

08-02-2000



101421087

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 Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership

- 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.)

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

08/02/2000 JJALLAN2 00000018 606372

01 FC:481
02 FC:482

40.00 OP
100.00 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

TRADEMARK
REEL: 002113 FRAME: 0181

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)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="606,372"/>	<input type="text" value="1,775,627"/>	<input type="text" value="2,148,789"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2,154,825"/>	<input type="text" value="2,277,636"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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.)

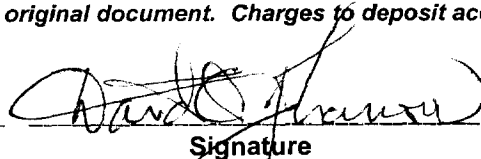
Deposit Account Number: #

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.

DAVID O. JOHANSON



7/7/2000

Name of Person Signing

Signature

Date Signed

**AMENDED AND RESTATED PATENT AND TRADEMARK COLLATERAL PLEDGE,
ASSIGNMENT AND SECURITY AGREEMENT**

AMENDED AND RESTATED PATENT AND TRADEMARK COLLATERAL PLEDGE, ASSIGNMENT AND SECURITY AGREEMENT dated as of May 24, 2000 (this "Agreement"), between **LITTELL INTERNATIONAL, INC.**, an Illinois corporation (the "Company"), and **LLOYDS TSB BANK PLC**, an English registered bank (the "Bank").

WHEREAS, pursuant to that certain Security Agreement Rights of Intellectual Property, dated September 27, 1996, between the Company and the Bank (the "Existing Pledge Agreement"), the Company transferred, assigned and granted a security interest in all of its Intellectual Property Rights (as defined therein) to the Bank as security for the performance in full when due of all of the obligations of the Company under the Loan Documents (as defined therein);

WHEREAS, MetalTech International plc (the "Parent") and the Bank have entered into that certain (i) Restructuring Agreement, dated 12 October 1999 (the "Restructuring Agreement"), (ii) Performing Term Loan Facility Agreement, dated 16 November 1999 (the "Performing Facility"), (iii) Concessional Term Loan Facility Agreement, dated 16 November 1999 (the "Concessional Facility"), and (iv) Overdraft and Ancillary Facilities Letter, dated 16 November 1999 (the "Overdraft Facility" and, collectively with the Restructuring Agreement, the Performing Facility and the Concessional Facility, the "New Loan Documents");

WHEREAS, it is a condition precedent to the Bank continuing to make any loans or otherwise extending credit to the Parent that the Company execute and deliver to the Bank an Amended and Restated Patent and Trademark Collateral Pledge, Assignment and Security Agreement in substantially the form hereof;

WHEREAS, the Company wishes to amend and restate in its entirety the Existing Pledge Agreement, in order to confirm and continue its transfer, assignment and grant of a security interest in (i) the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto and (ii) the right, title and interest of the Company in and to the Patent Collateral (as defined herein);

WHEREAS, this Agreement is supplemental to the provisions contained in the Security Agreement, dated as of September 27, 1996, between the Company and the Bank (the "Security Agreement");

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Bank hereby agree that the Existing Pledge Agreement is amended and restated in its entirety and remains in full force and effect only as set forth herein:

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the New Loan Documents. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Agreement referred to below:

Assignment of Marks. See §2.1(a).

Associated Goodwill. All goodwill of the Company and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Obligations. All money and liabilities (including, without limitation, interest on all such money and liabilities and all other charges, costs and expenses which may be incurred by the Bank in connection with such money and liabilities) whether actual or contingent which now are or at any time hereafter may be due, owing or incurred from or by the Company to the Bank anywhere on any current or other account or in any manner whatsoever without limitation (and whether alone or jointly with any other person, firm or corporation and in whatever style, name or form and whether as principal or surety and notwithstanding that the same may at any earlier time have been due, owing or incurred to some other person, firm or corporation and have subsequently become due, owing or incurred to the Bank as a result of a transfer, assignment or other transaction or by operation of law).

Patent Collateral. All of the Company's right, title and interest in and to all of the Patents, the Patent License Rights, and all other Patent Rights, and all additions, improvements, and accessions to, all substitutions for and replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records and technical information and data describing or used in connection with any and all such rights, interests, assets or property.

