

07-11-2002

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/20)

Tab settings



102154661

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):

Haden Schweitzer Corporation

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ 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: August 1, 2001

2. Name and address of receiving party(ies)

Name: Comerica Bank, as Collateral
Internal Agent

Address: Mail Code 3241

Street Address: 500 Woodward Avenue

City: Detroit State: MI Zip: 48226

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

☒ Other Michigan banking corporationIf 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)

1186417; 1186391; 1345254

Additional number(s) attached ☐ Yes ☒ No

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

Name: Michael B. Peterman, Esq.

Internal Address: Suite 2500

Miller, Canfield, Paddock and Stone,

P.L.C.

Street Address: 150 West Jefferson

City: Detroit State: MI Zip: 48226

6. Total number of applications and registrations involved:

3

7. Total fee (37 CFR 3.41).....\$ 90.00

☒ 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.

Michael B. Peterman, Esq.

Name of Person Signing

Signature

Date

[Total number of pages including cover sheet, attachments, and documents]

65

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

05/01/2002 JJALLHR 00000017 1186417

01 FC:481
02 FC:48240.00 OP
50.00 OPTRADEMARK
REEL: 002495 FRAME: 0409TRADEMARK
REEL: 002512 FRAME: 0265

SUBORDINATED GUARANTEE AND COLLATERAL AGREEMENT

dated as of August 1, 2001,

among

HADEN INTERNATIONAL GROUP, INC.

HADEN SCHWEITZER CORPORATION

HADEN INC.

HADEN ENVIRONMENTAL CORPORATION

and

COMERICA BANK,
as Collateral Agent

[CSQM Ref No. 8256-034]

[MyCorp;1204373.4;4575C:07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0410

TRADEMARK
REEL: 002512 FRAME: 0266

Table of Contents

Page

ARTICLE I

Definitions

| | | |
|---------------|-----------------------------------|---|
| SECTION 1.01. | Subordination Agreement | 1 |
| SECTION 1.02. | Other Defined Terms | 2 |

ARTICLE II

Guarantee

| | | |
|---------------|---|---|
| SECTION 2.01. | Guarantee | 6 |
| SECTION 2.02. | Guarantee of Payment | 6 |
| SECTION 2.03. | No Limitations, Etc. | 6 |
| SECTION 2.04. | Reinstatement | 7 |
| SECTION 2.05. | Agreement To Pay; Subrogation | 8 |
| SECTION 2.06. | Information | 8 |

ARTICLE III

Pledge of Securities

| | | |
|---------------|---|----|
| SECTION 3.01. | Pledge | 8 |
| SECTION 3.02. | Delivery of the Pledged Collateral | 9 |
| SECTION 3.03. | Representations, Warranties and Covenants | 10 |
| SECTION 3.04. | Certification of Limited Liability Company and Limited Partnership Interests | 11 |
| SECTION 3.05. | Registration in Nominee Name; Denominations | 12 |
| SECTION 3.06. | Voting Rights; Dividends and Interest, etc. | 12 |

ARTICLE IV

Security Interests in Personal Property

| | | |
|---------------|---|----|
| SECTION 4.01. | Security Interest | 14 |
| SECTION 4.02. | Representations and Warranties | 16 |
| SECTION 4.03. | Covenants | 18 |
| SECTION 4.04. | Covenants regarding Patent, Trademark and Copyright Collateral | 20 |

ARTICLE V

Remedies

| | | |
|---------------|---------------------------------|----|
| SECTION 5.01. | Remedies upon Default | 22 |
|---------------|---------------------------------|----|

| | | |
|---------------|--|----|
| SECTION 5.02. | Application of Proceeds | 25 |
| SECTION 5.03. | Grant of License to Use Intellectual Property | 26 |
| SECTION 5.04. | Securities Act, etc. | 26 |

ARTICLE VI

Indemnity and Subrogation

| | | |
|---------------|--|----|
| SECTION 6.01. | Indemnity and Subrogation | 27 |
| SECTION 6.02. | Contribution and Subrogation | 27 |
| SECTION 6.03. | Subordination | 28 |

ARTICLE VII

Miscellaneous

| | | |
|---------------|--|----|
| SECTION 7.01. | Notices | 28 |
| SECTION 7.02. | Security Interest Absolute | 29 |
| SECTION 7.03. | Survival of Agreement | 29 |
| SECTION 7.04. | Binding Effect; Several Agreement | 29 |
| SECTION 7.05. | Successors and Assigns | 30 |
| SECTION 7.06. | Collateral Agent's Fees and Expenses; Indemnification | 30 |
| SECTION 7.07. | Collateral Agent Appointed Attorney-in- Fact | 31 |
| SECTION 7.08. | Governing Law | 32 |
| SECTION 7.09. | Waivers; Amendment | 32 |
| SECTION 7.10. | Waiver of Jury Trial | 33 |
| SECTION 7.11. | Severability | 33 |
| SECTION 7.12. | Counterparts | 33 |
| SECTION 7.13. | Headings | 34 |
| SECTION 7.14. | Jurisdiction; Consent to Service of Process | 34 |
| SECTION 7.15. | Termination or Release | 35 |
| SECTION 7.16. | Additional Subsidiaries | 35 |
| SECTION 7.17. | Subordination Agreement | 36 |
| SECTION 7.18. | Senior Security Interest | 36 |
| SECTION 7.19. | Subordination Agreement | 36 |

Schedules

| | |
|--------------|---|
| Schedule I | Capital Stock; Debt Securities |
| Schedule II | Copyrights; Licenses; Patents; Trademark/Trade Names |
| Schedule III | Filing Offices |
| Schedule IV | Notice Information |

Annexes

Annex I

Form of Supplement to Guarantee and
Collateral Agreement

SUBORDINATED GUARANTEE AND COLLATERAL AGREEMENT (this "Agreement"), dated as of August 1, 2001, by and among HADEN INTERNATIONAL GROUP, INC., a Michigan corporation ("Holdings"), HADEN SCHWEITZER CORPORATION, an Ohio corporation (the "Borrower"), HADEN, INC., a Delaware corporation ("HI"), HADEN ENVIRONMENTAL CORPORATION, a Delaware corporation ("HEC"), and COMERICA BANK, as Collateral Agent (the "Collateral Agent").

Reference is made to the Subordination and Collateral Agency Agreement, dated as of August 1, 2001 (as amended, supplemented or otherwise modified from time to time, the "Subordination Agreement"), by and among the Borrower, the Subordinated Lenders party thereto and Comerica Bank, as Collateral Agent. The Subordinated Lenders have agreed to extend credit to the Borrower pursuant to the Subordinated Notes (as defined in the Subordination Agreement). The obligations of the Subordinated Lenders to extend such credit are conditioned upon, among other things, the execution and delivery of this Agreement. Holdings and the Subsidiary Parties (as defined below) are affiliates of the Borrower, will derive substantial benefits from the extension of credit to the Borrower pursuant to the Subordinated Notes and are willing to execute and deliver this Agreement in order to induce the Subordinated Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Subordination Agreement.

(a) Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Subordination Agreement. All capitalized terms defined in the New York UCC (as defined herein) and not defined in this Agreement have the meanings specified in the New York UCC; the term "instrument" shall have the meaning specified in Article 9 of the New York UCC.

(b) The rules of construction specified in Article I of the Subordination Agreement also apply to this Agreement.

SECTION 1.02. Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"Account Debtor" means any Person who is or who may become obligated to any Grantor under, with respect to or on account of an Account.

"Article 9 Collateral" has the meaning assigned to such term in Section 4.01.

"Collateral" means Article 9 Collateral and Pledged Collateral.

"Copyright License" means any written agreement, now or hereafter in effect, granting any right to any third party under any copyright now or hereafter owned by any Grantor or that such Grantor otherwise has the right to license, or granting any right to any Grantor under any copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"Copyrights" means all of the following now owned or hereafter acquired by any Grantor: (a) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether as author, assignee, transferee or otherwise, and (b) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, including those listed on Schedule II.

"Equity Interests" means shares of capital stock, partnership, joint venture, member or limited liability or unlimited liability company interests, beneficial interests in a trust or other equity ownership interests in a Person of whatever nature and rights, warranties or options to acquire any of the foregoing.

"Event of Default" has the meaning assigned to such term in the Subordinated Notes.

"Federal Securities Laws" has the meaning assigned to such term in Section 5.04.

"General Intangibles" means all causes in action and causes of action and all other intangible personal property of any Grantor of every kind and nature (other than Accounts) now owned or hereafter acquired by any Grantor, including corporate or other business records,

indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, and other agreements), Intellectual Property, goodwill, registrations, franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor to secure payment by an Account Debtor of any of the Accounts.

"Grantors" means Holdings, the Borrower and the Subsidiary Parties.

"Guarantors" means Holdings and the Subsidiary Parties.

"Intellectual Property" means all intellectual and similar property of any Grantor of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

"License" means any Patent License, Trademark License, Copyright License or other license or sublicense to which any Grantor is a party, including those listed on Schedule II.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Obligations" means (a) the due and punctual payment by the Borrower of (i) the principal of and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Subordinated Notes, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other monetary obligations of the Borrower to any of the Secured Parties under the Subordination Agreement, the Subordinated Notes and each of the other Subordinated Loan Documents, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), (b) the due and punctual performance of

(NYCorp;1394373.4;4575C;07/31/01-1:32p)

TRADEMARK
REEL: 002495 FRAME: 0416

TRADEMARK
REEL: 002512 FRAME: 0272

all other obligations of the Borrower under or pursuant to the Subordinated Notes and each of the other Subordinated Loan Documents and (c) the due and punctual payment and performance of all the obligations of each other Subordinated Loan Party under or pursuant to this Agreement and each of the other Subordinated Loan Documents.

"Patent License" means any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention on which a patent, now or hereafter owned by any Grantor or that any Grantor otherwise has the right to license, is in existence, or granting to any Grantor any right to make, use or sell any invention on which a patent, now or hereafter owned by any third party, is in existence, and all rights of any Grantor under any such agreement.

"Patents" means all of the following now owned or hereafter acquired by any Grantor: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in any other country, including those listed on Schedule II, and (b) all reissues, continuations, divisions, continuations-in-part, renewals or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein.

"Permitted Lien" has the meaning assigned to such term in the Subordinated Notes.

"Pledged Collateral" has the meaning assigned to such term in Section 3.01.

"Pledged Debt Securities" has the meaning assigned to such term in Section 3.01.

"Pledged Securities" means any promissory notes, stock certificates or other securities now or hereafter included in the Pledged Collateral, including all certificates, instruments or other documents representing or evidencing any Pledged Collateral.

"Pledged Stock" has the meaning assigned to such term in Section 3.01.

"Pledgors" means Holdings, the Borrower and the Subsidiary Parties.

"Proceeds" has the meaning specified in Section 9-102 of the New York UCC.

"Secured Parties" means (a) the Subordinated Lenders, (b) the Collateral Agent, and (c) the successors and assigns of each of the foregoing.

"Security Interest" has the meaning assigned to such term in Section 4.01.

"Subordinated Loan Party" means any Guarantor, any Grantor or any Pledgor.

"Subordination Agreement" has the meaning assigned to such term in the preliminary statement of this Agreement.

"Subsidiary Parties" means (a) HI and HEC and (b) each other Subsidiary that becomes a party to this Agreement as contemplated by Section 7.16.

"Trademark License" means any written agreement, now or hereafter in effect, granting to any third party any right to use any trademark now or hereafter owned by any Grantor or that any Grantor otherwise has the right to license, or granting to any Grantor any right to use any trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement.

"Trademarks" means all of the following now owned or hereafter acquired by any Grantor: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including those listed on Schedule II, (b) all goodwill associated therewith or symbolized thereby and (c) all other assets, rights and interests that uniquely reflect or embody such goodwill.

ARTICLE II

Guarantee

SECTION 2.01. Guarantee. Each Guarantor unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, the due and punctual payment and performance of the Obligations. Each of the Guarantors further agrees that the Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any Obligation. Each of the Guarantors waives presentment to, demand of payment from and protest to the Borrower or any other Subordinated Loan Party of any of the Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment.

SECTION 2.02. Guarantee of Payment. Each of the Guarantors further agrees that its guarantee hereunder constitutes a guarantee of payment when due and not of collection, and waives any right to require that any resort be had by the Collateral Agent or any other Secured Party to any security held for the payment of the Obligations or to any balance of any deposit account or credit on the books of the Collateral Agent or any other Secured Party in favor of the Borrower or any other Person.

