

FORM PTO-1594 (Modified)
(Rev. 5-93)
OMB No. 0551-0011 (exp. 4/94)
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TM05/REV03

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

Docket No.:

01255-064015

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

1. Name of conveying party(ies):

SL Industries, Inc.
Cedar Corporation
Condor D.C. Power Supplies, Inc.
SL Ameritech Plastics, Inc.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other _____

Additional name(s) of conveying party(ies) ☒ Yes ☐ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: 12/13/01

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

Name: Mellon Bank, N.A.Internal Address: Mellon Bank Center, Room 193-0705Street Address: 1735 Market StreetCity: Philadelphia State: PA ZIP: 19101

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☒ Corporation-State _____
☐ Other _____

If assignee is not domiciled in the United States, a domestic designation is ☐ Yes ☐ N
(Designations must be a separate document from
Additional name(s) & address(es) ☐ Yes ☐ N

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

A. Trademark Application No.(s)

74/666,647

B. Trademark Registration No.(s)

2,155,211

1,717,634

Additional numbers

☐ Yes ☒ No

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

Name: Gregory J. Lavorgna, Esq.Internal Address: Drinker Biddle & ReathOne Logan SquareStreet Address: 18th & Cherry StreetsCity: Philadelphia State: PA ZIP: 19103

6. Total number of applications and registrations involved:.....

8

7. Total fee (37 CFR 3.41):.....\$ \$40.00

- ☐ Enclosed
☒ Authorized to be charged to deposit account

8. Deposit account number:

50-0573

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.

Gregory J. Lavorgna

Name of Person Signing

Signature

1/10/02

Date

Total number of pages including cover sheet, attachments, and

TRADEMARK

700009778

REEL: 002396 FRAME: 0765

Form PTO-1594

CONTINUATION SHEET FOR

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

<p>1. Name of conveying party(ies):</p> <p>SL Auburn, Inc. SL Delaware, Inc. SL Delaware Holdings, Inc. SL Montevideo Technology, Inc. SL Surface Technologies, Inc. SLW Holdings, Inc. Teal Electronics Corporation Waber Power Ltd.</p>	<p>2. Name and address of receiving party(ies):</p> <p>Mellon Bank, N.A. Mellon Bank Center 153-0705 Philadelphia, PA 19101-7899</p>
<p>3. Nature of conveyance: Security Agreement</p>	

SECOND AMENDED AND RESTATED SECURITY AGREEMENT

THIS SECOND AMENDED AND RESTATED SECURITY AGREEMENT (this "Agreement") is made as of December 13, 2001, by and between SL INDUSTRIES, INC., SL DELAWARE, INC. (collectively, the "Borrower") and their subsidiaries listed on the signature pages to this Agreement (the foregoing, together with any other entity that becomes a Debtor hereunder, individually (but jointly and severally with such other parties) a "Debtor" and collectively and jointly and severally the "Debtors"), and MELLON BANK, N.A., a national banking association, as agent on behalf of the Banks (as defined in the Credit Agreement referred to below). Mellon Bank, N.A. in its capacity as agent hereunder, together with its successors and assigns, is hereinafter referred to as "Agent".

Background

The Borrower, Mellon Bank, N.A. as a Bank and as Agent, Fleet National Bank and PNC Bank, National Association have entered into a certain Second Amended and Restated Credit Agreement dated as of the date hereof (as so amended and restated and as may be further amended, extended, supplemented, restated or otherwise modified or refinanced, including, without limitation, any amendment involving an increase in principal, interest rate or other amount, the "Credit Agreement"). The Guarantors (as defined in the Credit Agreement) wish to induce the Banks to enter into a restructuring of the existing financings as described in the Credit Agreement to enable the Borrower to (among other things) make loans or other direct or indirect distributions and/or capital contributions to them.

The Debtors and the Agent are parties to that certain Amended and Restated Security Agreement, dated as of July 1, 2001 (the "Existing Security Agreement"), whereby the Debtors granted a security interest in all of their personal property. The Debtors and the Agent desire to enter into this Agreement to amend and restate the Existing Security Agreement. Each Debtor determined that it was in its best interests and pursuant to its business purposes that it do so and that it was solvent, before and after giving effect to the transactions contemplated hereby.

Accordingly, the Agent and the Debtors, intending to be legally bound, hereby agree as follows.

1. **DEFINITIONS**. Unless otherwise defined herein, terms used herein shall be used as defined in the Credit Agreement.

"**Account**" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, credit card receivables, lottery winnings, health-care-insurance receivables, any right to payment arising out of goods or other property (including, without limitation, intellectual property) sold or leased, licensed, assigned or disposed of or for services rendered which is not evidenced by an instrument or chattel paper, whether or not it has

been earned by performance including, without limitation, all rights to payment of rents under a lease or license and payment under a charter or other contract and all rights incident to such lease, charter or contract, and including, without limitation, all additions, replacements, accessions and substitutions to or for any Accounts.

"Chattel Paper" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, a writing or writings which evidence both a monetary obligation and a security interest in, or a lease of, specific goods.

"Collateral" shall mean all property in which the Debtors have granted a security interest to the Agent pursuant to Section 2 below.

"Deposit Account" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, any demand, time, savings, passbook or similar account, including, but not limited to, accounts with the Agent or any Bank.

"Document" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, a bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the Person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

"Equipment" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, tangible personal property held by the Debtors for use primarily in business and shall include equipment, machinery, furniture, vehicles, fixtures, furnishings, dyes, tools, and all accessories and parts now or hereafter affixed thereto as well as all attachments, replacements, substitutes, accessories, additions and improvements to any of the foregoing, but shall not include Inventory.

"Event of Default" shall be used herein as defined in the Credit Agreement, but in any event shall include, but not be limited to, the following:

(i) any payment default (subject to applicable grace periods, if any) under, or any occurrence of an Event of Default as defined in the Credit Agreement, the other Loan Documents or any agreement, document or instrument incidental to or executed pursuant to any of the foregoing, or as an amendment or modification to, or in substitution for, any of the foregoing;

(ii) if any representation or warranty made by the Debtors in this Agreement, any other Loan Document or any document, certificate or statement furnished pursuant to this Agreement or in connection herewith or therewith, shall be false or misleading in any material respect; or

(iii) an occurrence of a default in the due performance or observance of any term, covenant or agreement required to be performed or observed pursuant hereto.

