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

1. Name of conveying party(ies): Accurate Transmissions, Inc. 7-26-02

- Individual(s) Association General Partnership Limited Partnership Corporation-State Illinois 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: 07/10/2002

2. Name and address of receiving party(ies) Name: LaSalle Bank, N.A.

Internal Address: c/o Ben Schnakenberg Street Address: 135 S. LaSalle City: Chicago State: IL Zip: 60603

- Individual(s) citizenship Association National Banking Assoc. General Partnership Limited Partnership Corporation-State Other

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2103525; 2117795

Additional number(s) attached Yes No

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

Name: Chris Verstrate Internal Address: c/o Ross & Hardies Suite 2500

Street Address: 150 N. Michigan Ave.

City: Chicago State: IL Zip: 60655

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41): \$ 65.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

FINANCE SECTION JUL 26 10 08 AM '02

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.

Christopher J. Verstrate Name of Person Signing

MVA Signature

7/26/02 Date

32

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

07/30/2002 GTDM11 00000132 2103525 01 FC:481 02 FC:482 40.00 OP 25.00 OP

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

SECURITY AGREEMENT

This Security Agreement (the "*Agreement*") is dated as of July 11, 2002, by and among Accurate Transmissions, Inc., an Illinois corporation ("*Accurate*"), KTNN, LLC, an Illinois limited liability company ("*KTNN*"; Accurate and KTNN are hereinafter sometimes referred to as the "*Borrower*") and the other parties executing this Agreement under the heading "*Debtors*" (the Borrower and such other parties, along with any parties who execute and deliver to the Secured Creditor an agreement substantially in the form attached hereto as Schedule F, being hereinafter referred to collectively as the "*Debtors*" and individually as a "*Debtor*"), each with its mailing address at 401 Terrace Drive, Mundelein, Illinois 60060, and LaSalle Bank National Association, a national banking association ("*Secured Creditor*") with its mailing address at 135 South LaSalle Street, Chicago, Illinois 60603.

PRELIMINARY STATEMENTS

A. The Borrower, the other Debtors, and the Secured Creditor have entered into a Credit Agreement dated as of July 11, 2002 (such Credit Agreement, as the same may be amended or modified from time to time, including amendments and restatements thereof in its entirety, being hereinafter referred to as the "*Credit Agreement*"), pursuant to which Secured Creditor has agreed, subject to certain terms and conditions, to extend credit and make certain other financial accommodations available to the Borrower.

B. The Borrower and the other Debtors may from time to time (i) enter into one or more Hedging Agreements (as such term is defined in the Credit Agreement) with respect to, among other things, interest rate exchange, swap, cap, collar, floor, or other similar agreements and one or more foreign currency contracts, currency swap contracts or other similar agreements with the Secured Party, or one of its affiliates, for the purpose of hedging or otherwise protecting against interest rate and foreign currency exposure, and (ii) incur liability to Secured Party arising out of the processing of incoming and outgoing transfers of funds by automatic clearing house transfer, wire transfer, or otherwise pursuant to agreement or arising from overdrafts or other related deposit and cash management services (the liability in respect of such agreements and arrangements with the Secured Creditor being hereinafter referred to as "*ACH and Overdraft Liability*").

C. Borrower and the other Debtors have entered and may from time to time enter into one or more Reimbursement Agreements (as such term is defined in the Credit Agreement) in respect of the Letter of Credit (as defined in the Credit Agreement).

D. As a condition to extending credit to the Borrower under the Credit Agreement or entering into any Hedging Agreements or transactions which might generate ACH and Overdraft Liability or issuing the Letter of Credit, the Secured Creditor has required, among other things, that each Debtor grant to the Secured Creditor a lien on and security interest in the personal property of such Debtor described herein subject to the terms and conditions hereof.

E. The Borrower owns, directly or indirectly, equity interests in, or shares common ownership with, each other Debtor and the Borrower provides each of the other Debtors with

financial, management, administrative, and technical support which enables such Debtors to conduct their businesses in an orderly and efficient manner in the ordinary course.

F. Each Debtor will benefit, directly or indirectly, from credit and other financial accommodations extended by the Secured Creditor to the Borrower.

NOW, THEREFORE, for good and valuable consideration, receipt whereof is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Terms defined in Credit Agreement. All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement. The term "Debtor" and "Debtors" as used herein shall mean and include the Debtors collectively and also each individually, with all grants, representations, warranties, and covenants of and by the Debtors, or any of them, herein contained to constitute joint and several grants, representations, warranties, and covenants of and by the Debtors; *provided, however*, that unless the context in which the same is used shall otherwise require, any grant, representation, warranty or covenant contained herein related to the Collateral shall be made by each Debtor only with respect to the Collateral owned by it or represented by such Debtor as owned by it.

Section 2. Grant of Security Interest in the Collateral. As collateral security for the Obligations defined below, each Debtor hereby grants to the Secured Creditor a lien on and security interest in, and right of set-off against, and acknowledges and agrees that the Secured Creditor has and shall continue to have for the benefit of the Secured Creditor a continuing lien on and security interest in, and right of set-off against, all right, title, and interest, whether now owned or existing or hereafter created, acquired or arising, in and to all personal property of each Debtor, including all of the following:

- (a) Accounts;
- (b) Chattel Paper;
- (c) Instruments (including Promissory Notes);
- (d) Documents;
- (e) General Intangibles (including Payment Intangibles and Software, and all patents, trademarks, copyrights and similar intellectual property rights, and all applications and registrations therefor);
- (f) Commercial Tort Claims as listed on Schedule G hereto or on a notice to the Secured Creditor in the form of Attachment 1 to Schedule G hereto;
- (g) Letter-of-Credit Rights;
- (h) Supporting Obligations;
- (i) Deposit Accounts;

(j) Investment Property (including certificated and uncertificated Securities, Securities Accounts, Security Entitlements, Commodity Accounts, and Commodity Contracts);

(k) Inventory;

(l) Equipment (including all software, whether or not the same constitutes embedded software, used in the operation thereof);

(m) Fixtures;

(n) All rights to merchandise and other Goods (including rights to returned or repossessed Goods and rights of stoppage in transit) which is represented by, arises from, or relates to any of the foregoing;

(o) All personal property and interests in personal property of such Debtor of any kind or description now held by the Secured Creditor or at any time hereafter transferred or delivered to, or coming into the possession, custody or control of, the Secured Creditor, or any Secured Creditor or affiliate of the Secured Creditor, whether expressly as collateral security or for any other purpose (whether for safekeeping, custody, collection or otherwise), and all dividends and distributions on or other rights in connection with any such property;

(p) All supporting evidence and documents relating to any of the above-described property, including, without limitation, computer programs, disks, tapes and related electronic data processing media, and all rights of such Debtor to retrieve the same from third parties, written applications, credit information, account cards, payment records, correspondence, delivery and installation certificates, invoice copies, delivery receipts, notes and other evidences of indebtedness, insurance certificates and the like, together with all books of account, ledgers, and cabinets in which the same are reflected or maintained;

(q) All Accessions and additions to, and substitutions and replacements of, any and all of the foregoing; and

(r) All Proceeds and products of the foregoing, and all insurance of the foregoing and proceeds thereof;

all of the foregoing being herein sometimes referred to as the "*Collateral*". All terms which are used in this Agreement which are defined in the Uniform Commercial Code of the State of Illinois as in effect from time to time ("*UCC*") shall have the same meanings herein as such terms are defined in the UCC, unless this Agreement shall otherwise specifically provide. For purposes of this Agreement, the term "*Receivables*" means all rights to the payment of a monetary obligation, whether or not earned by performance, and whether evidenced by an Account, Chattel Paper, Instrument, General Intangible, or otherwise.

Section 3. Obligations Secured. This Agreement is made and given to secure, and hereby does and shall secure, the prompt payment and performance when due of (a) any and all

indebtedness, obligations, and liabilities of the Debtors, and of any of them individually, to the Secured Creditor, and to any of them individually, under or in connection with or evidenced by the Credit Agreement or any other Loan Documents, including, without limitation, all obligations evidenced by the Notes of the Borrower heretofore or hereafter issued under the Credit Agreement, all obligations of the Borrower to reimburse the Secured Creditors for the amount of all drawings on all Letters of Credit issued pursuant to the Credit Agreement and the Reimbursement Agreement and all other obligations of the Borrower under all Applications for Letters of Credit, all obligations of the Debtors, and of any of them individually, arising under or in connection with or otherwise evidenced by Hedging Agreements with any one or more of the Secured Creditors, and all obligations of the Debtors, and of any of them individually, arising under any guaranty issued by it relating to the foregoing or any part thereof, in each case whether now existing or hereafter arising (and whether arising before or after the filing of a petition in bankruptcy and including all interest accrued after the petition date), due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired, (b) all ACH and Overdraft Liability to the Secured Creditor or any of its Affiliates, and (c) any and all expenses and charges, legal or otherwise, suffered or incurred by the Secured Creditor in collecting or enforcing any of such indebtedness, obligations, and liabilities or in realizing on or protecting or preserving any security therefor, including, without limitation, the lien and security interest granted hereby (all of the indebtedness, obligations, liabilities, expenses, and charges described above being hereinafter referred to as the "*Obligations*"). Notwithstanding anything in this Agreement to the contrary, the right of recovery against any Debtor under this Agreement (other than the Borrower to which this limitation shall not apply) shall not exceed \$1.00 less than the lowest amount which would render such Debtor's obligations under this Agreement void or voidable under applicable law, including fraudulent conveyance law.