SECTION 2.03. No Limitations, Etc. (a) Except for termination of a Guarantor's obligations hereunder as expressly provided in Section 7.15, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by (i) the failure of the Collateral Agent or any other Secured Party to assert any claim or demand or to enforce any right or remedy under the provisions of any Subordinated Loan Document or otherwise; (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, any Subordinated Loan Document or any other agreement, including with respect to any other Guarantor under this Agreement; (iii) the release of any security held by the Collateral Agent or any other Secured Party for the Obligations or any

[NYCorp;1304573.4;4575C;07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0419

TRADEMARK
REEL: 002512 FRAME: 0275

of them; (iv) any default, failure or delay, wilful or otherwise, in the performance of the Obligations; or (v) any other act or omission that may or might in any manner or to any extent vary the risk of any Guarantor or otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all the Obligations). Each Guarantor expressly authorizes the Secured Parties to take and hold security for the payment and performance of the Obligations, to exchange, waive or release any or all such security (with or without consideration), to enforce or apply such security and direct the order and manner of any sale thereof in their sole discretion or to release or substitute any one or more other guarantors or obligors upon or in respect of the Obligations, all without affecting the obligations of any Guarantor hereunder.

(b) To the fullest extent permitted by applicable law, each Guarantor waives any defense based on or arising out of any defense of the Borrower or any other Subordinated Loan Party or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of the Borrower or any other Subordinated Loan Party, other than the indefeasible payment in full in cash of all the Obligations. The Collateral Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the Obligations, make any other accommodation with the Borrower or any other Subordinated Loan Party or exercise any other right or remedy available to them against the Borrower or any other Subordinated Loan Party, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Obligations have been fully and indefeasibly paid in full in cash. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against the Borrower or any other Subordinated Loan Party, as the case may be, or any security.

SECTION 2.04. Reinstatement. Each of the Guarantors agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Collateral Agent or any other Secured Party upon the

[NYCorp;1304573.4:4575C:07/11/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0420

TRADEMARK
REEL: 002512 FRAME: 0276

bankruptcy or reorganization of the Borrower, any other Subordinated Loan Party or otherwise.

SECTION 2.05. Agreement To Pay; Subrogation. In furtherance of the foregoing and not in limitation of any other right that the Collateral Agent or any other Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Borrower or any other Subordinated Loan Party to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Collateral Agent for distribution to the applicable Secured Parties in cash, the amount of such unpaid Obligation. Upon payment by any Guarantor of any sums to the Collateral Agent as provided above, all rights of such Guarantor against the Borrower or any other Guarantor arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Article VI.

SECTION 2.06. Information. Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's and each other Subordinated Loan Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Collateral Agent or the other Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

ARTICLE III

Pledge of Securities

SECTION 3.01. Pledge. As security for the payment or performance, as the case may be, in full of the Obligations, each Pledgor hereby assigns and pledges to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of such Pledgor's right, title and interest in, to and under (a) the shares of capital stock and other Equity Interests owned by it and listed on Schedule I and any other Equity Interests of the Borrower or any Subsidiary obtained in the future by such Pledgor and the certificates representing all such Equity Interests (the "Pledged Stock"); provided that

the Pledged Stock shall not include more than 65% of the issued and outstanding voting Equity Interests of any Foreign Subsidiary (as defined in the Subordinated Notes); (b) (i) the debt securities listed opposite the name of such Pledgor on Schedule I, (ii) any debt securities in the future issued to such Pledgor and (iii) the promissory notes and any other instruments evidencing such debt securities (the "Pledged Debt Securities"); (c) all other property that may be delivered to and held by the Collateral Agent pursuant to the terms of this Section 3.01; (d) subject to Section 3.06, all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other Proceeds received in respect of, the securities referred to in clauses (a) and (b) above; (e) subject to Section 3.06, all rights and privileges of such Pledgor with respect to the securities and other property referred to in clauses (a), (b), (c) and (d) above; and (f) all Proceeds of any of the foregoing (the items referred to in clauses (a) through (f) above being collectively referred to as the "Pledged Collateral").

TO HAVE AND TO HOLD the Pledged Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, forever; subject, however, to the terms, covenants and conditions hereinafter set forth.

SECTION 3.02. Delivery of the Pledged Collateral.

(a) Each Pledgor agrees promptly to deliver or cause to be delivered to the Collateral Agent any and all Pledged Securities.

(b) Each Pledgor will cause any indebtedness for borrowed money owed to such Pledgor by any Person to be evidenced by a duly executed promissory note that is pledged and delivered to the Collateral Agent pursuant to the terms hereof.

(c) Upon delivery to the Collateral Agent, (i) any Pledged Securities shall be accompanied by stock powers duly executed in blank or other instruments of transfer satisfactory to the Collateral Agent and by such other instruments and documents as the Collateral Agent may reasonably request and (ii) all other property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment duly executed by the

applicable Pledgor and such other instruments or documents as the Collateral Agent may reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the securities, which schedule shall be attached hereto as Schedule I and made a part hereof; provided that failure to attach any such schedule hereto shall not affect the validity of such pledge of such Pledged Securities. Each schedule so delivered shall supplement any prior schedules so delivered.

(d) Prior to the Termination Date, the deliveries required under this Section 3.02 and Section 3.03(c) shall be made to Comerica as bailee (as described in Section V(C) of the Subordination Agreement) instead of to the Collateral Agent.

SECTION 3.03. Representations, Warranties and Covenants. The Pledgors jointly and severally represent, warrant and covenant to and with the Collateral Agent, for the benefit of the Secured Parties, that:

(a) Schedule I correctly sets forth the percentage of the issued and outstanding shares of each class of the capital stock of the issuer thereof represented by such Pledged Stock;

(b) the Pledged Stock and Pledged Debt Securities have been duly and validly authorized and issued by the issuers thereof and (i) in the case of Pledged Stock, are fully paid and nonassessable and (ii) in the case of Pledged Debt Securities, are legal, valid and binding obligations of the issuers thereof;

(c) except for the security interests granted to Comerica to secure the Senior Debt and the security interests granted hereunder, each of the Pledgors (i) is and will continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule I as owned by such Pledgor, (ii) holds the same free and clear of all Liens, (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in or other Lien on, the Pledged Collateral, other than pursuant hereto, and (iv) subject to Section 3.06, will cause any and all Pledged Collateral, whether for value paid by the Pledgor or otherwise, to be forthwith deposited with the Collateral Agent and pledged or assigned hereunder;

(d) except for restrictions and limitations imposed by the Senior Loan Documents, the Subordinated

Loan Documents or securities laws generally, the Pledged Collateral is and will continue to be freely transferable and assignable, and none of the Pledged Collateral is or will be subject to any option, right of first refusal, shareholders agreement, charter or by-law provisions or contractual restriction of any nature that might prohibit, impair, delay or otherwise affect the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Collateral Agent of rights and remedies hereunder;

(e) each of the Pledgors (i) has the power and authority to pledge the Pledged Collateral pledged by it hereunder in the manner hereby done or contemplated and (ii) will defend its title or interest thereto or therein against any and all Liens (other than the Lien created by this Agreement and the Lien granted to Comerica to secure the Senior Debt), however arising, of all Persons whomsoever;

(f) no consent or approval of any governmental authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect);

(g) by virtue of the execution and delivery by the Pledgors of this Agreement, when any Pledged Securities are delivered to Comerica or the Collateral Agent in accordance with this Agreement, the Collateral Agent will obtain a legal, valid and perfected first, or, in the case of Pledged Securities delivered to Comerica, second, priority lien upon and security interest in such Pledged Securities as security for the payment and performance of the Obligations; and

(h) the pledge effected hereby is effective to vest in the Collateral Agent, for the benefit of the Secured Parties, the rights of the Collateral Agent in the Pledged Collateral as set forth herein.

SECTION 3.04. Certification of Limited Liability Company and Limited Partnership Interests. Each interest in any limited liability company or limited partnership controlled by any Grantor and pledged hereunder shall be represented by a certificate, shall be a "security" within the meaning of Article 8 of the New York UCC and shall be governed by Article 8 of the New York UCC.

SECTION 3.05. Registration in Nominee Name; Denominations. The Collateral Agent, on behalf of the Secured Parties, shall have the right (in its sole and absolute discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the applicable Pledgor, endorsed or assigned in blank or in favor of the Collateral Agent. Each Pledgor will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of such Pledgor. The Collateral Agent shall at all times have the right to exchange the certificates representing Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement.

SECTION 3.06. Voting Rights; Dividends and Interest, etc. (a) Unless and until an Event of Default shall have occurred and be continuing and the Collateral Agent shall have notified the Pledgors that their rights under this Section 3.06 are being suspended:

(i) Each Pledgor shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of Pledged Securities or any part thereof for any purpose consistent with the terms of this Agreement, the Subordination Agreement and the other Subordinated Loan Documents; provided that such rights and powers shall not be exercised in any manner that could materially and adversely affect the rights inuring to a holder of any Pledged Securities or the rights and remedies of any of the Collateral Agent or the other Secured Parties under this Agreement or the Subordination Agreement or any other Subordinated Loan Document or the ability of the Secured Parties to exercise the same.

(ii) The Collateral Agent shall execute and deliver to each Pledgor, or cause to be executed and delivered to such Pledgor, all such proxies, powers of attorney and other instruments as such Pledgor may reasonably request for the purpose of enabling such Pledgor to exercise the voting and/or consensual rights and powers it is entitled to exercise pursuant to subparagraph (i) above.

(iii) Each Pledgor shall be entitled to receive and retain any and all dividends, interest, principal and other distributions paid on or distributed in respect of the Pledged Securities to the extent and only to the extent that such dividends, interest, principal and

other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of the Subordination Agreement, the other Subordinated Loan Documents and applicable laws; provided that any noncash dividends, interest, principal or other distributions that would constitute Pledged Stock or Pledged Debt Securities, whether resulting from a subdivision, combination or reclassification of the outstanding capital stock of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral, and, if received by any Pledgor, shall not be commingled by such Pledgor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Collateral Agent and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Pledgors of the suspension of their rights under paragraph (a)(iii) of this Section 3.06, then all rights of any Pledgor to dividends, interest, principal or other distributions that such Pledgor is authorized to receive pursuant to paragraph (a)(iii) of this Section 3.06 shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal or other distributions received by any Pledgor contrary to the provisions of this Section 3.06 shall be held in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor and shall be forthwith delivered to the Collateral Agent upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Collateral Agent pursuant to the provisions of this paragraph (b) shall be retained by the Collateral Agent in an account to be established by the Collateral Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 5.02. After all Events of Default have been cured or waived, the Collateral Agent shall, within five Business Days after all such Events of Default have been cured or waived, repay to each Pledgor (without

interest) all dividends, interest, principal or other distributions that such Pledgor would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) of this Section 3.06 and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Pledgors of the suspension of their rights under paragraph (a)(i) of this Section 3.06, then all rights of any Pledgor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section 3.06, and the obligations of the Collateral Agent under paragraph (a)(ii) of this Section 3.06, shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that, unless otherwise directed by the Majority SubDebt Holders, the Collateral Agent shall have the right from time to time following and during the continuance of an Event of Default to permit the Pledgors to exercise such rights.

(d) Any notice given by the Collateral Agent to the Pledgors suspending their rights under paragraph (a) of this Section 3.06 (i) may be given by telephone if promptly confirmed in writing, (ii) may be given to one or more of the Pledgors at the same or different times and (iii) may suspend the rights of the Pledgors under paragraph (a)(i) or paragraph (a)(iii) in part without suspending all such rights (as specified by the Collateral Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Collateral Agent's rights to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing.

ARTICLE IV

Security Interests in Personal Property

SECTION 4.01. Security Interest. (a) As security for the payment or performance, as the case may be, in full of the Obligations, each Grantor hereby assigns and pledges to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest (the "Security Interest"), in all right, title or interest now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in

the future may acquire any right, title or interest in the following (collectively, the "Article 9 Collateral"):

- (i) all Accounts;
- (ii) all Chattel Paper;
- (iii) all Deposit Accounts;
- (iv) all Documents;
- (v) all Equipment;
- (vi) all General Intangibles;
- (vii) all Instruments;
- (viii) all Inventory;
- (ix) all Investment Property;
- (x) all books and records pertaining to the Article 9 Collateral; and
- (xi) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing, and all collateral security and guarantees given by any Person with respect to any of the foregoing.