"General Intangibles" shall be used herein as defined in the Uniform Commercial Code but in any event shall include, but not be limited to, payment intangibles, contract rights (other than Accounts), franchises, licenses, choses in action, manufacturing and processing rights, goodwill, tax, insurance and other kinds of refunds, patents, licenses, trademarks, service marks, copyrights, trade names, other intellectual property rights or applications for intellectual property rights, plans, confidential or proprietary information, know-how, secret formulas, technical information and other rights in personal property.

"Goods" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, all software and all computer programs imbedded in any Goods and all other things that are movable.

"Instruments" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, promissory notes, negotiable certificates of deposit, a negotiable instrument or a security or any other writing which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is, in the ordinary course of business, transferred by delivery with any necessary endorsement or assignment.

"Inventory" shall be used herein as defined in the Uniform Commercial Code but in any event shall include, but not be limited to, tangible personal property held by or on behalf of a Debtor (or in which a Debtor has an interest in mass or a joint or other interest) for sale, lease or license or to be furnished under contracts of service, tangible personal property which a Debtor has so leased, licensed or furnished, and raw materials, work in process and materials used, produced or consumed in a Debtor's business, and shall include tangible personal property returned to a Debtor by the purchaser following a sale thereof by such Debtor. All equipment, accessories and parts at any time attached or added to items of Inventory or used in connection therewith shall be deemed to be part of the Inventory.

"Investment Property" shall be used herein as defined in the Uniform Commercial Code but in any event shall include, but not be limited to, securities, whether certificated or uncertificated, financial assets, securities entitlements, securities accounts, commodity contracts, commodity accounts and mortgages.

"Letter-of-Credit Right" shall be used herein as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to, any right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance.

"Loan Documents" shall mean the Credit Agreement, the Notes, the Guaranties, the Security Documents and all agreements and instruments delivered in connection therewith.

"Payment Intangibles" shall be used herein as defined in the Uniform Commercial Code.

"Proceeds" shall be used herein as defined in the Uniform Commercial Code but, in any event, shall include, but not be limited to, (i) any and all proceeds of any insurance (whether or not the Agent is named as the loss payee thereof), indemnity, warranty or guaranty payable to a Debtor

or the Agent from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever, cash and non-cash) made or due and payable to a Debtor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority), (iii) any and all amounts received when Collateral is sold, leased, licensed, exchanged, collected or disposed of, (iv) any rights arising out of Collateral, and (v) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

“Supporting Obligations” shall be used herein as defined in the Uniform Commercial Code but in any event shall include guarantees and letters of credit that support payment of another obligation.

“Uniform Commercial Code” shall mean the Uniform Commercial Code in effect on the date hereof and as amended from time to time, and as enacted in the Commonwealth of Pennsylvania or in any state or states which, pursuant to the Uniform Commercial Code as enacted in the Commonwealth of Pennsylvania, has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that the definitions set forth above should be construed in their broadest sense so that Collateral will be construed in its broadest sense. Accordingly if there are, from time to time, proposed changes to defined terms in the Uniform Commercial Code that broaden the definitions, they are incorporated herein and if existing definitions in the Uniform Commercial Code are broader than the amended definitions, the existing ones shall be controlling. Similarly, where the phrase “as defined in the Uniform Commercial Code, but in any event shall include, but not be limited to . . .” is used above, it means as defined in the Uniform Commercial Code except that if any of the enumerated types of items specified thereafter would not fall within the Uniform Commercial Code definition, they shall nonetheless be included in the applicable definition for purposes of this Agreement.

2. **GRANT OF SECURITY INTEREST.** As security for the payment and performance of the Obligations, each Debtor hereby pledges, hypothecates, delivers and assigns to the Agent, and creates in favor of the Agent, (and confirms its existing pledge, hypothecation, delivery and assignment to the Agent, and its existing creation in favor of the Agent) for the equal (in priority) and ratable benefit of the Banks, a continuing lien on, and a security interest in and to, all of such Debtor's right, title and interest in and to all personal property of such Debtor (except as otherwise expressly set forth in paragraph (i) below), in all of its forms, including, without limitation, the following property, in each case whether now or hereafter existing and whether now owned or hereafter acquired, created or arising, and wherever located:

(a) All Accounts;

(b) All Equipment;

(c) All Inventory;

(d) All Goods;

(e) All General Intangibles, including, without limitation, all Payment Intangibles and including, without limitation, all intellectual property listed on Schedule 5 attached hereto;

- (f) All Documents and Chattel Paper;
- (g) All Deposit Accounts;
- (h) All Instruments and cash and cash equivalents;
- (i) All Investment Property, except the capital stock and other securities in any Subsidiary of the Borrower or any Domestic Guarantor other than the Designated Subsidiary Equity;
- (j) All Letter-of-Credit Rights and Supporting Obligations; and
- (k) All Proceeds of any and all of the foregoing.

In addition, as security for the payment and performance of the Obligations, the Borrower assigned to the Agent, for the equal (in priority) and ratable benefit of the Banks, all of its rights under certain life insurance policies, pursuant to two Assignments of Life Insurance Policies dated as of February 9, 2001.

3. REPRESENTATIONS AND WARRANTIES OF THE DEBTORS. The Debtors represent and warrant as follows. The following representations and warranties shall survive execution of this Agreement and shall not be affected or waived by any examination or inspection made by the Agent:

(a) Status. Each Debtor:

(i) is a duly organized and validly existing corporation or other entity in good standing under the laws of the state of its formation; has the power and authority to own its property and assets and to transact the business in which it is engaged; and has not failed to qualify to do business in any state or jurisdiction where the failure to so qualify could reasonably result in a material adverse change; and

(ii) has the power to execute, deliver and carry out the terms and provisions of this Agreement, and has taken all necessary corporate or other action (including, without limitation, any consent of stockholders required by law or by its articles of incorporation or bylaws) to authorize the execution, delivery and performance of this Agreement.

(b) Authority to Execute Agreement; Binding Agreement. Each Debtor has the power to execute, deliver and perform its obligations under this Agreement (including, without limitation, the right and power to give the Agent a security interest in the Collateral) and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Agreement. This Agreement has been duly executed by each Debtor. This Agreement constitutes the legal, valid and binding obligation of each Debtor, enforceable against each Debtor in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to or affecting the rights and remedies of creditors.

(c) Title. Except for the security interests granted hereunder, the Debtors are, as to all Collateral, including, without limitation, the intellectual property listed on Schedule 5 (which schedule lists all intellectual property which is owned by the Debtors as of the Amendment Closing Date), presently owned, and shall be as to all Collateral hereafter acquired, the owners of, or the Persons with good, marketable and indefeasible title to, and all legal right and empowerment to use and transfer the right to use, said Collateral free from any Lien other than Permitted Liens.