Section 4. Covenants, Agreements, Representations and Warranties. Each Debtor hereby covenants and agrees with, and represents and warrants to, the Secured Creditor that:

(a) Accurate is a corporation duly organized and validly existing in good standing under the laws of the state of its organization. KTNN is a limited liability company duly organized and validly existing in good standing under the laws of the state of its organization. Each Debtor is the sole and lawful owner of its Collateral, and has full right, power, and authority to enter into this Agreement and to perform each and all of the matters and things herein provided for. The execution and delivery of this Agreement, and the observance and performance of each of the matters and things herein set forth, will not (i) contravene or constitute a default under any provision of law or any judgment, injunction, order or decree binding upon any Debtor or any provision of any Debtor's organizational agreements (e.g., charter, articles of incorporation or by-laws, certificate of formation or limited liability company operating agreement or partnership agreement, as relevant) or any covenant, indenture or agreement of or affecting any Debtor or any of its property or (ii) result in the creation or imposition of any lien or encumbrance on any property of any Debtor except for the lien and security interest granted to the Secured Creditor hereunder.

(b) Each Debtor's respective chief executive office is at the location listed under Column 2 on Schedule A attached hereto opposite such Debtor's name; and such Debtor has no other executive offices or places of business other than those listed under

Column 3 on Schedule A attached hereto opposite such Debtor's name. The Collateral is and shall remain in such Debtor's possession or control at the locations listed under Columns 2 and 3 on Schedule A attached hereto opposite such Debtor's name (collectively for each Debtor, the "*Permitted Collateral Locations*"). If for any reason any Collateral is at any time kept or located at a location other than a Permitted Collateral Location, the Secured Creditor shall nevertheless have and retain a lien on and security interest therein. The Debtors own and shall at all times own all Permitted Collateral Locations, except to the extent otherwise disclosed under Columns 2 and 3 on Schedule A or to the extent that the Secured Creditor consents to the sale of a Permitted Collateral Location. No Debtor shall move its chief executive office or maintain a place of business at a location other than those specified under Columns 2 or 3 on Schedule A or permit any Collateral to be located at a location other than a Permitted Collateral Location, in each case without first providing the Secured Creditor at least 30 days prior written notice of the Debtor's intent to do so; *provided* that each Debtor shall at all times maintain its chief executive office, places of business, and Permitted Collateral Locations in the United States of America and, with respect to any new chief executive office or place of business or location of Collateral, such Debtor shall have taken all action reasonably requested by the Secured Creditor to maintain the lien and security interest of the Secured Creditor in the Collateral at all times fully perfected and in full force and effect.

(c) Each Debtor's legal name, state of incorporation and organizational number (if any) are correctly set forth under Column 1 on Schedule A of this Agreement. No Debtor has transacted business at any time during the immediately preceding five-year period, and does not currently transact business, under any other legal names or trade names other than the prior legal names and trade names (if any) set forth on Schedule B attached hereto. No Debtor shall change its state of incorporation without the Secured Creditor's prior written consent, which shall not be unreasonably withheld. No Debtor shall change its legal name or transact business under any other trade name without first giving 30 days' prior written notice of its intent to do so to the Secured Creditor.

(d) The Collateral and every part thereof is and shall be free and clear of all security interests, liens (including, without limitation, mechanics', laborers' and statutory liens), attachments, levies, and encumbrances of every kind, nature, and description and whether voluntary or involuntary, except for the lien and security interest of the Secured Creditor therein and other Liens permitted by Section 8.8 of the Credit Agreement (herein, the "*Permitted Liens*"). Each Debtor shall warrant and defend its Collateral against any claims and demands of all persons at any time claiming the same or any interest in its Collateral adverse to any of the Secured Creditors other than Permitted Liens.

(e) Each Debtor will promptly pay when due all taxes, assessments, and governmental charges and levies upon or against it or its Collateral except as provided in Section 8.8 of the Credit Agreement, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith by appropriate proceedings which prevent attachment of any lien resulting

therefrom to, foreclosure on or other realization upon any Collateral and preclude interference with the operation of its business in the ordinary course and such Debtor shall have established adequate reserves therefor.

(f) Except as otherwise permitted under Section 8.10(e) of the Credit Agreement, each Debtor agrees it will not waste or destroy the Collateral or any part thereof and will not be negligent in the care or use of any Collateral. Each Debtor agrees it will not use, manufacture, sell or distribute any Collateral in violation of any statute, ordinance or other governmental requirement. Each Debtor will perform in all material respects its obligations under any contract or other agreement constituting part of the Collateral, it being understood and agreed that the Secured Creditors have no responsibility to perform such obligations.

(g) Subject to Sections 5(c), 6(a), 7(b), 7(c), and 8(c) hereof and the terms of the Credit Agreement (including, without limitation, Section 8.10 thereof), each Debtor agrees it will not, without the Secured Creditor's prior written consent, sell, assign, mortgage, lease, or otherwise dispose of the Collateral (other than any Deposit Account or Investment Property) or any interest therein.

(h) Each Debtor will insure its Collateral consisting of tangible personal property against such risks and hazards as other companies similarly situated insure against, and including in any event loss or damage by fire, theft, burglary, pilferage, and loss in transit, in amounts and under policies containing loss payable clauses to the Secured Creditor as its interest may appear (and, if the Secured Creditor requests, naming the Secured Creditor as lender's loss payee and additional insured therein) by insurers reasonably acceptable to the Secured Creditor. All premiums on such insurance shall be paid by the Debtors and the policies of such insurance (or certificates therefor) delivered to the Secured Creditor. All insurance required hereby shall provide that any loss shall be payable notwithstanding any act or negligence of the relevant Debtor, shall provide that no cancellation thereof shall be effective until at least 30 days after receipt by the relevant Debtor and the Secured Creditor of written notice thereof, and shall be reasonably satisfactory to the Secured Creditor in all other respects. In case of any material loss, damage to or destruction of the Collateral or any part thereof, the relevant Debtor shall promptly give written notice thereof to the Secured Creditor generally describing the nature and extent of such damage or destruction. In case of any loss, damage to or destruction of the Collateral or any part thereof, the relevant Debtor, whether or not the insurance proceeds, if any, received on account of such damage or destruction shall be sufficient for that purpose, at such Debtor's cost and expense, will promptly repair or replace the Collateral so lost, damaged or destroyed, except to the extent such Collateral is not necessary to the conduct of such Debtor's business in the ordinary course. In the event any Debtor shall receive any proceeds of such insurance, such Debtor shall immediately pay over such proceeds of insurance to the Secured Creditor which will thereafter be applied to the reduction of the Obligations (whether or not then due) or held as collateral security therefor, as the Secured Creditor may then determine or as otherwise provided for in the Credit Agreement; provided, however, that the Secured Creditor agrees to release such insurance proceeds to the relevant Debtor for replacement or restoration of the portion of the Collateral lost, damaged or destroyed if, but only if, (i) at

the time of release no Default or Event of Default exists, (ii) written application for such release is received by the Secured Creditor from the relevant Debtor within 30 days of the receipt of such proceeds, and (iii) the Secured Creditor has received evidence reasonably satisfactory to it that the collateral lost, damaged or destroyed has been or will be replaced or restored to its condition immediately prior to the loss, destruction or other event giving rise to the payment of such insurance proceeds. Each Debtor hereby authorizes the Secured Creditor, at the Secured Creditor's option, to adjust, compromise, and settle any losses under any insurance afforded at any time after the occurrence and during the continuation of any Default or Event of Default, and such Debtor does hereby irrevocably constitute the Secured Creditor, its officers, Secured Creditors, and attorneys, as such Debtor's attorneys-in-fact, with full power and authority after the occurrence and during the continuation of any Default or Event of Default to effect such adjustment, compromise, and/or settlement and to endorse any drafts drawn by an insurer of the Collateral or any part thereof and to do everything necessary to carry out such purposes and to receive and receipt for any unearned premiums due under policies of such insurance. Unless the Secured Creditor elects to adjust, compromise or settle losses as aforesaid, any adjustment, compromise, and/or settlement of any losses under any insurance shall be made by the relevant Debtor subject to final approval of the Secured Creditor (regardless of whether or not an Event of Default shall have occurred) in the case of losses exceeding \$100,000. All insurance proceeds shall be subject to the lien and security interest of the Secured Creditor hereunder.