(b) Each Grantor hereby irrevocably authorizes the Collateral Agent, for the purpose of perfecting or continuing the perfection of the Security Interest, at any time and from time to time to file in any relevant jurisdiction any initial financing statements (including fixture filings) and amendments thereto that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment, including (a) whether the Grantor is an organization, the type of organization and any organizational identification number issued to the Grantor and (b) in the case of a financing statement filed as a fixture filing or covering Article 9 Collateral constituting minerals or the like to be extracted or timber to be cut, a sufficient description of the real property to which such Article 9 Collateral relates. The Grantor agrees to provide such information to the Collateral Agent promptly upon request.

Each Grantor also ratifies its authorization for the Collateral Agent, for the purpose of perfecting or continuing the perfection of the Security Interest, to file

in any relevant jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

The Collateral Agent is further authorized to file filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party.

(c) The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Article 9 Collateral.

SECTION 4.02. Representations and Warranties.

The Grantors jointly and severally represent and warrant to the Collateral Agent and the Secured Parties that:

(a) each Grantor has good and valid rights in and title to the Article 9 Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Collateral Agent the Security Interest in such Article 9 Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than any consent or approval that has been obtained;

(b) (i) fully executed Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations containing a description of the Article 9 Collateral have been delivered to the Collateral Agent for filing in each governmental, municipal or other office specified in Schedule III, which are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office in order to perfect the Security Interest in Article 9 Collateral consisting of United States Patents, Trademarks and Copyrights) that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the

ratable benefit of the Secured Parties) in respect of all Article 9 Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements; and (ii) a fully executed agreement in the form hereof and containing a description of all Article 9 Collateral consisting of Intellectual Property with respect to United States Patents and United States registered Trademarks (and Trademarks for which United States registration applications are pending) and United States registered Copyrights have been delivered to the Collateral Agent for recording by the United States Patent and Trademark Office and the United States Copyright Office pursuant to 35 U.S.C. § 261, 15 U.S.C. § 1060 or 17 U.S.C. § 205 and the regulations thereunder, as applicable, and otherwise as may be required pursuant to the laws of any other necessary jurisdiction, to protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the ratable benefit of the Secured Parties) in respect of all Article 9 Collateral consisting of Patents, Trademarks and Copyrights in which a security interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, or in any other necessary jurisdiction, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary (other than such actions as are necessary to perfect the Security Interest with respect to any Article 9 Collateral consisting of Patents, Trademarks and Copyrights (or registration or application for registration thereof) acquired or developed after the date hereof);

(c) the Security Interest constitutes (i) a legal and valid security interest in all the Article 9 Collateral securing the payment and performance of the Obligations, (ii) subject to the filings described in Section 4.02(b), a perfected security interest in all Article 9 Collateral in which a security interest may be perfected by filing, recording or registering a financing statement or analogous document in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the Uniform

(NYCorp;1304575.4:4575C:07/11/01-1:12ap)

TRADEMARK
REEL: 002495 FRAME: 0430

TRADEMARK
REEL: 002512 FRAME: 0286

Commercial Code or other applicable law in such jurisdictions and (iii) a security interest that shall be perfected in all Article 9 Collateral in which a security interest may be perfected upon the receipt and recording of this Agreement with the United States Patent and Trademark Office and the United States Copyright Office, as applicable. The Security Interest is and shall be prior to any other Lien on any of the Article 9 Collateral, other than Permitted Liens; and

(d) the Article 9 Collateral is owned by the Grantors free and clear of any Lien, except for Permitted Liens. None of the Grantors has filed or consented to the filing of (i) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Article 9 Collateral, (ii) any assignment in which any Grantor assigns any Article 9 Collateral or any security agreement or similar instrument covering any Article 9 Collateral with the United States Patent and Trademark Office or the United States Copyright Office (excluding any licenses pursuant to which Grantor retains the right to exploit the licensed intellectual property rights) or (iii) any assignment in which any Grantor assigns any Article 9 Collateral or any security agreement or similar instrument covering any Article 9 Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Permitted Liens. None of the Grantors hold any commercial tort claim.

SECTION 4.03. Covenants. (a) Each Grantor agrees promptly to notify the Collateral Agent in writing of any change (i) in its corporate name, (ii) in the location of its chief executive office, its principal place of business, any office in which it maintains books or records relating to Article 9 Collateral owned by it or any office or facility at which Article 9 Collateral owned by it is located (including the establishment of any such new office or facility), (iii) in its identity or type of organization or corporate structure, (iv) in its Federal Taxpayer Identification Number or organizational identification number or (v) in its jurisdiction of organization. Each Grantor agrees to promptly provide the Collateral Agent with certified organizational documents reflecting any of the changes described in the preceding sentence. Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required

[MyCorp;1304573.6;4578C;07/31/01-1:22p]

TRADEMARK
REEL: 002495 FRAME: 0431

TRADEMARK
REEL: 002512 FRAME: 0287

in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Article 9 Collateral, junior only to the Lien granted to Comerica to secure the Senior Debt. Each Grantor agrees promptly to notify the Collateral Agent if any material portion of the Article 9 Collateral owned or held by such Grantor is damaged or destroyed.

(b) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the Article 9 Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which such Grantor is engaged, but in any event to include complete accounting records indicating all payments and proceeds received with respect to any part of the Article 9 Collateral, and, at such time or times as the Collateral Agent may reasonably request, promptly to prepare and deliver to the Collateral Agent a duly certified schedule or schedules in form and detail satisfactory to the Collateral Agent showing the identity, amount and location of any and all Article 9 Collateral.

(c) Each Grantor shall, at its own expense, take any and all actions necessary to defend title to the Article 9 Collateral against all persons and to defend the Security Interest of the Collateral Agent in the Article 9 Collateral and the priority thereof against any Lien except for Permitted Liens.

(d) Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements (including fixture filings) or other documents in connection herewith or therewith. If any amount payable under or in connection with any of the Article 9 Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged and delivered to the Collateral Agent, duly endorsed in a manner satisfactory to the Collateral Agent.

Without limiting the generality of the foregoing, each Grantor hereby authorizes the Collateral Agent, with

[NYCorp;1304573.4;4575C;07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0432

TRADEMARK
REEL: 002512 FRAME: 0288

prompt notice thereof to the Grantors, to supplement this Agreement by supplementing Schedule II or adding additional schedules hereto to specifically identify any asset or item that may constitute Copyrights, Licenses, Patents or Trademarks; provided, however, that any Grantor shall have the right, exercisable within 10 days after it has been notified by the Collateral Agent of the specific identification of such Article 9 Collateral, to advise the Collateral Agent in writing of any inaccuracy of the representations and warranties made by such Grantor hereunder with respect to such Article 9 Collateral. Each Grantor agrees that it will use its best efforts to take such action as shall be necessary in order that all representations and warranties hereunder shall be true and correct with respect to such Article 9 Collateral within 30 days after the date it has been notified by the Collateral Agent of the specific identification of such Article 9 Collateral.

(e) None of the Grantors shall make or permit to be made an assignment, pledge or hypothecation of the Article 9 Collateral or shall grant any other Lien in respect of the Article 9 Collateral, except as expressly permitted by the Subordinated Notes. None of the Grantors shall make or permit to be made any transfer of the Article 9 Collateral and each Grantor shall remain at all times in possession of the Article 9 Collateral owned by it, except that unless and until the Collateral Agent shall notify the Grantors that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any Article 9 Collateral (which notice may be given by telephone if promptly confirmed in writing), the Grantors may use and dispose of the Article 9 Collateral in any lawful manner not inconsistent with the provisions of this Agreement, the Subordinated Notes or any other Subordinated Loan Document.

SECTION 4.04. Covenants regarding Patent, Trademark and Copyright Collateral. (a) Each Grantor agrees that during the term of any Patent it will not, and will not permit any of its licensees to, do any act or omit to do to any act whereby any Patent that is material to the conduct of such Grantor's business may become invalidated or dedicated to the public, and agrees that it shall continue to mark any products covered by a Patent with the relevant patent number as necessary and sufficient to establish and preserve its maximum rights under applicable patent laws.

(b) Each Grantor (either itself or through its licensees or its sublicensees) will, for each Trademark

material to the conduct of such Grantor's business, (1) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, (2) maintain the quality of products and services offered under such Trademark, (3) display such Trademark with notice of Federal or foreign registration to the extent necessary and sufficient to establish and preserve its maximum rights under applicable law and (4) not knowingly use or knowingly permit the use of such Trademark in violation of any third party rights.

(c) Each Grantor (either itself or through its licensees or sublicensees) will, for each work covered by a material Copyright, continue to publish, reproduce, display, adopt and distribute the work with appropriate copyright notice as necessary and sufficient to establish and preserve its maximum rights under applicable copyright laws.

(d) Each Grantor shall notify the Collateral Agent immediately if it knows or has reason to know that any Patent, Trademark or Copyright material to the conduct of its business may become abandoned, lost or dedicated to the public (other than as the result of the expiration of the term of any Patent), or of any adverse determination or development (including the institution of, or any such determination in, any proceeding in the United States Patent and Trademark Office, United States Copyright Office or any court or similar office of any country) regarding such Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or its right to keep and maintain the same.

(e) In the event that any Grantor, either itself or through any agent, employee, licensee or designee, files an application for any Patent, Trademark or Copyright (or for the registration of any Trademark or Copyright) with the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other country or any political subdivision thereof, such Grantor shall promptly inform the Collateral Agent of the registration of such Patent, Trademark or Copyright, and, upon request of the Collateral Agent, executes and delivers any and all agreements, instruments, documents and papers as the Collateral Agent may request to evidence the Collateral Agent's security interest in such Patent, Trademark or Copyright, and each Grantor hereby appoints the Collateral Agent as its attorney-in-fact to execute and file such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power, being coupled with an interest, is irrevocable.

[NYCulp;1306373.414575C:07/31/01-1132p]

TRADEMARK
REEL: 002495 FRAME: 0434

TRADEMARK
REEL: 002512 FRAME: 0290

(f) Each Grantor will take all necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office, United States Copyright Office or any office or agency in any political subdivision of the United States or in any other country or any political subdivision thereof, and to maintain each issued Patent and each registration of the Trademarks and Copyrights that is material to the conduct of any Grantor's business, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent with good business judgment, to initiate opposition, interference and cancellation proceedings against third parties.

(g) In the event that any Grantor has reason to believe that any Article 9 Collateral consisting of a Patent, Trademark or Copyright material to the conduct of any Grantor's business has been or is about to be infringed, misappropriated or diluted by a third party, such Grantor shall promptly notify the Collateral Agent and shall take such actions as are appropriate under the circumstances to protect such Article 9 Collateral, including without limitation and if consistent with good business judgment, institute legal proceedings for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution.

(h) Upon and during the continuance of an Event of Default, each Grantor shall use its best efforts to obtain all requisite consents or approvals by the licensor of each Copyright License, Patent License or Trademark License to effect the assignment of all such Grantor's right, title and interest thereunder to the Collateral Agent or its designee.

ARTICLE V

Remedies

SECTION 5.01. Remedies upon Default. Upon the occurrence and during the continuance of an Event of Default, each Grantor agrees to deliver each item of Collateral to the Collateral Agent on demand, and it is agreed that the Collateral Agent shall have the right to take any of or all the following actions at the same or different times: (a) with respect to any Article 9 Collateral consisting of Intellectual Property, on demand, to cause the Security Interest to become an assignment,

(NYCorp:1304573.4:4575C:07/11/01-1:12p)

TRADEMARK
REEL: 002495 FRAME: 0435

TRADEMARK
REEL: 002512 FRAME: 0291

transfer and conveyance of any of or all such Article 9 Collateral by the applicable Grantors to the Collateral Agent, or to license or sublicense, whether general, special or otherwise, and whether on an exclusive or nonexclusive basis, any such Article 9 Collateral throughout the world on such terms and conditions and in such manner as the Collateral Agent shall determine (other than in violation of any then-existing licensing arrangements to the extent that waivers cannot be obtained), and (b) with or without legal process and with or without prior notice or demand for performance, to take possession of the Article 9 Collateral and without liability for trespass to enter any premises where the Article 9 Collateral may be located for the purpose of taking possession of or removing the Article 9 Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, each Grantor agrees that the Collateral Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor or Pledgor, and the Grantors and Pledgors hereby waive (to the extent permitted by law) all rights of redemption, stay and appraisal which such Grantor or Pledgor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the Grantors and Pledgors 10 days' written notice (which each Grantor or Pledgor agrees is reasonable notice within the meaning of Section 9-504(3) of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Article 9 Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at

[NYCorp;1304573.4:4575C:07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0436

TRADEMARK
REEL: 002512 FRAME: 0292

which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Section 5.01 any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor or Pledgor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor or Pledgor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor or Pledgor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Collateral Agent shall be free to carry out such sale pursuant to such agreement and no Grantor or Pledgor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this

[NYCorp;1304573.4:4575C:07/11/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0437

TRADEMARK
REEL: 002512 FRAME: 0293

Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Section 5.01 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-504(3) of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions.