(d) Taxes and Assessments. All assessments and taxes, due or payable by, or imposed, levied or assessed against any Debtor or any of its property, real or personal, tangible or intangible have been paid, except as expressly permitted by the Credit Agreement.

(e) Location of Debtors. The location of the chief executive office of each Debtor as well as its state of formation and address for notices are specified on Schedule 1 attached hereto. Also listed on Schedule 1 is each other location where a Debtor maintains a place of business.

(f) Location of Collateral. The Collateral owned or used by each Debtor is located at the locations specified on Schedule 2 hereto. Except as specifically set forth on Schedule 2, each Debtor indicated on Schedule 2 is the record owner of the real property where such Collateral is located or has a valid leasehold interest in such real property, and there exist no mortgages or other Liens on any Debtor's interest in any such real property.

(g) Names Used by Debtors. (i) The actual or corporate name of each Debtor is the name set forth on the signature pages hereto; (ii) the Debtors have no trade names except as set forth on Schedule 3 hereto; (iii) the Debtors have not used any names other than those set forth on the signature pages hereto or as set forth on Schedule 3 hereto for the preceding five years; and (iv) no entity has merged into any Debtor or been acquired by any Debtor within the past five years except as set forth on Schedule 3 hereto.

(h) Accounts. The Accounts of each Debtor are genuine and enforceable. No Person other than the Debtor has any claim to the Accounts, no set-off or counterclaim to the Accounts exists, and no agreement has been made with any Person under which any deduction or discount may be claimed, other than discounts in the ordinary course of business consistent with the past practices of the Debtors.

(i) Instruments and Certificates. All Instruments and all certificates representing securities that are included in the Collateral and required to be delivered under this Agreement on the date hereof, together with all necessary endorsements, have been delivered to the Agent.

(j) Brokerage and Securities Accounts. No Debtor has any brokerage or securities accounts except for those subject to a valid control agreement in favor of the Agent.

(k) Perfected Security Interest. This Agreement creates a valid, first priority security interest in the Collateral securing payment of the Obligations, subject only to Permitted Liens. Uniform Commercial Code financing statements have been duly filed in the offices set

forth on Schedule 4 hereto. All security interests which may be perfected by filing have been duly perfected and no action is necessary to create, perfect or protect such security interests.

Without limiting the generality of the foregoing, except for the filing of said financing statements and the exceptions set forth in the proceeding provisos, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation or perfection of the security interest in the Collateral or (iii) the enforcement of the Agent's rights hereunder.

(1) Absence of Conflicts with Other Agreements, Etc. Neither the pledge of the Collateral hereunder nor any of the provisions hereof (including, without limitation, the remedies provided hereunder) violates any of the provisions of any charter documents, by-laws or other organizational or governing documents of any Debtor, or any other agreement to which a Debtor or any of its property is a party or is subject, or any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to the same.

4. COVENANTS OF DEBTORS. The Debtors covenant that:

(a) Filing of Financing Statements and Preservation of Interests. The Debtors hereby authorize the Agent, and appoint the Agent as its attorney-in-fact, to file in such office or offices as the Agent deems necessary or desirable such financing and continuation statements and amendments and supplements thereto, and such other documents as the Agent may require to perfect, preserve and protect the security interests granted herein and ratifies all such actions taken by the Agent.

(b) Chattel Paper. The Debtors shall cause all material Chattel Paper constituting Collateral to be delivered to the Agent, or, if such delivery is not possible, then to cause such Chattel Paper to contain a legend noting that it is subject to the security interest created by this Agreement.

(c) Collateral In Possession of Third Parties. To the extent that any material Collateral is in the possession of a third party, the Debtors will join with the Agent in notifying the third party of the Agent's security interest and in obtaining an acknowledgement from the third party that it is holding the Collateral for the benefit of the Agent.

(d) Notice of Changes in Representations. The Debtors shall notify the Agent in advance of any event or condition which could cause any representations set forth in Section 3 above to fail to be true, correct and complete in any material respect.

(e) Insurance. The Debtors shall maintain with financially sound and reputable insurers insurance with respect to its properties and business and against such liabilities, casualties and contingencies and of such types and in such amounts as is customary in the case of corporations engaged in the same or a similar business or having similar properties similarly situated.

(f) Transfer of Collateral. Other than the disposition of items of Collateral in the ordinary course of the Debtors' business as presently conducted or as otherwise permitted under the terms of the Credit Agreement, the Debtors shall not sell, assign, transfer, encumber or otherwise dispose of any Collateral without the prior written consent of the Agent and the Agent does not authorize any such disposition. For purposes of this provision, "dispose of any Collateral" shall include, without limitation, the creation of a security interest or other encumbrance (whether voluntary or involuntary) on such Collateral.

(g) Taxes and Assessments. The Debtors shall promptly pay when due and payable, all taxes and assessments imposed upon the Collateral or operations or business of the Debtors, subject to the right, if any, to contest such tax or assessment in accordance with the Credit Agreement.

(h) Defense of Agent's Rights. The Debtors warrant and will defend the Agent's right, title and security interest in and to the Collateral against the claims of any Persons.

(i) Inspection by Agent. The Debtors will permit, at their expense, representatives of the Agent to inspect, examine and audit the Collateral, any of their other property and their books and records, and to make extracts therefrom upon reasonable notice and at all reasonable times for purposes of examination, verification, inspection and appraisal thereof.

(j) Use and Condition of Equipment. Each item of Equipment shall be maintained in good operating condition, ordinary wear and tear excepted, and the Debtors shall provide all maintenance service and repairs necessary for such purpose. The Agent may examine and inspect the Collateral at any reasonable time or times wherever located but, if no Event of Default has occurred and is continuing, upon reasonable notice to the applicable Debtor.

(k) Inventory. The Debtors shall not return any Inventory to the supplier thereof, except for damaged or unsalable Inventory or otherwise in the ordinary course of the Debtors' business. Without limiting the generality of the foregoing, in the event any Debtor becomes a "debtor in possession" as defined in 11 U.S.C. §1101 (or any successor thereto), the Debtors agree not to move pursuant to 11 U.S.C. §546 (or any successor thereto) for permission to return goods to any creditor which shipped such goods to a Debtor without the Agent's written consent and the Debtors hereby waive any rights to return such Inventory arising under 11 U.S.C. §546(h), or any successor section thereto. If any Inventory is held by warehousemen or other third parties, except as specifically agreed to by the Agent, the Debtors shall cause such warehousemen or third parties to acknowledge in writing the security interest created by this Agreement and, to the extent that any such Inventory is subject to negotiable documents, the Debtors will cause such negotiable documents to be delivered to the Agent.