UNLESS THE DEBTORS PROVIDE THE SECURED CREDITOR WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS AGREEMENT, THE SECURED CREDITOR MAY PURCHASE INSURANCE AT THE DEBTORS' EXPENSE TO PROTECT THE SECURED CREDITOR'S INTERESTS IN THE COLLATERAL. THIS INSURANCE MAY, BUT NEED NOT, PROTECT ANY DEBTOR'S INTERESTS IN THE COLLATERAL. THE COVERAGE PURCHASED BY THE SECURED CREDITOR MAY NOT PAY ANY CLAIMS THAT ANY DEBTOR MAKES OR ANY CLAIM THAT IS MADE AGAINST SUCH DEBTOR IN CONNECTION WITH THE COLLATERAL. THE DEBTORS MAY LATER CANCEL ANY SUCH INSURANCE PURCHASED BY THE SECURED CREDITOR, BUT ONLY AFTER PROVIDING THE SECURED CREDITOR WITH EVIDENCE THAT THE DEBTORS HAVE OBTAINED INSURANCE AS REQUIRED BY THIS AGREEMENT. IF THE SECURED CREDITOR PURCHASES INSURANCE FOR THE COLLATERAL, THE DEBTORS WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES THAT THE SECURED CREDITOR MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO THE OBLIGATIONS SECURED HEREBY. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE THE DEBTORS MAY BE ABLE TO OBTAIN ON THEIR OWN.

(i) Each Debtor will at all times allow the Secured Creditors and their respective representatives free access to and right of inspection of the Collateral at such

reasonable times and intervals as the Secured Creditor or any other Secured Creditor may designate and, in the absence of any existing Default or Event of Default, with reasonable prior written notice to the relevant Debtor.

(j) If any Collateral with an aggregate value in excess of \$10,000 at any one time ("*Off-Site Collateral*") is in the possession or control of any one agent or processor of a Debtor and the Secured Creditor so requests, such Debtor agrees to notify such Secured Creditor or processor in writing of the Secured Creditor's lien and security interest therein and instruct it to hold all such Collateral for the Secured Creditor's account and subject to the Secured Creditor's instructions. Each Debtor will, upon the request of the Secured Creditor, authorize and instruct any bailee or any other party, if any, at any time processing, labeling, packaging, holding, storing, shipping or transferring any Off-Site Collateral to permit the Secured Creditor and its representatives to examine and inspect any of the Collateral then in such party's possession and to verify from such party's own books and records any information concerning the Collateral or any part thereof which the Secured Creditor or its representatives may seek to verify. As to any location not owned by a Debtor wherein any Collateral with an aggregate value in excess of \$10,000 is located, if any, such Debtor shall, upon the Secured Creditor's request, cause each party having any right, title or interest in, or lien on, any of such premises to enter into an agreement (any such agreement to contain a legal description of such premises) whereby such party disclaims any right, title, and interest in and lien on the Collateral, allows the removal of such Collateral by the Secured Creditor or its Secured Creditors or representatives, and otherwise is in form and substance reasonably acceptable to the Secured Creditor.

(k) Upon the Secured Creditor's request, each Debtor agrees from time to time to deliver to the Secured Creditor such evidence of the existence, identity, and location of its Collateral and of its availability as collateral security pursuant hereto (including, without limitation, schedules describing all Receivables created or acquired by such Debtor, copies of customer invoices or the equivalent and original shipping or delivery receipts for all merchandise and other goods sold or leased or services rendered by it, together with such Debtor's warranty of the genuineness thereof, and reports stating the book value of its Inventory and Equipment by major category and location), in each case as the Secured Creditor may request. The Secured Creditor shall have the right to verify all or any part of the Collateral in any manner, and through any medium, which the Secured Creditor considers appropriate and reasonable, and each Debtor agrees to furnish all assistance and information, and perform any acts, which the Secured Creditor may require in connection therewith.

(l) Each Debtor will comply in all respects with the terms and conditions of any and all leases, easements, right-of-way agreements, and other agreements binding upon such Debtor or affecting the Collateral, in each case which cover the premises wherein the Collateral is located, and any orders, ordinances, laws or statutes of any city, state or other governmental entity, department or agency having jurisdiction with respect to such premises or the conduct of business thereon, the failure to comply with which could reasonably be expected to have a Material Adverse Effect.

(m) Schedule C attached hereto contains a true, complete, and current listing of all copyrights, copyright applications, trademarks, trademark rights and licenses, trademark registrations, trade names, patents, patent rights and licenses, patent applications, and other intellectual property rights owned by each of the Debtors as of the date hereof that are registered with any governmental authority. The Debtors shall promptly notify the Secured Creditor in writing of any additional intellectual property rights acquired or arising after the date hereof, and shall submit to the Secured Creditor a supplement to Schedule C to reflect such additional rights (provided any Debtor's failure to do so shall not impair the Secured Creditor's security interest therein). Each Debtor owns or possesses rights to use all franchises, licenses, copyrights, copyright applications, patents, patent rights and licenses, patent applications, trademarks, trademark rights and licenses, trademark registrations, trade names, and rights with respect to the foregoing which are necessary to conduct its business. No event has occurred which permits, or after notice or lapse of time or both would permit, the revocation or termination of any such rights, and the Debtors are not liable to any person for infringement under applicable law with respect to any such rights as a result of its business operations.

(n) Each Debtor agrees to execute and deliver to the Secured Creditor such further agreements, assignments, instruments, and documents, and to do all such other things, as the Secured Creditor may reasonably deem necessary or appropriate to assure the Secured Creditor its lien and security interest hereunder, including, without limitation, (i) executing such financing statements or other instruments and documents as the Secured Creditor may from time to time reasonably require to comply with the UCC and any other applicable law, (ii) executing such patent, trademark, and copyright agreements as the Secured Creditor may from time to time reasonably require to comply with the filing requirements of the United States Patent and Trademark Office and the United States Copyright Office, (iii) executing such control agreements with respect to Deposit Accounts, Securities Accounts, Letter-of-Credit Rights, and electronic Chattel Paper as the Secured Creditor may from time to time reasonably require to perfect its security interest therein, and (iv) executing and delivering forms of Grant of Security Interest in Commercial Tort Claim in the form of Attachment 1 to Schedule G hereto upon obtaining or becoming aware that such Debtor is the beneficiary of any Commercial Tort Claim (as defined in the UCC). Each Debtor hereby agrees that a carbon, photographic or other reproduction of this Agreement or any such financing statement is sufficient for filing as a financing statement by the Secured Creditor without notice thereof to such Debtor wherever the Secured Creditor in its sole discretion desires to file the same. Each Debtor hereby authorizes the Secured Creditor to file any and all financing statements covering the Collateral or any part thereof as the Secured Creditor may require, including financing statements describing the Collateral as "all assets" or "all personal property" or words of like meaning. The Secured Creditor may order lien searches from time to time against any Debtor and the Collateral, and the Debtors shall promptly reimburse the Secured Creditor for all reasonable costs and expenses incurred in connection with such lien searches. In the event for any reason the law of any jurisdiction other than Illinois becomes or is applicable to the Collateral or any part thereof, or to any of the Obligations, each Debtor agrees to execute and deliver all such agreements, assignments, instruments, and documents and to do all such other things as the Secured Creditor deems necessary or

appropriate to preserve, protect, and enforce the security interest of the Secured Creditor under the law of such other jurisdiction. Each Debtor agrees to mark its books and records to reflect the lien and security interest of the Secured Creditor in the Collateral.

(o) On failure of any Debtor to perform any of the covenants and agreements herein contained, the Secured Creditor may, at its option, perform the same and in so doing may expend such sums as the Secured Creditor deems advisable in the performance thereof, including, without limitation, the payment of any insurance premiums, the payment of any taxes, liens, and encumbrances, expenditures made in defending against any adverse claims, and all other expenditures which the Secured Creditor may be compelled to make by operation of law or which the Secured Creditor may make by agreement or otherwise for the protection of the security hereof. All such sums and amounts so expended shall be repayable by the Debtors upon written demand, shall constitute additional Obligations secured hereunder, and shall bear interest from the date said amounts are expended at the Default Rate. No such performance of any covenant or agreement by the Secured Creditor on behalf of a Debtor, and no such advancement or expenditure therefor, shall relieve any Debtor of any default under the terms of this Agreement or in any way obligate any Secured Creditor to take any further or future action with respect thereto. The Secured Creditor, in making any payment hereby authorized, may do so according to any bill, statement or estimate procured from the appropriate public office or holder of the claim to be discharged without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax assessment, sale, forfeiture, tax lien or title or claim. The Secured Creditor, in performing any act hereunder, shall determine in its reasonable discretion whether the relevant Debtor is required to perform the same under the terms of this Agreement. The Secured Creditor is hereby authorized to charge any account of any Debtor maintained with any Secured Creditor for the amount of such sums and amounts so expended.