Patent License Rights. Any and all past, present or future rights and interests of the Company pursuant to any and all past, present and future licensing agreements in favor of the Company, or to which the Company is a party, pertaining to any Patents, or Patent Rights, owned or used by third parties in the past, present or future, including the right in the name of the Company or the Bank to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement.

Patent Rights. Any and all past, present or future rights in, to and associated with the Patents throughout the world, whether arising under federal law, state law, common law, foreign law, or otherwise, including but not limited to the following: all such rights arising out of or associated with the Patents; the right (but not the obligation) to register claims under any federal, state or foreign patent law or regulation; the right (but not the obligation) to sue or bring opposition or bring cancellation proceedings in the name of the Company or the Bank for any and all past, present and future infringements of or any other damages or injury to the Patents or the Patent Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and the Patent License Rights.

Patents. All patents and patent applications, whether United States or foreign, that are owned by the Company or in which the Company has any right, title or interest, now or in the future, including but not limited to:

- (a) the patents and patent applications listed on Schedule B hereto (as the same may be amended pursuant hereto from time to time);
- (b) all letters patent of the United States or any other country, and all applications for letters patent of the United States or any other country;

(c) all re-issues, continuations, divisions, continuations-in-part, renewals or extensions thereof;

(d) the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein; and

(e) the right (but not the obligation) to make and prosecute applications for such Patents.

Pledged Trademarks. All of the Company's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark License Rights, the Trademark Rights, the Associated Goodwill, the Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

Proceeds. Any consideration received from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property which constitutes all or any part of the Patent Collateral, any value received as a consequence of the ownership, possession, use or practice of any Patent Collateral, and any payment received from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes all or any part of the Patent Collateral.

PTO. The United States Patent and Trademark Office.

Related Assets. All assets, rights and interests of the Company that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of the Company, or subject to its demand for possession or control, related to the production, delivery, provision and sale by the Company, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of the Company in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of the Company, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address,

credit, payment, discount, delivery and other sale terms, and history, pattern and total of purchases by brand, product, style, size and quantity;

(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by the Company (or any of its affiliates, franchisees, licensees or contractors) of products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark License Rights. Any and all past, present or future rights and interests of the Company pursuant to any and all past, present and future franchising or licensing agreements in favor of the Company, or to which the Company is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of the Company or the Bank to enforce, and sue and recover for, any breach or violation of any such agreement to which the Company is a party.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Company or the Bank, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Company or the Bank for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of the Company, that (a)

are set forth on Schedule A hereto, or (b) have been adopted, acquired, owned, held or used by the Company or are now owned, held or used by the Company, in the Company's business, or with the Company's products and services, or in which the Company has any right, title or interest, or (c) are in the future adopted, acquired, owned, held and used by the Company in the Company's business or with the Company's products and services, or in which the Company in the future acquires any right, title or interest.

use. With respect to any Trademark, all uses of such Trademark by, for or in connection with the Company or its business or for the direct or indirect benefit of the Company or its business, including all such uses by the Company itself, by any of the affiliates of the Company, or by any franchisee, licensee or contractor of the Company.

2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, the Company hereby unconditionally grants to the Bank a continuing security interest in and first priority lien on the Pledged Trademarks, and pledges and mortgages (but does not transfer title to) the Pledged Trademarks to the Bank. In addition, the Company has executed in blank and delivered to the Bank an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"). The Company hereby authorizes the Bank to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Bank's remedies under this Agreement and the Security Agreement.

2.2. Conditional Assignment. In addition to, and not by way of limitation of, the grant, pledge and mortgage of the Pledged Trademarks provided in §2.1, the Company grants, assigns, transfers, conveys and sets over to the Bank the Company's entire right, title and interest in and to the Pledged Trademarks; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (a) upon or after the occurrence and during the continuance of an Event of Default and (b) either (i) upon the written demand of the Bank at any time during such continuance or (ii) immediately and automatically (without notice or action of any kind by the Bank) upon an Event of Default for which acceleration of certain of the Obligations is automatic under the Loan Documents or upon the sale or other disposition of or foreclosure upon the Collateral pursuant to the Security Agreement and applicable law (including the transfer or other disposition of the Collateral by the Company to the Bank or its nominee in lieu of foreclosure).