(l) Delivery of Instruments, Etc. At any time and from time to time that any Collateral consists of Instruments, certificated securities or other items that require possession by the secured party to perfect the security interest created hereby, the Debtors shall deliver such Collateral to the Agent; provided, however, that notwithstanding the foregoing: (i) Debtors shall not be required to deliver to the Agent any Instruments having a value not exceeding \$100,000 individually, and \$1,000,000 in the aggregate during the term of the Credit Agreement; and (ii) Debtors shall not be required to deliver to the Agent the mortgage note issued by Windings, Inc.

in the principal amount of approximately \$2,300,000, unless such mortgage note is not sold within thirty (30) days after the date of this Agreement.

(m) Investment Property and Deposit Accounts. If there is any Investment Property or Deposit Account included as Collateral that can be perfected by "control" through an account control agreement, the Debtors shall cause such an account control agreement, in form and substance in each case reasonably satisfactory to the Agent, to be entered into and delivered to the Agent.

(n) Letter-of-Credit Rights. To the extent that any Collateral consists of Letter-of-Credit Rights, the Debtors shall cause the issuer of each underlying letter of credit to consent to the assignment to the Agent.

(o) Intellectual Property. The Debtors agree that they will promptly inform the Agent of any and all intellectual property filings made at the United States Patent and Trademark Office.

(p) Other Assurances. The Debtors agree that from time to time, at their expense, they will promptly execute and deliver all such further instruments and documents, and take all such further action as may be necessary, or as the Agent may reasonably request, in order to perfect, continue and protect any security interest granted or purported to be granted hereby or to enable the Agent to exercise and enforce its rights and remedies hereunder and with respect to any Collateral or to otherwise carry out the purposes of this Agreement.

5. REMEDIES UPON DEFAULT. Upon the occurrence and during the continuation of an Event of Default, the Agent may exercise, in addition to any other rights and remedies provided herein, under other contracts and under law, all the rights and remedies of a secured party under the Uniform Commercial Code. Without limiting the generality of the foregoing, upon the occurrence and during the continuation of an Event of Default:

(a) at the request of the Agent, the Debtors shall, at their cost and expense, assemble the Collateral as directed by the Agent;

(b) the Agent shall have the right (but not the obligation) to notify any account debtors and any obligors under Instruments to make payments directly to the Agent and to enforce the Debtors' rights against account debtors (such account debtors will be protected in making such payment to the Agent and the Agent may give receipts to such account debtors for any such payments);

(c) the Agent may (but is not obligated to), without notice except as provided below, sell the Collateral at public or private sale, on such terms as the Agent deems to be commercially reasonable;

(d) the Agent may (but is not obligated to) direct any financial intermediary or any other Person holding Investment Property to transfer the same to Agent or its designee;

(e) if any Debtor fails to perform any agreement or condition contained in any contracts (including, without limitation, all contracts for goods or services, leases, licenses, acquisition agreements, all network affiliation, programming, advertising and similar agreements) which are part of the Collateral, the Agent may (but shall have no duty to) itself perform, or cause performance of, such agreement or condition, and the expense of the Agent incurred in connection therewith shall constitute an Obligation and shall be reimbursed by the Debtors, jointly and severally; and

(f) without limiting the generality of the foregoing, the Agent shall have the right (but not the obligation) to notify third parties to any or all contracts with the Debtors (i) that an assignment of the applicable Debtors rights and obligations under such agreements has been made to such Persons as the Agent may designate and/or (ii) to make payments thereunder directly to the Agent or its designee.

The Debtors agree that ten (10) days notice of any sale referred to in clause (c) above shall constitute sufficient notice. The Agent may purchase Collateral at any such sale. The Debtors shall be liable to the Agent for any deficiency amount.

The Agent may comply with any applicable law in connection with a disposition of Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Agent may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Agent sells any of the Collateral on credit, the Debtors will only be credited with payments actually made by the purchaser. The powers conferred on the Agent under this Agreement are solely to protect the interest of the Agent and the Banks in the Collateral and shall not impose any duty upon the Agent or any other Bank to exercise any such powers.

6. OBLIGATIONS ABSOLUTE.

(a) Change of Circumstance. THE RIGHTS OF THE AGENT AND THE OBLIGATIONS OF THE DEBTORS HEREUNDER SHALL BE ABSOLUTE AND UNCONDITIONAL, SHALL NOT BE SUBJECT TO ANY COUNTERCLAIM, SETOFF, RECOUPMENT OR DEFENSE BASED UPON ANY CLAIM THAT THE DEBTORS OR ANY OTHER PERSON MAY HAVE AGAINST EACH OTHER AND SHALL REMAIN IN FULL FORCE AND EFFECT WITHOUT REGARD TO AND, EXCEPT BY FULL AND INDEFEASIBLE SATISFACTION OF THE OBLIGATIONS AFTER OR CONCURRENT WITH THE EXTINCTION OF ANY COMMITMENT, SHALL NOT BE RELEASED, DISCHARGED OR IN ANY WAY AFFECTED BY ANY CIRCUMSTANCE OR CONDITION (INCLUDING, WITHOUT LIMITATION, (I) ANY AMENDMENT OR MODIFICATION OF OR SUPPLEMENT TO THE CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENT (it being understood that any amendment to the Credit Agreement entered into pursuant to the terms thereof that increases or decreases the amount of the Loans or other Obligations shall serve to increase or decrease, as applicable, the amount of Obligations secured hereby); (II) ANY WAIVER, CONSENT, EXTENSION, INDULGENCE OR OTHER ACTION OR INACTION UNDER OR IN RESPECT OF ANY SUCH AGREEMENTS OR INSTRUMENTS, OR ANY EXERCISE OR NONEXERCISE OF ANY RIGHT, REMEDY,

