

03-20-2000



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OPR/FINANCE

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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

Submission Type

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

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger Effective Date
Month Day Year
- Change of Name
- Other Conditional Assignment and
Security Interest

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
02-01-00

Name RATH MANUFACTURING CO., INC.

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization DELAWARE

Receiving Party

Mark if additional names of receiving parties attached

Name LIBERTY PARTNERS LENDERS 10, LLC

DBA/AKA/TA

Composed of

Address (line 1) Americas Towers, 34th Floor

Address (line 2) 1177 Avenue of the Americas

Address (line 3) New York

New York

10036

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership 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.)
- Corporation Association
- Other Limited Liability Co.
- Citizenship/State of Incorporation/Organization DELAWARE

FOR OFFICE USE ONLY

03/17/2000 0850YEN 00000270 139/946

01 FC:481
02 FC:482

40.00 DP
25.00 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 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 Practices. 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

REEL: 002036 FRAME: 0409

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

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

#

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

Mark if additional numbers attached

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

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

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

Bruce O. Bradford

Name of Person Signing

Bruce O. Bradford / JRT

Signature

02/16/00

Date Signed

RATH MANUFACTURING CO., INC.

**CONDITIONAL ASSIGNMENT OF INTELLECTUAL PROPERTY
AND SECURITY AGREEMENT**

THIS CONDITIONAL ASSIGNMENT OF INTELLECTUAL PROPERTY and SECURITY AGREEMENT, dated as of February 1, 2000, made by RATH MANUFACTURING CO., INC., a Delaware corporation ("Grantor"), in favor of LIBERTY PARTNERS LENDERS 10, LLC ("Lender").

WHEREAS, Gibson Tube, Inc. (the "Borrower"), Liberty Partners Holdings 10, LLC ("Parent") and Lender have entered into a Loan Agreement dated as of November 1, 1999 as amended by the First Amendment of even date herewith (the "First Amendment") (as further amended, modified and supplemented from time to time, the "Loan Agreement"), which is incorporated herein by reference and pursuant to which Borrower and Lender have agreed that Lender shall make a loan to Borrower upon the terms and conditions set forth therein;

WHEREAS, Parent has contributed all of its capital stock of Grantor and RMC Holdings, Inc. ("Holdings"), to the Borrower on the date hereof in connection with the transactions contemplated by the First Amendment;

WHEREAS, in accordance with the terms of the Loan Agreement (including Section 5.03(q)) Grantor and Holdings have entered into a Guaranty, dated as of February 1, 2000 (as amended, modified and supplemented from time to time, the "Subsidiary Guaranty"), pursuant to which Grantor and Holdings have, among other things, guaranteed the obligations of Borrower under the Loan Agreement for benefit of Lender;

WHEREAS, in accordance with the terms of the Loan Agreement (including Section 5.03(q)) Grantor desires to secure its obligations to Lender under the Subsidiary Guaranty in the manner set forth herein;

WHEREAS, Grantor shall derive substantial benefit and advantage from the financial accommodations to Borrower set forth in the Loan Agreement, including the loans and advances made to Borrower thereunder, and it shall be to Grantors' direct interest and economic benefit to assist Borrower in procuring such financial accommodations from Lender; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Incorporation of Documents; Definitions.

(a) Grantor acknowledges that the rights and remedies of Lender with respect to the Intellectual Property Collateral (as defined below) are also governed by the terms of the Loan Agreement, the Subsidiary Guaranty and the Security Agreement, and the terms and conditions of

such agreements are incorporated herein by reference. Grantor shall be bound by the terms and conditions of such agreements as if the same had been expressly set forth herein, and if there is any conflict or inconsistency between this Agreement and such other agreements with respect to Intellectual Property Collateral (as defined below), the provisions of this Agreement shall take precedence and shall control.

(b) Unless otherwise defined herein, capitalized terms used herein and defined in the Loan Agreement or the Security Agreement shall have the meanings specified therein.