SECTION 5.02. Application of Proceeds. The Collateral Agent shall apply the proceeds of any collection or sale of Collateral, as well as any Collateral consisting of cash, as follows:

FIRST, to the payment of all costs and expenses incurred by the Collateral Agent in connection with such collection or sale or otherwise in connection with this Agreement, any other Subordinated Loan Document or any of the Obligations, including all court costs and the reasonable fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Subordinated Loan Document on behalf of any Grantor or Pledgor and any other costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Subordinated Loan Document;

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution); and

THIRD, to the Grantors and Pledgors, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

Except as otherwise provided in this Agreement, the Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid

[NYCorp;1304373.4:4575C:07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0438

TRADEMARK
REEL: 002512 FRAME: 0294

over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

SECTION 5.03. Grant of License to Use Intellectual Property. For the purpose of enabling the Collateral Agent to exercise rights and remedies under this Article at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Collateral Agent an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Grantors) to use, license or sublicense any of the Article 9 Collateral consisting of Intellectual Property now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Collateral Agent shall be exercised, at the option of the Collateral Agent, upon the occurrence and during the continuation of an Event of Default; provided that any license, sublicense or other transaction entered into by the Collateral Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

SECTION 5.04. Securities Act, etc. In view of the position of the Pledgors in relation to the Pledged Collateral, or because of other current or future circumstances, a question may arise under the Securities Act of 1933, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect being called the "Federal Securities Laws") with respect to any disposition of the Pledged Collateral permitted hereunder. Each Pledgor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Collateral Agent if the Collateral Agent were to attempt to dispose of all or any part of the Pledged Collateral, and might also limit the extent to which, or the manner in which, any subsequent transferee of any Pledged Collateral could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Collateral Agent in any attempt to dispose of all or part of the Pledged Collateral under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. Each Pledgor recognizes that in light of such restrictions and limitations the Collateral Agent may, with respect to any sale of the Pledged Collateral, limit the purchasers to those who will agree, among other things, to acquire such

[NYCorp;1304573.4:4575C:07/31/01-1.32p]

TRADEMARK
REEL: 002495 FRAME: 0439

TRADEMARK
REEL: 002512 FRAME: 0295

Pledged Collateral for their own account, for investment, and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that in light of such restrictions and limitations, the Collateral Agent, in its sole and absolute discretion (a) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Pledged Collateral or part thereof shall have been filed under the Federal Securities Laws and (b) may approach and negotiate with a single potential purchaser to effect such sale. Each Pledgor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Collateral Agent shall incur no responsibility or liability for selling all or any part of the Pledged Collateral at a price that the Collateral Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section 5.04 will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Collateral Agent sells.

ARTICLE VI

Indemnity and Subrogation

SECTION 6.01. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable law (but subject to Section 6.03), the Borrower agrees that (a) in the event a payment shall be made by Holdings or any other Guarantor under this Agreement, the Borrower shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the person to whom such payment shall have been made to the extent of such payment and (b) in the event any assets of any Guarantor shall be sold pursuant to any Security Document to satisfy a claim of any Secured Party, the Borrower shall indemnify Holdings or such Guarantor in an amount equal to the greater of the book value or the fair market value of the assets so sold.

SECTION 6.02. Contribution and Subrogation. Holdings and each Guarantor (a "Contributing Guarantor") agrees (subject to Section 6.03) that, in the event a payment shall be made by Holdings or any other Guarantor

[NYCorp;1304573.4;4575C;07/11/01-1;32p]

TRADEMARK
REEL: 002495 FRAME: 0440

TRADEMARK
REEL: 002512 FRAME: 0296

under this Agreement or assets of Holdings or any other Guarantor shall be sold to satisfy a claim of any Secured Party and Holdings or such other Guarantor (the "Claiming Guarantor") shall not have been fully indemnified by the Borrower as provided in Section 6.01, the Contributing Guarantor shall indemnify the Claiming Guarantor, to the extent not indemnified by the Borrower under Section 6.01, in an amount equal to the amount of such payment or the greater of the book value or the fair market value of such assets, as the case may be, in each case multiplied by a fraction of which the numerator shall be the net worth of the Contributing Guarantor on the date hereof and the denominator shall be the aggregate net worth of all the Guarantors on the date hereof (or, in the case of any Guarantor becoming a party hereto pursuant to Section 7.16, the date of the Supplement hereto executed and delivered by such Guarantor). Any Contributing Guarantor making any payment to a Claiming Guarantor pursuant to this Section 6.02 shall be subrogated to the rights of such Claiming Guarantor under Section 6.01 to the extent of such payment.

SECTION 6.03. Subordination. Notwithstanding any provision of this Agreement to the contrary, all rights of the Guarantors under Sections 6.01 and 6.02 and all other rights of indemnity, contribution or subrogation under applicable law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the Obligations. No failure on the part of the Borrower, Holdings or any Guarantor to make the payments required by Sections 6.01 and 6.02 (or any other payments required under applicable law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor with respect to its obligations hereunder, and each Guarantor shall remain liable for the full amount of the obligations of such Guarantor hereunder.

ARTICLE VII

Miscellaneous

SECTION 7.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section X(G) of the Subordination Agreement. All communications and notices hereunder to any Subordinated Loan Party shall be given to it at its address or telecopy number set forth on Schedule IV, with a copy to the Borrower.

(NYCorp;1304373.4;4875C;07/31/01-1;32p)

TRADEMARK
REEL: 002495 FRAME: 0441

TRADEMARK
REEL: 002512 FRAME: 0297

SECTION 7.02. Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interest, the grant of a security interest in the Pledged Collateral and all obligations of each Grantor and Pledgor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Subordinated Notes, any other Subordinated Loan Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Subordinated Notes, any other Subordinated Loan Document or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or Pledgor in respect of the Obligations or this Agreement.

SECTION 7.03. Survival of Agreement. All covenants, agreements, representations and warranties made by the Guarantors in the Subordinated Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Subordinated Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Subordinated Loan Documents, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Collateral Agent or any Subordinated Lender may have had notice or knowledge of any default or incorrect representation or warranty at the time any credit is extended, and shall continue in full force and effect as long as the principal of or any accrued interest on any Subordinated Note or any fee or any other amount payable under this Agreement is outstanding and unpaid.

SECTION 7.04. Binding Effect; Several Agreement. This Agreement shall become effective as to any Subordinated Loan Party when a counterpart hereof executed on behalf of such Subordinated Loan Party shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Subordinated Loan Party and the Collateral Agent and their respective successors and assigns, and shall inure to the benefit of such Subordinated Loan Party, the Collateral Agent and the other Secured Parties and their respective successors and

assigns, except that no Subordinated Loan Party shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Subordinated Notes. This Agreement shall be construed as a separate agreement with respect to each Subordinated Loan Party and may be amended, modified, supplemented, waived or released with respect to any Subordinated Loan Party without the approval of any other Subordinated Loan Party and without affecting the obligations of any other Subordinated Loan Party hereunder.

SECTION 7.05. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successor and assigns of such party; and all covenants, promises and agreements by or on behalf of any Grantor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

SECTION 7.06. Collateral Agent's Fees and Expenses; Indemnification. (a) Each Grantor and each Pledgor jointly and severally agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees, disbursements and other charges of its counsel and of any experts or agents, which the Collateral Agent may incur in connection with (i) the administration of this Agreement (including the customary fees and charges of the Collateral Agent for any audits conducted by it or on its behalf with respect to the Accounts Receivable or Inventory), (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the rights of the Collateral Agent hereunder or (iv) the failure of any Grantor or Pledgor to perform or observe any of the provisions hereof.

(b) Without limitation of its indemnification obligations under the other Subordinated Loan Documents, each Grantor and each Pledgor jointly and severally agrees to indemnify the Collateral Agent against, and hold it harmless from, any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for the Collateral Agent, incurred by or asserted against the Collateral Agent arising out of, in connection with, or as a result of, the execution, delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating

[NYCorp:3304573.6:4575C:07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0443

TRADEMARK
REEL: 002512 FRAME: 0299

hereto or to the Collateral, whether or not the Collateral Agent is a party thereto; provided that such indemnity shall not be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct of the Collateral Agent.

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Subordinated Security Documents. The provisions of this Section 7.06 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Subordinated Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Subordinated Loan Document, or any investigation made by or on behalf of the Collateral Agent or any other Secured Party. All amounts due under this Section 7.06 shall be payable on written demand therefor.

SECTION 7.07. Collateral Agent Appointed Attorney-in-Fact. Each Grantor and each Pledgor hereby appoints the Collateral Agent the attorney-in-fact of such Grantor or Pledgor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Collateral Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Collateral Agent's name or in the name of such Grantor or Pledgor (a) in the case of a Grantor (i) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Article 9 Collateral or any part thereof; (ii) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Article 9 Collateral; (iii) to sign the name of any Grantor on any invoice or bill of lading relating to any of the Article 9 Collateral; (iv) to send verifications of Accounts Receivable to any Account Debtor; (v) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Article 9 Collateral or to enforce any rights in respect of any Article 9 Collateral; (vi) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating

[NYCorp;1304573.4;4575C;07/31/01-1;32p]

TRADEMARK
REEL: 002495 FRAME: 0444

TRADEMARK
REEL: 002512 FRAME: 0300

to all or any of the Article 9 Collateral; (vii) to notify, or to require any Grantor to notify, Account Debtors to make payment directly to the Collateral Agent; and (viii) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Article 9 Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Collateral Agent were the absolute owner of the Article 9 Collateral for all purposes; and (b) in the case of a Pledgor (i) to ask for, demand, sue for, collect, receive and give acquittance for any and all moneys due or to become due under and by virtue of any Pledged Collateral; (ii) to endorse checks, drafts, orders and other instruments for the payment of money payable to the Pledgor representing any interest or dividend or other distribution payable in respect of the Pledged Collateral or any part thereof or on account thereof and to give full discharge of the same; (iii) to settle, compromise, prosecute or defend any action, claim or proceeding with respect thereto; and (iv) to sell, assign, endorse, pledge, transfer and to make any agreement respecting, or otherwise deal with, the same; provided, however, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent, or to present or file any claim or notice, or to take any action with respect to the Pledged Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Collateral Agent and the other Secured Parties shall be accountable only for amounts actually received as a result of the exercise of the powers granted to them herein, and neither they nor their officers, directors, employees or agent shall be responsible to any Grantor or Pledgor for any act or failure to act hereunder, except for their own gross negligence or wilful misconduct.

SECTION 7.08. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 7.09. Waivers; Amendment. (a) No failure or delay by the Collateral Agent or any Subordinated Lender in exercising any right or power hereunder or under any other Subordinated Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent and the Subordinated

(NYCorp;1304873;4:4575C:07/31/01-1:32p)

TRADEMARK
REEL: 002495 FRAME: 0445

TRADEMARK
REEL: 002512 FRAME: 0301

Lenders hereunder and under the other Subordinated Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Subordinated Loan Document or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 7.09, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Collateral Agent and the Guarantor or Guarantors with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section VIII(C) of the Subordination Agreement.

SECTION 7.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER SUBORDINATED LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.10.

SECTION 7.11. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 7.12. Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute a single contract (subject to Section 7.04), and shall become effective as provided in Section 7.04. Delivery of an executed signature page to this Agreement by telecopy shall

be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 7.13. Headings. Article and Section headings used herein are for the purpose of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 7.14 Jurisdiction; Consent to Service of Process. (a) Each of the Subordinated Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Subordinated Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Subordinated Loan Document shall affect any right that the Collateral Agent or any Subordinated Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Subordinated Loan Document against Holdings, the Borrower, any other Subordinated Loan Party or their respective properties in the courts of any jurisdiction.

(b) Each of the Subordinated Loan Parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Subordinated Loan Document in any court referred to in paragraph (a) of this Section 7.14. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 7.01. Nothing in this Agreement or any other Subordinated Loan Document will affect the right of

[NYCorp;3304573.4;4575C;07/31/01-1.32p]

TRADEMARK
REEL: 002495 FRAME: 0447

TRADEMARK
REEL: 002512 FRAME: 0303

any party to this Agreement to serve process in any other manner permitted by law.