POWER OR PRIVILEGE UNDER OR IN RESPECT OF ANY SUCH AGREEMENTS OR INSTRUMENTS, OR ANY EXERCISE OR NONEXERCISE OF ANY RIGHT, REMEDY, POWER OR PRIVILEGE UNDER OR IN RESPECT OF ANY SUCH AGREEMENTS OR INSTRUMENTS; (III) ANY INVALIDITY OR UNENFORCEABILITY, IN WHOLE OR IN PART, OF ANY TERM HEREOF OR OF THE CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENT; (IV) ANY FAILURE ON THE PART OF ANY DEBTOR OR ANY OTHER PERSON FOR ANY REASON TO PERFORM OR COMPLY WITH ANY TERM OF THE CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENT; (V) ANY FURNISHING OR ACCEPTANCE OF ANY ADDITIONAL SECURITY OR GUARANTY; (VI) ANY RELEASE OF A DEBTOR OR ANY OTHER PERSON OR ANY RELEASE OF ANY OR ALL SECURITY OR ANY OR ALL GUARANTEES FOR THE OBLIGATIONS, WHETHER ANY SUCH RELEASE IS GRANTED IN CONNECTION WITH A BANKRUPTCY OR OTHERWISE; (VII) ANY BANKRUPTCY, INSOLVENCY, REORGANIZATION, ARRANGEMENT, READJUSTMENT, COMPOSITION, LIQUIDATION OR SIMILAR PROCEEDING WITH RESPECT TO ANY DEBTOR OR ANY OTHER PERSON OR THEIR RESPECTIVE PROPERTIES OR CREDITORS; (VIII) THE APPLICATION OF PAYMENTS RECEIVED BY THE AGENT FROM ANY SOURCE WHICH WERE LAWFULLY USED FOR SOME OTHER PURPOSE BUT WHICH LAWFULLY COULD HAVE BEEN APPLIED TO THE PAYMENT, IN FULL OR IN PART, OF THE OBLIGATIONS; OR (IX) ANY OTHER OCCURRENCE WHATSOEVER, WHETHER SIMILAR OR DISSIMILAR TO THE FOREGOING. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, AT ANY TIME THAT THE CREDIT AGREEMENT IS AMENDED TO INCREASE THE AMOUNT OF THE OBLIGATIONS THEREUNDER, THE AMOUNT OF THE OBLIGATIONS SECURED HEREBY SHALL BE ACCORDINGLY INCREASED. THE PARTIES HERETO ACKNOWLEDGE THAT THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY BE AMENDED AND THE TERMS OF THE LOANS MODIFIED AS PERMITTED THEREBY.

(b) No Duty To Marshal Assets. The Agent shall have no obligation to marshal any assets in favor of the Debtors or any other Person or against or in payment of any or all of the Obligations.

(c) Waiver of Right of Subrogation, Etc. The Debtors hereby waive any and all rights of subrogation, reimbursement, or indemnity whatsoever in respect of the Debtors, or any subsidiary of a Debtor arising out of remedies exercised by the Agent hereunder.

(d) Other Waivers The Debtors hereby waive promptness, diligence and notice of acceptance of this Agreement. In connection with any sale or other disposition of Collateral during the continuance of an Event of Default, the Debtors waive any right of redemption or equity of redemption in the Collateral. The Debtors further waive presentment and demand for payment of any of the Obligations, protest and notice of protest, dishonor and notice of dishonor or notice of default or any other notice with respect to any of the Obligations, and all other notices to which the Debtors might otherwise be entitled, except as otherwise expressly provided in this Agreement. The Agent is under no obligation to pursue any rights against third parties with respect to the Obligations and the Debtors hereby waive any right they may have to require otherwise. The Debtors (to the extent that each may lawfully do so) covenant that they shall not

at any time insist upon or plead, or in any manner claim or take the benefit of, any stay, valuation, appraisal or redemption now or at any time hereafter in force that, but for this waiver, might be applicable to any sale made under any judgment, order or decree based on this Agreement; and the Debtors (to the extent that each may lawfully do so) hereby expressly waive and relinquish all benefit of any and all such laws and hereby covenant that they will not hinder, delay or impede the execution of any power in this Agreement delegated to the Agent, but that it will suffer and permit the execution of every such power as though no such law or laws had been made or enacted.

(e) THE DEBTORS' WAIVERS UNDER THIS SECTION HAVE BEEN MADE VOLUNTARILY, INTELLIGENTLY AND KNOWINGLY AND AFTER THE DEBTORS HAVE BEEN APPRISED AND COUNSELED BY THEIR ATTORNEYS AS TO THE NATURE THEREOF AND POSSIBLE ALTERNATIVE RIGHTS.

7. NON-WAIVER AND NON-EXCLUSIVE REMEDIES.

(a) Non-Exclusive Remedies No remedy or right herein conferred upon, or reserved to the Agent is intended to be to the exclusion of any other remedy or right, but each and every such remedy or right shall be cumulative and shall be in addition to every other remedy or right given hereunder or under any other contract or under law.

(b) Delay and Non-Waiver No delay or omission by the Agent to exercise any remedy or right hereunder shall impair any such remedy or right or shall be construed to be a waiver of any Event of Default, or an acquiescence therein, nor shall it affect any subsequent Event of Default of the same or of a different nature.

8. STANDARD OF CARE.

(a) In General. Without limiting any other exculpation provision in any Loan Document, no act or omission of the Agent (or agent or employee thereof) shall give rise to any defense, counterclaim or offset in favor of the Debtors or any claim or action against the Agent (or agent or employee thereof), in the absence of gross negligence or willful misconduct of the Agent. The Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Agent accords to collateral of other debtors it holds, it being understood that it has no duty to take any action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral or to preserve any rights of any parties and shall only be liable for losses which are a result of its gross negligence or willful misconduct.

(b) Without limiting the generality of the foregoing, the Agent has no duty (either before or after an Event of Default) to collect any amounts in respect of the Collateral or to preserve any rights relating to the Collateral.

(c) Without limiting the generality of paragraph (a) above, the Agent has no obligation to clean-up or otherwise prepare the Collateral for sale.

(d) Reliance on Advice of Counsel. In taking any action under this Agreement, the Agent shall be entitled to rely upon the advice of counsel of Agent's choice and shall be fully protected in acting on such advice whether or not the advice rendered is ultimately determined to have been accurate.

9. MISCELLANEOUS.

(a) Assignment. Except as otherwise provided in the Credit Agreement, the Agent may assign or transfer this Agreement and any or all rights or obligations hereunder without the consent of the Debtors and without prior notice provided, however, except in the case of an assignment by operation of law, the Agent shall give the Debtors notice of an assignment. The Debtors shall not assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the Agent. Notwithstanding the foregoing, if there should be any assignment of any rights or obligations by operation of law or in contravention of the terms of this Agreement or otherwise, then all covenants, agreements, representations and warranties made herein or pursuant hereto by or on behalf of any Debtor shall bind the successors and assigns of such Debtor, together with the preexisting Debtor, whether or not such new or additional Persons execute a joinder hereto or assumption hereof.