2.3. Supplemental to Security Agreement. Pursuant to the Security Agreement the Company has granted to the Bank a continuing security interest in and lien on the Collateral (including the Pledged Trademarks). The Security Agreement, and all rights and interests of the Bank in and to the Collateral (including the Pledged Trademarks) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Agreement, the grant, assignment, transfer and conveyance of the Pledged Trademarks hereunder, or the recordation of this Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Bank in the Collateral (including the Pledged Trademarks) pursuant to the Security Agreement and this Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code (including the security interest in the Pledged Trademarks), or any present or future rights and interests of the Bank in and to the Collateral under or in connection with the Security Agreement, this Agreement or the

Uniform Commercial Code. Any and all rights and interests of the Bank in and to the Pledged Trademarks (and any and all obligations of the Company with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Bank (and the obligations of the Company) in, to or with respect to the Collateral (including the Pledged Trademarks) provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

2.4. Patent Security. To secure the payment and performance in full of all of the Obligations, the Company hereby grants, assigns, transfers and conveys to the Bank, BY WAY OF COLLATERAL SECURITY, all of the Patent Collateral. THE BANK ASSUMES NO LIABILITY ARISING IN ANY WAY BY REASON OF ITS HOLDING SUCH COLLATERAL SECURITY.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Company represents, warrants and covenants that: (a) Schedule A attached hereto sets forth a true and complete list of all Trademarks and Trademark Registrations now owned, licensed, controlled or used by the Company; (b) Schedule B attached hereto sets forth a true and complete list of all the patents, rights to patents and patent applications now owned, licensed, controlled or used by the Company; (c) the Trademarks, Trademark Registrations and issued Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks, Trademark Registrations or issued Patents; (d) to the best of the Company's knowledge, each of the Trademarks, Trademarks Registrations and issued Patents is valid and enforceable; (e) to the best of the Company's knowledge, there is no infringement by others of the Trademarks, Trademark Registrations, Trademark Rights, issued Patents or Patent Rights; (f) no claim has been made that the use of any of the Trademarks or Patents does or may violate the rights of any third person, and to the best of the Company's knowledge there is no infringement by the Company of the trademark or patent rights of others; (g) the Company is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks and Patents (other than ownership and other rights reserved by third party owners with respect to Trademarks and Patents which the Company is licensed to practice or use), free and clear of any liens, charges, encumbrances and adverse claims, including without limitation pledges, assignments, licenses, registered user agreements, shop rights and covenants by the Company not to sue third persons, other than as created by the Security Agreement and this Agreement; (h) the Company has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees which will enable it to comply with the covenants herein contained; (i) the Company has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use of the Trademarks; (j) the Company has used, and will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture and provision of products and services sold or provided under the Trademarks; (k) this Agreement, together with the Security Agreement, will create in favor of the Bank a valid and perfected first priority security interest in the Pledged Trademarks and Patent Collateral upon making the filings referred to in clause (l) of this §3; and (l) except for the filing of financing statements with Secretary of State for the State of Illinois under the Uniform Commercial Code and the filing of this Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (i) for the grant by the Company or the effectiveness

of the security interest and assignment granted hereby or for the execution, delivery and performance of this Agreement by the Company, or (ii) for the perfection of or the exercise by the Bank of any of its rights and remedies hereunder.

4. INSPECTION RIGHTS.

The Company hereby grants to the Bank and its employees and agents the right to visit the Company's plants and facilities that manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

5. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Bank's prior written consent and except for licenses of the Pledged Trademarks and Patent Collateral in the ordinary course of the Company's business consistent with its past practices, the Company will not (a) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks or Patent Collateral, or (b) enter into any agreement (for example, a license agreement) that is inconsistent with the Company's obligations under this Agreement or the Security Agreement.

