 1997, by Timothy L. Freeman, an Attorney-in-Fact of Citicorp USA, Inc., a Delaware corporation, on behalf of such corporation.

Notary Public

My commission expires: _____

H. SCOTT KENYON
Notary Public, State of New York
No. 01KE6016236
Qualified in Rockland County
Certificate Filed in New York County
Commission Expires August 9, 1997

::ODMA\PCDOCS\CHICAGO4\510861\2 12/17/97 (7:06pm)