(c) The term "Intellectual Property Collateral" shall mean the following property of Grantor, whether now owned or existing or hereafter acquired, created or arising, in the United States and throughout the world:

(i) all United States and foreign trademarks, trade names, corporate names, company names, business names, internet domain names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, trademark and registrations and applications for registration (including, without limitation, such of the foregoing listed on Schedule A attached hereto), together with the goodwill of the business connected with the use of, and symbolized by, the foregoing, and (A) any renewals of the registrations therefor that may be secured under the laws now or hereafter in effect in the United States or any other country or countries, (B) 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) and (C) the right to sue and recover for past, present and future infringements thereof (all of the foregoing collectively referred to as the "Trademarks");

(ii) all United States and foreign patents and patent applications and the inventions and improvements described and claimed therein (including, without limitation, such of the foregoing listed on Schedule B attached hereto) and (A) any extensions, reissues, divisions, continuations, and continuations-in-part thereof that may be secured under the laws now or hereafter in effect in the United States or any other country or countries, (B) 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) and (C) the right to sue and recover for past, present and future infringements thereof (all of the foregoing collectively referred to as the "Patents");

(iii) all United States and foreign copyrights (whether registered or unregistered) in and to all copyrightable works, copyright registrations and applications for registration (including, without limitation, such of the foregoing listed on Schedule C attached hereto) and (A) any renewals of the registrations therefor that may be secured under the laws now or hereafter in effect in the United States or any other country or countries, (B) 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) and (C) the right to sue and recover for past, present and future infringements thereof (all of the foregoing collectively referred to as the "Copyrights");

(iv) all other United States and foreign intellectual property rights (including, without limitation, all mask works, trade secrets, know-how, technology, methods, processes, confidential business information, computer software, data and documentation in any form, including electronic media, and such of the intellectual property rights listed on Schedule D attached hereto) and (A) 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), (B) the right to sue and recover for past, present and future infringements thereof and (C) all rights corresponding thereto throughout the world (all of the foregoing collectively referred to as "Other Intellectual Property Rights");

(v) all license agreements with third parties which relate to Patents, Trademarks, Copyrights or Other Intellectual Property Rights, whether Grantor is a licensor or licensee under any such license agreement (including, without limitation, the licenses listed on Schedule E attached hereto), and all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto (all of the foregoing collectively referred to as "Licenses"); and

(vi) all proceeds of any and all of the foregoing Intellectual Property Collateral (including, without limitation, license royalties under any licenses and, to the extent not otherwise included, all payments under insurance (whether or not Lender is the loss payee thereof) and any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to the foregoing).

2. Assignment and Grant of Security Interest. As security for the full and timely payment, observance and performance of the Secured Obligations, Grantor hereby grants to Lender a continuing security interest in, and a right of setoff against, and effective upon notice upon the occurrence of an Event of Default, assigns, transfers and conveys to Lender, all of Grantor's right, title and interest, in the Intellectual Property Collateral, except for Intellectual Property Collateral which is expressly prohibited by its terms from being assigned as security or which terminates upon being transferred (but only to the extent of and until the termination of such prohibition or until such property is no longer subject to such termination). The security interests are granted as security only and shall not subject Lender to, or transfer or in any way affect or modify, any obligations or liability of Grantor with respect to any of the Intellectual Property Collateral or any transaction in connection therewith.

3. Relative Rights. The security interests and liens granted hereunder shall be treated as a severable first priority security interest and lien granted to Lender as the lender under the Loan Agreement.

