

07-31-2002

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



102174825

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):

Synalloy Corporation

07-26-02

- Individual(s) Association General Partnership Limited Partnership Corporation-State Delaware 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: July 26, 2002

2. Name and address of receiving party(ies)

Name: Foothill Capital Corporation

Internal Address: Building 400, Suite 1450

Street Address: 1000 Abernathy Road, N.E.

City: Atlanta State: GA Zip: 30328

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

939,370 711,690 716,307

Additional number(s) attached Yes No

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

Name: Amanda Jane Elliott, Esq.

Internal Address: Paul, Hastings, Janofsky & Walker LLP

Street Address: 600 Peachtree Street, N.E.

Suite 2400

City: Atlanta State: GA Zip: 30308-2222

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:

16-0752

DO NOT USE THIS SPACE

9. Signature.

Amanda Jane Elliott

Name of Person Signing

Signature

7/26/02

Date

Total number of pages including cover sheet, attachments, and document: 6

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

07/31/2002 TDIAZ1 00000019 939370

01 FC:481 40.00 OP 02 FC:482 50.00 OP

TRADEMARK REEL: 2552 FRAME: 0723

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), entered into as of the 26th day of July, 2002, by and between SYNALLOY CORPORATION, a Delaware corporation ("Parent"), and BRISTOL METALS, L.P., a Tennessee limited partnership (together with Parent, collectively, "Grantors" and individually each a "Grantor") and FOOTHILL CAPITAL CORPORATION, a California corporation, as lender ("Lender").

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), by and among Parent and certain of its direct and indirect subsidiaries party thereto (collectively, "Borrowers") and Lender, Lender has agreed to make certain loans and other financial accommodations to Obligor from time to time pursuant to the terms and conditions thereof; and

WHEREAS, it is a condition precedent to the extension of credit under the Loan Agreement that Grantors shall have granted the security interest contemplated by this Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms herein without definition shall have the respective meanings ascribed those terms in the Loan Agreement.

2. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Grantors hereby grant to Lender a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Grantors' now owned or existing and hereafter acquired or arising: (i) trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and domain names including, without limitation, the trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and domain names, all of which are listed on Schedule 1 attached hereto and made a part hereof, and (a) all renewals thereof,

(b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the goodwill of each Grantor's business symbolized by the foregoing and connected therewith, and (e) all of Grantors' rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks, service mark applications and domain names, together with the items described in clauses (a)-(e) in this paragraph 2(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and (ii) the goodwill of each Grantor's business connected with and symbolized by the Trademarks.

3. Each Grantor agrees that it will not, without Lender's prior written consent, enter into any agreement, including without limitation any license agreement, that is inconsistent with this Agreement, and each Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including without limitation licensees, or fail to take any action, that would in any material respect affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with the Trademarks.

4. Each Grantor authorizes Lender to modify this Agreement by amending Schedule 1 to include any future trademarks, service marks, trademark, service mark applications or registrations or domain names that are or may become Trademarks hereunder and to record such modifications (or notice thereof) in the United States Patent and Trademark Office or with other applicable recording or filing office within the United States or any state thereof at the expense of Grantors as Lender shall determine in its Permitted Discretion. Each Grantor agrees to execute any and all instruments (including individual security agreements) necessary to confirm such amendment or to enable such recording.

5. Each Grantor agrees (i) not to abandon any Trademark without the prior written consent of Lender, and (ii) to take all action necessary to maintain in force any registration of the Trademarks in the United States Patent and Trademark Office and in any other jurisdiction within the United States or any state thereof in which it is registered, including (without limitation) any filing, to the extent permitted and authorized by law, any declarations under Sections 8 and 15 of the Trademark Act of 1946 (Lanham Act) and any renewals thereunder, with respect to the Trademarks. Any expense with regard to the foregoing shall be borne and paid by Grantors.

6. Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and, if Lender shall commence any such suit, Grantors shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Grantors shall,

upon demand, promptly reimburse Lender for all costs and expenses incurred by Lender in the exercise of its rights under this paragraph 6 (including, without limitation, the reasonable fees and expenses of attorneys and paralegals for Lender).