(b) Benefit. The rights and privileges of the Agent under this Agreement shall inure to the benefit of its successors, assigns and participants. All promises, covenants and agreements of the Debtors contained in this Agreement shall be binding upon personal representatives, heirs, successors and assigns of the Debtors.

(c) Notices. Any notice contemplated herein or required or permitted to be given hereunder shall be made in the manner set forth in the Credit Agreement and delivered at the addresses set forth in Schedule 1 hereto or on the signature pages to this Agreement, or to such other address as any party hereto may have last specified by written notice to the other party or parties.

(d) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

(e) Severability. If any of the provisions or terms of this Agreement shall for any reason be held to be invalid or unenforceable such invalidity or unenforceability shall not affect any of the other terms hereof, but this Agreement shall be construed as if such invalid or unenforceable term had never been contained herein. Any such invalidity or unenforceability in a particular jurisdiction shall not be deemed to render a provision invalid or unenforceable in any other jurisdiction.

(f) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one instrument. Delivery of a photocopy or telecopy of an executed counterpart of a

signature page to this Agreement shall be as effective as delivery of a manually executed counterpart of such signature page.

(g) Costs and Expenses. Whether or not the transactions contemplated by this Agreement are fully consummated, the Borrower shall promptly pay (or reimburse, as the Agent may elect) all reasonable costs and expenses which the Agent has incurred or may incur in connection with the negotiation, preparation, reproduction, interpretation, administration and enforcement of this Agreement and all amendments, waivers, modifications and supplements hereto, the perfection and protection of the Collateral, and the collection of all amounts due hereunder.

(h) Indemnification. Without limiting any other indemnification provision in any Loan Document, the Debtors shall indemnify, reimburse and hold harmless all Indemnitees from and against any and all losses, claims, liabilities, damages, penalties, suits, costs and expenses, of any kind or nature, (including, without limitation, fees relating to the cost of investigating and defending any of the foregoing) imposed on, incurred by or asserted against such indemnified person in any way related to or arising from or alleged to arise from this Agreement or the use or possession of the Collateral or any part thereof excluding any such losses, claims, liabilities, damages, penalties, suits, costs and expenses which result from the gross negligence or willful misconduct of such indemnitees. The obligations under this section shall survive termination of this Agreement. A certification by the Agent of the amount of losses, costs, expenses, claims and/or charges payable pursuant to this paragraph (h) shall be conclusive, absent manifest error.

(i) This Agreement and the other Loan Documents represent the entire agreement between the parties hereto with respect to the transactions contemplated hereunder and, except as expressly provided herein, shall not be affected by reference to any other documents. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally, but such may be accomplished only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

10. SPECIFIC PERFORMANCE. The Debtors hereby authorize the Agent to demand specific performance of this Agreement at any time when any Debtor shall have failed to comply with any material provision hereof, and the Debtors hereby irrevocably waive any defense based on the adequacy of a remedy at law which might be asserted as a bar to the remedy of specific performance hereof in any action brought therefor.

11. RELATIONSHIP WITH CREDIT AGREEMENT AND EXISTING SECURITY AGREEMENT. If any of the terms hereof are inconsistent with those of the Credit Agreement, those of the Credit Agreement shall control. This Agreement amends and restates the Existing Security Agreement; the grant of security provided for thereunder remains in full force and effect.

12. TERMINATION; PARTIAL RELEASE.

(a) At such time as (i) the Banks have no Commitment to make further fundings to the Borrower under the terms of the Credit Agreement and (ii) all the Obligations have been indefeasibly paid and/or performed in full, then the security provided for herein shall immediately terminate, provided, however, that (i) all indemnities of the Borrower contained in this Agreement or any Loan Document shall survive and remain operative and in full force and effect regardless of the termination of this Agreement, and (ii) the security provided for herein shall be reinstated if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the Banks upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

(b) Effective upon the closing of a disposition of any Collateral in conformity with the provisions of the Credit Agreement, and receipt by the Agent of a certification to such effect from an authorized officer of the Borrower, the security interest in the Collateral so disposed of shall terminate, provided, however, the security interest in all remaining Collateral shall remain in full force and effect.

13. JURISDICTION; WAIVER OF JURY TRIAL. For the purpose of any action that may be brought in connection with this Agreement, the each of the Debtors hereby unconditionally and irrevocably consent to the jurisdiction and venue of the courts of the Commonwealth of Pennsylvania or of any federal court located in such state and waives personal service of any and all process upon it and consents that all such service of process be made by certified or registered mail directed to a Debtor at the address provided for in Section 9(c) and service so made shall be deemed to be completed upon actual receipt. Each of the Debtors waives the right to contest the jurisdiction and venue of the courts located in the Commonwealth of Pennsylvania on the ground of inconvenience or otherwise and, further, waives any right to bring any action or proceeding against the Agent in any court outside the City of Philadelphia, Pennsylvania. The provisions of this Section shall not limit or otherwise affect the right of the Agent to institute and conduct an action in any other appropriate manner, jurisdiction or court.

NEITHER THE AGENT NOR THE DEBTORS NOR ANY OTHER PERSON LIABLE FOR THE INDEBTEDNESS TO THE AGENT, NOR ANY ASSIGNEE, SUCCESSOR, HEIR OR PERSONAL REPRESENTATIVE OF ANY SUCH PERSON SHALL SEEK A JURY TRIAL IN ANY PROCEEDING BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY NOTE, ANY OTHER DOCUMENT EXECUTED IN CONNECTION HERewith, ANY COLLATERAL OR THE DEALINGS OR THE RELATIONSHIP BETWEEN OR AMONG SUCH PERSONS, OR ANY OF THEM. NO SUCH PERSON WILL SEEK TO CONSOLIDATE ANY SUCH ACTION INTO ONE IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EXCEPT AS PROHIBITED BY LAW, EACH PARTY HERETO WAIVES ANY RIGHTS IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION REFERRED TO IN THIS SECTION, ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES. EACH PARTY HERETO (i) CERTIFIES THAT NEITHER ANY REPRESENTATIVE, AGENT OR ATTORNEY OF THE AGENT HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE AGENT WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND

(ii) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND EACH OTHER DOCUMENT EXECUTED IN CONNECTION HERewith, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS HEREIN. THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY DISCLOSED BY AND TO THE PARTIES HERETO AND THE PROVISIONS HEREOF SHALL BE SUBJECT TO NO EXCEPTIONS. NO PARTY HAS IN ANY WAY AGREED WITH OR REPRESENTED TO ANY OTHER PARTY THAT THE PROVISIONS OF THIS SECTION WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

14. ADDITIONAL DEBTORS. Any Person that is so required by the Loan Documents shall become a party hereto (an "Additional Debtor") by the execution and delivery of an Additional Debtor Joinder in substantially the form of Exhibit A attached hereto or as otherwise permitted by any Loan Document or as otherwise approved by the Agent and thereafter shall comply with the provisions hereof applicable to the Debtors. Concurrent therewith, the Additional Debtor may deliver replacement schedules for, or supplements to, Schedule 1, Schedule 2, Schedule 3 and/or Schedule 4 to this Agreement, as applicable, which replacement Schedules shall supersede, or supplements shall modify, the Schedules then in effect. Upon execution and delivery of a joinder to the Agent, the Additional Debtor shall be and become a Debtor for all purposes hereof as fully and to the same extent as if it were an original signatory hereto and shall be deemed to have made the representations and warranties set forth in Section 3 hereof as of the date of execution and delivery of such Additional Debtor Joinder and thereafter at any time that such representations must be restated pursuant to the terms of the Loan Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in the name and on behalf of the parties hereto as of the date first above written.

BORROWER:

SL INDUSTRIES, INC.

By 

Name: David R. Nuzzo

Title: Vice President

Address:

520 Fellowship Road

Suite A-114

Mt. Laurel, NJ 08054

Attn: David R. Nuzzo, Vice President

Facsimile No.: 856-727-1682

Telephone No.: 856-727-1500

SL DELAWARE, INC.

By 

Name: David R. Nuzzo

Title: Vice President

Address:

103 Springer Building

3411 Silverside Road

Wilmington, DE 19810

Attn: David R. Nuzzo, Vice President

Facsimile No.: 302-478-3667

Telephone No.: 302-478-6160

GUARANTORS:

CEDAR CORPORATION

By: 

Name: David R. Nuzzo

Title: Secretary and Treasurer

CONDOR D.C. POWER SUPPLIES, INC.

By: 

Name: David R. Nuzzo

Title: Secretary and Treasurer

SL AUBURN, INC.

By: 

Name: David R. Nuzzo

Title: Secretary and Treasurer

SL DELAWARE HOLDINGS, INC.

By: 

Name: David R. Nuzzo

Title: Secretary and Treasurer

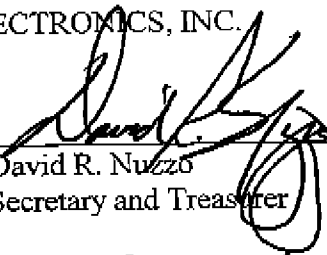
SL MONTEVIDEO TECHNOLOGY, INC.

By: 

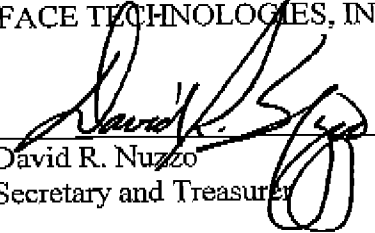
Name: David R. Nuzzo

Title: Secretary and Treasurer

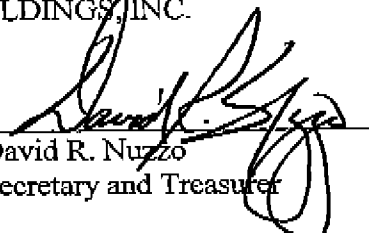
RFL ELECTRONICS, INC.

By: 
Name: David R. Nuzzo
Title: Secretary and Treasurer

SL SURFACE TECHNOLOGIES, INC.

By: 
Name: David R. Nuzzo
Title: Secretary and Treasurer

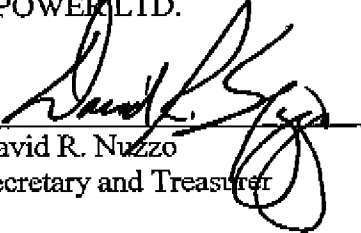
SLW HOLDINGS, INC.

By: 
Name: David R. Nuzzo
Title: Secretary and Treasurer

TEAL ELECTRONICS
CORPORATION

By: 
Name: David R. Nuzzo
Title: Secretary and Treasurer

WABER POWER LTD.

By: 
Name: David R. Nuzzo
Title: Secretary and Treasurer

AGENT:

MELLON BANK, N.A., as Agent

By 

Name: Green E. Dim

Title: First Vice President

Address:

Mellon Bank Center
1735 Market Street, Room 193-0705
Philadelphia, PA 19101-7899

Attn:

Green E. Dim, First Vice President

Facsimile No.: 215-553-4560

Telephone No.: 215-553-4828

With a copy to:

Susan C. Saxer, Senior Vice President
Mellon Bank, N.A.
Mellon Bank Center
1735 Market Street, Room 193-0705
Philadelphia, PA 19101-7899

Facsimile No.: 215-553-4560

Telephone No.: 215-553-4364

EXHIBIT A**Form of Additional Debtor Joinder**Joinder to Security Agreement

Reference is made to the Second Amended and Restated Security Agreement (the "Security Agreement") dated _____, 2001, between SL Industries, Inc., SL Delaware, Inc. and their subsidiaries listed on the signature pages thereto and Mellon Bank, N.A., as agent; capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in, or by reference in, the Security Agreement.

The undersigned hereby agrees that upon delivery of this Additional Debtor Joinder to the Agent referred to above, the undersigned shall be and become a Debtor for all purposes of the Security Agreement as fully and to the same extent as if it were an original signatory thereto and shall be deemed to have made the representations and warranties set forth in Section 3 therein as of the date of execution and delivery of this Additional Debtor Joinder and at any future dates that such representations must be restated pursuant to the terms of the Loan Documents. Without limiting the generality of the foregoing, the undersigned specifically acknowledges and agrees to the Consent to Jurisdiction and Waiver of Jury Trial provisions set forth in Section 13 thereof.

Attached hereto are [supplemental] [replacement] Schedules [1, 2, 3 and/or 4] to the Security Agreement.

An executed copy of this Joinder shall be delivered to the Agent, and the Agent and the Banks may rely on the matters set forth herein in entering into and extending credit under the Credit Agreement on or after the date hereof. This Joinder shall not be modified, amended, or terminated without the prior written consent of the Agent.

