Form PTO-1594 (Rev. 10/02) REC OMB No. 0651-0027 (exp. 6/30/2005)

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

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	Please record the attached original documents or copy thereof.		
1. Name of conveying party(ies): The Electric Controller and Manufacturing Company Individual(s) General Partnership Corporation-State Other Additional name(s) of conveying party(ies) attached? Assignment Merger Security Agreement Other Change of Name	2. Name and address of receiving party(ies) Name: National Bank of South Cardina Internal Address: P.O. Box 145'7 Street Address: City: Cdv-bia State: SC Zip: 29 ZOZ Individual(s) citizenship Association		
Execution Date:	(Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No		
Application number(s) or registration number(s): A. Trademark Application No.(s) Additional number(s) att	B. Trademark Registration No.(s) 275 1924 66 03884 05 364 71 727 8068 657 8143 rached Yes Yoo 09184 27		
Name and address of party to whom correspondence concerning document should be mailed:	6. Total number of applications and registrations involved:		
Name: Jona than Turner Internal Address: P.D. Box 11889	7. Total fee (37 CFR 3.41)		
Street Address:	8. Deposit account number:		
City: <u>Col4</u> State: <u>SC</u> Zip: <u>Z9211-1</u> 88	(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. Torathor Turner			
Name of Person Signing Sig	nature Date		
Total number of pages including cover sheet, attachments, and document: Mail documents to be recorded with required cover sheet information to:			

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

01 FC:8521 02 FC:8522 40.00 OP 150.00 OP

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement"), dated <u>October 9</u>, 2003, is entered into by The Electric Controller and Manufacturing Company, LLC, a Delaware limited liability company ("Pledgor") with an address of 8821 Garners Ferry Road, Hopkins South Carolina 29601, and delivered to The National Bank of South Carolina ("NBSC"), with an address of Post Office Box 1457, Columbia, South Carolina 29202.

WITNESSETH

WHEREAS, this Agreement is being executed in connection with that certain Loan Agreement of even date by and among Pledgor and NBSC, as amended, supplemented, restated, replaced, or otherwise modified from time to time ("Loan Agreement"), and the extension by NBSC of a \$5,100,000 term loan, and a \$1,000,000 revolving line of credit (collectively the "Loans"), as evidenced by promissory notes dated of even date, together with all renewals, extensions, or modifications thereof (collectively the "Notes") (the Loan Agreement, Notes, and related documents and instruments executed in connection therewith being herein referred to collectively as the "Loan Documents"). Capitalized terms used but not defined herein shall have the meanings given to such terms in, or by reference in, the Loan Agreement.

WHEREAS, as security for all obligations of the Pledgor under the Loan Documents (all such obligations being herein referred to as the "Obligations"), Pledgor is granting NBSC a lien on and security interest in certain assets of Pledgor associated with or relating to services or products sold under Pledgor's Trademark Collateral (as defined in Section 1), and under which NBSC is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein.

WHEREAS, Pledgor has adopted, used and/or is using (i) the trademarks described and claimed therein set forth on Schedule A hereto (hereinafter referred to collectively as the "Trademarks"); (ii) the applications for trademarks described and claimed therein set forth on Schedule A hereto and any trademarks which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"). In conjunction with the Trademarks and Applications, Pledgor may use and/or adopt any reissues, extensions, divisions or continuations of the Trademarks or Applications (such reissues, extensions, divisions and continuations being herein referred to collectively as the "Reissued Trademarks"); and may be entitled to future royalties or other fees paid or payments made to Pledgor in respect of the Trademarks (hereinafter referred to collectively as the "Royalties"), (the Trademarks, Applications, Reissued Trademarks and Royalties being herein referred to collectively as the "Trademark Rights").

WHEREAS, pursuant to the Loan Agreement, NBSC is acquiring a lien on and security interest in, among other things, the Trademark Collateral and the registration thereof, as security for all of the Obligations, and NBSC desires to have its security interest in such Trademark Collateral confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing recitals hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Pledgor grants a lien and security interest to NBSC in all of the Trademark Rights and all proceeds thereof and all Pledgor's right, title, interest, claims and demands that Pledgor has or may have in profits

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and damages for past and future infringements of the Trademark Rights (such rights, interest, claims and demand being herein called the "Claims") (the Trademark Rights and Claims are collectively herein referred to as the "Trademark Collateral").