4. Continuing Liability. Notwithstanding anything to the contrary contained herein, Grantor shall remain liable under any license, interest and obligation assigned to Lender

hereunder and will be obligated to observe and perform all the conditions and obligations to be observed and performed by them thereunder, all in accordance with and pursuant to the terms and provisions thereof. Lender shall have no obligation or liability under any such license, interest or obligation by reason of or arising out of this Agreement or the assignment thereof to Lender or the receipt by Lender of any payment relating to any such license, interest or obligation pursuant hereto, nor shall Lender be required or obligated in any manner to perform or fulfill any of the obligations of Grantor thereunder or pursuant thereto, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any such license, interest or obligation, or to present or file any claim, or to take any action to collect or enforce any performance of the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

5. Representations and Warranties. Grantor hereby represents, warrants, covenants and agrees that:

(a) Schedules A, B, C, D and E hereto contain a complete and correct list of all United States and foreign trademark registrations and trademark applications, patents and patent applications, copyright registrations and copyright applications and material Other Intellectual Property Rights owned by Grantor or, in the case of Schedule E, licensed to or by Grantor.

(b) Except as set forth in Schedules hereto, Grantor owns, free and clear of all Liens (except for Permitted Liens), all right, title and interest in, or has the necessary right and authority to use under the Licenses set forth on Schedule E hereto, all of the Intellectual Property Collateral. Grantor owns, free and clear from Liens (except for Permitted Liens), all right, title and interest in and to, or has the necessary right and authority to use under the Licenses set forth on Schedule E hereto, all of the intellectual property necessary or desirable for the conduct of its business as currently conducted, as previously conducted and as currently proposed to be conducted.

(c) Except as set forth in the Schedules hereto, no claim by any Person contesting the validity, enforceability, use or ownership of any Intellectual Property Collateral has been made, is currently pending or, to the best of Grantor's knowledge, is threatened, and Grantor has not received any notice of, nor is aware of any facts which would indicate a likelihood of, any infringement or misappropriation by, or conflict with, any other Person with respect to the Intellectual Property Collateral.

(d) Except as set forth in the Schedules hereto, no use of the Intellectual Property Collateral infringes or misappropriates, or conflicts with, any rights of any other Person, and no infringement or misappropriation of, or conflict with, any rights of any other Person has occurred or shall occur as a result of the operation of Grantor's businesses as currently conducted, as previously conducted and as currently proposed to be conducted.

(e) Except as set forth in the Schedules hereto, the loss or expiration of any item of the Intellectual Property Collateral would not have a material adverse effect on the Grantor's businesses as currently conducted, as previously conducted or as currently proposed to be conducted.

(f) The transactions contemplated by this Agreement and the Loan Agreement shall not have any adverse effect on Grantor's rights in and to the Intellectual Property Collateral, and Grantor has made all necessary filings and recordations and has paid all required fees and taxes to record and maintain ownership of the patented and registered Intellectual Property Collateral and the Intellectual Property Collateral subject to applications therefor in the United States Patent and Trademark Office, the United States Copyright Office and such other appropriate governmental offices.

(g) Except as set forth in Schedule E hereto, no consents are required under any Licenses to the assignment and the grant of the security interest to, and exercise of any rights and remedies of, Lender (including, without limitation, such rights and remedies upon the happening of an Event of Default) as set forth in this Agreement and the Loan Agreement.

6. Remedies.

(a) If an Event of Default under the Loan Agreement has occurred and is continuing or shall exist, Lender may exercise, in addition to all other rights and remedies granted to it in this Agreement, the Loan Agreement and any other collateral security document, all rights and remedies of a secured party under the UCC or any other applicable law. Without limiting the generality of the foregoing, Grantor expressly agrees that in any such event Lender, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Grantor or any other Person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Intellectual Property Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or sell or otherwise dispose of and deliver such Intellectual Property Collateral (or contract to do so), or any part thereof, in one or more public or private sale or sales, at any exchange, broker's board or at any of Lender's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk, and Lender shall apply the net proceeds (after expenses) of any such sale, lease, assignment or other disposition against the Secured Obligations in such order as Lender in its sole discretion shall determine, with Grantor remaining liable for any deficiency therein. Lender shall have the right upon any such public sale or sales, and to the extent permitted by law upon any such private sale or sales, to purchase the whole or any part of the Intellectual Property Collateral so sold, free of any right or equity or redemption in Grantor, which right or equity is hereby expressly waived and released.