SECTION 7.15. Termination or Release. (a) This Agreement, the Guarantees, the Security Interest and all other security interests granted hereby shall terminate when all the Obligations have been indefeasibly paid in full.

(b) A Guarantor shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Guarantor shall be automatically released in the event that all the capital stock of such Guarantor shall be sold, transferred or otherwise disposed of to a person that is not the Borrower or an Affiliate of the Borrower in accordance with the terms of the Subordinated Notes; provided that the Majority SubDebt Holders shall have consented to such sale, transfer or other disposition (to the extent required by the Subordination Agreement) and the terms of such consent did not provide otherwise.

(c) Upon any sale or other transfer by any Grantor or Pledgor of any Collateral that is permitted under the Subordinated Notes to any person that is not the Borrower or an Affiliate of the Borrower, or, upon the effectiveness of any written consent to the release of the security interest granted hereby in any Collateral, the security interest in such Collateral shall be automatically released.

(d) In connection with any termination or release pursuant to paragraph (a), (b), or (c), the Collateral Agent shall execute and deliver to any Grantor or Pledgor, as the case may be, at such Grantor's or Pledgor's expense, all documents that such Grantor or Pledgor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 7.15 shall be without recourse to or warranty by the Collateral Agent.

SECTION 7.16. Additional Subsidiaries. Pursuant to Section 7.12 of the Subordinated Notes, certain Subsidiaries of the Borrower or Holdings that were not in existence or not a Subsidiary on the date of the Subordination Agreement are required to enter in this Agreement (a) as a Guarantor, (b) as a Grantor if such Subsidiary owns or possesses property of a type that would be considered Article 9 Collateral hereunder and (c) as a Pledgor if such Subsidiary owns or possesses property of a type that would be considered Pledged Collateral hereunder. Upon execution and delivery by the Collateral Agent and such

a Subsidiary of an instrument in the form of Annex I hereto, such Subsidiary shall become a party hereunder with the same force and effect as if originally named as a party herein. The execution and delivery of any such instrument shall not require the consent of any Subordinated Loan Party hereunder. The rights and obligations of each Subordinated Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any Subsidiary as a party to this Agreement.

SECTION 7.17. Subordination Agreement. The pledge of the Collateral and all other provisions herein shall in all respects be subordinate to, and operative only consistent with, the Subordination Agreement. In the event of a conflict between the terms of this Agreement and the Subordination Agreement, the terms of the Subordination Agreement shall control.

SECTION 7.18. Senior Security Interest. Each Subordinated Loan Party acknowledges that a portion of the Collateral is or may be held, possessed or controlled by Comerica to secure the Senior Debt. On and after the Termination Date, such Collateral will continue to be held, possessed or controlled by either (a) Comerica in its capacity as Collateral Agent for the Secured Parties or (b) such other third party as the Majority SubDebt Holders shall designate. Each Subordinated Lender agrees that it shall execute and deliver such agreements, instruments, statements and other documents as are necessary, including, without limitation, control agreements and lockbox agreements, in order to preserve and protect the security interest of the Collateral Agent or such other third party in such Collateral.

SECTION 7.19. Subordination Agreement. This Agreement shall operate consistent with the terms of the Subordination Agreement. In the event of a conflict between this Agreement and the Subordination Agreement, the terms of the Subordination Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

HADEN INTERNATIONAL GROUP,
INC.,

by

Kenneth C. Baratz
Name: Kenneth C. Baratz
Title: President

HADEN SCHWEITZER CORPORATION,

by

Kenneth C. Baratz
Name: Kenneth C. Baratz
Title: President

HADEN, INC.,

by

Kenneth C. Baratz
Name: Kenneth C. Baratz
Title: President

HADEN ENVIRONMENTAL
CORPORATION,

by

Kenneth C. Baratz
Name: Kenneth C. Baratz
Title: President

COMERICA BANK, as
Collateral Agent,

by

Name:
Title:

TRADEMARK
REEL: 002495 FRAME: 0450

TRADEMARK
REEL: 002512 FRAME: 0306

IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written.

HADEN INTERNATIONAL GROUP,
INC.,

by

Name:
Title:

HADEN SCHWEITZER CORPORATION,

by

Name:
Title:

HADEN, INC.,

by

Name:
Title:

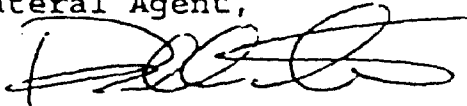
HADEN ENVIRONMENTAL
CORPORATION,

by

Name:
Title:

COMERICA BANK, as
Collateral Agent,

by



Name: Russ Stiles
Title: vice-president

TRADEMARK
REEL: 002495 FRAME: 0451

TRADEMARK
REEL: 002512 FRAME: 0307

Schedule I
Capital Stock; Debt Securities

- Amended and Restated Promissory Note from Haden Auburn, LLC to Haden, Inc., dated as of August 1, 2001, in the principal amount of \$570,000.
- There is intercompany debt among the Haden entities that is not evidenced by notes. A summary of such intercompany debt follows:

Haden International Group
Detail of MI Group & HIG I/G Receivables
(In USD)

| | HIG | HSC | Haden, Inc. | HRD | HEC | HPI |
|-----------------------------------|------------|------------|----------------|-----------|--------|-------|
| Net I/G Receivable - Due From: | | | | | | |
| Haden, Inc. | 19,298 | 5,373,800 | | 1,550 | | |
| HSC | 302,936 | | | | 22,385 | 5,000 |
| | | | | 1,976,869 | | |
| HEC | 2,119,174 | | | | | |
| | | | | 554,748 | | |
| HPI | 42,300 | | | | | |
| Ducost | 7,097,445 | | | | | |
| HIG | - | | | | | |
| | | | | 765,280 | | |
| Germany | 4,539,457 | 716,949 | | | | |
| Mexico | - | 2,886,004 | | | 5,660 | |
| France | 181,321 | 84,886 | | | | |
| HDIL | 3,708,026 | 6,131,183 | | | | |
| PES | 3,349,000 | | | | | |
| India - Services | 703,040 | | | | | |
| HTL | 182,000 | | | | | |
| Haden Paint Finishing - Mexico | - | 92,256 | | | | |
| Total | 22,243,997 | 15,285,078 | - | | 28,045 | 5,000 |
| | | | | 3,298,447 | | |

Capitalization

| <u>PLEDGOR</u> | <u>COMPANY</u> | <u>SHARES</u> |
|---|---|--|
| HIG | Haden MacLellan Ltd. | 19,151,226 ordinary shares of £1 each |
| HIG | Haden Ducost Systems Ltd. | 10,000 ordinary shares of £1 each |
| HIG | Haden Inc. | 500 shares of Common Stock, no par value per share |
| HIG | Haden PCL do Brasil Ltd. | 19,000 quotas of R\$1 each |
| HMH Process Engineering and Services Ltd. | Haden Drysys International Ltd. (United Kingdom) | 50,000 |
| HMH Process Engineering and Services Ltd. | Haden Drysys GmbH (Germany) | 100% |
| HMH Process Engineering and Services Ltd. and: John Culliford Ken Dargatz Jean Galaud Jean Francois Gaulon Jeffrey Johnson Patrick Kenzey | Haden Drysys SA (France) | 15394 shares |
| HMH Process Engineering and Services Ltd. | Haden Drysys Mexico Ltd. (United Kingdom) | 1000 shares |
| HMH Process Engineering and Services Ltd. | Haden Belux SA (Belgium) | 100% |
| HMH Process Engineering and Services Ltd. | Haden Drysys Environmental Ltd. (United Kingdom) | 250,000 shares |
| HMH Process Engineering and Services Ltd. | Haden King Ltd. (United Kingdom) | 10,000 shares |
| HMH Process Engineering and Services Ltd. | Haden Technology Ltd. (United Kingdom) | 1,200,000 shares |
| HMH Process Engineering and Services Ltd. | Drysys Equipment International Limited (United Kingdom) | Wholly-owned |

0798046 03

TRADEMARK
REEL: 002495 FRAME: 0453

TRADEMARK
REEL: 002512 FRAME: 0309

| | | |
|--|--|------------------|
| Drysys Equipment (International) limited or HMS Process & Engineering | Haden Drysys Pty Ltd. (S. Africa) | 100% |
| Haden Drysys International Limited | Haden Josts Engineering India Ltd. (India) | 100% |
| Haden Inc. | Haden Schweitzer Corp. (USA) | 200 shares |
| Haden Inc. | Haden Schweitzer Canada Corp. (Canada) | 10,000 shares |
| Haden Inc. | Haden R & D Corp. (USA) | 100 shares |
| Haden MacLellan Ltd. | HMH Process Engineering & Services Ltd. (United Kingdom) | 2,000,000 shares |
| Haden Schweitzer Corp. | Haden Environmental Corp. (USA) | 100 shares |
| Haden Schweitzer Corporation | Haden Foreign Sales Corp. (Barbados) | 100 shares |
| Haden Environmental Corporation | Haden Purification Inc. (USA) | 100 shares |
| Haden Ducost Systems Limited | Ducost Engineering Services Ltd. (United Kingdom) | 10,000 shares |
| Haden Ducost Systems Limited | Ducost Engineering South East Ltd. (United Kingdom) | 1,000 shares |
| The Company is a joint venture between Haden Drysys International limited and Beijing Blkesi Paint and Equipment Sales and service Centre who contributed 98% and 2% respectively to the captial of the company. | Haden Drysys Process Engineering Company Limited Beijing (China) | |
| Haden MacLellan Limited. This company is limited by guarantee. | Haden Staff Pension Trust Ltd. (United Kingdom) | |

Schedule II
Copyrights; Licenses; Patents; Trademarks;
Trade Names

(see IP Schedule 5.6(a) to SPA and attachments thereto)

0798046.03

TRADEMARK
REEL: 002495 FRAME: 0455

TRADEMARK
REEL: 002512 FRAME: 0311

Schedule III
Filing Offices

CORPORATION

FILING OFFICE

Haden International Group, Inc.

Michigan

Haden Schweitzer Corporation

Ohio

Haden, Inc.

Delaware

Haden Environmental Corporation

Delaware

0798046.03

TRADEMARK
REEL: 002495 FRAME: 0456

TRADEMARK
REEL: 002512 FRAME: 0312

Schedule 4

Comerica Bank
500 Woodward Avenue, 6th Floor
Detroit, MI 48226
Mail Code 3241
Attention: Russell Stokes
Telephone: (313) 222-8712
Facsimile: (313) 222-9564

Haden International Group, Inc.
1399 Pacific Drive
Auburn Hills, MI 48326
Attention: Kenneth C. Dargatz
Telephone: (248) 475-5010
Facsimile: (248) 475-5014

Haden Schweitzer Corporation
1399 Pacific Drive
Auburn Hills, MI 48326
Attention: Kenneth C. Dargatz
Telephone: (248) 475-5010
Facsimile: (248) 475-5014

Haden, Inc.
1399 Pacific Drive
Auburn Hills, MI 48326
Attention: Kenneth C. Dargatz
Telephone: (248) 475-5010
Facsimile: (248) 475-5014

Haden Environmental Corporation
1399 Pacific Drive
Auburn Hills, MI 48326
Attention: Kenneth C. Dargatz
Telephone: (248) 475-5010
Facsimile: (248) 475-5014

with copies to:
Miller Canfield Paddock and Stone
150 W. Jefferson, Ste. 2500
Detroit, MI 48226
Attention: David McLeod
Telephone: (313) 496-7564
Facsimile: (313) 496-8450

with copies to:
Jaffe, Raitt, Heuer & Weiss, P.C.
One Woodward Avenue, Suite 2400
Detroit, MI 48226
Attention: William E. Sider
Telephone: (313) 964-7260
Facsimile: (313) 961-8358

with copies to:
Jaffe, Raitt, Heuer & Weiss, P.C.
One Woodward Avenue, Suite 2400
Detroit, MI 48226
Attention: William E. Sider
Telephone: (313) 964-7260
Facsimile: (313) 961-8358

with copies to:
Jaffe, Raitt, Heuer & Weiss, P.C.
One Woodward Avenue, Suite 2400
Detroit, MI 48226
Attention: William E. Sider
Telephone: (313) 964-7260
Facsimile: (313) 961-8358

with copies to:
Jaffe, Raitt, Heuer & Weiss, P.C.
One Woodward Avenue, Suite 2400
Detroit, MI 48226
Attention: William E. Sider
Telephone: (313) 964-7260
Facsimile: (313) 961-8358

Annex I to the
Subordinated Guarantee
and Collateral Agreement

SUPPLEMENT NO. ___ dated as of August 1, 2001, to the Guarantee and Collateral Agreement dated as of [], among HADEN SCHWEITZER CORPORATION, an Ohio corporation (the "Borrower"), HADEN INTERNATIONAL GROUP, INC., a Michigan corporation ("Holdings"), each other Subordinated Loan Party party and COMERICA BANK, a Michigan banking corporation, as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein).

A. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Subordinated Guarantee and Collateral Agreement.

B. The Grantors have entered into the Subordinated Guarantee and Collateral Agreement in order to induce the Subordinated Lenders to extend credit to the Borrower pursuant to the Subordinated Notes. Section 7.16 of the Subordinated Guarantee and Collateral Agreement provides that additional Subsidiaries of the Borrower or Holdings may become Guarantors, Pledgors and Grantors under the Subordinated Subordinated Guarantee and Collateral Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Subordinated Loan Party") is executing this Supplement in accordance with the requirements of the Subordinated Notes to become a Guarantor, Pledgor and Grantor under the Subordinated Guarantee and Collateral Agreement as consideration for the extensions of credit previously made pursuant to the Subordinated Notes.

Accordingly, the Collateral Agent and the New Subordinated Loan Party agree as follows:

SECTION 1. In accordance with Section 7.16 of the Subordinated Guarantee and Collateral Agreement, the New Subordinated Loan Party by its signature below becomes a Guarantor, Pledgor and Grantor under the Subordinated Guarantee and Collateral Agreement with the same force and effect as if originally named therein as a Guarantor, Pledgor and Grantor and the New Subordinated Loan Party hereby (a) agrees to all the terms and provisions of the Subordinated Guarantee and Collateral Agreement applicable to it as a Guarantor, Pledgor and Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor, Pledgor and Grantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Subordinated Loan Party, as security for the payment and performance in full of the Obligations (as defined in the Subordinated Guarantee and Collateral Agreement), does hereby create and grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Subordinated Guarantee and Collateral Agreement) of the New Subordinated Loan Party. Each reference to a "Guarantor", "Grantor" and "Pledgor" in the Subordinated Guarantee and Collateral Agreement shall be deemed to include the New Subordinated Loan Party. The Subordinated Guarantee and Collateral Agreement is hereby incorporated herein by reference.

SECTION 2. The New Subordinated Loan Party represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Subordinated Loan Party and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

[NYCorp;1304573.4:4575C:07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0458

TRADEMARK
REEL: 002512 FRAME: 0314

SECTION 4. The New Subordinated Loan Party hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule of the Pledged Securities owned by the New Subordinated Loan Party that are required to be pledged pursuant to the Subordinated Guarantee and Collateral Agreement, (b) set forth on Schedule II attached hereto is a true and correct schedule of the location of any and all Collateral of the New Subordinated Loan Party and (c) set forth under its signature hereto, is the true and correct location of the chief executive office of the New Subordinated Loan Party and its jurisdiction of formation.

SECTION 5. Except as expressly supplemented hereby, the Subordinated Guarantee and Collateral Agreement shall remain in full force and effect.

SECTION 6. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Subordinated Guarantee and Collateral Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Subordinated Guarantee and Collateral Agreement. All communications and notices hereunder to the New Subordinated Loan Party shall be given to it at the address set forth under its signature below.

SECTION 9. The New Subordinated Loan Party agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Subordinated Loan Party and the Collateral Agent have duly executed this Supplement to the Subordinated Guarantee and Collateral Agreement as of the day and year first above written.

[Name Of New Subordinated Loan Party],

by

Name:
Title:
Address:

COMERICA BANK, as Collateral Agent,

by

Name:
Title:

Annex I to the
Subordinated Guarantee
and Collateral Agreement

SUPPLEMENT NO. ___ dated as of August 1, 2001, to the Guarantee and Collateral Agreement dated as of [], among HADEN SCHWEITZER CORPORATION, an Ohio corporation (the "Borrower"), HADEN INTERNATIONAL GROUP, INC., a Michigan corporation ("Holdings"), each other Subordinated Loan Party party and COMERICA BANK, a Michigan banking corporation, as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein).

A. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Subordinated Guarantee and Collateral Agreement.

B. The Grantors have entered into the Subordinated Guarantee and Collateral Agreement in order to induce the Subordinated Lenders to extend credit to the Borrower pursuant to the Subordinated Notes. Section 7.16 of the Subordinated Guarantee and Collateral Agreement provides that additional Subsidiaries of the Borrower or Holdings may become Guarantors, Pledgors and Grantors under the Subordinated Subordinated Guarantee and Collateral Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Subordinated Loan Party") is executing this Supplement in accordance with the requirements of the Subordinated Notes to become a Guarantor, Pledgor and Grantor under the Subordinated Guarantee and Collateral Agreement as consideration for the extensions of credit previously made pursuant to the Subordinated Notes.

Accordingly, the Collateral Agent and the New Subordinated Loan Party agree as follows:

SECTION 1. In accordance with Section 7.16 of the Subordinated Guarantee and Collateral Agreement, the New Subordinated Loan Party by its signature below becomes a Guarantor, Pledgor and Grantor under the Subordinated Guarantee and Collateral Agreement with the same force and effect as if originally named therein as a Guarantor, Pledgor and Grantor and the New Subordinated Loan Party hereby (a) agrees to all the terms and provisions of the Subordinated Guarantee and Collateral Agreement applicable to it as a Guarantor, Pledgor and Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor, Pledgor and Grantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Subordinated Loan Party, as security for the payment and performance in full of the Obligations (as defined in the Subordinated Guarantee and Collateral Agreement), does hereby create and grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Subordinated Guarantee and Collateral Agreement) of the New Subordinated Loan Party. Each reference to a "Guarantor", "Grantor" and "Pledgor" in the Subordinated Guarantee and Collateral Agreement shall be deemed to include the New Subordinated Loan Party. The Subordinated Guarantee and Collateral Agreement is hereby incorporated herein by reference.

SECTION 2. The New Subordinated Loan Party represents and warrants to the Collateral Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Subordinated Loan Party and the Collateral Agent. Delivery of an executed signature page to this Supplement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

[NYCorp; 1304573.4; 4575C; 07/31/01-1:32p]

TRADEMARK
REEL: 002495 FRAME: 0458

TRADEMARK
REEL: 002512 FRAME: 0316

SECTION 4. The New Subordinated Loan Party hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule of the Pledged Securities owned by the New Subordinated Loan Party that are required to be pledged pursuant to the Subordinated Guarantee and Collateral Agreement, (b) set forth on Schedule II attached hereto is a true and correct schedule of the location of any and all Collateral of the New Subordinated Loan Party and (c) set forth under its signature hereto, is the true and correct location of the chief executive office of the New Subordinated Loan Party and its jurisdiction of formation.

SECTION 5. Except as expressly supplemented hereby, the Subordinated Guarantee and Collateral Agreement shall remain in full force and effect.

SECTION 6. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Subordinated Guarantee and Collateral Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Subordinated Guarantee and Collateral Agreement. All communications and notices hereunder to the New Subordinated Loan Party shall be given to it at the address set forth under its signature below.

SECTION 9. The New Subordinated Loan Party agrees to reimburse the Collateral Agent for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

IN WITNESS WHEREOF, the New Subordinated Loan Party and the Collateral Agent have duly executed this Supplement to the Subordinated Guarantee and Collateral Agreement as of the day and year first above written.

[Name Of New Subordinated Loan Party],

by

Name:

Title:

Address:

COMERICA BANK, as Collateral Agent,

by

Name:

Title:

Schedule I to
Supplement No. ___ to the
Subordinated Guarantee
and Collateral Agreement

Pledged Securities of the New Subordinated Loan Party

CAPITAL STOCK

| <u>Issuer</u> | <u>Number of Certificate</u> | <u>Registered Owner</u> | <u>Number and Class of Shares</u> | <u>Percentage of Shares</u> |
|---------------|----------------------------------|-----------------------------|---|---------------------------------|
|---------------|----------------------------------|-----------------------------|---|---------------------------------|

DEBT SECURITIES

| <u>Issuer</u> | <u>Principal Amount</u> | <u>Date of Note</u> | <u>Maturity Date</u> |
|---------------|-----------------------------|---------------------|----------------------|
|---------------|-----------------------------|---------------------|----------------------|

SCHEDULE II to
Supplement No. _____ to the
Subordinated Guarantee
and Collateral Agreement

LOCATION OF COLLATERAL

Description

Location

{NYCorp;1304373.4;4575C;07/11/01-1,12p}

TRADEMARK
REEL: 002495 FRAME: 0461

TRADEMARK
REEL: 002512 FRAME: 0319

[illegible]

| | | | | | | | | |
|-------|---------------------------|-----|--|--|--|--|--|--------------------------|
| TM557 | DryPure TM (Unregistered) | HEC | | | | | | No US application filed. |
|-------|---------------------------|-----|--|--|--|--|--|--------------------------|

Trapped List

Page 1

TRADEMARK
REEL: 002495 FRAME: 0462

TRADEMARK
REEL: 002512 FRAME: 0320



TRADEMARK
REEL: 002495 FRAME: 0463

TRADEMARK
REEL: 002512 FRAME: 0321



Haden Environmental Corporation Patent List

NONE

TRADEMARK
REEL: 002495 FRAME: 0464

TRADEMARK
REEL: 002512 FRAME: 0322

PATENT LIST
schedule 1 to HEC security agreement_v1 ;

HADEN INC. TRADEMARK LIST

| Docket Ref. # | Description | Assignee | Country File | File Date | Serial Number | Issue Date | Trademark Number | Renewal/Notice of Maintenance |
|---------------|-----------------------------|----------|--------------|-----------|---------------|------------|------------------|--|
| TM1464 | ConnectaCure™ | HI | USA | 05/29/98 | 75502335 | 11/9/99 | pending | All documents filed; waiting issue from PTO |
| TM478 | Haden R | HI | USA | 10/23/87 | 73692173 | 01/09/90 | 1,576,814 | Renewal due 01/2010 |
| TM1535 | Haden International Group R | HI | USA | 03/11/99 | 75-658,753 | 08/29/00 | 2,380,841 | Renewal due 08/29/2010 §§8 & 15 Declaration due before 8/29/06 (Declaration of Use and Incontestability) |
| TM477 | Haden Schweitzer R | HI | USA | 08/07/86 | 73613,598 | 01/19/88 | 1,472,819 | Renewal due 01/2008 |
| TM1624 | Intelliprint™ | HI | USA | 01/06/00 | 75888,952 | 10/03/00 | pending | Specimen of use to be submitted before Feb 28, 2002 |

TRADEMARK
REEL: 002495 FRAME: 0465

TRADEMARK
REEL: 002512 FRAME: 0323

HADEN INC. PATENT LIST

Note that this file contains multiple sheets:

| Docket Ref. # | Description | Inventor | Assignee | Country File | Serial Number | Issue Date | File Date | Exp. Date | Patent Number | Renewal Status |
|---------------|--|--------------------------|----------|--------------|---------------|------------|-----------|-----------|---------------|--------------------------------------|
| 1500 BR | Method and apparatus for treating waste paint sludge (Treating wastes - Dryfume) | J. Johnson, A. Slater | | Brazil | P188015297 | 8/26/1997 | 3/30/1988 | | P188015297 | NSHN |
| 1500CJPBR | Method and apparatus for treating waste paint sludge (Treating wastes - Dryfume) | J. Johnson, A. Slater | | Brazil | P189025334 | 8/25/98 | 6/2/89 | | P189025334 | NSHN |
| 1503 | Sludge processing (Haden/Denver Equipment was Joy Technologies) | Erdman, Johnson, Levad | | USA | 07007156 | 06/14/88 | 01/27/87 | 2007 | 4,750,274 | NSHN All annuities paid |
| 2028 | Chemical drying of wet sludge | St. Louis | Haden | USA | 08259969 | 11/12/96 | 06/14/94 | 2014 | 5,573,587 | NSHN Next annuity due 5/12/04 |
| 2229 | Method for Processing Paint Sludge | O. St. Louis, J. Johnson | Haden | USA | 080815,689 | 06/16/98 | 03/12/97 | 2017 | 5,765,293 | NSHN 1st annuity due 12/18/01 |
| 2380 | Contaminant shield from aluminum extrusion | O. St. Louis | HI | USA | 080901,400 | 05/04/99 | 07/28/97 | 2017 | 5,899,027 | NSHN 1st annuity due 11/04/02 |
| 2477 DES | PanelPlus - Design | D. St. Louis | HI | USA | 29071517 | 2/2/99 | 5/31/1997 | 2013 | Des 405,198 | NSHN No annuities for Design Patents |
| 2610 | Method for Applying Powder Paint | J. Joyce, J. Johnson | Haden | USA | 9,045,749 | 08/08/00 | 03/20/98 | 2020 | 6,099,898 | NSHN 1st annuity due 2/8/2004 |