- 2. Pledgor hereby covenants and agrees to maintain the Trademark Collateral in full force and effect (except to the extent any Trademark Collateral expires by its terms) until all of the Obligations are satisfied in full.
- 3. Pledgor represents, warrants and covenants to NBSC that:
- (a) Pledgor is the sole and exclusive respective owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral as set forth on Schedule A:
- (b) The Trademark Collateral is subsisting and has not been adjudged invalid or unenforceable;
- (c) To the best of Pledgor's knowledge, all of the Trademark Rights are registered, valid and enforceable;
- (d) All of the Trademark Collateral is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Pledgor and NBSC hereunder) and covenants by Pledgor not to sue third persons excepting that subordinate lien granted to Square D Company pursuant to Section 5.11 of that certain Asset Purchase Agreement dated August 19, 2003 by and between Pledgor and Square D Company;
- (e) Pledgor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Trademark Collateral;
- (f) Pledgor has the unqualified right, power and authority to enter into this Agreement and perform its terms;
- (g) Pledgor has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Trademark Collateral and hereby grants to NBSC and its employees the right (with no obligation of any kind upon NBSC to do so) upon prior notice to visit Pledgor's affiliates, franchises or management locations and to inspect the use of the Trademark Collateral and quality control records relating thereto at reasonable times during regular business hours to ensure Pledgor's compliance with this paragraph 3(g).

4. Pledgor further covenants that:

- (a) Until all of the Obligations have been satisfied in full, Pledgor will not enter into any agreement, including, without limitation, license agreements or options, which are inconsistent with Pledgor's obligations under this Agreement or any obligations under the Loan Agreement or which restrict or impair NBSC's rights hereunder.
- (b) If Pledgor shall acquire or hold any new Trademark Collateral that is not listed on Schedule A attached hereto ("Additional Trademark Collateral"), then (i) the provisions of this Agreement shall be deemed to automatically apply thereto and such Additional Trademark Collateral shall be deemed part of the Trademark Collateral, (ii) Pledgor shall give NBSC prompt written notice thereof, and (iii) Pledgor shall promptly deliver to NBSC with respect to such Additional Trademark Collateral, a Supplement to Trademark Security Agreement in the form attached hereto as Exhibit 1, duly

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completed and executed by Pledgor and accompanied by a fully completed Schedule A-1 with respect to such Additional Trademark Collateral. Each Schedule A-1 attached to each such Supplement to Trademark Security Agreement shall be incorporated and become a part of Schedule A attached hereto, and all references to Schedule A contained in this Agreement shall be deemed, for all purposes, to also include each such Schedule A-1.

- 5. So long as this Agreement is in effect and so long as Pledgor has not received notice from NBSC that an Event of Default has occurred and is continuing under the Loan Agreement and that NBSC has elected to exercise its rights hereunder (i) Pledgor shall continue to have the exclusive right to use the Trademark Collateral; and (ii) NBSC shall have no right to use the Trademark Collateral or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademark Collateral to anyone else.
- 6. Pledgor agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Trademark Collateral to any entity or person without the prior written consent of NBSC.
- Anything herein contained to the contrary notwithstanding, if and while an Event of Default 7. exists under the Loan Agreement, Pledgor hereby covenants and agrees that NBSC, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the State of South Carolina, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Trademark Collateral covered hereby. For such purposes, and in the event of an Event of Default and an acceleration of the Obligations under the Loan Agreement and while such Event of Default exists, Pledgor hereby authorizes and empowers NBSC to make, constitute and appoint any officer or agent of NBSC as NBSC may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, with the power to endorse Pledgor's name on all applications, documents, papers and instruments necessary for NBSC to use the Trademark Collateral or to grant or issue any exclusive or non-exclusive license under the Trademark Collateral to anyone else, or necessary for NBSC to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else including, without limitation, the power to execute a Trademark Collateral assignment in the form attached hereto as Exhibit 2. Pledgor hereby ratifies all that such attorney or NBSC shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or NBSC. This power of attorney is coupled with an interest and shall be irrevocable for the life of this Agreement, the Loan Agreement and Notes, and until all of the Obligations are indefeasibly paid and satisfied in full.
- 8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.
- 9. All rights and remedies herein granted to NBSC shall be in addition to any rights and remedies granted to NBSC under the Loan Documents. In the event of an inconsistency between this Agreement and any of the Loan Documents, the language of this Agreement shall control.
- 10. Upon performance of all of the obligations under the Loan Agreement and Notes and full and unconditional satisfaction of all of the Obligations, NBSC shall execute and deliver to Pledgor all documents reasonably necessary to terminate NBSC's security interest in the Trademark Collateral.
- 11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by NBSC in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, 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 costs otherwise