(b) To the extent permitted by applicable law, Grantor waives all claims, damages and demands against Lender arising out of the repossession, retention or sale of any Intellectual Property Collateral. Grantor agrees that Lender need not give more than ten days notice of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matter. Grantor hereby irrevocably appoints Lender as its attorney-in-fact to act on behalf of Grantor (and authorizes Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in Lender's sole discretion, as Grantor's true and lawful attorney-in-fact) from time to time in Lender's discretion, to take any action and to execute any instrument which Lender may deem necessary or advisable to accomplish the purposes of this

Agreement, including without limitation: (i) to execute on behalf of Grantor as debtor and to file financing statements necessary or desirable in Lender's sole discretion to perfect and to maintain the perfection and priority of Lender's security interest in the Intellectual Property Collateral; (ii) to endorse, deposit and collect any cash and other proceeds related to or arising from the Intellectual Property Collateral; (iii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Intellectual Property Collateral as a financing statement in such offices as Lender in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of Lender's security interest in the Intellectual Property Collateral; (iv) during the continuance of an Event of Default, to do all things necessary to carry out this Agreement; (v) during the continuance of an Event of Default to (or to cause Grantor to) grant or issue any exclusive or nonexclusive license under the Intellectual Property Collateral to anyone, and (vi) during the continuance of an Event of Default to (or to cause Grantor to) assign, pledge, convey or otherwise transfer title in or to or dispose of the Intellectual Property Collateral to anyone (including without limitation, assignments, recordings, registrations and applications therefor in the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency of the United States, any State thereof or any other country or political subdivision thereof), and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, to execute and to deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose. Grantor ratifies and approves all acts of such attorney-in-fact. Lender shall not be liable for any acts or omissions nor for any error of judgment or mistake of fact or law. The power conferred on Lender hereunder is solely to protect its interests in the Intellectual Property Collateral and shall not impose any duty upon Lender to exercise such power. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations have been paid in full and all of the financing arrangements between Grantor and Lender have expired or been terminated.

(c) In addition to all other rights and remedies granted to Lender in this Agreement, the Loan Agreement and any other collateral security document, Lender shall be entitled to specific performance and injunctive and other equitable relief, and Grantor waives any requirement for the securing or posting of any bond or other security in connection with the obtaining of any such specific performance and injunctive or other equitable relief.

7. Grant of License to Use Intangibles. In addition to and in no way limiting the effect of Section 6 hereof, for the purpose of enabling Lender to exercise its rights and remedies under this Agreement, the Loan Agreement and any other collateral security document at such time as Lender shall be lawfully entitled to exercise such rights and remedies and for no other purpose, Grantor hereby grants to Lender an irrevocable, nonexclusive right (exercisable without payment of royalty or other compensation to Grantor) to use, assign, license or sublicense any of the Intellectual Property Collateral, now owned or hereafter acquired by Grantor, and wherever the same may be located, including in such right reasonable access to all media in which any of the Intellectual Property Collateral may be recorded or stored and to all computer programs used for the compilation or printout thereof; provided that Lender shall comply with all quality control standards and trademark use requirements of Grantor. No agreements hereafter acquired or agreed to or entered into by Grantor shall prohibit, restrict or impair the rights granted to Lender hereunder.

Notwithstanding the foregoing, Lender shall have no obligations or liabilities regarding any or all Intellectual Property Collateral by reason of, or arising out of, this Section 7.

8. Restrictions on Future Agreements. Until all of the Secured Obligations have been satisfied in full and the Loan Agreement has expired or been terminated, Grantor shall not, without Lender's prior written consent, enter into any agreement (including, without limitation, any license agreement) which is inconsistent with the provisions of this Agreement and Grantor's obligations hereunder, and it shall not take any action or permit any action to be taken by others subject to its control (including licensees) or fail to take any action, which would materially affect the validity or enforcement of any of the rights granted to Lender under this Agreement or the rights associated with the Intellectual Property Collateral. Grantor agrees that Lender shall have no obligations or liabilities regarding any or all of the Intellectual Property Collateral by reason of, or arising out of, this Section 8.

