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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies):

Algoma Steel, Inc.

- Individual(s) Association General Partnership Limited Partnership Corporation-State Ontario, Canada Other

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: May 16, 2001

2. Name and address of receiving party(ies)

Name: Bank of America Canada

Internal Address:

Street Address: 200 West Front Street West, Ste. 2700

City: Toronto State: Ontario Zip: M5V3L2

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other Canadian Chartered Bank

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1067995; 1676455; 1159690; 1244981 and 2258392

Additional number(s) attached Yes No

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

Name: Maisha Gibson, Paralegal

Internal Address:

Goldberg, Kohn et al.

Street Address: 55 E. Monroe Street

Suite 3700

City: Chicago State: IL Zip: 60603

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) \$140.00 €

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. 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.

Maisha Gibson Name of Person Signing

Maisha Gibson Signature

May 21, 2001 Date

Total number of pages including cover sheet, attachments, and document: 9

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

05/22/2001 DBYRNE 00000234 1067995 40.00 DP 100.00 DP

TRADEMARK REEL: 002300 FRAME: 0398

Domestic Representative for

Bank of America Canada

Bank of America, N.A.
231 South LaSalle Street
16th Floor
Chicago, Illinois 60697

U.S. SECURITY AGREEMENT
(Trademark)

THIS AGREEMENT (TRADEMARK) ("Agreement"), dated as of May 16, 2001, between Algoma Steel Inc. (the "Grantor"), and Bank of America Canada, as collateral agent (together with its successors thereto in such capacity, (the "Agent")) for its benefit and for the benefit of Creditors (as defined in the Loan Agreement referred to herein);

WITNESSETH:

WHEREAS, pursuant to a Loan Agreement dated as of April 23, 2001 (together with all amendments, supplements, restatements and other modifications, if any, from time to time made thereto, the "Loan Agreement"), among the Grantor, as borrower and Bank of America Canada in its capacity as arranger, collateral agent, syndication agent, documentation agent, administrative agent and issuer of letters of credit and Bank of America Canada and the Financial Institutions on the execution pages thereof and the other Financial Institutions which become parties thereto as lenders (the "Lenders"), the Lenders have agreed to make extensions of credit to the Grantor subject to the terms and provisions of the Loan Agreement;

AND WHEREAS, in connection with the Loan Agreement, the Grantor has executed and delivered a Demand Debenture (the "Debenture Security") dated as of the 16th day of May, 2001 and a Deed of Hypothec to Secure Payment of Debentures (the "Hypothec Security") dated as of the 16th day of May, 2001, (together with all amendments, supplements, reinstatement and other modifications, if any, from time to time made thereto the Hypothec Security and the Debenture Security hereinafter collectively referred to as the "Debenture");

AND WHEREAS, as a condition precedent to the making of the loans under the Loan Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Agent for its own benefit and for the benefit of each of the Creditors a continuing security interest in all of the Trademark Collateral (as hereinafter defined) to secure all Obligations;

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

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

SECTION 1. Definitions Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Loan Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the payment and performance of all of the Obligations of the Grantor, the Grantor does hereby mortgage, pledge and hypothecate to the Agent for its own benefit and for the benefit of each of the Creditors, and grant to the Agent for its own benefit and for the benefit of each of the Creditors a security interest, in all of the following property (the "Trademark Collateral"), now or hereafter owned by the Grantor:

- (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, service marks, certifications marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear and designs (all of the foregoing items in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications with the United States Patent and Trade Marks Office or in any office or agent of Canada or any foreign country, including those referred to in Schedule "A" hereto and all reissues, extensions or renewals thereof;
- (b) all Trademark licenses and other agreements providing the Grantor with the right to use any Trademark, including each Trademark license referred to in Schedule "A" hereto;
- (c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a);
- (d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clause (a) and to the extent applicable, clause (b); and
- (e) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration, or Trademark license referred to in Schedule "A" hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world.

SECTION 3. Debenture. This Agreement has been executed and delivered by the Grantor for the purpose of recording the security interest of the Agent in the Trademark Collateral relating to the Trademarks referred to in Number 1 of Schedule "A" with the Trade-marks Office of the Canadian Intellectual Property Office and recording the security interest of the Agent in the Trade Mark Collateral relating to the Trademarks referred to in Number 2 of Schedule "A" with the United States Patent and Trade Marks Office, in each case to the extent it may be so registered therein. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Agent for its benefit and the benefit of each Lender under the Debenture. The Debenture (and all rights and remedies of the Agent and the Lenders) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Obligations and the termination of the Loan Agreement, the Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents and it shall effect such registrations as may be necessary or proper to release its security interest in the Trademark Collateral which has been granted hereunder.

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

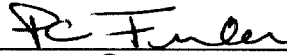
SECTION 6. Loan Document, etc. Notwithstanding any other term or provision hereof, in the event that any provisions hereof contradict and are incapable of being construed in conjunction with the provisions of the Loan Agreement, the provisions of the Loan Agreement shall take precedence over those contained herein and, in particular, if any act of the Grantor is expressly permitted under the Loan Agreement but is prohibited hereunder, any such act shall be permitted hereunder and any encumbrance expressly permitted under the Loan Agreement to exist or to remain outstanding shall be permitted hereunder and thereunder. This instrument, document or agreement may be sold, assigned or transferred by the Agent in accordance with the term of the Loan Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

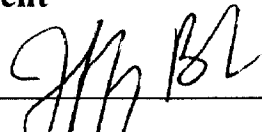
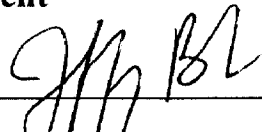
SECTION 8. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois and the federal laws of the United States applicable therein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and first year above written.

ALGOMA STEEL INC.

Per: 
Name: PAUL C. Finley
Title: General Counsel and Corporate Secretary

**BANK OF AMERICA CANADA, as
Collateral Agent**

Per: 
Name: 
Title: **Jeffrey D. Burdon**
Vice President

SCHEDULE "A"

1. CANADIAN TRADEMARK APPLICATIONS AND REGISTRATIONS of Algoma Steel Inc.

See Attached

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ALGOMA STEEL TRADE MARKS

CANADA

<u>Trade-mark</u>	<u>Registration No.</u>
ALGOFORM	213,344
ALGOMA	113,862
ALGOMA SEAMLESS*	357,293
ALGOMA STEEL	357,292
ALGOMA WWF SHAPES	141,348
DESIGN MARK	229,414
DSPC AND DESIGN	492,655

UNITED STATES

<u>Trade-mark</u>	<u>Registration No.</u>
ALGOFORM	1,067,995
ALGOMA	1,676,455
ALGOMA SEAMLESS*	1,191,511
ALGOMA STEEL	1,159,690
DESIGN MARK	1,244,981
DSPC AND DESIGN	2,258,392

* Assigned to Algoma Seamless Tubulars Inc.

ALGOMA STEEL TRADE NAMES

ALGOMA	N/A
ALGOMA STEEL	N/A

LICENCES TO ALGOMA STEEL

1. Licence to use CAS-OB Technology from Dravo Corporation and Nippon Steel Corporation dated February 17, 1988.
2. Licence to use process to convert vessels to the LBE process (argon bubbling) from MecanARBED France dated December 14, 1981 and amended December 5, 1984.
3. Licence to use process for heating molten steel in a ladle from Hoogovens Technical Services Inc. dated September 30, 1992.

LICENCES FROM ALGOMA STEEL TO THIRD PARTIES

1. Technology transfer and technical assistance agreement concerning beam blank casters with Paul Wurth S.A. Luxembourg dated February 16, 1994.