Patents Licensed from Nordson:

5,078,084
5,153,028
5,700,323
5,743,958
6,071,558

TRADEMARK
REEL: 002495 FRAME: 0466

TRADEMARK
REEL: 002512 FRAME: 0324

HSC Trademark List

Haden Trademark List

| Docket Ref. # | Description | Assignee | Country File | File Date | Serial Number | Issue Date | Trademark Number | Renewal/Notes | Identified |
|---------------|-----------------------------|-------------|---------------|-----------|---------------|------------|------------------|---|---------------|
| X308 | DryPure R | HMH | Australia | 11/15/99 | | | A510,367 | Renewal due 05/10/06 | ? |
| X355 | DryPure R | HMH | Belarus | 05/10/99 | | | 464,818 | Renewal due 05/10/09 | ? |
| TM55, BR | DryPure R | HDI | Brazil | 09/05/99 | 815,126,410 | 10/29/99 | 815,126,410 | Renewed | Niro, Scavone |
| X363 | DryPure R | HMH | France | 05/17/99 | | | 1,591,940 | Renewal due 05/17/09 | ? |
| X406 | DryPure R | HMH | Germany | 05/12/99 | | | 1,163,186 | Renewal due 05/12/09 | ? |
| R122 | DryPure R | HMH | Great Britain | 04/18/99 | | | 8138,1693 | Renewal due 04/18/2006 | ? |
| X364 | DryPure R | HDI | Italy | 05/12/99 | | | 565,360 | Renewal due 05/12/2009 | ? |
| X324 | DryPure R (Roman Script) | HMH | Japan | 08/21/99 | | | 2,462,290 | Renewal due 03/31/2002 | ? |
| X502 | DryPure R (Katakana Script) | HMH | Japan | 08/21/99 | | | 2,462,291 | Renewal due 03/31/2002 | ? |
| X450 | DryPure R | HMH | Spain | 05/11/99 | | | 1,502,595 | Renewal due 05/11/09 | ? |
| X448 | DryPure R | HMH | Sweden | 05/10/99 | | | 222,633 | Renewal due 04/12/2011 | ? |
| TM 1061 AR | Drys R | HDI | Argentina | 02/28/72 | 1,969,004 | 01/09/96 | 1,587,699 | Renewal due 01/20/06 Originally Registered 4/8/85 as #11292648 | Niro, Scavone |
| S832 | Drys R | HMH | Australia | 09/14/66 | | | A204,975 | Renewal due 09/14/2001 Class 7 | ? |
| S833 | Drys R | HMH | Australia | 09/14/66 | | | A204,974 | Renewal due 09/14/2001 Class 11 | ? |
| TM 1061 BR | Drys R | HDI | Brazil | 03/24/72 | | 10/25/75 | 0,614,829 | Renewal due between 10/25/04 & 10/25/05 | Niro, Scavone |
| S857 | Drys R | HMH | Germany | 03/15/60 | | | 777,267 | Renewal due 03/15/2010 | ? |
| V890 | Drys R | HMH | Great Britain | 02/25/24 | | | 445,691 | Renewal due 02/25/2008 Class 7, 11 Sprayguns | ? |
| V899 | Drys R | HMH | Great Britain | 02/25/24 | | | 445,692 | Renewal due 02/25/2008 Treating liquids | ? |
| S822 | Drys R | HMH | Great Britain | 01/18/60 | | | 800,483 | Renewal due 01/18/2005 Class 7 Air purifying apparatus | ? |
| S821 | Drys R | HMH | Great Britain | 01/18/60 | | | 800,484 | Renewal due 01/18/2005 Class 11 Air purifying apparatus | ? |
| S861 | Drys R | HMH | Hungary | 11/23/76 | | | 119,221 | Renewal due 11/23/2006 | ? |
| S864 | Drys R | HDI | India | 11/29/62 | | | 212,529 | Renewal due 11/29/2004 Class 7 | ? |
| S863 | Drys R | HDI | India | 11/29/62 | | | 212,530 | Renewal due 11/29/2004 Class 11 | ? |
| S862 | Drys R | Carnet Drys | India | 08/25/65 | | | 231,044 | Renewal due 08/28/2010 | ? |
| S893 | Drys R | HMH | Russian Fed. | 03/31/62 | | | 21,406 | Renewal due 01/18/07 | ? |
| S881 | Drys R | HMH | South Africa | 02/02/60 | | | 600,373 | Renewal due 02/02/2004 Class 11 | ? |
| S882 | Drys R | HMH | South Africa | 02/02/60 | | | 600,371 | Renewal due 02/02/2004 Class 7 | ? |
| S890 | Drys R | HMH | Sweden | 02/17/60 | | | 91,159 | Renewal due 12/30/2010 | ? |

TRADEMARK
REEL: 002495 FRAME: 0467TRADEMARK
REEL: 002512 FRAME: 0325

HSC Trademark List

Haden Trademark List

| Docket Ref. # | Description | Assignee | Country File | File Date | Serial Number | Issue Date | Trademark Number | Renewal/Notes | Class |
|---------------|---------------|----------|---------------|-----------|---------------|------------|------------------|---------------------------------------|---------------|
| O357 | Dynakube R | HMH | Great Britain | 01/29/81 | | | 1,147,816 | Renewal due 01/29/2002 | ? |
| S815 | Effluar R | HMH | Great Britain | 04/13/71 | | | 973,576 | Renewal due 04/13/2006 | ? |
| TM1063 BR | Electroclap R | HMH | Great Britain | 03/24/72 | 720,039,991 | 07/03/84 | 720,039,991 | Renewal due 07/03/04 | Niro, Scavone |
| S816 | Electroclap R | HMH | Great Britain | 05/06/69 | | | B942245 | Renewal due 05/06/2004 | ? |
| TM475 AR | Hydropac R | HDI | Argentina | | 1,692,016 | 10/30/92 | 1,407,523 | Renewal 10/30/2002 | Niro, Scavone |
| V497 | Hydropac R | HMH | Australia | 07/29/86 | | | A449,294 | Renewal due 07/29/2007 | ? |
| X264 | Hydropac R | HMH | Benelux | 05/10/89 | | | 484,819 | Renewal due 05/10/09 | ? |
| X355 | Hydropac R | HMH | France | 05/17/89 | | | 1,591,939 | Renewal due 05/17/09 | ? |
| X407 | Hydropac R | HMH | Germany | 05/12/89 | | | 1,164,230 | Renewal due 05/12/09 | ? |
| S807 | Hydropac R | HMH | Great Britain | 08/30/78 | | | B1100813 | Renewal due 08/30/09 | ? |
| X398 | Hydropac R | HDI | Italy | 05/12/89 | | | 565,361 | Renewal due 05/12/2009 | ? |
| V556 | Hydropac R | HMH | New Zealand | 07/30/86 | | | B166858 | Renewal due 07/30/2007 | ? |
| X449 | Hydropac R | HMH | Spain | 05/31/89 | | | 1,502,596 | Renewal due 05/31/09 | ? |
| X447 | Hydropac R | HMH | Sweden | 05/10/89 | | | 222,634 | Renewal due 04/12/2011 | ? |
| TM475 ✓ | Hydropac R | HSC | USA | 11/16/79 | 73239875 | 01/19/82 | 1,186,417 | Incontestable Renewal due 01/20/02 | Niro, Scavone |
| S829 | Hydrospin R | HMH | Australia | 03/22/74 | | | A277,070 | Renewal due April 2009 Class | ? |
| S830 | Hydrospin R | HMH | Australia | 03/22/74 | | | A277,069 | Renewal due April 2009 Class | ? |
| S831 | Hydrospin R | HMH | Australia | 03/22/74 | | | A277,068 | Renewal due April 2009 Class | ? |
| TM474 BR | Hydrospin R | HDI | Brazil | 05/30/72 | 006,149,510 | 10/25/75 | 0,614,951 | Renewal due 02/2005 | Niro, Scavone |
| S840 | Hydrospin R | HMH | Canada | 04/04/74 | | | 206,396 | Renewal due 04/11/2005 | ? |
| S820 | Hydrospin R | HMH | Great Britain | 05/18/67 | | | 590,593 | Renewal due 05/18/2002 Class | ? |
| S817 | Hydrospin R | HMH | Great Britain | 04/23/68 | | | 924,045 | Renewal due 04/23/2003 Class | ? |
| S819 | Hydrospin R | HMH | Great Britain | 04/23/68 | | | 924,048 | Renewal due 04/23/2003 Class | ? |
| S818 | Hydrospin R | HMH | Great Britain | 04/23/68 | | | 924,047 | Renewal due 04/23/2003 Class | ? |
| S869 | Hydrospin R | HMH | Japan | 03/06/69 | | | 1,289,015 | Renewal due February 2009 | ? |
| S880 | Hydrospin R | HMH | New Zealand | 03/13/74 | | | 107,547 | Renewal due March 2009 Class 6 | ? |
| S879 | Hydrospin R | HMH | New Zealand | 03/13/74 | | | 8,107,548 | Renewal due March 2009 Class 11 | ? |
| S876 | Hydrospin R | HMH | New Zealand | 03/13/74 | | | 107,549 | Renewal due March 2009 Class 19 | ? |
| TM474 ✓ | Hydrospin R | HSC | USA | 11/16/79 | 73239876 | 01/19/82 | 1,186,391 | Incontestable Renewal due 01/20/02 | Niro, Scavone |

TRADEMARK
REEL: 002495 FRAME: 0468TRADEMARK
REEL: 002512 FRAME: 0326

HSC Trademark List

Haden Trademark List

| Docket # App # | Trademark Description | Class | Country of Origin | File # Date | Serial # Number | Issue # Date | Renewal # Date | Renewal # Date | Renewal # Date |
|----------------------------|----------------------------------|-------|-------------------|----------------|--------------------|-----------------|-------------------|--|-------------------|
| TM1064 AR | King R | HDI | Argentina | 07/22/82 | 1,964,471 | 09/29/95 | 1577219 | Renewal due 9/29/05. Mark originally registered 3/12/85 as Reg. No. 1117075. | Niro, Scavone |
| S188 | King R | HMH | Great Britain | 06/26/80 | | | 1,139,337 | Renewal due 06/26/2001 | ? |
| X664 | King R | HMH | France | 04/27/79 | | | 1,537,965 | Renewal due 10/30/08 | ? |
| Q416 | Monorover R | HMH | Great Britain | 12/13/83 | | | 1,208,965 | Renewal due 12/13/2004 | ? |
| Q415 | Monorover & Device R | HMH | Great Britain | 12/13/83 | | | 1,208,966 | Renewal due 12/13/2004 | ? |
| TM478 CA | Project Responsibility Concept R | HMC | Canada | 10/18/84 | 530,160 | 09/19/86 | 318,682 | Renewal due 9/19/01 | Niro, Scavone |
| TM476 | Project Responsibility Concept R | HMC | USA | 04/16/84 | 734,75,827 | 06/25/85 | 1,345,254 | Renewal due 06/25/05 | Niro, Scavone |
| S161 | Solvol R | HMH | Great Britain | 11/21/80 | | | 811,443,58 | Renewal due 11/21/2001 | ? |
| S806 | Sublug R | HMH | Great Britain | 08/14/80 | | | 811,388,03 | Renewal due 08/14/2001 | ? |
| TM1062 BR | Thermolume R | HDI | Brazil | 03/24/72 | 007,000,340 | 10/10/77 | 007,000,340 | Renewal paid 11/95 | Niro, Scavone |
| S814 | Thermolume R | HMH | Great Britain | 04/13/71 | | | 897,3577 | Renewal due 04/13/2006 | ? |
| TRADEMARKS FOR HADEN/BEST: | | | | | | | | | |
| | AirRadiant R | TEC | USA | | | | 1,709,300 | | TEC |
| | BestBurner R | TEC | USA | | | | 1,794,490 | | TEC |
| | RadiantWall R | TEC | USA | | | | 1,804,829 | | TEC |
| | TEC R | TEC | USA | | | | 1,750,564 | | TEC |
| | Turbulator R | TEC | USA | | | | 1,366,552 | | TEC |