9. Covenants Regarding Collateral.

(a) Grantor shall, at its expense and at Lender's request, defend Lender's and Grantor's respective interests in the Intellectual Property Collateral from any and all claims and demands of any other Person. Grantor shall not transfer or assign any ownership interest in any of the Intellectual Property Collateral, and it shall not grant, create or permit to exist any Lien in the Intellectual Property Collateral in favor of any other Person, except Liens permitted by Section 5.02(b) of the Loan Agreement; provided that prior to the occurrence of an Event of Default nothing contained in this Agreement shall affect Grantor's right to grant nonexclusive licenses on reasonable terms to third parties to use any portion of the Intellectual Property Collateral in the ordinary course of business.

(b) Grantor (either itself or through its licensees) shall, unless Grantor and Lender shall reasonably determine that any such Intellectual Property Collateral is of insufficient economic value to Grantor to justify such action, (i) continue to use each Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists to maintain each Trademark in full force free from any claim of abandonment for non-use, (ii) maintain as in the past the quality of products and services offered under each Trademark, (iii) employ each Trademark and Copyright with the appropriate notice of application or registration on applicable products or services, (iv) employ each Patent with appropriate notice of existence on applicable products or processes, (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Patent may become invalidated or unenforceable, any Trademark may become abandoned or unenforceable, any Copyright may become abandoned or unenforceable, any Other Intellectual Property Rights may become unenforceable or placed in the public domain, or any License rights may lapse or be terminated, (vi) prosecute diligently any trademark application, any patent application or copyright application which is pending as of the date of this Agreement or thereafter, (vii) make application on unpatented but patentable inventions, as appropriate, and (viii) preserve and maintain all material rights in and to the Intellectual Property Collateral.

(c) Grantor shall notify Lender reasonably promptly if it knows, or has reason to know, that any application or registration relating to any Intellectual Property Collateral may become abandoned or dedicated, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any other agency or court) regarding Grantor's ownership of any Intellectual Property Collateral, its right to register the same, or to keep and maintain the same, except for such abandonment, determination or dedication which is permitted under subparagraph (b) above.

(d) Grantor shall take all necessary steps (including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof), and shall make all necessary filings and recordings and shall pay all required fees and taxes, to record and maintain its registration and ownership of each item of Intellectual Property Collateral owned by Grantor and to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the Intellectual Property Collateral (including, without limitation, filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings, except to the extent that dedication, abandonment or invalidation is permitted under subparagraphs (b) and (c) above).

(e) In the event that any of the Intellectual Property Collateral is infringed, misappropriated or diluted by a third party, Grantor shall promptly notify Lender after it learns thereof and shall, unless Grantor and Lender shall reasonably determine that such Intellectual Property Collateral is of insufficient economic value to Grantor to justify such action, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, or to take such other actions as Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property Collateral.

(f) At its option, Lender may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Intellectual Property Collateral, may place and pay for insurance on the Intellectual Property Collateral upon failure by Grantor to provide insurance satisfactory to Lender, and may pay for the maintenance, repair and preservation of the Intellectual Property Collateral. Grantor shall reimburse Lender on demand for any payment reasonably made and any expense reasonably incurred by Lender pursuant to the foregoing authorization, with interest accruing thereon at the default rate specified on the Term Loan in the Loan Agreement. Until an Event of Default occurs, Grantor may have possession of the Intellectual Property Collateral and use it in any lawful manner not inconsistent with this Agreement.

(g) If, during the term of this Agreement, Grantor obtains or becomes entitled to the benefit of any Intellectual Property Collateral, the provisions of this Agreement shall automatically apply thereto. If such Intellectual Property Collateral is patented or registered or an application for patent or registration has been made therefor, Grantor shall give to Lender written notice of the same within one week thereafter, and Grantor hereby authorizes Lender to modify this Agreement by amending the Schedules hereto, as applicable, to include any such Intellectual

Property Collateral and to make any necessary filings in the appropriate recording office and Grantor agrees to provide all necessary cooperation and assistance in connection therewith.