[Name of New Debtor]

Title:

Address:

Dated: _____

Schedule 1

To Security Agreement

Addresses of Offices and Notice Addresses

<u>Name</u>	<u>State of Formation</u>	<u>Address of Chief Executive Office</u>	<u>Notice Address</u>	<u>Address of Other Office(s)</u>
SL Industries, Inc.	New Jersey	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Cedar Corporation	Nevada	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Condor D.C. Power Supplies, Inc.	California	2311 Statham Parkway Oxnard, CA 93033	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
SL Auburn, Inc.	New York	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
SL Delaware, Inc.	Delaware	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	None
SL Delaware Holdings, Inc.	Delaware	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	None
SL Montevideo Technology, Inc.	Minnesota	2002 Black Oak Avenue Montevideo, MN 56265	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
RFL Electronics, Inc.	Delaware	353 Powerville Road Boonton Township, NJ 07005	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
SL Surface Technologies, Inc.	New Jersey	1416 South Sixth Street Camden, NJ 08102	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
SLW Holdings, Inc.	New Jersey	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None

<u>Name</u>	<u>State of Formation</u>	<u>Address of Chief Executive Office</u>	<u>Notice Address</u>	<u>Address of Other Office(s)</u>
Teal Electronics Corporation	California	10350 Sorrento Valley Road San Diego, CA 92121	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Waber Power Ltd.	Connecticut	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None

Schedule 2
To Security Agreement

Collateral Locations

<u>Name</u>	<u>Address where Equipment and Inventory are Located</u>	<u>Other Address Where Equipment and Inventory are Located</u>
SL Industries, Inc.	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Cedar Corporation	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Condor D.C. Power Supplies, Inc.	2311 Statham Parkway Oxnard, CA 93033	None
SL Auburn, Inc.	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
SL Delaware, Inc.	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	None
SL Delaware Holdings, Inc.	103 Springer Building 3411 Silverside Road Wilmington, DE 19810	None
SL Montevideo Technology, Inc.	2002 Black Oak Avenue Montevideo, MN 56265	None
RFL Electronics, Inc.	353 Powerville Road Boonton Township, NJ 07005	None
SL Surface Technologies, Inc.	1416 South Sixth Street Camden, NJ 08102	None
SLW Holdings, Inc.	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None
Teal Electronics Corporation	10350 Sorrento Valley Road San Diego, CA 92121	None

<u>Name</u>	<u>Address where Equipment and Inventory are Located</u>	<u>Other Address Where Equipment and Inventory are Located</u>
Waber Power Ltd.	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	None

Schedule 3
To Security Agreement

Trade Names

SL Surface Technologies, Inc. was formerly named SL Modern Hard Chrome, Inc.

SLW Holdings, Inc. was formerly named SL Waber, Inc.

Schedule 4
To Security Agreement

UCC Filings

<u>Name</u>	<u>Filing Office</u>
SL Industries, Inc.	New Jersey
Cedar Corporation	Nevada
Condor D.C. Power Supplies, Inc.	California
SL Auburn, Inc.	New York
SL Delaware, Inc.	Delaware
SL Delaware Holdings, Inc.	Delaware
SL Montevideo Technology, Inc.	Minnesota
RFL Electronics, Inc.	Delaware
SL Surface Technologies, Inc.	New Jersey
SLW Holdings, Inc.	New Jersey
Teal Electronics Corporation	California
Waber Power Ltd.	Connecticut

Schedule 5

**To Security Agreement
List of Intellectual Property**

<u>Corporate Owner</u>	<u>State of Formati</u>	<u>Address of Chief Executive Office</u>	<u>Notice Address</u>	<u>Intellectual Property</u>
SL Industries, Inc.	<u>on</u> NJ	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	
Condor D.C. Power Supplies, Inc.	CA	2311 Statham Parkway Oxnard, CA 93033	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	US Pat No: 6,069,804 US Pat No: 4,999,594 US Pat No: 4,658,345. Licensee of: US Pat No: 5,734,562 (Richard Redl, Licensor) US Pat Nos: 5,734,562 & 4,441,146 (VLT Corp, Licensor) US Reissue No: 36,098 (VLT Corp, Licensor) France Pat No: 0100356 (VLT Corp, Licensor) Great Britain Pat No: 0100365 (VLT Corp Licensor) Japan Pat No: 1518244 (VLT Corp, Licensor)
SL Montevideo Technology, Inc.	MN	2002 Black Oak Avenue Montevideo, MN 56265	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	US Trademark Reg. No.: 2,155,211 US Pat No: 6,137,251 US Pat No: 5,677,580 US Pat No: 5,905,348
RFL Electronics, Inc. (formerly Dowty RFL Industries))	DE	353 Powerville Road Boonton Township, NJ 07005	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	US TM Reg. No: 777,274 GB TM Reg. No: 8881915 IT TM Reg. No: 79262 Switzerland TM Reg. No. 196,604 Belgium TM Reg. No. 98551

<u>Corporate Owner</u>	<u>State of Formati on</u>	<u>Address of Chief Executive Office</u>	<u>Notice Address</u>	<u>Intellectual Property</u>
				US Pat No: 4,939,617 US Pat No: 5,150,270 US Pat No: 5,329,414 Licensee of Exclusive R&D/Exploitation License of Modified Modem Expander invention and improvements [not patented] (Kenneth Reed, Licensor) Licensee of Software License for "Netmon Software Application [not patented] (SNM Research Int'l, Licensor)
SL Surface Technologies, Inc. (formerly SL Modern Hard Chrome Inc.)	NJ	1416 South Sixth Street Camden, NJ 08102	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	US Service Mark Serial No: 74/666,647 <u>Unregistered Brand:</u> "We know wear and how"™
Teal Electronics Corporation	CA	10350 Sorrento Valley Road San Diego, CA 92121	520 Fellowship Road Suite A-114 Mt. Laurel, NJ 08054	US TM Reg. No: 1,717,634 US Pat Application No: 09/596,172 US Pat Application No: 09/632,547 US Pat No: 5,012,382 <u>Unregistered In-Use Trade Names</u> TEAL™ TEAL Electronics™ TEAL Electronics Corporation™ <u>Unregistered In-Use marks:</u> TEALvRx™ TEALwave™ TEALtap™ TEALtran™ TEAL logo™ (since July 2000) We Power Technology™ Custom Power Solutions™