

MRD  
8-27-98

09-01-1998



To the Honorable Commissioner of

100804825

attached original documents or copy thereof.

1. Name of conveying party(ies):

Timminco Limited

- Individual(s)
- General Partnership
- Corporation - governed by the Canada Business Corporations Act
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached?

- Yes
- No

3. Nature of conveyance:

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

Execution Date: June 25, 1998

2. Name and address of receiving party(ies):

Name: The Bank of Nova Scotia

Internal Address:

Street Address: 44 King Street West, Suite 1600, Toronto, Ontario  
M5H 1H1 CANADA

City: State: ZIP:

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State the country of Canada
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from Assignment)  
Additional name(s) & address(es) attached?  Yes  No

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

A. Trademark Application No.(s) 74/164,266

B. Trademark registration No.(s) 401,543

Additional numbers attached?  Yes  No

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

Name: Erich G. Rhyhart

Internal Address:

Street Address: Mayer, Brown & Platt

P.O. Box 2828

City: Chicago State: IL ZIP: 60690-2828

6. Total number of applications and registrations involved:

26

7. Total fee (37 CFR 3.41) \$ 665.00

- Enclosed
- Authorized to be charged to deposit account for any additional fees

8. Deposit account number: 13-0019

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

08/31/1998 INVENTEN 00000017 401543

01 FEB 1999 40-00 DP  
02 FEB 1999 625.00 DP

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.

Erich G. Rhyhart  
Name of Person Signing

Signature

26 August 1998  
Date

Total number of pages comprising cover sheet: 7

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, D.C. 20231

Public burden reporting for this sample sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington D.C. 20503.

TRADEMARK

**Continuation of Number 4**

A. Trademark Application No.(s)	B. Trademark Registration No.(s)
74/428,055	405,123
74/428,056	773,070
74/428,057	1,412,738
74/428,058	2,136,419
74/428,060	1,391,233
74/428,061	1,827,205
74/428,063	2,070,508
74/462,817	
74/462,993	
74/462,813	
74/462,994	
74/706,509	
75/191,923	
75/369,377	
74/719,829	
74/719,830	
74/719,831	

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of June 25, 1998, is by TIMMINCO LIMITED, a corporation governed by the Canada Business Corporations Act (the "Grantor"), in favor of THE BANK OF NOVA SCOTIA in its capacity as agent on behalf of the Lenders referred to below (the "Agent").

W I T N E S S E T H:

WHEREAS, the Grantor and others have entered into a Credit Agreement, made as of June 25, 1998 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), with the financial institutions from time to time party thereto, the Agent and others (as of the date hereof, the Bank of Nova Scotia is the only lender);

WHEREAS, the Grantor has executed a Guarantee, dated as of June 25, 1998 (as amended, supplemented or otherwise modified from time to time, the "Guaranty"), pursuant to which the Grantor guaranteed the obligations of Timminco Corporation, a Delaware, under the Credit Agreement;

WHEREAS, the Grantor has also executed a Demand Debenture dated as of June 25, 1998 and an Intellectual Property Security Agreement dated as of June 25, 1998 (as amended, supplemented or otherwise modified from time to time, the "Security Agreement"), with the Agent;

WHEREAS, as a condition precedent to the making of the initial Advance (as defined in the Credit Agreement) under the Credit Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Agent a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Obligations (as defined in the Security Agreement); and

WHEREAS, the obligations of the Grantor under the Credit Agreement and the Guaranty are to be secured pursuant to this Agreement and the Security Agreement; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor agrees as follows:

1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement have the meanings provided in the Security Agreement.

2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **to secure all of the Obligations,** the Grantor hereby assigns to the Agent for the benefit of the Lenders, and grants to the Agent for the benefit of the Lenders a continuing security interest in Grantor's right, title and interest in and to the following, whether now or hereafter existing or acquired (the "Trademark Collateral"): all trademarks, service marks, business names, designs, logos, indicia and other source and/or business identifiers and the goodwill of the business relating thereto and all registrations or applications for registration which have heretofore been or may hereafter be issued or filed thereon and all renewals thereof throughout the world (including, without limitation, those listed on Schedule I hereto), all proceeds of, and rights associated with, the foregoing (including without limitation license royalties and proceeds of infringement suits), the right to sue for all past, present or future infringements of any of the foregoing and all common law and other rights corresponding thereto throughout the world in and to all the foregoing.