6. AFTER-ACQUIRED TRADEMARKS AND PATENTS, ETC.

6.1. After-acquired Trademarks and Patents. If, before the Obligations shall have been finally paid and satisfied in full, the Company shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Registrations or Trademark Rights, patents, patent applications or patentable inventions, or become entitled to the benefit of any patent application or patent or any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent Collateral or any improvement on any of the Patent Collateral, the provisions of this Agreement shall automatically apply thereto and the Company shall promptly give to the Bank notice thereof in writing and execute and deliver to the Bank such documents or instruments as the Bank may reasonably request further to implement, preserve, evidence the Bank's interest therein or to transfer title thereto to the Bank.

6.2. Amendments to Schedules. The Company authorizes the Bank to modify this Agreement, without the necessity of the Company's further approval or signature, by amending Schedule A, Schedule B and the Annex to Exhibit 1 hereto to include any future or other Trademarks, Trademark Registrations, Trademark Rights, Patents or Patent Rights under §2 or §6 hereof.

7. TRADEMARK AND PATENT PROSECUTION.

7.1. Company Responsible. The Company shall assume full and complete responsibility for the prosecution, defense, grant, enforcement or any other necessary or desirable actions in connection with the Pledged Trademarks or Patent Collateral, and shall hold the Bank harmless from any and all costs, damages, liabilities and expenses which may be incurred by the Bank in connection with the Bank's interest in the Pledged Trademarks and title to any of the Patent Collateral or any other action or failure to act in connection with this Agreement or the transactions contemplated hereby. In respect of such responsibility, the Company shall retain trademark and patent counsel acceptable to the Bank.

7.2. Company's Duties, etc. The Company shall have the duty, through counsel acceptable to the Bank, to prosecute diligently any trademark registration of the Trademarks or patent applications of the Patents pending as of the date of this Agreement or thereafter, to make application for unpatented but reasonably patentable inventions and to preserve and maintain all rights in the Trademarks, Trademark Registrations and Patents, including without limitation the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal and maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Trademarks, Trademark Registrations or Patents. Any expenses incurred in connection with such applications and actions shall be borne by the Company. The Company shall not abandon any filed trademark or patent application, or any Trademark Registration, Trademark or pending patent application or patent, without the consent of the Bank, which consent shall not be unreasonably withheld. The Bank hereby appoints the Company as its agent for all matters referred to in the foregoing provisions of this §7 and agrees to execute any documents necessary to confirm such appointment. Upon the occurrence and during the continuance of an Event of Default, the Bank may terminate such agency by providing written notice of termination to the Company.

7.3. Company's Enforcement Rights. The Company shall have the right, with the consent of the Bank, which shall not be unreasonably withheld, to bring suit or other action in the Company's own name to maintain and enforce the Trademarks, the Trademark Registrations, the Trademark Rights, the Patents and the Patent Rights. The Bank shall be required to join in such suit or action as may be necessary to assure the Company's ability to bring and maintain any such suit or action in any proper forum so long as the Bank is completely satisfied that such joinder will not subject the Bank to any risk of liability. The Company shall promptly, upon demand, reimburse and indemnify the Bank for all damages, costs and expenses, including legal fees, incurred by the Bank pursuant to this §7.

7.4. Protection of Trademarks and Patents, etc. In general, the Company shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Pledged Trademarks and Patent Collateral. The Company shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, which would affect the validity, grant or enforcement of any of the Pledged Trademarks or Patent Collateral.

7.5. Notification by Company. Promptly upon obtaining knowledge thereof, the Company will notify the Bank in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks, Trademark Registrations, Patents or the Company's rights, title or interests in and to any of the Pledged Trademarks or Patent Collateral, and of any event which does or reasonably could materially adversely affect the value of any of the Pledged Trademarks or Patent Collateral, the ability of the Company or the Bank to dispose of any of the Pledged Trademarks or Patent Collateral or the rights and remedies of the Bank in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks or Patent Collateral).