10. Further Assurances. Grantor shall execute and deliver to Lender all such further assignments and other documents and take such other actions as are from time to time reasonably requested by Lender to perfect, maintain and protect the security interest granted hereunder or to enable Lender to exercise and enforce its rights and remedies hereunder with respect to the Intellectual Property Collateral, including making available to Lender personnel of Grantor for such purposes.

11. Notice. All notices or other communications hereunder shall be given in the manner and to the addresses specified under the Loan Agreement.

12. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13. No Waiver; Cumulative Remedies. Lender shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by Lender, and then only to the extent therein set forth. A waiver by Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which Lender would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of Lender any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

14. Waivers; Amendments. None of the terms and provisions of this Agreement may be waived, altered, modified or amended except by an instrument in writing executed by Lender and Grantor.

15. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and nothing herein or in the Loan Agreement or any other collateral security document is intended or shall be construed to give any other Person any right, remedy or claim under, to or in respect of this Agreement, the Loan Agreement or any other collateral security document.

16. Termination and Reassignment. At such time as Grantor may no longer borrow funds under the Loan Agreement and upon the payment and performance in full of all Secured Obligations and the termination of all obligations of Lender to advance funds to Grantor under the Loan Agreement, this Agreement will terminate and be of no further force and effect, and in such event Lender shall, at Grantor's expense, execute all such documents as may be reasonably

requested by Grantor to release the security interests created hereby and to reassign to Grantor Lender's interest in the Intellectual Property Collateral.

17. Applicable Law; Counterparts. This Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law, rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. This Agreement may be signed in multiple counterparts, all of which together shall constitute one agreement.

* * * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

RATH MANUFACTURING CO., INC.

By: Frank Anton
Its: PRESIDENT

Address: 2505 Foster Avenue
Janesville, Wisconsin 53545

Attention: President
Telecopy: (608) 754-0889

LIBERTY PARTNERS LENDERS 10, LLC

By: **Liberty Partners, L.P.**
Its: Manager

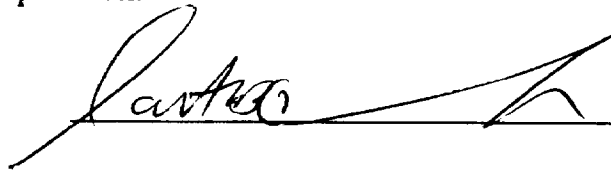
By: **Liberty Capital Partners, Inc.**
Its: General Partner

By: _____
Its:

Address:
c/o Liberty Capital Partners, Inc.
Americas Towers, 34th Floor
1177 Avenue of the Americas
New York, New York 10036
Attention: Paul J. Huston
Stephen J. Fisher
Telecopy: (212) 354-0336

STATE OF NEW YORK)
)
CITY OF NEW YORK) ss.:

On the 31 day of January, 2000, before me personally came Frank Fenton, to me personally known and known to me to be the President of Rath Manufacturing Co., Inc., a Delaware corporation who being by me duly sworn, did depose and say that he is the President of such corporation, the corporation described in and which executed the foregoing instrument; that said instrument was signed on behalf of said corporation by order of its Board of Directors; that he signed his name thereto by like order; and that he acknowledged said instrument to be the free act and deed of said corporation.



[NOTARIAL SEAL]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

RATH MANUFACTURING CO., INC.