Section 5. Special Provisions Re: Receivables. (a) As of the time any Receivable owned by a Debtor becomes subject to the security interest provided for hereby, and at all times thereafter, such Debtor shall be deemed to have warranted as to each such Receivable that all warranties of such Debtor set forth in this Agreement are true and correct with respect to such Receivable; that such Receivable and all papers and documents relating thereto are genuine and in all respects what they purport to be; that such Receivable is valid and subsisting; that the amount of such Receivable represented as owing is the correct amount actually and unconditionally owing, except for normal cash discounts on normal trade terms in the ordinary course of business; that the amount of such Receivable represented as owing is not disputed and is not subject to any set-offs, credits, deductions or countercharges other than those arising in the ordinary course of such Debtor's business and, except as disclosed to the Secured Creditor in writing at or prior to the time such Receivable is created, that no surety bond was required or given in connection with such Receivable or the contracts or purchase orders out of which the same arose.

(b) If any Receivable arises out of a contract with the United States of America, or any state or political subdivision thereof, or any department, agency or instrumentality of any of the foregoing, each Debtor agrees to promptly so notify the Secured Creditor and, at the request of the Secured Creditor or the Secured Creditors,

execute whatever instruments and documents are required by the Secured Creditor in order that such Receivable shall be assigned to the Secured Creditor and that proper notice of such assignment shall be given under the federal Assignment of Claims Act (or any successor statute) or any similar state or local statute, as the case may be.

(c) Unless and until an Event of Default has occurred and is continuing any merchandise or other goods which are returned by a customer or account debtor or otherwise recovered may be resold by a Debtor in the ordinary course of its business as presently conducted in accordance with Section 7(b) hereof; and, during the existence of any Event of Default, such merchandise and other goods shall be set aside at the request of the Secured Creditor's and held by the relevant Debtor as trustee for the Secured Creditor and shall remain part of the Secured Creditor's Collateral. Unless and until an Event of Default has occurred and is continuing, the Debtors may settle and adjust disputes and claims with its customers and account debtors, handle returns and recoveries, and grant discounts, credits, and allowances in the ordinary course of its business as presently conducted for amounts and on terms which the relevant Debtor in good faith considers advisable; and, during the existence of any Event of Default, at the Secured Creditor's request, the Debtors shall notify the Secured Creditor promptly of all returns and recoveries and, on the Secured Creditor's request, deliver any such merchandise or other goods to the Secured Creditor. During the existence of any Event of Default, at the Secured Creditor's request, the Debtors shall also notify the Secured Creditor promptly of all disputes and claims and settle or adjust them at no expense to the Secured Creditor, but no discount, credit or allowance other than on normal trade terms in the ordinary course of business as presently conducted shall be granted to any customer or account debtor and no returns of merchandise or other goods shall be accepted by any Debtor without the Secured Creditor's consent. The Secured Creditor may, at all times during the existence of any Event of Default, settle or adjust disputes and claims directly with customers or account debtors for amounts and upon terms which the Secured Creditor considers advisable.

(d) To the extent any Receivable or other item of Collateral is evidenced by an Instrument or tangible Chattel Paper, each Debtor shall cause such Instrument or tangible Chattel Paper to be pledged and delivered to the Secured Creditor; *provided, however,* that, prior to the existence of a Default or Event of Default and thereafter until otherwise required by the Secured Creditor, a debtor shall not be required to deliver any such Instrument or tangible Chattel Paper if and only so long as the aggregate unpaid principal balance of all such Instruments and tangible Chattel paper held by the Debtors and not delivered to the Secured Creditor hereunder is less than \$10,000.00 at any one time outstanding. Unless delivered to the Secured Creditor or its Secured Creditor, all tangible Chattel Paper and Instruments shall contain a legend acceptable to the Secured Creditor indicating that such Chattel Paper or Instrument is subject to the security interest of the Secured Creditor contemplated by this Agreement.

Section 6. Collection of Receivables. (a) Except as otherwise provided in this Agreement, each Debtor shall make collection of its Receivables and may use the same to carry on its business in accordance with usual and customary business practice in such Debtor's industry and otherwise subject to the terms hereof.

(b) Upon the occurrence and during the continuation of any Default or Event of Default, whether or not the Secured Creditor has exercised any of its other rights under other provisions of this Section 6, in the event the Secured Creditor requests any Debtor to do so:

(i) all Instruments and tangible Chattel Paper at any time constituting part of the Receivables (including any postdated checks) shall, upon receipt by such Debtor, be immediately endorsed to and deposited with Secured Creditor; and/or

(ii) such Debtor shall instruct all customers and account debtors to remit all payments in respect of Receivables or any other Collateral to a lockbox or lockboxes under the sole custody and control of the Secured Creditor and which are maintained at one or more post offices selected by the Secured Creditor.

(c) Upon the occurrence and during the continuation of any Default or Event of Default, whether or not the Secured Creditor has exercised any of its other rights under the other provisions of this Section 6, the Secured Creditor or its designee may notify the relevant Debtor's customers and account debtors at any time that Receivables have been assigned to the Secured Creditor or of the Secured Creditor's security interest therein, and either in its own name, or such Debtor's name, or both, demand, collect (including, without limitation, through a lockbox analogous to that described in Section 6(b)(ii) hereof), receive, receipt for, sue for, compound and give acquittance for any or all amounts due or to become due on Receivables, and in the Secured Creditor's discretion file any claim or take any other action or proceeding which the Secured Creditor may deem necessary or appropriate to protect and realize upon the security interest of the Secured Creditor in the Receivables or any other Collateral.

(d) Any proceeds of Receivables or other Collateral transmitted to or otherwise received by the Secured Creditor pursuant to any of the provisions of Sections 6(b) or 6(c) hereof may be handled and administered by the Secured Creditor in and through a remittance account or accounts maintained at the Secured Creditor or by the Secured Creditor at a commercial bank or banks selected by the Secured Creditor (collectively the "*Depositary Banks*" and individually a "*Depositary Bank*"), and each Debtor acknowledges that the maintenance of such remittance accounts by the Secured Creditor is solely for the Secured Creditor's convenience and that the Debtors do not have any right, title or interest in such remittance accounts or any amounts at any time standing to the credit thereof. The Secured Creditor may, after the occurrence and during the continuation of any Default or Event of Default, apply all or any part of any proceeds of Receivables or other Collateral received by it from any source to the payment of the Obligations (whether or not then due and payable), such applications to be made in such amounts, in such manner and order, and at such intervals as the Secured Creditor may from time to time in its discretion determine, but not less often than once each week. The Secured Creditor need not apply or give credit for any item included in proceeds of Receivables or other Collateral until the Depositary Bank has received final payment therefor at its office in cash or final solvent credits current at the site of deposit

acceptable to the Secured Creditor and the Depository Bank as such. However, if the Secured Creditor does permit credit to be given for any item prior to a Depository Bank receiving final payment therefor and such Depository Bank fails to receive such final payment or an item is charged back to the Secured Creditor or any Depository Bank for any reason, the Secured Creditor may at its election in either instance charge the amount of such item back against any such remittance accounts or any Deposit Account of any Debtor subject to the lien and security interest of this Agreement, together with interest thereon at the Default Rate. Concurrently with each transmission of any proceeds of Receivables or other Collateral to any such remittance account, upon the Secured Creditor's request, the relevant Debtor shall furnish the Secured Creditor with a report in such form as Secured Creditor shall reasonably require identifying the particular Receivable or such other Collateral from which the same arises or relates. Unless and until a Default or an Event of Default has occurred and is continuing, the Secured Creditor will release proceeds of Collateral which the Secured Creditor has not applied to the Obligations as provided above from the remittance account from time to time after receipt thereof. Each Debtor hereby indemnifies the Secured Creditor from and against all liabilities, damages, losses, actions, claims, judgments, and all reasonable costs, expenses, charges, and attorneys' fees suffered or incurred by the Secured Creditor because of the maintenance of the foregoing arrangements; *provided, however*, that no Debtor shall be required to indemnify the Secured Creditor for any of the foregoing to the extent they arise solely from the gross negligence or willful misconduct of the person seeking to be indemnified. The Secured Creditor shall have no liability or responsibility to any Debtor for any Depository Bank accepting any check, draft or other order for payment of money bearing the legend "payment in full" or words of similar import or any other restrictive legend or endorsement whatsoever or be responsible for determining the correctness of any remittance.

Section 7. Special Provisions Re: Inventory and Equipment. (a) Each Debtor shall at its own cost and expense maintain, keep, and preserve its Inventory in good and merchantable condition and keep and preserve its Equipment in good repair, working order, and condition, ordinary wear and tear excepted, and, without limiting the foregoing, make all necessary and proper repairs, replacements, and additions to its Equipment so that the efficiency thereof shall be fully preserved and maintained.

(b) Each Debtor may, until an Event of Default has occurred and is continuing and thereafter until otherwise notified by the Secured Creditor, use, consume, sell, dispose of, and lease the Inventory in the ordinary course of its business, but a sale in the ordinary course of business shall not under any circumstance include any transfer or sale in satisfaction, partial or complete, of a debt owing by such Debtor.