incurred in protecting, maintaining, preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, in each case in accordance with the terms of this Agreement, shall be borne and paid by Pledgor on demand by NBSC and until so paid shall be added to the principal amount of the Obligations.

- 12. Subject to the terms of the Loan Agreement and except to the extent that the Pledgor reasonably determines such Trademark Collateral is not material to its business, Pledgor shall have the duty to prosecute diligently any application and/or registration with respect to the Trademark Collateral pending as of the date of this Agreement or thereafter, until all of the Obligations shall have been satisfied in full, to preserve and maintain all rights in the Trademark Collateral, and upon reasonable request of NBSC, Pledgor shall make federal application on registerable but unregistered Trademark Collateral belonging to Pledgor and licensed to Pledgor. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Pledgor. Pledgor shall not abandon any Trademark Collateral (other than Trademark Collateral that the Pledgor reasonably determines is not material to its business) without the prior written consent of the NBSC, which consent shall not be unreasonably withheld.
- 13. Pledgor shall have the right to bring suit in its own name to enforce the Trademark Collateral, in which event NBSC may, if Pledgor reasonably deems it necessary, be joined as a nominal party to such suit if NBSC shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Pledgor shall promptly, upon demand, reimburse and indemnify NBSC for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by NBSC in the fulfillment of the provisions of this paragraph.
- 14. Upon the occurrence and during the continuance of an Event of Default under the Loan Agreement, NBSC may, without any obligation to do so, complete any obligation of Pledgor hereunder, in Pledgor's name or in NBSC's name, but at the expense of Pledgor, and Pledgor hereby agrees to reimburse NBSC in full for all reasonable expenses, including, without limitation, all reasonable attorneys' fees incurred by NBSC in protecting, defending and maintaining the Trademark Collateral.
- 15. No course of dealing between Pledgor and NBSC, nor any failure to exercise, nor any delay in exercising, on the part of NBSC, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of NBSC's rights and remedies with respect to the Trademark Collateral, whether established hereby or by the Loan Agreement and/or Notes, or by any other future agreements between Pledgor and NBSC or by law, shall be cumulative and may be exercised singularly or concurrently.
- 16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.
- 17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.
- 18. This Agreement shall be governed by and construed in conformity with the laws of the State of South Carolina, without regard to its otherwise applicable principles of conflicts of laws.
- 19. PLEDGOR AND NBSC EACH WAIVES ANY AND ALL RIGHTS EITHER MAY HAVE TO A JURY TRIAL ARISING IN CONNECTION WITH ANY PROCEEDING OR CONTROVERSY RELATING TO THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN PLEDGOR AND NBSC.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, the day and year first above written.

WITNESS:

PLEDGOR:

THE ELECTRIC CONTROLLER AND
MANUFACTURING COMPANY 11 C

MANUFACTURING COMPANY, LLC

Keith/Huggins/Member

Nelson Carter, Member

Nelson Carter, Member

SECURED PARTY:

THE NATIONAL BANK OF SOUTH CAROLINA

Its Authorized Officer

M. Toll Huge II

M. Todd Nagre III

ACKNOWLEDGEMENT

COUNTY OF RICHLAND
I, M- Todd Hayne , do hereby certify that The Electric Controller and Manufacturing Company, LLC, personally, by its duly authorized Members, appeared before me this day and acknowledged the due execution of the foregoing Trademark Security Agreement.
Witness my hand and seal this the _qfh day of, 2003.
Notary Public for South Carolina My Commission expires: 6-24-12
STATE OF SOUTH CAROLINA ACKNOWLEDGEMENT COUNTY OF RICHLAND
I, M. Todd Hayne III, do hereby certify that The National Bank of South Carolina, personally, by its duly authorized officer, appeared before me this day and acknowledged the due execution of the foregoing Trademark Security Agreement.
Witness my hand and seal this the 9th day of October, 2003.
M. Todd Hunge TIL Notary Public for South Carolina