3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of recording the security interest of the Agent on behalf of each Lender in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of the security interest granted to the Agent under the Security Agreement. The Security Agreement (and all rights and remedies of the Agent thereunder) shall remain in full force and effect in accordance with its terms.

4. Release of Security Interest. Upon the payment in full of all Obligations and the termination of all commitments of the Lenders under the Credit Agreement, the Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to

release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth therein.

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed and delivered by its officer thereunder duly authorized as of the day and year first above written.

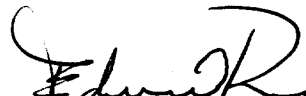
**Address for Notice**

Waterpark Place, 9th Floor  
10 Bay Street, P.O. Box 1160,  
Station A  
Toronto, Ontario  
M5J 2R8

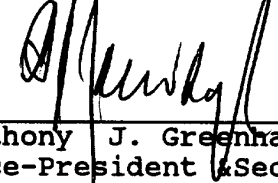
Attention: Vice-President  
and Secretary  
Fax No.: 416-364-3451

**TIMMINCO LIMITED**

By:

  
Edward V. Reeser  
Vice-President - Finance

And:

  
Anthony J. Greenhalgh  
Vice-President & Secretary

**Address for Notice**

The Bank of Nova Scotia  
44 King Street West, Suite 1600  
Toronto, Ontario  
M5H 1H1

Attention: Vice-President  
Fax No.: (416) 866-2010

**THE BANK OF NOVA SCOTIA**

By:

  
Ray Clarke  
Relationship Manager

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27021401.1 62498 1724C 98464399

SCHEDULE 1  
to  
Trademark Security Agreement

TRADEMARKS

TIMMINCO LIMITED

<u>REGISTERED TRADEMARKS AND SERVICE MARKS</u>				
TRADEMARK	REGISTRATION NO.	DATE ISSUED	EXPIRY DATE	
SIL-X	401,543	May 25/1983	May 25/2003	
MAN-X	405,123	Jan. 11/1984	Jan. 11/2004	
CHROMASCO	773,070	Jul. 14/1984	Jul. 14/2004	
MODIFIER-PACK	1,412,738	Oct. 7/1986	Oct. 7/2006	
MODIFIER INGOT	2,136,419	Feb. 17/1998	Feb. 17/2008	
CAL-AL	1,391,233	Apr. 29/1986	Apr. 29/2006	
TIMMINCO ADHESIVES	74/164266	Dec. 22/1992	Dec. 22/2012	
MAG-CAL	1827205	Mar. 22/1994	Mar. 22/2004	
AL-X	2070508	June 10/1997	June 10/2007	

PENDING TRADEMARKS AND SERVICE MARK APPLICATIONS			
TRADEMARK	FILING #	REGISTRATION DATE	
Modifier Alloy	74/428/055	August 24, 1993	
Modifier Puck	74/428/056	August 24, 1993	
Modifier Cast	74/428/057	August 24, 1993	
Modifier Can	74/428/058	August 24, 1993	
Modifier Rod	74/428/060	August 24, 1993	
Modifier Stick	74/428/061	August 24, 1993	
Modifier	74/428/063	August 24, 1993	
Modifier Coil	74/462, 817	November 24, 1993	
Modifier Tab	74/462, 993	November 24, 1993	
Modifier Waffle	74/462, 813	November 24, 1993	
Modifier Bar	74/462, 994	November 24, 1993	
Modifier Powder	74/706, 509	July 27, 1995	
Modifier Granules	75/191923	November 4, 1996	
Modifier-Stix	75/369377	October 7, 1997	
Al-Mag Preblend			
CAL-INJECT	74/719, 829 (class 42) 74/719, 830 (class 6) 74/719, 831 (class 7)	August 24, 1995	