(c) Each Debtor may, until an Event of Default has occurred and is continuing and thereafter until otherwise notified by the Secured Creditor, sell Equipment to the extent permitted by Section 8.10 of the Credit Agreement.

(d) As of the time any Inventory or Equipment of a Debtor becomes subject to the security interest provided for hereby and at all times thereafter, such Debtor shall be deemed to have warranted as to any and all of such Inventory and Equipment that all

warranties of such Debtor set forth in this Agreement are true and correct with respect to such Inventory and Equipment; and that all of such Inventory and Equipment is located at a location set forth pursuant to Section 4(b) hereof. Each Debtor warrants and agrees that none of its Inventory is or will be consigned to any other person without the Secured Creditor's prior written consent.

(e) Upon the Secured Creditor's written request, each Debtor shall at its own cost and expense cause the lien of the Secured Creditor in and to any portion of the Collateral subject to a certificate of title law to be duly noted on such certificate of title or to be otherwise filed in such manner as is prescribed by law in order to perfect such lien and will cause all such certificates of title and evidences of lien to be deposited with the Secured Creditor.

(f) Except for Equipment from time to time located on the real estate described on Schedule D attached hereto or as otherwise hereafter disclosed to the Secured Creditor and the Secured Creditors in writing, none of the Equipment is or will be attached to real estate in such a manner that the same may become a fixture.

(g) If any of the Inventory is at any time evidenced by a document of title, such document shall be promptly delivered by the relevant Debtor to the Secured Creditor.

Section 8. Special Provisions Re: Investment Property and Deposits. (a) Unless and until an Event of Default has occurred and is continuing and thereafter until notified to the contrary by the Secured Creditor pursuant to Section 10(d) hereof:

(i) each Debtor shall be entitled to exercise all voting and/or consensual powers pertaining to its Investment Property, or any part thereof, for all purposes not inconsistent with the terms of this Agreement, the Credit Agreement or any other document evidencing or otherwise relating to any Obligations; and

(ii) each Debtor shall be entitled to receive and retain all cash dividends paid upon or in respect of its Investment Property subject to the lien and security interest of this Agreement.

(b) All Investment Property (including all securities, certificated or uncertificated, securities accounts, and commodity accounts) maintained by each Debtor on the date hereof is listed and identified on Schedule E attached hereto and made a part hereof. Each Debtor shall promptly notify the Secured Creditor of any other Investment Property acquired or maintained by such Debtor after the date hereof, and shall submit to the Secured Creditor a supplement to Schedule E to reflect such additional rights (provided any Debtor's failure to do so shall not impair the Secured Creditor's security interest therein). Certificates for all certificated securities now or at any time constituting Investment Property and part of the Collateral hereunder shall be promptly delivered by the relevant Debtor to the Secured Creditor duly endorsed in blank for transfer or accompanied by an appropriate assignment or assignments or an appropriate undated

stock power or powers, in every case sufficient to transfer title thereto, including, without limitation, all stock received in respect of a stock dividend or resulting from a split-up, revision or reclassification of the Investment Property or any part thereof or received in addition to, in substitution of or in exchange for the Investment Property or any part thereof as a result of a merger, consolidation or otherwise. With respect to any uncertificated securities or any Investment Property held by a securities intermediary, commodity intermediary, or other financial intermediary of any kind, at the Secured Creditor's request, the relevant Debtor shall execute and deliver, and shall cause any such issuer or intermediary to execute and deliver, an agreement among such Debtor, the Secured Creditor, and such issuer or intermediary in form and substance reasonably satisfactory to the Secured Creditor which provides, among other things, for the issuer's or intermediary's agreement that it will comply with such entitlement orders, and apply any value distributed on account of any Investment Property, as directed by the Secured Creditor without further consent by such Debtor. The Secured Creditor may, at any time after the occurrence and during the continuation of any Default or Event of Default, cause to be transferred into its name or the name of its nominee or nominees any and all of the Investment Property hereunder.

(c) Unless and until a Default or an Event of Default has occurred and is continuing, each Debtor may sell or otherwise dispose of any of its Investment Property to the extent permitted by the Credit Agreement, *provided* that, except to the extent permitted by the Credit Agreement, no Debtor shall sell or otherwise dispose of any capital stock or other equity interest in any direct or indirect Subsidiary hereunder without the prior written consent of the Secured Creditor. After the occurrence and during the continuation of any Default or Event of Default, no Debtor shall sell all or any part of its Investment Property without the prior written consent of the Secured Creditor.

(d) Each Debtor represents that on the date of this Agreement, none of its Investment Property consists of margin stock (as such term is defined in Regulation U of the Board of Governors of the Federal Reserve System) except to the extent such Debtor has delivered to the Secured Creditor a duly executed and completed Form U-1 with respect to such stock. If at any time the Investment Property or any part thereof consists of margin stock, the relevant Debtor shall promptly so notify the Secured Creditor and deliver to the Secured Creditor a duly executed and completed Form U-1 and such other instruments and documents reasonably requested by the Secured Creditor in form and substance satisfactory to the Secured Creditor.

(e) Notwithstanding anything to the contrary contained herein, in the event any Investment Property is subject to the terms of a separate security agreement in favor of the Secured Creditor, the terms of such separate security agreement shall govern and control unless otherwise agreed to in writing by the Secured Creditor.

(f) All Deposit Accounts maintained by each Debtor on the date hereof are listed and identified (by account number and depository institution) on Schedule E attached hereto and made a part hereof. Each Debtor shall promptly notify the Secured Creditor of any other Deposit Account opened or maintained by such Debtor after the date hereof, and shall submit to the Secured Creditor a supplement to Schedule E to

reflect such additional accounts (provided any Debtor's failure to do so shall not impair the Secured Creditor's security interest therein). With respect to any Deposit Account maintained by a depository institution other than the Secured Creditor, and as a condition to the establishment and maintenance of any such Deposit Account except as otherwise permitted by the Credit Agreement, such Debtor, the depository institution, and the Secured Creditor shall execute and deliver an account control agreement in form and substance reasonably satisfactory to the Secured Creditor which provides, among other things, for the depository institution's agreement that it will comply with instructions originated by the Secured Creditor directing the disposition of the funds in the Deposit Account without further consent by such Debtor.

Section 9. Power of Attorney. In addition to any other powers of attorney contained herein, each Debtor hereby appoints the Secured Creditor, its nominee, or any other person whom the Secured Creditor may designate as such Debtor's attorney-in-fact, with full power and authority upon the occurrence and during the continuation of any Default or Event of Default to sign such Debtor's name on verifications of Receivables and other Collateral; to send requests for verification of Collateral to such Debtor's customers, account debtors, and other obligors; to endorse such Debtor's name on any checks, notes, acceptances, money orders, drafts, and any other forms of payment or security that may come into the Secured Creditor's possession; to endorse the Collateral in blank or to the order of the Secured Creditor or its nominee; to sign such Debtor's name on any invoice or bill of lading relating to any Collateral, on claims to enforce collection of any Collateral, on notices to and drafts against customers and account debtors and other obligors, on schedules and assignments of Collateral, on notices of assignment and on public records; to notify the post office authorities to change the address for delivery of such Debtor's mail to an address designated by the Secured Creditor; to receive and open all mail addressed to such Debtor (allowing Debtor access thereto as reasonably practicable); and to do all things necessary to carry out this Agreement. Each Debtor hereby ratifies and approves all acts of any such attorney and agrees that neither the Secured Creditor nor any such attorney will be liable for any acts or omissions nor for any error of judgment or mistake of fact other than such person's gross negligence or willful misconduct. The Secured Creditor may file one or more financing statements disclosing its security interest in all or any part of the Collateral without any Debtor's signature appearing thereon, and each Debtor also hereby grants the Secured Creditor a power of attorney to execute any such financing statements, and amendments and supplements thereto, on behalf of such Debtor without notice thereof to any Debtor. The foregoing powers of attorney, being coupled with an interest, are irrevocable until the Obligations have been fully paid and satisfied and the commitments of the Secured Creditors to extend credit to or for the account of the Borrower under the Credit Agreement have expired or otherwise terminated.

Section 10. Defaults and Remedies. (a) The occurrence of any event or the existence of any condition which is specified as an "Event of Default" under the Credit Agreement shall constitute an "Event of Default" hereunder.