My Commission expires: 6-24-12

SCHEDULE A

TRADEMARKS

PENDING TRADEMARK APPLICATIONS

[None]

REGISTERED TRADEMARKS

Mark	Serial Number	Reg. Number	Reg. Date	
EC&M	71123632	0131099	5/4/20	
LINE-ARC	76325745	2751924	8/19/03	
YOUNGSTOWN	71530482	0530471	9/12/50	
TAB-WELD	71550679	0578143	8/4/53	
FRONTLINE	72365343	0918427	8/17/71	
EDDYMAG	71667104	0603884	3/29/55	
CONTRA-TORQUE	75532511	2278068	9/14/99	

EXHIBIT 1

SUPPLEMENT TO TRADEMARK SECURITY AGREEMENT

This Supplement to Trademark Security Agreement ("Supplement"), dated,,
is entered into by The Electric Controller and Manufacturing Company, LLC, a Delaware limited liability
company ("Pledgor") with an address of 8821 Garners Ferry Road, Hopkins South Carolina 29601, and
delivered to The National Bank of South Carolina ("NBSC"), with an address of Post Office Box 1457,
Columbia, South Carolina 29202.

WITNESSETH

WHEREAS, this Supplement is being delivered in connection with that certain Loan Agreement, dated _______, 2003, by and among Pledgor and NBSC, as amended, supplemented, restated, replaced, or otherwise modified from time to time ("Loan Agreement"), and that certain Trademark Security Agreement, dated _______, 2003, by and between Pledgor and NBSC, as amended, supplemented, restated, replaced, or otherwise modified from time to time ("Trademark Security Agreement"). Capitalized terms used but not defined herein shall have the respective meanings given to such terms in, or by reference in, the Trademark Security Agreement.

WHEREAS, pursuant to the Loan Agreement and the Trademark Security Agreement, Pledgor granted to NBSC a lien on and security interest in certain assets of Pledgor associated with or relating to services or products sold under Pledgor's Trademark Collateral (as defined therein).

WHEREAS, Pledgor has adopted, used and/or is using (i) certain additional trademarks described and claimed therein set forth on Schedule A-1 hereto (hereinafter referred to collectively as the "Additional Trademarks"); (ii) applications for trademarks described and claimed therein set forth on Schedule A-1 hereto and any trademarks which may be issued upon any of said applications (hereinafter referred to collectively as the "Additional Applications"). In conjunction with the Additional Trademarks and Additional Applications, Pledgor may use and/or adopt any reissues, extensions, divisions or continuations of the Additional Trademarks or Additional Applications (such reissues, extensions, divisions and continuations being herein referred to collectively as the "Additional Reissued Trademarks"); and may be entitled to future royalties or other fees paid or payments made to Pledgor in respect of the Additional Trademarks (hereinafter referred to collectively as the "Additional Royalties"), (the Additional Trademarks, Additional Applications, Additional Reissued Trademarks and Additional Royalties being herein referred to collectively as the "Additional Trademark Rights").

WHEREAS, Pledgor and NBSC desire to execute this Supplement for the purpose of, inter alia, granting, ratifying and confirming NBSC's lien on and security interest in the Additional Trademark Rights and all of Pledgor's additional right, title, interest, claims and demands that Pledgor has or may have in profits and damages for past and future infringements of the Additional Trademark Rights (such rights, interest, claims and demand being herein called the "Additional Claims")(the Additional Trademark Rights and Additional Claims are collectively herein referred to as the "Additional Trademark Collateral"), as more fully set forth in the Trademark Security Agreement and for recording in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing recitals hereinafter deemed incorporated by reference and made a part hereof, and for good and valuable consideration, the receipt and adequacy of which are

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hereby acknowledged, Pledgor and NBSC, intending to be legally bound hereby, covenant and agree as follows:

- 1. In consideration of and pursuant to the terms of the Loan Agreement, Trademark Security Agreement and Notes, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Pledgor grants a lien and security interest to NBSC in all of its present and future right, title and interest in and to the Additional Trademark Collateral.
- 2. Pledgor acknowledges and confirms that the rights and remedies of NBSC with respect to the security interest in the Additional Trademark Collateral granted hereby are more fully set forth in the Loan Agreement and the Trademark Security Agreement, the terms and provisions of which are incorporated herein by reference. All references to the Trademark Security Agreement shall be deemed, for all purposes, to also refer to and include this Supplement.
- 3. Schedule A to the Trademark Security Agreement is hereby supplemented by the information contained on Schedule A-1 attached hereto. All references to Schedule A contained in the Loan Agreement, Trademark Security Agreement or other Loan Documents shall be deemed, for all purposes, to also refer to and include Schedule A-1.
- 4. Except as expressly amended by this Supplement, all of the terms, conditions and provisions of the Loan Agreement are hereby ratified and continue unchanged and remain in full force and effect.
- 5. This Supplement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature by facsimile shall also bind the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Supplement on the day and year first above written.

WITNESS:	PLEDGOR: THE ELECTRIC CONTROLLER AND MANUFACTURING COMPANY, LLC
**************************************	By: Keith Hudgins, Member
	By:Nelson Carter, Member
	SECURED PARTY: THE NATIONAL BANK OF SOUTH CAROLINA
	By: Its Authorized Officer

SCHEDULE A-1

TRADEMARKS

PENDING TRADEMARK APPLICATIONS

Trademark Application Number Filing Date Country

REGISTERED TRADEMARKS

Trademark Registration Number Registration Date Country

EXHIBIT 2 TRADEMARK ASSIGNMENT

WHEREAS, The Electric Controller and Manufacturing Company, LLC, a Delaware limited liability company ("Pledgor") is the registered owner of: (i) the trademarks described and claimed therein set forth on Schedule A hereto (hereinafter referred to collectively as the "Trademarks"); (ii) the application for trademarks described and claimed therein set forth on Schedule A hereto and any trademarks which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"), which are registered with the United States Patent and Trademark Office.

WHEREAS, in conjunction with the Trademarks and Applications, Pledgor may use or adopt any reissues, extensions, divisions or continuations of the Trademarks or Applications (such reissues, extension, divisions and continuations being herein referred to collectively as the "Reissued Trademarks"); may be entitled to all future royalties or other fees paid or payments made to Pledgor in respect of the Trademarks (hereinafter referred to collectively as the "Royalties"), (the Trademarks, Applications and the Reissued Trademarks and the Royalties being herein referred to collectively as the "Trademark Rights") and may be entitled to profits and damages for past and future infringements of the Trademark Rights (such rights, interest, claims and demand being herein called the "Claims") (the Trademark Rights and Claims are collectively referred to as the "Trademark Collateral").

WHEREAS, The National Bank of South Carolina ("Grantee") with an address of Post Office Box 1457, Columbia, South Carolina 29202 is desirous of acquiring said Trademark Collateral;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademark Collateral and all proceeds thereof and all goodwill associated therewith. No rights or duties of any kind are intended to be granted or conferred upon Grantee unless and until this Trademark Assignment is recorded with the United States Patent and Trademark Office.

[SIGNATURE PAGE FOLLOWS]

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executed as of the	day of	the undersigned has caused this Trademark Assignment to be, 2003.
WITNESS:		PLEDGOR: THE ELECTRIC CONTROLLER AND MANUFACTURING COMPANY, LLC
		By: Keith Hudgins, Member By: Nelson Carter, Member
		GRANTEE: THE NATIONAL BANK OF SOUTH CAROLINA
		By: Its Authorized Officer

SCHEDULE A

TRADEMARKS

PENDING TRADEMARK APPLICATIONS

[None]

REGISTERED TRADEMARKS

Mark	Serial Number	Reg. Number	Reg. Date
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TAB-WELD	71550679	0578143	8/4/53
FRONTLINE	72365343	0918427	8/17/71
EDDYMAG	71667104	0603884	3/29/55
CONTRA-TORQUE	75532511	2278068	9/14/99

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RECORDED: 11/14/2003