

9/9/03, 103

09-11-2003

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (e)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

OFFICE OF PUBLIC AFFAIRS

102546693

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

1. Name of conveying party(ies): C/G Electrodes LLC (formerly CG Electrodes Acquisition LLC) FINANCE SECTION SEP 9 AM 10:48

3. Nature of conveyance: [X] Security Agreement [] Merger [] Change of Name Execution Date: July 2, 2003

4. Application number(s) or registration number(s): A. Trademark Application No.(s) Additional numbers attached? [] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Joel C. Trotter, Esquire Internal Address: Stradley, Ronon, Stevens & Young, LLP Street Address: 2600 One Commerce Square City: Philadelphia State: PA ZIP: 19103

2. Name and address of receiving party(ies): Name: LaSalle Business Credit, LLC, as Agent Internal Address: Street Address: 135 South LaSalle Street, Suite 425 City: Chicago State: IL ZIP: 60603

B. Trademark registration No.(s): 2,667,028

6. Total number of applications and registrations involved: 7. Total fee (37 CFR 3.41): \$ 40 [X] Enclosed [] Authorized to be charged to deposit account

8. Deposit account number: NOT APPLICABLE (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Joel C. Trotter, Esquire Person Signing Signature Date September 5, 2003

Total number of pages comprising cover sheet: 1

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

09/10/2003 EDDPER 0000193 2667028

01 FC:8521

40.00 DP

TRADEMARK REEL: 002821 FRAME: 0273

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Security Agreement") made as of this 2nd day of July, 2003, by C/G Electrodes LLC (formerly CG Electrodes Acquisition LLC), a Delaware limited liability company ("**Borrower**") in favor of LaSalle Business Credit, LLC, as agent ("Agent") for itself and various other Lenders with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603.

W I T N E S S E T H

WHEREAS, Borrower, Agent and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as amended, amended and restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the "**Financing Agreements**"), which Financing Agreements provide (i) for Agent and Lenders to, from time to time, extend credit to or for the account of Borrower and (ii) for the grant by Borrower to Agent and Lenders of a security interest in certain of Borrower's assets, including, without limitation, its trademarks and trademark applications;

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, Borrower 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 Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Borrower hereby grants to Agent, for the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Borrower's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Borrower's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Borrower warrants and represents to Agent that:

(i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances except for Permitted Liens, including without limitation, shop rights and covenants by Borrower not to sue third persons;

(iii) Borrower has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iv) Borrower has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Borrower agrees that until Borrower's Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, Borrower shall not, without the prior written consent of Agent, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Agent under this Security Agreement.

5. New Trademarks. Borrower represents and warrants that, based on a diligent investigation by Borrower, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Borrower. If, before Borrower's Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Borrower shall (i) become aware of any existing Trademarks of which Borrower has not previously informed Agent, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Borrower shall give to Agent prompt written notice thereof. Borrower hereby authorizes Agent to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. The term of this Security Agreement shall extend until the payment in full of Borrower's Liabilities and the termination of the Financing Agreements. Borrower agrees that upon the occurrence of an Event of Default, the use by Agent of all Trademarks shall be without any liability for royalties or other related charges from Agent to Borrower.

7. Product Quality. Borrower agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially

reasonable business practices. Upon the occurrence of an Event of Default, Borrower agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Borrower's Liabilities and termination of the Financing Agreements, Agent shall take such actions as may be necessary or proper to terminate the security interests created hereby and 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 Borrower. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Agent 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, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Borrower and until paid shall constitute Liabilities.

10. Duties of Borrower. Borrower shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Borrower's Liabilities under this Section 10 shall be borne by Borrower.

11. Agent's Right to Sue. After an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Agent shall commence any such suit, Borrower shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify Agent for all costs and expenses incurred by Agent in the exercise of its rights under this Section 11.

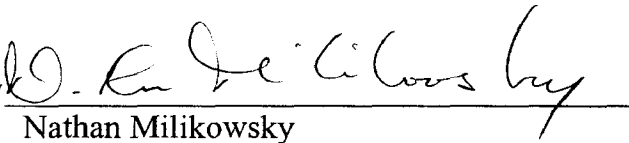
12. Waivers. No course of dealing between Borrower and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right,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

21. Intercreditor Agreement. This Security Agreement and the rights and obligations of the parties hereto are subject to the terms and conditions of the Intercreditor Agreement (as defined in the Loan Agreement).

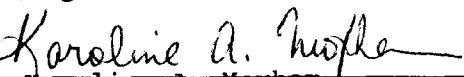
IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement as of the date first written above.

C/G ELECTRODES LLC (formerly CG Electrodes Acquisition LLC)

By 
Nathan Milikowsky
Its Chief Executive Officer

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT,
LLC, Agent

By 
~~Caroline A. Moxham~~
Its Assistant Vice President

SCHEDULE A

TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>U.S. Serial/Registration No.</u>	<u>Date Registered</u>
ARCHITECH	76154306/2,667,028	December 24, 2002

TRADEMARK APPLICATIONS

<u>Trademark Description</u>	<u>Application</u>	<u>U.S. Application No.</u>	<u>Date Applied</u>
------------------------------	--------------------	-----------------------------	---------------------

None.