(b) Upon the occurrence and during the continuation of any Event of Default, the Secured Creditor shall have, in addition to all other rights provided herein or by law, the rights and remedies of a secured party under the UCC (regardless of whether the UCC is the law of the jurisdiction where the rights or remedies are asserted and regardless of

whether the UCC applies to the affected Collateral), and further the Secured Creditor may, without demand and, to the extent permitted by applicable law, without advertisement, notice, hearing or process of law, all of which each Debtor hereby waives, at any time or times, sell and deliver any or all Collateral held by or for it at public or private sale, at any securities exchange or broker's board or at the Secured Creditor's office or elsewhere, for cash, upon credit or otherwise, at such prices and upon such terms as the Secured Creditor deems advisable, in its discretion. In the exercise of any such remedies, the Secured Creditor may sell the Collateral as a unit even though the sales price thereof may be in excess of the amount remaining unpaid on the Obligations. Also, if less than all the Collateral is sold, the Secured Creditor shall have no duty to marshal or apportion the part of the Collateral so sold as between the Debtors, or any of them, but may sell and deliver any or all of the Collateral without regard to which of the Debtors are the owners thereof. In addition to all other sums due the Secured Creditor hereunder, each Debtor shall pay the Secured Creditor all costs and expenses incurred by the Secured Creditors, including reasonable attorneys' fees and court costs, in obtaining, liquidating or enforcing payment of Collateral or the Obligations or in the prosecution or defense of any action or proceeding by or against the Secured Creditor or any Debtor concerning any matter arising out of or connected with this Agreement or the Collateral or the Obligations, including, without limitation, any of the foregoing arising in, arising under or related to a case under the United States Bankruptcy Code (or any successor statute). Any requirement of reasonable notice shall be met if such notice is personally served on or mailed, postage prepaid, to the Debtors in accordance with Section 14(b) hereof at least 10 days before the time of sale or other event giving rise to the requirement of such notice; provided, however, no notification need be given to a Debtor if such Debtor has signed, after an Event of Default hereunder has occurred, a statement renouncing any right to notification of sale or other intended disposition. The Secured Creditor shall not be obligated to make any sale or other disposition of the Collateral regardless of notice having been given. The Secured Creditor may be the purchaser at any such sale. Each Debtor hereby waives all of its rights of redemption from any such sale. The Secured Creditor may postpone or cause the postponement of the sale of all or any portion of the Collateral by announcement at the time and place of such sale, and such sale may, without further notice, be made at the time and place to which the sale was postponed or the Secured Creditor may further postpone such sale by announcement made at such time and place. The Secured Creditor has no obligation to prepare the Collateral for sale. The Secured Creditor may sell or otherwise dispose of the Collateral without giving any warranties as to the Collateral or any part thereof, including disclaimers of any warranties of title or the like, and each Debtor acknowledges and agrees that the absence of such warranties shall not render the disposition commercially unreasonable.

(c) Without in any way limiting the foregoing, upon the occurrence and during the continuation of any Event of Default hereunder, in addition to all other rights provided herein or by law, (i) the Secured Creditor shall have the right to take physical possession of any and all of the Collateral and anything found therein, the right for that purpose to enter without legal process any premises where the Collateral may be found (provided such entry be done lawfully), and the right to maintain such possession on the relevant Debtor's premises (each Debtor hereby agreeing, to the extent it may lawfully do

so, to lease such premises without cost or expense to the Secured Creditor or its designee if the Secured Creditor so requests) or to remove the Collateral or any part thereof to such other places as the Secured Creditor may desire, (ii) the Secured Creditor shall have the right to direct any intermediary at any time holding any Investment Property or other Collateral, or any issuer thereof, to deliver such Collateral or any part thereof to the Secured Creditor and/or to liquidate such Collateral or any part thereof and deliver the proceeds thereof to the Secured Creditor (including, without limitation, the right to deliver a notice of control with respect to any Collateral held in a securities account or commodities account and deliver all entitlement orders with respect thereto, (iii) the Secured Creditor shall have the right to exercise any and all rights with respect to all Deposit Accounts of each Debtor, including, without limitation, the right to direct the disposition of the funds in each Deposit Account and to collect, withdraw, and receive all amounts due or to become due or payable thereunder, and (iv) each Debtor shall, upon the Secured Creditor's demand, promptly assemble the Collateral and make it available to the Secured Creditor at a place reasonably designated by the Secured Creditor. If the Secured Creditor exercises its right to take possession of the Collateral, each Debtor shall also at its expense perform any and all other steps reasonably requested by the Secured Creditor to preserve and protect the security interest hereby granted in the Collateral, such as placing and maintaining signs indicating the security interest of the Secured Creditor, appointing overseers for the Collateral and maintaining Collateral records.

(d) Without in any way limiting the foregoing, upon the occurrence and during the continuation of any Event of Default, all rights of the Debtors to exercise the voting and/or consensual powers which they are entitled to exercise pursuant to Section 8(a)(i) hereof and/or to receive and retain the distributions which they are entitled to receive and retain pursuant to Section 8(a)(ii) hereof, shall, at the option of the Secured Creditor, cease and thereupon become vested in the Secured Creditor, which, in addition to all other rights provided herein or by law, shall then be entitled solely and exclusively to exercise all voting and other consensual powers pertaining to the Investment Property and/or to receive and retain the distributions which such Debtor would otherwise have been authorized to retain pursuant to Section 8(a)(ii) hereof and shall then be entitled solely and exclusively to exercise any and all rights of conversion, exchange or subscription or any other rights, privileges or options pertaining to any Investment Property as if the Secured Creditor were the absolute owner thereof including, without limitation, the rights to exchange, at its discretion, all Investment Property or any part thereof upon the merger, consolidation, reorganization, recapitalization or other readjustment of the respective issuer thereof or upon the exercise by or on behalf of any such issuer or the Secured Creditor of any right, privilege or option pertaining to any Investment Property and, in connection therewith, to deposit and deliver the Investment Property or any part thereof with any committee, depository, transfer Secured Creditor, registrar or other designated agency upon such terms and conditions as the Secured Creditor may determine. In the event the Secured Creditor in good faith believes any of the Collateral constitutes restricted securities within the meaning of any applicable securities laws, any disposition thereof in compliance with such laws shall not render the disposition commercially unreasonable.

(e) Without in any way limiting the foregoing, each Debtor hereby grants to the Secured Creditor a royalty-free irrevocable license and right to use all of such Debtor's patents, patent applications, patent licenses, trademarks, trademark registrations, trademark licenses, trade names, trade styles, and similar intangibles in connection with any foreclosure or other realization by the Secured Creditor on all or any part of the Collateral to the extent permitted by law. The license and right granted the Secured Creditor hereby shall be without any royalty or fee or charge whatsoever.

(f) The powers conferred upon the Secured Creditor hereunder are solely to protect its interest in the Collateral and shall not impose on it any duty to exercise such powers. The Secured Creditor shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession or control if such Collateral is accorded treatment substantially equivalent to that which the Secured Creditor accords its own property, consisting of similar type assets, it being understood, however, that the Secured Creditor shall have no responsibility for (i) ascertaining or taking any action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to any Collateral, whether or not the Secured Creditor has or is deemed to have knowledge of such matters, (ii) taking any necessary steps to preserve rights against any parties with respect to any Collateral, or (iii) initiating any action to protect the Collateral or any part thereof against the possibility of a decline in market value. This Agreement constitutes an assignment of rights only and not an assignment of any duties or obligations of the Debtors in any way related to the Collateral, and the Secured Creditor shall have no duty or obligation to discharge any such duty or obligation. Neither any Secured Creditor nor any party acting as attorney for any Secured Creditor shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law other than such person's gross negligence or willful misconduct.

(g) Failure by the Secured Creditor to exercise any right, remedy or option under this Agreement or any other agreement between any Debtor and the Secured Creditor or provided by law, or delay by the Secured Creditor in exercising the same, shall not operate as a waiver; and no waiver shall be effective unless it is in writing, signed by the party against whom such waiver is sought to be enforced and then only to the extent specifically stated. The rights and remedies of the Secured Creditor under this Agreement shall be cumulative and not exclusive of any other right or remedy which the Secured Creditor may have. For purposes of this Agreement, an Event of Default shall be construed as continuing after its occurrence until the same is cured or waived in writing by the Secured Creditor.

Section 11. Application of Proceeds. The proceeds and avails of the Collateral at any time received by the Secured Creditor upon the occurrence and during the continuation of any Event of Default shall, when received by the Secured Creditor in cash or its equivalent, be applied by the Secured Creditor in reduction of, or held as collateral security for, the Obligations in accordance with the terms of the Credit Agreement. The Debtors shall remain liable to the Secured Creditors for any deficiency. Any surplus remaining after the full payment and satisfaction of the Obligations shall be returned as soon as reasonably practicable to Accurate, as agent for the Debtors.

Section 12. Continuing Agreement. This Agreement shall be a continuing agreement in every respect and shall remain in full force and effect until all of the Obligations, both for principal and interest, have been fully paid and satisfied and the commitments of the Secured Creditor to extend credit to or for the account of the Borrower under the Credit Agreement have expired or otherwise terminated. Upon such termination of this Agreement, the Secured Creditor shall, at the expense of the Debtors, forthwith release its liens and security interests hereunder.

Section 13. The Secured Creditor. In acting under or by virtue of this Agreement, the Secured Creditor shall be entitled to all the rights, authority, privileges, and immunities provided in the Credit Agreement, all of which provisions of said Credit Agreement (including, without limitation, Section 11 thereof) are incorporated by reference herein with the same force and effect as if set forth herein in their entirety.

