

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Meridian Rail Track Products Corp.		11/24/2003	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	Congress Financial Corporation (Central), as Agent
Street Address:	150 South Wacker Drive
Internal Address:	Ste. 2200
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60606
Entity Type:	CORPORATION: ILLINOIS

PROPERTY NUMBERS Total: 7		
Property Type	Number	Word Mark
Registration Number:	169851	R A C O R
Registration Number:	173737	RACOR
Registration Number:	422784	RACOR
Registration Number:	423512	RACOR
Registration Number:	682840	RACOR
Registration Number:	1004189	SECURITY
Registration Number:	1509921	ABC RAIL

CORRESPONDENCE DATA	
Fax Number:	(312)863-7812
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>
Phone:	312-863-7190
Email:	nathaniel.panek@goldbergkohn.com
Correspondent Name:	Nathaniel Panek
Address Line 1:	55 E. Monroe St.
Address Line 2:	Ste. 3700

OP \$190.00 169851

Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:

2563.141

NAME OF SUBMITTER:

Nathaniel Panek

Total Attachments: 10

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## PATENT, TRADEMARK AND LICENSE MORTGAGE

THIS PATENT, TRADEMARK AND LICENSE MORTGAGE (the "Agreement") made as of this 24<sup>th</sup> day of November, 2003, by Meridian Rail Track Products Corp., a Delaware corporation, with its principal business and chief executive office at 2705 S. State Street, Chicago Heights, Illinois 60411 ("Mortgagor") in favor of Congress Financial Corporation (Central), as agent for itself and certain other lenders ("Lenders"), with an office at 150 South Wacker Drive, Suite 2200, Chicago, Illinois 60606 ("Mortgagee"):

### W I T N E S S E T H

WHEREAS, Mortgagor, Meridian Rail Services Corp., a Delaware corporation, Mortgagee and Lenders are parties to a certain Loan and Security Agreement of even date herewith, as amended and supplemented (the "Loan Agreement") and other related loan documents of even date herewith (collectively, with the Loan Agreement, the "Financing Agreements"), which Financing Agreements provide (i) for Mortgagee to, from time to time, extend credit to or for the account of Mortgagor and Meridian Rail Services Corp. and (ii) for the grant by Mortgagor to Mortgagee of a security interest in certain of Mortgagor's assets, including, without limitation, its patents, patent applications, trademarks, trademark applications, trade names, service marks, service mark applications, goodwill and licenses;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Mortgagor agrees as follows:

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Financing Agreements.

2. Mortgage of Patents, Trademarks and Licenses. To secure the complete and timely satisfaction of all of Mortgagor's Obligations, Mortgagor hereby grants, bargains, assigns, mortgages, pledges, sells, creates a security interest in, transfers and conveys to Mortgagee, for the benefit of itself and Lenders, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale upon the occurrence of an Event of Default, to the extent permitted by law, in all of Mortgagor's right, title and interest in and to all of its now existing and hereafter created or acquired:

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Exhibit A attached hereto and hereby made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, damages and payments now and hereafter due or payable under or with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c)

the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d) of this subsection 2(i), are sometimes hereinafter referred to individually as a "Patent" and, collectively, as the "Patents");

(ii) trademarks, trademark registrations, trademark applications, trade names and tradestyles, service marks, service mark registrations, service mark applications and brand names, including, without limitation, the trademarks, trade names, service marks and applications and registrations thereof listed on Exhibit B attached hereto and hereby made a part hereof, and (a) renewals or extensions, thereof, (b) all income, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, service marks and applications and registrations thereof, together with the items described in clauses (a)-(d) of this subsection 2(ii), are sometimes hereinafter referred individually as a "Trademark" and, collectively, as the "Trademarks");

(iii) license agreements (to the extent such license agreements may be assigned without violating the terms of any such license agreement) with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any application or registration thereof or any other trade name or tradestyle between Mortgagor and any other party, whether Mortgagor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit C attached hereto and hereby made a part hereof (all of the foregoing license agreements and Mortgagor's rights thereunder are referred to collectively as the "Licenses"); and

(iv) the goodwill of Mortgagor's business connected with and symbolized by the Trademarks.

3. Warranties and Representations. Mortgagor warrants and represents to Mortgagee that:

(i) no Patent, Trademark or License has been adjudged invalid or unenforceable nor has any such Patent, Trademark or, to the best of Mortgagor's knowledge, License been cancelled, in whole or in part and each such Patent, Trademark and License is presently subsisting;

(ii) each Patent, Trademark and License is valid and enforceable;

(iii) Mortgagor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Patent, Trademark and License, free and clear of any liens, charges and encumbrances, including without limitation licenses, shop rights and covenants by Mortgagor not to sue third persons;

(iv) Mortgagor has adopted, used and is currently using all of the Trademarks;

(v) Mortgagor has no notice of any suits or actions commenced or threatened with reference to the Patents, Trademarks or Licenses; and

(vi) Mortgagor has the unqualified right to execute and deliver this Mortgage and perform its terms.