8. LICENSE BACK TO COMPANY.

Unless and until there shall have occurred and be continuing an Event of Default and the Bank has notified the Company that the license granted hereunder is terminated, the Bank hereby grants to the Company the sole and exclusive, nontransferable, royalty-free, worldwide right and license under the Patents to make, have made for it, use, sell and otherwise practice the inventions disclosed and claimed in the Patents for the Company's own benefit and account and for none other; provided, however, that the foregoing right and license shall be no greater in scope than, and limited by, the rights assigned to the Bank by the Company hereby. The Company agrees not to sell, assign, transfer, encumber or sublicense its interest in the license granted to the Company in this §8, without the prior written consent of the Bank. Any such sublicenses granted on or after the date hereof shall be terminable by the Bank upon termination of the Company's license hereunder.

9. REMEDIES.

If any Event of Default shall have occurred and be continuing, then upon notice by the Bank to the Company: (a) the Company's license with respect to the Patents as set forth in §8 shall terminate; (b) the Company shall immediately cease and desist from the practice, manufacture, use and sale of the inventions claimed, disclosed or covered by the Patents; and (iii) the Bank shall have, in addition to all other rights and remedies given it by this Agreement and the New Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State or Illinois and, without limiting the generality of the foregoing, the Bank may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Company, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks or Patent Collateral, or any interest which the Company may have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks or Patent Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in the Security Agreement. Notice of any sale, license or other disposition of any of the Pledged Trademarks or Patent Collateral shall be given to the Company at least five (5) days before the time that any intended public sale or other disposition of the Pledged Trademarks or Patent Collateral is to be made or after which any private sale or other disposition of the Pledged Trademarks or Patent Collateral may be made, which the Company hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Bank may, to the extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or Patent Collateral or interests therein sold, licensed or otherwise disposed of.

10. COLLATERAL PROTECTION.

If the Company shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Company shall be breached, the Bank, in its own name or that of the Company (in the sole discretion of the Bank), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Company agrees promptly to reimburse the Bank for any cost or expense incurred by the Bank in so doing.

11. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, the Company does hereby make, constitute and appoint the Bank (and any officer or agent of the Bank as the Bank may select in its exclusive discretion) as the Company's true and lawful attorney-in-fact, with the power to endorse the Company's name on all applications, documents, papers and instruments necessary for the Bank to use any of the Pledged Trademarks or Patent Collateral, to practice, make, use or sell the inventions disclosed or claimed in any of the Patent Collateral, to grant or issue any exclusive or nonexclusive license of any of the Pledged Trademarks or Patent Collateral to any third person, or necessary for the Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Pledged Trademarks or Patent Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which the Company is obligated to execute and do hereunder. The Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases the Bank from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Bank under this power of attorney (except for the Bank's gross negligence or willful misconduct). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Agreement.

12. FURTHER ASSURANCES.

The Company shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Bank may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Agreement, or to assure and confirm to the Bank the grant, perfection and priority of the Bank's security interest in any of the Pledged Trademarks or Patent Collateral.

13. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Agreement shall terminate and the Bank shall, upon the written request and at the expense of the Company, execute and deliver to the Company all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Company the entire right, title and interest to the Pledged Trademarks and Patent Collateral previously granted, assigned, transferred and conveyed to the Bank by the Company pursuant to this Agreement, as fully as if this Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Bank pursuant hereto or the Security Agreement.

14. COURSE OF DEALING.

No course of dealing among the Company and the Bank, nor any failure to exercise, nor any delay in exercising, on the part of the Bank, any right, power or privilege hereunder or under the Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

15. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Bank in connection with the preparation of this Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance or renewal fees, encumbrances or otherwise protecting, maintaining or preserving any of the Pledged Trademarks or Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Pledged Trademarks or Patent Collateral, shall be borne and paid by the Company.

16. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by the Company hereunder shall be a debt secured by the Pledged Trademarks and Patent Collateral and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the New Loan Documents.

17. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE BANK ASSUMES NO LIABILITIES OF THE COMPANY WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE COMPANY'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR PATENT COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE COMPANY, AND THE COMPANY SHALL INDEMNIFY THE BANK FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE BANK WITH RESPECT TO SUCH LIABILITIES.

18. RIGHTS AND REMEDIES CUMULATIVE.

All of the Bank's rights and remedies with respect to the Pledged Trademarks and Patent Collateral, whether established hereby or by the Security Agreement or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Agreement is supplemental to the Security Agreement, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Bank contained therein. Nothing contained in this Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Pledged Trademarks and Patent Collateral granted to the Bank under the Security Agreement.

