

03-01-2002

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

R



101998740

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): Mid State Machine Products
[] Individual(s) [] Association
[] General Partnership [] Limited Partnership
[X] Corporation-State (ME)
[] Other
Additional name(s) of conveying party(ies) attached? [] Yes [X] No

2. Name and address of receiving party(ies)
Name: General Electric Capital
Internal Corporation, as Agent for
Address: certain lenders
401 Merritt Seven
Street Address: 2nd Floor
City: Norwalk State: CT Zip: 06856
[] Individual(s) citizenship
[] Association
[] General Partnership
[] Limited Partnership
[X] Corporation-State New York
[] Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [X] No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? [] Yes [X] No

3. Nature of conveyance:
[] Assignment [] Merger
[X] Security Agreement [] Change of Name
[] Other
Execution Date: February 1, 2002

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
73287579

B. Trademark Registration No.(s)
1268864
Additional number(s) attached [] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Gregory E. Fisher, Esq.
Internal Address: Ober, Kaler, Grimes & Shriver
Street Address: 120 E. Baltimore Street
City: Baltimore State: MD Zip: 21202

6. Total number of applications and registrations involved: 1
7. Total fee (37 CFR 3.41): \$ 40
[X] Enclosed
[] Authorized to be charged to deposit account
8. Deposit account number:
02-07-2002
U.S. Patent & TMO/TM Mail RcptDt. #66
(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.
Gregory E. Fisher
Name of Person Signing
Signature
Date

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

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

03/01/2002 TDIAZ1 00000046 73287579

01 FC:481

40.00 DP

TRADEMARK REEL: 002451 FRAME: 0102

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of February 1, 2002 (together with all amendments, if any, from time to time hereto, this "**Agreement**") is by MID STATE MACHINE PRODUCTS, a Maine corporation (the "**Grantor**"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, in its capacity as agent (together with any permitted successor thereto appointed pursuant to the Credit Agreement, as hereinafter defined, the "**Agent**") for the lenders from time to time party to the Credit Agreement referred to below.

WITNESSETH:

Reference is made to that certain Credit Agreement, dated as even herewith (as amended, restated, supplemented, or otherwise modified from time to time, the "**Credit Agreement**"), by and among (a) PRECISION PARTNERS, INC., a Delaware corporation ("**Precision**"), GALAXY INDUSTRIES CORPORATION, a Michigan corporation ("**Galaxy**"), Grantor, NATIONWIDE PRECISION PRODUCTS CORP., a New York corporation ("**Nationwide**"), GENERAL AUTOMATION, INC., an Illinois corporation ("**GA**"), GILLETTE MACHINE & TOOL CO., INC., a New York corporation ("**Gillette**"), GALAXY PRECISION PRODUCTS CORP., a Delaware corporation ("**GPPC**") and CERTIFIED FABRICATORS, INC., a California corporation ("**Certified**") (Precision, Galaxy, Grantor, Nationwide, GA, Gillette, GPPC, and Certified, together with their permitted successors and assigns being sometimes hereinafter called collectively, the "**Borrowers**"); (b) PRECISION PARTNERS HOLDING COMPANY, a Delaware corporation (the "**Guarantor**"); (c) the Agent, (d) General Electric Capital Corporation, in its capacity as revolving credit agent (together with any permitted successor thereto appointed pursuant to the Credit Agreement, the "**Revolving Credit Agent**"), (e) GECC CAPITAL MARKETS, INC., as Lead Arranger, and (f) the Lenders, as hereinafter defined. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meaning ascribed thereto in the Credit Agreement.

Pursuant to the terms of the Credit Agreement, (i) General Electric Capital Corporation, as revolving lender (together with any and all assignees or transferees thereof or successors thereto, the "**Revolving Lenders**") have agreed to make available to the Borrowers a Revolving Loan facility pursuant to which the Revolving Lenders will from time to time make available to the Borrowers advances and letters of credit in an aggregate amount not to exceed \$25,000,000 at any one time outstanding, (ii) GENERAL ELECTRIC CAPITAL CORPORATION and ABLECO FINANCE LLC, as term lenders (together with any and all assignees or transferees thereof or successors thereto, the "**Term Lenders**") have agreed to make available to the Borrowers a Term Loan in the aggregate principal amount of \$44,050,000, and (iii) GENERAL ELECTRIC CAPITAL CORPORATION as lessor (together with any and all assignees or transferees thereof or successors thereto, the "**Lessors**") have agreed to lease certain equipment to certain Borrowers pursuant to the Master Lease (the "**Master Lease**") (the Term Lenders, the Revolving Lenders and the Lessors being hereinafter called collectively, the "**Lenders**").

Agent and Lenders are willing to make the Loans and other credit accommodations as provided for in the Credit Agreement and the Master Lease, but only upon the condition, among others, that Grantor shall have executed and delivered to Agent, for the ratable benefit of Lenders, that certain Security Agreement dated as of the date herewith (including all annexes,

exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Security Agreement**").

Pursuant to the Security Agreement, Grantor is required to execute and deliver to Agent, for the ratable benefit of Lenders, this Trademark Security Agreement.

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

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement (including, without limitation, Annex A thereto).

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Agent, on behalf of Lenders, a continuing priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

a. all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;

b. all reissues, continuations or extensions of the foregoing;

c. all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

d. all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of Lenders, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT
TRADEMARK REGISTRATIONS

<u>Trademark Registration Number</u>	<u>Description</u>	<u>Registration Date</u>
1,268,864	THE MID-STATE TOMBSTONE Design portion is representation of a tombstone with the border lined for the color orange.	03/06/84

KPLATULI 403933.6 1/28/02 3:07 PM

RECORDED: 02/07/2002

TRADEMARK
REEL: 002451 FRAME: 0106