7. (a) Each Grantor hereby irrevocably designates, constitutes and appoints Lender (and all officers and agents of Lender designated by Lender in its sole and absolute discretion) as such Grantor's true and lawful attorney-in-fact, and authorizes Lender and any of Lender's designees, in Grantor's or Lender's name, to take any action and execute any instrument necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone, and (iv) take any other actions with respect to the Trademarks as Lender deems in its best interest provided that the foregoing appointment of Lender as such Grantor's attorney-in-fact and authorizations shall only be effective upon the occurrence or during the continuation of an Event of Default. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof while such power of attorney is in effect. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. Each Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks may be located or deemed located. Upon the occurrence of an Event of Default and the election by Lender to exercise any of its remedies under the Uniform Commercial Code as in effect in the State of Georgia with respect to the Trademarks, each Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks to Lender or any transferee of Lender and to execute and deliver to Lender or any such transferee all such agreements, documents and instruments as may be necessary, in Lender's sole discretion, to effect such assignment, conveyance and transfer. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby, by the Loan Agreement or by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. Each Grantor agrees that any notification of intended disposition of any of the Trademarks required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition provided, however, that Lender may give any shorter notice that is commercially reasonable under the circumstances.

8. Upon the satisfaction of the Obligations and the termination of the credit facility under the Loan Agreement, Lender shall execute and deliver to Grantors all instruments as may be necessary or proper to remove and terminate the security interest, and to reassign to Grantors any and all right, title and interest in the Trademarks and the goodwill of the business symbolized by the Trademarks, subject to any disposition thereof that may have been made by Lender pursuant hereto.

9. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

10. This Agreement is subject to modification only by a writing signed by the parties.

11. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

12. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of an original, executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile shall also deliver an original executed counterpart of this Agreement, but the failure to deliver an original, executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

13. This Agreement shall be construed according to the internal laws of the State of Georgia, without regard to the conflict of laws principles thereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Lender and Grantors have caused this Agreement to be duly executed as of the day and year first above written.

LENDER

FOOTHILL CAPITAL CORPORATION

By: Kathy R. Plisko

Kathy R. Plisko
Senior Vice President

GRANTORS

SYNALLOY CORPORATION

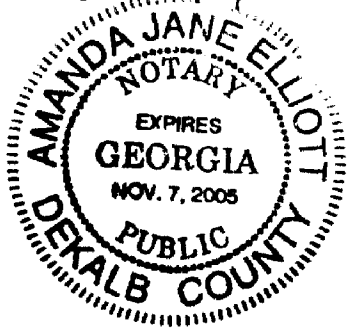
By: [Signature]

Title: Vice President, Finance

NOTARY PUBLIC
Amanda J. Elliott

Sworn to and subscribed before me
this 26th day of July, 2002.

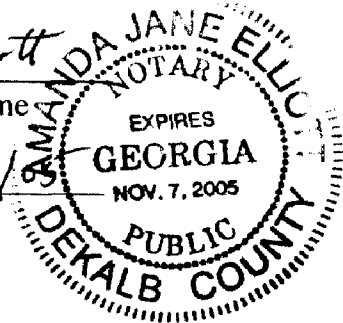
My Commission Expires 11/7/05



NOTARY PUBLIC
Amanda J. Elliott

Sworn to and subscribed before me
this 26th day of July, 2002.

My Commission Expires 11/7/05



BRISTOL METALS, L.P.

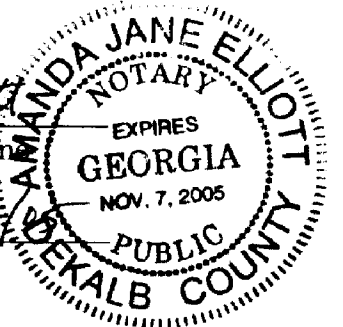
By: [Signature]

Title: Vice President, Finance

NOTARY PUBLIC
Amanda J. Elliott

Sworn to and subscribed before me
this 26th day of July, 2002.