Section 14. Miscellaneous. (a) This Agreement cannot be changed or terminated orally. This Agreement shall create a continuing lien on and security interest in the Collateral and shall be binding upon each Debtor, its successors and assigns and shall inure, together with the rights and remedies of the Secured Creditor hereunder, to the benefit of the Secured Creditor and its successors and assigns; provided, however, that no Debtor may assign its rights or delegate its duties hereunder without the Secured Creditor's prior written consent. Without limiting the generality of the foregoing, and subject to the provisions of the Credit Agreement, the Secured Creditor may assign or otherwise transfer any indebtedness held by it secured by this Agreement to any other person, and such other person shall thereupon become vested with all the benefits in respect thereof granted to the Secured Creditor herein or otherwise.

(b) Except as otherwise specified herein, all notices hereunder shall be in writing (including, without limitation, notice by telecopy) and shall be given to the relevant party at its address or telecopier number set forth below (or, if no such address is set forth below, at the address of the relevant Debtor as shown on the records of the Secured Creditor), or such other address or telecopier number as such party may hereafter specify by notice to the other given by United States certified or registered mail, by telecopy or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

to the Debtors at:

Accurate Transmissions, Inc.
401 Terrace Drive
Mundelein, Illinois 60060
Attention:
Telephone: (847) 549-8100
Telecopy: (847) 549-9474

to the Secured Creditor at:

LaSalle Bank National Association
135 South LaSalle Street, Suite 223
Chicago, Illinois 60603
Attention: Brian K. Greenblatt
Telephone: (312) 904-6346
Telecopy: (312) 904-0889

Each such notice, request or other communication shall be effective (i) if given by telecopier, when such telecopy is transmitted to the telecopier number specified in this Section and a confirmation of such telecopy has been received by the sender by 5:00 p. m. on any Business Day, or if confirmation is received after 5:00 p.m., the next Business Day, (ii) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return

receipt requested, addressed as aforesaid or (iii) if given by any other means, when delivered at the addresses specified in this Section.

(c) Intentionally Omitted.

(d) In the event and to the extent that any provision hereof shall be deemed to be invalid or unenforceable by reason of the operation of any law or by reason of the interpretation placed thereon by any court, this Agreement shall to such extent be construed as not containing such provision, but only as to such jurisdictions where such law or interpretation is operative, and the invalidity or unenforceability of such provision shall not affect the validity of any remaining provisions hereof, and any and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect. Without limiting the generality of the foregoing, in the event that this Agreement shall be deemed to be invalid or otherwise unenforceable with respect to any Debtor, such invalidity or unenforceability shall not affect the validity of this Agreement with respect to the other Debtors.

(e) The lien and security interest herein created and provided for stand as direct and primary security for the Obligations of the Borrower arising under or otherwise relating to the Credit Agreement as well as for the other Obligations secured hereby. No application of any sums received by the Secured Creditor in respect of the Collateral or any disposition thereof to the reduction of the Obligations or any part thereof shall in any manner entitle any Debtor to any right, title or interest in or to the Obligations or any collateral or security therefor, whether by subrogation or otherwise, unless and until all Obligations have been fully paid and satisfied and all commitments to extend credit to or for the account of the Borrower under the Credit Agreement have expired or otherwise terminated. Each Debtor acknowledges and agrees that the lien and security interest hereby created and provided are absolute and unconditional and shall not in any manner be affected or impaired by any acts of omissions whatsoever of the Secured Creditor or any other holder of any Obligations, and without limiting the generality of the foregoing, the lien and security interest hereof shall not be impaired by any acceptance by the Secured Creditor or any other holder of any Obligations of any other security for or guarantors upon any of the Obligations or by any failure, neglect or omission on the part of the Secured Creditor or any other holder of any of the Obligations to realize upon or protect any of the Obligations or any collateral or security therefor. The lien and security interest hereof shall not in any manner be impaired or affected by (and the Secured Creditor, without notice to anyone, is hereby authorized to make from time to time) any sale, pledge, surrender, compromise, settlement, release, renewal, extension, indulgence, alteration, substitution, exchange, change in, modification or disposition of any of the Obligations or of any collateral or security therefor, or of any guaranty thereof, or of any instrument or agreement setting forth the terms and conditions pertaining to any of the foregoing. The Secured Creditor may at its discretion at any time grant credit to the Borrower without notice to the other Debtors in such amounts and on such terms as the Secured Creditor may elect without in any manner impairing the lien and security interest created and provided for. In order to realize hereon and to exercise the rights granted the Secured Creditor hereunder and under applicable law, there shall be no obligation on the part of the Secured Creditor or any other holder of any Obligations at any time to first

resort for payment to the Borrower or any other Debtor or to any guaranty of the Obligations or any portion thereof or to resort to any other collateral, security, property, liens or any other rights or remedies whatsoever, and the Secured Creditor shall have the right to enforce this Agreement against any Debtor or its Collateral irrespective of whether or not other proceedings or steps seeking resort to or realization upon or from any of the foregoing are pending.

(f) In the event the Secured Creditor shall at any time in its discretion permit a substitution of Debtors hereunder or a party shall wish to become a Debtor hereunder, such substituted or additional Debtor shall, upon executing an agreement in the form attached hereto as Schedule F, become a party hereto and be bound by all the terms and conditions hereof to the same extent as though such Debtor had originally executed this Agreement and, in the case of a substitution, in lieu of the Debtor being replaced. Any such agreement shall contain information as to such Debtor necessary to update Schedule A, B, C, D, and E hereto with respect to it. No such substitution shall be effective absent the written consent of the Secured Creditor nor shall it in any manner affect the obligations of the other Debtors hereunder.

(g) This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterpart signature pages, each constituting an original, but all together one and the same instrument. Each Debtor acknowledges that this Agreement is and shall be effective upon its execution and delivery by such Debtor to the Secured Creditor, and it shall not be necessary for the Secured Creditor to execute this Agreement or any other acceptance hereof or otherwise to signify or express its acceptance hereof.

(h) This Agreement shall be deemed to have been made in the State of Illinois and shall be governed by, and construed in accordance with, the laws of the State of Illinois. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning of any provision hereof.

(i) Each Debtor hereby submits to the non-exclusive jurisdiction of the United States District Court for the Northern District of Illinois and of any Illinois state court sitting in the City of Chicago, Illinois, for purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby. Each Debtor irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient form. EACH DEBTOR AND , BY ACCEPTING THE BENEFITS OF THIS AGREEMENT, THE SECURED CREDITOR HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each Debtor has caused this Security Agreement to be duly executed and delivered as of the date first above written.

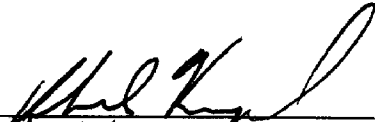
"DEBTORS"

ACCURATE TRANSMISSIONS, INC.

By: _____

Name: _____

Title: _____

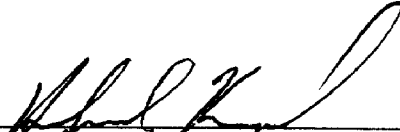

Richard Ruempel
President

KTTN, LLC

By: _____

Name: _____

Title: _____


Richard Ruempel
Manager

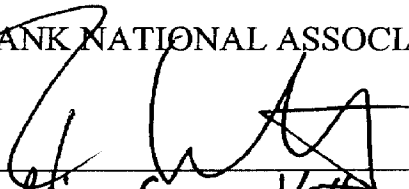
Accepted and agreed to in Chicago, Illinois, as of the date first above written.

LASALLE BANK NATIONAL ASSOCIATION

By: _____

Name: _____

Title: _____


Brian Greenblatt
SVP

SCHEDULE A

LOCATIONS

COLUMN 1

COLUMN 2

COLUMN 3

NAME OF DEBTOR (AND
STATE OF
ORGANIZATION AND
ORGANIZATIONAL
REGISTRATION NUMBER)

CHIEF EXECUTIVE
OFFICE (AND NAME OF
RECORD OWNER OF
SUCH LOCATION)

ADDITIONAL PLACES OF
BUSINESS AND
COLLATERAL
LOCATIONS (AND NAME
OF RECORD OWNER OF
SUCH LOCATIONS)

Accurate Transmissions, Inc.
Illinois
5446-719-2

401 Terrace Drive
Mundelein, Illinois 60060

KTNN, LLC
Illinois
0059832-1

401 Terrace Drive
Mundelein, Illinois 60060

Horizon Distribution
Logistics, LLC
2340 E. University Drive
Phoenix, AZ 85034

Colorado Engine Distribution
5870 W. 56th Avenue
Arvado, CO 80002

Southern Warehousing
Systems
36 Runway 36 S.E.
Maultre, GA 31768

Greenmount Moving &
Storage, Inc.
400 Commerce Drive
Upper Marlboro, MD 20774

SCHEDULE B

OTHER NAMES

A. PRIOR LEGAL NAMES - NONE

B. TRADE NAMES - NONE

SCHEDULE C

INTELLECTUAL PROPERTY RIGHTS

REGISTERED TRADEMARKS

MARK	REGISTRATION NUMBER	REGISTRATION DATE
A Fanciful Figure of Male Mechanic	2,117,795	December 2, 1997
Accurate Transmissions	2,103,525	October 7, 1997

TRADEMARK APPLICATIONS

MARK	APPLICATION NUMBER	APPLICATION DATE
NONE		

SCHEDULE D

REAL ESTATE LEGAL DESCRIPTIONS

Parcel 1:

Lot 2 in Terrace Trade Center, being a subdivision of part of the East Half (1/2) of the Northeast Quarter (1/4) of Section 31, Township 44 North, Range 11 East of the Third Principal meridian, according to the Plat thereof recorded July 29, 1997, as Document 3999074 and corrected by Certificate of Correction recorded September 25, 1997 as Document 4024344, in Lake County, Illinois.