By: _____
Its:


Address: 2505 Foster Avenue
Janesville, Wisconsin 53545

Attention: President
Telecopy: (608) 754-0889

LIBERTY PARTNERS LENDERS 10, LLC

By: **Liberty Partners, L.P.**
Its: Manager

By: **Liberty Capital Partners, Inc.**
Its: General Partner

By:  _____
Its:

Address:
c/o Liberty Capital Partners, Inc.
Americas Towers, 34th Floor
1177 Avenue of the Americas
New York, New York 10036
Attention: Paul J. Huston
Stephen J. Fisher
Telecopy: (212) 354-0336

STATE OF NEW YORK)
)
CITY OF NEW YORK)

ss.:

NY
NY

On the 31 day of Jan., 2000, before me personally came PAUL J. HUSTON, to me personally known and known to me to be the _____ of Rath Manufacturing Co., Inc., a Delaware corporation who being by me duly sworn, did depose and say that he is the _____ of such corporation, the corporation described in and which executed the foregoing instrument; that said instrument was signed on behalf of said corporation by order of its Board of Directors; that he signed his name thereto by like order; and that he acknowledged said instrument to be the free act and deed of said corporation.

Jo Ann Amelio

[NOTARIAL SEAL]

JO ANN AMELIO
Notary Public, State of New York
No. 01AM5029868
Qualified in Richmond County
Commission Expires July 5, 192000

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

RATH MANUFACTURING CO., INC.

By: *Donald Fenton*
Its: *PRESIDENT*

Address: 2505 Foster Avenue
Janesville, Wisconsin 53545

Attention: President
Telecopy: (608) 754-0889

LIBERTY PARTNERS LENDERS 10, LLC

By: **Liberty Partners, L.P.**
Its: Manager

By: **Liberty Capital Partners, Inc.**
Its: General Partner

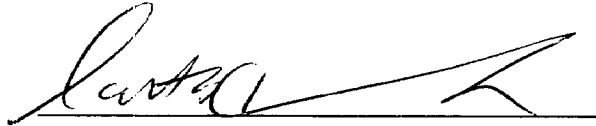
By: _____
Its:

Address:
c/o Liberty Capital Partners, Inc.
Americas Towers, 34th Floor
1177 Avenue of the Americas
New York, New York 10036
Attention: Paul J. Huston
 Stephen J. Fisher
Telecopy: (212) 354-0336

STATE OF NEW YORK)
)
CITY OF NEW YORK)

ss.:

On the 31 day of January, 2000, before me personally came Frank Fenton, to me personally known and known to me to be the President of Rath Manufacturing Co., Inc., a Delaware corporation who being by me duly sworn, did depose and say that he is the President of such corporation, the corporation described in and which executed the foregoing instrument; that said instrument was signed on behalf of said corporation by order of its Board of Directors; that he signed his name thereto by like order; and that he acknowledged said instrument to be the free act and deed of said corporation.



[NOTARIAL SEAL]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

RATH MANUFACTURING CO., INC.

By: _____
Its:

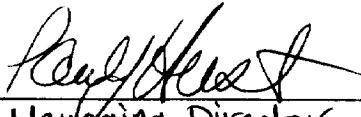
Address: 2505 Foster Avenue
Janesville, Wisconsin 53545

Attention: President
Telecopy: (608) 754-0889

LIBERTY PARTNERS LENDERS 10, LLC

By: **Liberty Partners, L.P.**
Its: Manager

By: **Liberty Capital Partners, Inc.**
Its: General Partner

By: 
Its: Managing Director

Address:
c/o Liberty Capital Partners, Inc.
Americas Towers, 34th Floor
1177 Avenue of the Americas
New York, New York 10036
Attention: Paul J. Huston
Stephen J. Fisher
Telecopy: (212) 354-0336

STATE OF NEW YORK)
)
CITY OF NEW YORK)

ss.: NY
NY

On the 31 day of January, 2000, before me personally came PAUL J. MUSTON, to me personally known and known to me to be the _____ of Rath Manufacturing Co., Inc., a Delaware corporation who being by me duly sworn, did depose and say that he is the _____ of such corporation, the corporation described in and which executed the foregoing instrument; that said instrument was signed on behalf of said corporation by order of its Board of Directors; that he signed his name thereto by like order; and that he acknowledged said instrument to be the free act and deed of said corporation.

Joann Amelio

[NOTARIAL SEAL]

JO ANN AMELIO
Notary Public, State of New York
No. 01AM5029868
Qualified in Richmond County
Commission Expires July 5, ~~19~~ 2000