My Commission Expires 11/7/05



SCHEDULE 1

1. Brismet, Ser. 72-014,052, Reg. No. 643,152, filed August 16, 1956, renewed March 26, 1997. Current owner – Bristol Metals, L.P.
2. Bucron, Ser. 72-379456, Reg. No. 939,370, filed December 23, 1970. Current owner – Synalloy Corporation. (Note: Expires August 1, 2002 and Synalloy does not intend to renew.)
3. BU, Ser. 72-097449, Reg. No. 711,690. Current owner – Synalloy Corporation d/b/a Blackman-Uhler Chemical Company, renewed February 28, 2001.
4. Acqua-Hue, Ser. No. 72-062, 905, Reg. No. 716,307. Current owner – Synalloy Corporation d/b/a Blackman-Uhler Chemical Company, renewed February 28, 2001.

CERTIFICATE OF EXPRESS MAILING

EV059447249US

“Express Mail” mailing label number:

Date of Deposit:

July 26, 2002

I hereby certify that the attached two Trademark Recordation Form Cover Sheets, two Trademark Security Agreements, transmittal letter and two checks for the filing fees are being deposited with the United States Postal Service “Express Mail Post Office to Addressee” service under 37 C.F.R. 1.10 on the date indicated above and is addressed to the U.S. Patent and Trademark Office, Assignment Division, Box Assignments, CG-4, 1213 Jefferson Davis Hwy., Suite 320, Washington, DC 20231.

Respectfully submitted,



Amanda J. Elliott
for PAUL, HASTINGS, JANOFSKY & WALKER LLP
600 Peachtree Street, N.E., Suite 2400
Atlanta, Georgia 30308-2222
(404) 815-224

Atlanta
Beijing
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Stamford
Tokyo
Washington, D.C. (404) 815-2240
amandaelliott@paulhastings.com

July 26, 2002

26030.00069

VIA EXPRESS MAIL

Commissioner of Patents and Trademarks
U.S. Patent and Trademark Office
BOX ASSIGNMENTS, CG-4
1213 Jefferson Davis Hwy., Suite 320
Washington, DC, 20231

Re: Recordation of Trademark Documents – Synalloy Corporation and Bristol Metals, L.P.

Dear Sir or Madam:

For the recordation of the grant of security interest in various United States trademark registration applications and registrations, enclosed please find the following documents:

1. Grant of Security Interest in Trademarks from Synalloy Corporation to Foothill Capital Corporation.
 - a. Trademark Recordation Form Cover Sheet;
 - b. Trademark Security Agreement; and
 - c. A check in the amount of \$90.00 for the applicable filing fee

2. Grant of Security Interest in Trademarks from Bristol Metals, L.P. to Foothill Capital Corporation.
 - a. Trademark Recordation Form Cover Sheet;
 - b. Trademark Security Agreement; and
 - c. A check in the amount of \$40.00 for the applicable filing fee

Commissioner of Patents and Trademarks

July 26, 2002

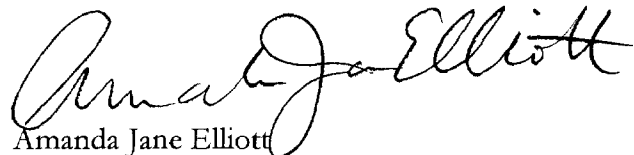
Page 2

Please record the enclosed Trademark Security Agreements and amend your records to reflect such grant of security interest.

We request that you charge any deficiencies, or credit any overpayments to Paul, Hastings, Janofsky & Walker LLP's Deposit Account Number 16-0752.

Do not hesitate to contact me should you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink that reads "Amanda Jane Elliott". The signature is written in a cursive, flowing style.

Amanda Jane Elliott
for PAUL, HASTINGS, JANOFSKY & WALKER LLP

Enclosures

cc: Dave Cartee, Esq. (w/o encl.)