4. Restrictions on Future Agreements. Mortgagor agrees that until Mortgagor's Obligations shall have been satisfied in full and the Financing Agreements shall have been terminated, Mortgagor shall not, without the prior written consent of Mortgagee, sell or assign its interest in, or grant any license or sublicense under, the Patents, Trademarks or Licenses, or enter into any other agreement with respect to the Patents, Trademarks or Licenses, and Mortgagor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Mortgagee under this Mortgage.

5. New Patents, Trademarks, and Licenses. Mortgagor represents and warrants that the Patents, Trademarks and Licenses listed on Exhibits A, B and C, respectively, constitute all of the Patents, Trademarks, and Licenses now owned by Mortgagor. If, before Mortgagor's Obligations shall have been satisfied in full or before the Financing Agreements have been terminated, Mortgagor shall (i) become aware of any existing Patents, Trademarks or Licenses of which Mortgagor has not previously informed Mortgagee, (ii) obtain rights to any new patentable inventions, Patents, Trademarks or Licenses, or (iii) become entitled to the benefit of any Patents, Trademarks or Licenses which benefit is not in existence on the date hereof, the provisions of this Mortgage above shall automatically apply thereto and Mortgagor shall give to Mortgagee prompt written notice thereof. Mortgagor hereby authorizes Mortgagee to modify this Mortgage by amending Exhibits A, B and C, as applicable, to include any such Patents, Trademarks and Licenses.

6. Royalties; Terms. The term of the mortgages granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks and Licenses assigned hereunder, and (ii) the payment in full of Mortgagor's Obligations and the termination of the Financing Agreements. Mortgagor agrees that upon the occurrence of an Event of Default, the use by Mortgagee of all Patents, Trademarks and Licenses shall be

worldwide, except as limited by their terms, and without any liability for royalties or other related charges from Mortgagee to Mortgagor.

7. Product Quality. Mortgagor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Mortgagee, upon Mortgagee's request from time to time, with a certificate of an officer of Mortgagor certifying Mortgagor's compliance with the foregoing. Upon the occurrence of an Event of Default, Mortgagor agrees that Mortgagee, or a conservator appointed by Mortgagee, shall have the right to establish such additional product quality controls as Mortgagee, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Mortgagor under the Trademarks.

8. Release of Mortgage. This Mortgage is made for collateral purposes only. Upon payment in full of Mortgagor's Obligations and termination of the Financing Agreements, Mortgagee shall execute and deliver to Mortgagor all deeds, assignments and other instruments, and shall take such other actions, as may be necessary or proper to re-vest in Mortgagor full title to the Patents, Trademarks and Licenses, subject to any disposition thereof which may have been made by Mortgagee pursuant to the Financing Agreements.

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Mortgagor. All fees, costs and expenses, of whatever kind or nature, including attorneys' fees and legal expenses, incurred by Mortgagee and Lenders in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Patents, Trademarks and Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks and Licenses, shall be borne by and paid by Mortgagor and shall be charged against the Obligations.

10. Duties of Mortgagor. Mortgagor shall have the duty (i) to file and prosecute diligently any patent, trademark or service mark applications pending as of the date hereof or hereafter until Mortgagor's Obligations shall have been paid in full and the Financing Agreements have been terminated, (ii) to make application on unpatented but patentable inventions and on trademarks and service marks, as commercially reasonable, (iii) to preserve and maintain all rights in the Patents, Trademarks and Licenses, as commercially reasonable and (iv) to ensure that the Patents, Trademarks and Licenses are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Mortgagor's obligations under this Section 10 shall be borne by Mortgagor.

11. Mortgagee's Right to Sue. After an Event of Default, Mortgagee shall have the right, but shall in no way be obligated, to bring suit in its own name, on behalf of itself and the Lenders, to enforce the Patents, Trademarks and Licenses, and, if Mortgagee shall commence any such suit, Mortgagor shall, at the request of Mortgagee, do any and all

lawful acts and execute any and all proper documents required by Mortgagee in aid of such enforcement and Mortgagor shall promptly, upon demand, reimburse and indemnify Mortgagee for all costs and expenses incurred by Mortgagee in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Mortgagor and Mortgagee, nor any failure to exercise, nor any delay in exercising, on the part of Mortgagee, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Mortgage 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 Mortgage in any jurisdiction.