TRADEMARK
REEL: 002495 FRAME: 0469

TRADEMARK
REEL: 002512 FRAME: 0327

HSC Patent List

Note that this file contains multiple sheets!

| Docket Ref. # | Description | Inventor | Assignee | Country File # | Serial Number | Issue Date | File Date | Exp. Date | Patent Number | Renewal Status |
|---------------|--|----------------------------------|----------|------------------------------|------------------|------------|-----------|-----------|----------------|---|
| L087 77 | Low velocity air seal | J. Johnson | HSC | Germany | | | 04/29/87 | 2007 | 3,762,066.5-08 | Page White & Farrer HDI UK (Yardley o/c) no file here |
| SHW-061 | Process and system for elimination of paint solvent vapors (Booth energy recovery system with heat exchangers and solvent) | | HSC | Canada | 405116 | 05/20/86 | 06/14/82 | 2002 | 1,204,659 | |
| 579 | Wet scrubber apparatus and paint spraybooth in combination with wet scrubber apparatus (Hydrospon IV) (Ari Cleaning apparatus) | J. Johnson, A. Slater, K. West | HSC | Great Britain, France, Spain | 90301454 | 08/17/94 | 02/12/90 | 2012 | 0,415,511 | Page White & Farrer HDI UK (Yardley o/c) |
| 579 | Wet scrubber apparatus and paint spraybooth in combination with wet scrubber apparatus (Hydrospon IV) (Ari Cleaning apparatus) | J. Johnson, A. Slater, K. West | HSC | Germany | 90301454 | 08/17/94 | 02/12/90 | 2012 | 69011599.7-0 | Page White & Farrer HDI UK (Yardley o/c) |
| 579 JA | Wet scrubber apparatus and paint spraybooth in combination with wet scrubber apparatus (Hydrospon IV) (Ari Cleaning apparatus) | J. Johnson, A. Slater, K. West | HSC | Japan | 14844090 | | 06/06/90 | 2006 | 2,124,217 | Page White & Farrer HDI UK (Yardley o/c) |
| 1462 | Incinerator - Heater system (Schweitzer Thermohume System) | Carthew | SIC | France | 8019622 | 06/30/86 | 09/11/80 | 2006 | 8,019,622 | NSHN No file here |
| 1462 CA | Incinerator - Heater system (Schweitzer Thermohume System) | Carthew | SIC | Canada | 357713 | 10/05/82 | 08/06/80 | 2002 | 1,132,851 | NSHN No annuities due |
| 1466 CA | Improved paint spraybooth with flooded floor | Donahue | SIC | Canada | 360473 | 06/21/83 | 09/18/80 | 2003 | 1,148,349 | NSHN |
| 1476 ✓ | Method and apparatus for applying paint (Hydrospon III) | J. Johnson, S. Rothon, A. Slater | HSC | USA | 795856 | 11/10/87 | 11/07/85 | 2005 | 4,704,952 | All annuities paid |
| 1476 CA | Method and apparatus for applying paint (Hydrospon III) | J. Johnson, S. Rothon, A. Slater | HSC | Canada | 510572 | 05/02/89 | 06/02/86 | 2006 | 1,253,433 | NSHN |
| 1476 JA | Method and apparatus for applying paint (Hydrospon III) | J. Johnson, S. Rothon, A. Slater | HSC | Japan | 263618/1986 | 11/06/86 | 11/05/86 | 2006 | 2,106,239 | NSHN |
| 1477 CA | Method and apparatus for applying paint (Hydrospon III) | M. Carthew J. Johnson | HSC | Canada | 535650 | 04/07/92 | 04/27/87 | 2007 | 1,298,585 | NSHN |
| 1477 EPA | Low velocity air seal | J. Johnson | HSC | Great Britain, France | 87303820.2 | 03/28/90 | 04/29/87 | 2015 | 0,255,200 | Page White & Farrer HDI UK (Yardley o/c) |
| 1500 BR | Method and apparatus for treating waste paint sludge (Treating wastes - DryPure) | J. Johnson, A. Slater | HSC | Brazil | P188015297 | 8/26/1997 | 3/30/1988 | | PI88015297 | NSHN |
| 1500 CIP | Method and apparatus for treating waste paint sludge (Treating wastes - DryPure) | J. Johnson, A. Slater | HSC | USA | 07202838 | 12/25/90 | 06/03/88 | 2008 | 4,980,030 | NSHN Last annuity due 6/25/2002 |
| 1500 CIP | Method and apparatus for treating waste paint sludge (Treating wastes - DryPure) | J. Johnson, A. Slater | HSC | Canada | 538636 601669 | 02/08/94 | 06/02/87 | 2009 | 1,326,937 | NSHN |
| 1500 IPBR | Method and apparatus for treating waste paint sludge (Treating wastes - DryPure) | J. Johnson, A. Slater | HSC | Brazil | P189025334 | 8/25/98 | 6/2/89 | | PI89025334 | NSHN |
| 1500 CIP JA | Method and apparatus for treating waste paint sludge (Treating wastes - DryPure II) | | HSC | Japan | 14094189 | | 06/02/89 | NOV. 2007 | 2,108,647 | Page White & Farrer HDI UK (Yardley o/c) |

REEL: 002495 FRAME: 0470

TRADEMARK
REEL: 002512 FRAME: 0328

HSC Patent List

Note that this file contains multiple sheets!

| Docket Ref. # | Description | Inventor | Assignee | Country File | Serial Number | Issue Date | File Date | Exp. Date | Patent Number | Renewal Status |
|---------------|--|--------------------------------|----------|-------------------------------|---------------|------------|-----------|-----------|---------------|--|
| 1503 | Sludge processing (Haden/Denver Equipment was Joy Technologies) | Erdman, Johnson, Levad | | USA | 07007156 | 06/14/88 | 01/27/87 | 2007 | 4,750,274 | NSHN All annuities paid |
| 1892 EPA | Apparatus for measuring and controlling fluid flow across a boundary (Spraybooth air balance controller) | J. Johnson | HSC | Great Britain, France, Sweden | 893094847 | 03/10/93 | 09/19/89 | 2013 | 0,389,709 | Page White & Farrer HDT UK (Yardley o/c) |
| 1892 EPA | Apparatus for measuring and controlling fluid flow across a boundary (Spraybooth air balance controller) | J. Johnson | HSC | Germany | | | 09/19/89 | 2013 | 68,905,330.4 | Page White & Farrer HDT UK (Yardley o/c) |
| 1785 | Wet scrubber apparatus and paint spraybooth in combination with wet scrubber apparatus (Hydrospin IV) (Axi Cleaning apparatus) | J. Johnson, A. Slater, K. West | HSC | USA | 07402217 | 06/04/91 | 08/31/89 | 2009 | 5,020,470 | NSHN Next annuity due 12/4/02 - Final |
| 2029 | Integrated paint spraybooth and air conditioning system and process | J. Johnson, D. St. Louis | HSC | USA | 08/507,930 | 5/5/98 | 7/27/95 | 2015 | 5,746,650 | NSHN 1st annuity due 11/5/01 |
| 2032 | Contaminant shield | R. Schmidt, D. St. Louis | HSC | USA | 08,148,894 | 01/24/95 | 11/08/93 | 2013 | 5,383,312 | NSHN Next annuity due 7/24/02 |
| 2106 | Microwave sludge drier - process | D. St. Louis | HSC | USA | 8371123 | 9/21/99 | 6/11/95 | 2016 | 5,954,970 | NSHN 1st annuity due 03/21/03 |

Patents Licensed from Nordson:

5,078,084
5,153,028
5,700,323
5,743,958
6,071,558

TRADEMARK
REEL: 002495 FRAME: 0471

TRADEMARK
REEL: 002512 FRAME: 0329

TEC Patent List (assigned to HSC)

| Docket Ref. # | Description | Assignee | Country | Serial Number | Issue Date | File Date | Exp. Date | Patent Number | Renewal/Notes |
|---------------|---|----------|--|---------------|------------|-----------|-----------|---------------|--------------------------------------|
| 2701-1-001 | RadiantWall oven and process of drying coated objects (curved RadiantWall oven) | Best | USA | 06519859 | 10/15/85 | 08/03/83 | 2003 | 4,546,553 | |
| 4701-2-014 | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | Spain | 90200115.5 | 01/02/94 | 01/16/90 | 2010 | 2,046,667 | |
| 1883RE | Radiant Wall Oven and Process of Drying Coated | Best | USA | 90002260 | 04/13/93 | 02/11/91 | | 814546553 | |
| 2077 CA | High turbulence heat transfer oven | Best | Canada | 337590 | 02/22/83 | 10/15/79 | 2002 | 1,141,534 | |
| 2077DVCA | High turbulence heat transfer oven | Best | Canada | 418716 | 06/24/84 | 12/29/82 | | 1,160,830 | |
| 2077DW2CA | High turbulence heat transfer oven | Best | Canada | 444252 | 05/21/85 | 12/23/83 | | 1,187,281 | |
| 2078 | Convection stabilized radiant oven (AirRadiant Ovens) | Best | USA | 07/007898 | 11/22/88 | 07/08/87 | 2007 | 4,785,552 | |
| 2079 AU | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | Australia | 49173990 | 02/06/90 | 02/06/90 | 2010 | 0,631,177 | |
| 2079 CA | High turbulence heat transfer oven | Best | Canada | 1141534 | 02/22/83 | | 2000 | 1,141,534 | |
| 2079 CA | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | Canada | 2005416 | 04/30/96 | 12/13/89 | 2009 | 2,005,416 | |
| 2079 CIP | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | USA | 07702109 | 07/12/93 | 05/15/91 | 2011 | 5,230,161 | |
| 2079 EPA | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | UK, Sweden, Italy, Spain, France, Germany, Belgium | 077850111 | 09/08/93 | 03/10/92 | 2010 | 5,363,567 | Abandoned Netherlands |
| 2079 JA | Apparatus and process for generating radiant energy (self incinerating radiant ductwork) | Best | Japan | 90200115.5 | 12/08/95 | 03/02/90 | 2010 | 0,390,231 B1 | |
| 2080 | High efficiency linear gas burner assembly (BestBurner) | Best | USA | 2-4965690 | 11/05/91 | 01/24/89 | 2009 | 1,995,802 | Last annuity due 05/05/03 |
| 2080 AU | High efficiency linear gas burner assembly (BestBurner) | Best | Australia | 47629/90 | 03/19/93 | 01/03/90 | 2010 | 0,631,391 | |
| 2080 CA | High efficiency linear gas burner assembly (BestBurner) | Best | Canada | 2005415 | 03/01/94 | 12/13/89 | 2009 | 2,005,415 | |
| 2080 EPA | High efficiency linear gas burner assembly (BestBurner) | Best | UK, France, Spain, Italy, Sweden, Belgium, Germany | 90200046.2 | 07/20/94 | 01/05/90 | 2010 | 0,378,272 | Abandoned Netherlands |
| 2080 JA | High efficiency linear gas burner assembly (BestBurner) | Best | Japan | 165790 | 11/26/93 | 01/10/90 | 2010 | 1,804,039 | |
| 2082 | Radiant Oven | Best | USA | 519859 | 10/15/85 | 08/03/83 | | 4,546,553 | All annuities paid |
| 2091 | RadiantWall oven and process for generating infrared radiation having a non-uniform emission distribution | Best | USA | 08039,928 | 01/21/97 | 03/29/93 | 2013 | 5,594,999 | Next annuity due 07/21/04 |
| 2091 AU | RadiantWall oven and process for generating infrared radiation having a non-uniform emission distribution | Best | Australia | 52212/93 | 12/7/93 | 03/29/94 | 2014 | 0,678,777 | |
| 2091 CA | RadiantWall oven and process for generating infrared radiation having a non-uniform emission distribution | Best | Canada | 1411808 | 04/20/99 | 03/03/94 | 2014 | 2,116,906 | Expires March 3, 2014 |
| 2091 JA | RadiantWall oven and process for generating infrared radiation having a non-uniform emission distribution | Best | Japan | 6-58830 | 01/97 | 11/30/93 | 2013 | 2,107,419 | |
| 2091 KO | RadiantWall oven and process for generating infrared radiation having a non-uniform emission distribution | Best | Korea | 6200/1994 | 6/11/98 | 3/29/94 | 2014 | 150,053 | Expiration is 16 yrs from issue date |

REEL: 002495 FRAME: 0472

TRADEMARK
REEL: 002512 FRAME: 0330