19. NOTICES.

All notices and other communications made or required to be given pursuant to this Agreement shall be in writing and shall be delivered in hand, mailed by United States registered

or certified first-class mail, postage prepaid, or sent by telegraph, telecopy or telex and confirmed by delivery via courier or postal service, addressed as follows:

(a) if to the Company, at 145 Swift Road, Addison, Illinois, Attention: Sterling Stevenson, or at such other address for notice as the Company shall last have furnished in writing to the person giving the notice; and

(b) if to the Bank, at P.O. Box 908, 1 Cornwall Street, Birmingham B3 2DS, England, or at such other address for notice as the Bank shall last have furnished in writing to the person giving the notice.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, two (2) business days after the posting thereof, and (iii) if sent by telegraph, telecopy, or telex, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following business day.

20. AMENDMENT AND WAIVER.

This Agreement is subject to modification only by a writing signed by the Bank and the Company, except as provided in §6.2. The Bank shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Bank. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

21. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS. The Company agrees that any suit for the enforcement of this Agreement may be brought in the courts of the State of Illinois or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Company by mail at the address specified in §19. The Company hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

22. WAIVER OF JURY TRIAL.

THE COMPANY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, the Company waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Company (i) certifies that neither the Bank nor any representative, agent or attorney of the Bank has represented, expressly or otherwise, that the Bank would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the New Loan Documents, the Bank is relying upon, among other things, the waivers and certifications contained in this §22.

23. MISCELLANEOUS.

The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon the Company and its successors and assigns, and shall inure to the benefit of the Bank and its successors and assigns. In the event of any irreconcilable conflict between the provisions of this Agreement and the Security Agreement, the provisions of this Agreement shall control. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Company acknowledges receipt of a copy of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

LITTELL INTERNATIONAL, INC.

By: [Signature]
Name: STERLING S. STEVENSON
Title: PRESIDENT

LLOYDS TSB BANK PLC

By: [Signature]
Name: M. E. CATERMOLLE
Title: SENIOR MANAGER

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 24th day of May, 2000 personally appeared STERLING STEVENSON to me known personally, and who, being by me duly sworn, deposes and says that he/she is the PRESIDENT of Littell International, Inc., and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said STERLING STEVENSON acknowledged said instrument to be the free act and deed of said corporation.

[Signature]
Notary Public
My commission expires: 10-21-00



EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, LITTELL INTERNATIONAL, INC., a corporation organized and existing under the laws of the State of Illinois, having a place of business at 145 Swift road, Addison, Illinois (the "Assignor"), has adopted and used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____, having a place of business at _____ (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (a) the registrations of and registration applications for the Marks, (b) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this ___ day of April, 2000.

LITTELL INTERNATIONAL, INC.

By: _____
Title:

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the _____ day of _____, 200__.

By: _____
Title:

COMMONWEALTH OR STATE OF _____)
) ss.
COUNTY OF _____)

On this the _____ day of April, 2000, before me appeared _____, the person who signed this instrument, who acknowledged that (s)he is the _____ of Littell International, Inc. and that being duly authorized (s)he signed such instrument as a free act on behalf of Littell International, Inc..

Notary Public

[Seal]

My commission expires:

SCHEDULE A

<u>Trademark</u> or <u>Service Mark</u>	Registrations -- United States Patent and Trademark Office	
	<u>Registration No.</u>	<u>Registration Date</u>
LITTELL & Design	606,372	originally registered: May 24, 1955 Renewed: February 20, 1996
VIL	1,775,627	June 8, 1993
Design (Tiger)	2,148,789	April 7, 1998
SPECTRA-FEED	2,154,825	May 5, 1998
SPECTRAMAX	2,277,636	September 14, 1999

<u>Trademark</u> or <u>Service Mark</u>	Pending Applications -- United States Patent and Trademark Office	
	<u>Serial No.</u>	<u>Filing Date</u>

none

SCHEDULE B

ISSUED AND PENDING PATENTS

**Patents Issued by U.S. Patent
and Trademark Office**

<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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none

**Patents Pending with U.S. Patent
and Trademark Office**

<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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none