14. Modification. This Mortgage cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Mortgagee's rights and remedies with respect to the Patents, Trademarks and Licenses, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Mortgagor hereby authorizes Mortgagee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Mortgagee as Mortgagee may select, in its sole discretion, as Mortgagor's true and lawful attorney-in-fact, with power to (i) endorse Mortgagor's name on all applications, documents, papers and instruments necessary or desirable for Mortgagee in the use of the Patents, Trademarks and Licenses, or (ii) take any other actions with respect to the Patents, Trademarks and Licenses as Mortgagee deems to be in the best interest of Mortgagee, or (iii) grant or issue any exclusive or non-exclusive license under the Patents, Trademarks or Licenses to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks or Licenses to anyone. Mortgagor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Mortgagor's Obligations shall have been paid in full and the Financing Agreements, have been terminated. Mortgagor acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Mortgagee or any Lender under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Mortgagee and Lenders shall have, in addition to all other rights and remedies given it by the terms of this Mortgage and

the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Mortgage shall be binding upon Mortgagor and its respective successors and assigns, and shall inure to the benefit of Mortgagee, its successors, nominees and assigns.

17. Governing Law. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Mortgagor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Mortgagee shall reasonably request from time to time in order to carry out the purpose of this Mortgage and agreements set forth herein.

20. Survival of Representations. All representations and warranties of Mortgagor contained in this Mortgage shall survive the execution and delivery of this Mortgage and shall be remade on the date of each borrowing under the Financing Agreements.

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage in favor of Congress Financial Corporation (Central) as of the date first written above.

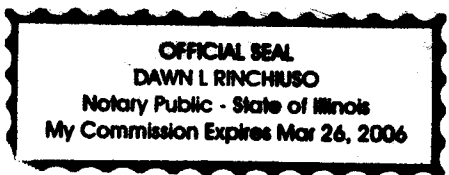
MERIDIAN RAIL TRACK PRODUCTS CORP.

By Sham V. Casey  
Its President & CEO



STATE OF ILLINOIS )  
 )SS.  
COUNTY OF COOK )

The foregoing Patent, Trademark and License Mortgage was executed and acknowledged before me this 21<sup>st</sup> day of Nov., 2003, by SHAWN V. CASEY, personally known to me to be the President & CEO of MERIDIAN RAIL TRACK PRODUCTS CORP., a Delaware corporation, on behalf of such corporation.



Dawn L. Rinchuso  
Notary Public

My Commission Expires:

3/26/06

THIS INSTRUMENT PREPARED BY  
AND AFTER FILING RETURN TO:

Rachel Gena Chiss  
Goldberg, Kohn, Bell, Black,  
Rosenbloom & Moritz, Ltd.  
55 East Monroe Street  
Suite 3700  
Chicago, Illinois 60603  
(312) 201-4000

**EXHIBIT A**

**PATENTS**

<b>DESCRIPTION</b>	<b>PATENT NUMBER</b>	<b>DATE</b>
Rail brace	4824015	4/25/89
Railroad switch stand	4938438	7/3/90
Railroad frog	5312075	5/17/94
Guard rail assembly	5176318	1/5/93
Guard rail assembly support block	5236125	8/17/93
Guard rail assembly hook	5238186	8/24/93
Reversible wing insert frog	5560571	10/1/96
Railroad switch stand having foot and hand accommodating throw handle	5419518	5/30/95
Direct support frog assembly	5496004	3/5/96
Rail anchor assembly	5454514	10/3/95
Railroad spring frog	5544848	8/13/96
Railroad switch stand with foot operated handle latch	5494243	2/27/96
Pseudo heavy point frog assembly	5598993	2/4/97
Wing rail hold-down	5595361	1/21/97
Direct support frog assembly	5653408	8/5/97
Rail crossing assembly	5746400	5/5/98
Railroad spring frog assembly	5810298	9/22/98
Railcar retarder assembly	6152042	11/28/00
Railroad frog assembly with multi-position holdback	6164602	12/26/00
Railroad spring frog assembly	6224023	5/1/01
Railroad frog assembly with latch holdback	6158697	12/12/00
Method for heat treating rail	4749419	6/7/88
Railroad spring wing frog with hold-open and shock dampening elements	6286791	9/11/01
Adjustable rail brace	4770342	9/13/88
Adjustable switch point guard	4738418	4/19/88
Railroad frog having movable wing rails	4637578	1/20/87
Spring rail frog	4624428	11/25/86
Electrically operated railroad switch machine	6427950	8/6/02
Electrically operated railroad switch machine	6568641	5/27/03
Lateral and vertical rail brace assembly	6308897	10/30/01
Railroad spring wing frog assembly	6276642	8/21/01

**EXHIBIT B**

**TRADEMARKS**

[REDACTED]		
R A C O R	169851	7/3/23
RACOR	173737	10/2/23
RACOR	422784	8/13/46
RACOR (words & design)	423512	9/3/46
RACOR (words & design)	682840	8/4/59
Security	1004189	2/11/75
ABC Rail	1509921	10/25/88

**EXHIBIT C**

**LICENSE AGREEMENTS**