Commonly known as 401 Terrace Drive, Mundelein, Illinois 60060

PIN: 11-31-206-002

Parcel 2:

A non-exclusive easement for the benefit of Parcel 1, as created by Easement and Cost Sharing Agreement recorded August 5, 1997 as Document 4001598, and as set forth on the Plat of Terrace Trade Center recorded as Document 3999074, for the purpose of ingress, egress, parking utilities and storm water detention over those areas marked on said Plat as easement for ingress, egress, parking and utilities, and those areas of outlot "A" marked as storm water control easement.

SCHEDULE E

INVESTMENT PROPERTY AND DEPOSITS

A. INVESTMENT PROPERTY

B. DEPOSITS

BANK	ACCOUNT NUMBER	DESCRIPTION
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SCHEDULE F

ASSUMPTION AND SUPPLEMENTAL SECURITY AGREEMENT

THIS AGREEMENT dated as of this ____ day of _____, 20__ from [new Debtor], a _____ corporation/limited liability company/partnership (the "New Debtor"), to LaSalle Bank National Association (The "Secured Creditor").

PRELIMINARY STATEMENTS

A. Accurate Transmissions, Inc. ("Accurate") and KTNN, LLC ("KTNN"; Accurate and KTNN are hereinafter collectively referred to as "Borrower") and certain other parties have executed and delivered to the Secured Creditor that certain Security Agreement dated as of July 1, 2002 (such Security Agreement, as the same may from time to time be amended, modified or restated, including supplements thereto which add additional parties as Debtors thereunder, being hereinafter referred to as the "Security Agreement"), pursuant to which such parties (the "Existing Debtors") have granted to the Secured Creditor for the benefit of the Secured Creditor a lien on and security interest in the Existing Debtors' Collateral (as such term is defined in the Security Agreement) to secure the Obligations (as such term is defined in the Security Agreement).

B. The Borrower provides the New Debtor with substantial financial, managerial, administrative, and technical support and the New Debtor will benefit, directly and indirectly, from credit and other financial accommodations extended by the Secured Creditor to the Borrower.

NOW, THEREFORE, FOR VALUE RECEIVED , and in consideration of advances made or to be made, or credit accommodations given or to be given, to the Borrower by the Secured Creditors from time to time, the New Debtor hereby agrees as follows:

1. The New Debtor acknowledges and agrees that it shall become a "Debtor" party to the Security Agreement effective upon the date the New Debtor's execution of this Agreement and the delivery of this Agreement to the Secured Creditor, and that upon such execution and delivery, all references in the Security Agreement to the terms "Debtor" or "Debtors" shall be deemed to include the New Debtor. Without limiting the generality of the foregoing, the New Debtor hereby repeats and reaffirms all grants (including the grant of a lien and security interest), covenants, agreements, representations, and warranties contained in the Security Agreement as amended hereby, each and all of which are and shall remain applicable to the Collateral from time to time owned by the New Debtor or in which the New Debtor from time to time has any rights. Without limiting the foregoing, in order to secure payment of the Obligations, whether now existing or hereafter arising, the New Debtor does hereby grant to the Secured Creditor, and hereby agrees that the Secured Creditor has and shall continue to have for the benefit of the Secured Creditor a continuing lien on and security interest in, among other things, all of the New Debtor's Collateral (as such term is defined in the Security Agreement), including, without limitation, all of the New Debtor's Accounts, Chattel Paper, Instruments, Documents, General Intangibles Letter-of-Credit Rights, Supporting Obligations, Deposit Accounts, Investment Property, Inventory, Equipment, Fixtures, and all of the other Collateral described in Section 2 of

the Security Agreement, each and all of such granting clauses being incorporated herein by reference with the same force and effect as if set forth herein in their entirety except that all references in such clauses to the Existing Debtors or any of them shall be deemed to include references to the New Debtor. Nothing contained herein shall in any manner impair the priority of the liens and security interests heretofore granted in favor of the Secured Creditor under the Security Agreement.

2. Schedules A (Locations), Schedule B (Other Names), Schedule C (Intellectual Property Rights), Schedule D (Real Estate), Schedule E (Investment Property and Deposits), and Schedule G (Commercial Tort Claim) to the Security Agreement shall be supplemented by the information stated below with respect to the New Debtor:

SUPPLEMENT TO SCHEDULE A

NAME OF DEBTOR (AND STATE OF ORGANIZATION AND ORGANIZATIONAL REGISTRATION NUMBER)	CHIEF EXECUTIVE OFFICE (AND NAME OF RECORD OWNER OF SUCH LOCATION)	ADDITIONAL PLACES OF BUSINESS AND COLLATERAL LOCATIONS (AND NAME OF RECORD OWNER OF SUCH LOCATIONS)
_____	_____	_____
_____	_____	_____

SUPPLEMENT TO SCHEDULE B

NAME OF DEBTOR	PRIOR LEGAL NAMES AND TRADE NAMES OF SUCH DEBTOR
_____	_____

**SUPPLEMENT TO SCHEDULE C
INTELLECTUAL PROPERTY RIGHTS**

**SUPPLEMENT TO SCHEDULE D
REAL ESTATE LEGAL DESCRIPTIONS**

**SUPPLEMENT TO SCHEDULE E
INVESTMENT PROPERTY AND DEPOSITS**

**SUPPLEMENT TO SCHEDULE G
COMMERCIAL TORT CLAIMS**

3. The New Debtor hereby acknowledges and agrees that the Obligations are secured by all of the Collateral according to, and otherwise on and subject to, the terms and conditions of the Security Agreement to the same extent and with the same force and effect as if the New Debtor had originally been one of the Existing Debtors under the Security Agreement and had originally executed the same as such an Existing Debtor.

4. All capitalized terms used in this Agreement without definition shall have the same meaning herein as such terms have in the Security Agreement, except that any reference to the term "Debtor" or "Debtors" and any provision of the Security Agreement providing meaning to such term shall be deemed a reference to the Existing Debtors and the New Debtor. Except as specifically modified hereby, all of the terms and conditions of the Security Agreement shall stand and remain unchanged and in full force and effect.

5. The New Debtor agrees to execute and deliver such further instruments and documents and do such further acts and things as the Secured Party may deem necessary or proper to carry out more effectively the purposes of this Agreement.

6. No reference to this Agreement need be made in the Security Agreement or in any other document or instrument making reference to the Security Agreement, any reference to the Security Agreement in any of such to be deemed a reference to the Security Agreement as modified hereby.

7. This Agreement shall be governed by and construed in accordance with the State of Illinois (without regard to principles of conflicts of law).

[INSERT NAME OF NEW DEBTOR]

By: _____
Name: _____
Title: _____

Accepted and agreed to as of the date first above written.

LASALLE BANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

SCHEDULE G

COMMERCIAL TORT CLAIMS

(Provide a specific description of commercial tort claims currently in existence by referring, for example, to a specific incident giving rise to the claim.)

NONE

ATTACHMENT 1

TO

SCHEDULE G

GRANT OF SECURITY INTEREST IN
COMMERCIAL TORT CLAIM

To: LaSalle Bank National Association
with respect to the Security Agreement described below

Pursuant to the terms of the Security Agreement dated as of July 1, 2002, among us (the "Security Agreement"), we submit this Grant of Security Interest in Commercial Tort Claim to you and certify that the information set forth below is true, correct and complete as of the date hereof. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Security Agreement.

We hereby notify you of and grant to the Secured Creditor for the benefit of the Secured Creditor, as collateral security for the Obligations, a lien on and security interest in, and right of set-off against, and acknowledge and agree that the Secured Creditor has and shall continue to have a continuing lien on and security interest in, and right of set-off against, all right, title, and interest, whether now owned or existing or hereafter created, acquired or arising, in and to the following Commercial Tort Claim:

**[insert a specific description of the commercial tort claim,
followed by the words "together with any and all proceeds and
products thereof and all insurance relating thereto and the
proceeds thereof".]**

The Commercial Tort Claim, proceeds and products and insurance described herein shall henceforth be included as part of the Collateral as described in the Security Agreement and the other Loan Documents.

Very truly yours,
ACCURATE TRANSMISSIONS, INC.
[or APPLICABLE DEBTOR]

By: _____
Name: _____
Title: _____

By _____
Its _____