

11/21/03

12-12-2003



102621254

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

RE

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):

MATERIS ALUMINATES SAS

- Individual(s) Association General Partnership Limited Partnership Corporation-State 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: NOVEMBER 6, 2003

2. Name and address of receiving party(ies)

Name: ING BANK N.V.

Internal Address: 60 LONDON WALL

Street Address:

City: LONDON State: Zip: EC2M 5TQ

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

1,006,543

Additional number(s) attached Yes No

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

Name: PAUL M. FAKLER

Internal Address:

BAKER BOTTS L.L.P.

Street Address

30 ROCKEFELLER PLAZA

City: NEW YORK State: NY Zip: 10112-0228

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41): \$ 40.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

02-4377

(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.

PAUL M. FAKLER

Name of Person Signing

Signature

NOVEMBER 19, 2003

Date

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

21

12/11/2003 ECOOPER 00000072 1006543

01 FC:8521

40.00 OP

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

TRADEMARK REEL: 002878 FRAME: 0446

SECURITY AGREEMENT

This Security Agreement, dated as of November 6, 2003, between Mat ris Aluminates SAS, a corporation organized under the laws of France (the "**Debtor**") and ING Bank N.V., London Branch, as Security Trustee for the Senior Finance Parties and the Mezzanine Finance Parties (as defined in the Intercreditor Agreement referred to below) (the "**Secured Party**").

WITNESSETH:

- (A) **Whereas**, pursuant to the terms of the Intercreditor Agreement dated September 22, 2003 (as amended and restated from time to time, the "**Intercreditor Agreement**"), the Secured Party has been appointed Security Trustee for the benefit of the Secured Parties;
- (B) **Whereas**, the Debtor and ING Bank N.V., London Branch have entered into a Senior Facility Agreement dated September 22, 2003 (as amended and restated from time to time, the "**Senior Facility Agreement**"), among, *inter alia*, Mat ris Holding Luxembourg S.A., Mat ris Financial Services Luxembourg S.A., the Original Borrowers, the Original Guarantors, the Original Lenders, the Mandated Lead Arranger, the Agent, the Security Trustee and the Issuing Bank (each as defined therein), pursuant to which ING Bank N.V., London Branch acts as Agent for the Original Lenders who have agreed to make available certain Facilities (as defined therein) to the Borrowers (as defined therein), including the Debtor;
- (C) **Whereas**, the Debtor and ING Bank B.V., London Branch have entered into a Mezzanine Loan Agreement dated September 22, 2003 (as amended and restated from time to time, the "**Mezzanine Loan Agreement**"), among, *inter alia*, the Company, the Borrower, the Original Guarantors, the Mezzanine Arranger, the Mezzanine Lenders, the Agent and the Security Trustee (each as defined therein) pursuant to which ING Bank N.V. London Branch acts as Agent for the Mezzanine Lenders (as defined therein) who have agreed to make available certain Facilities (as defined therein) to the Borrower (as defined therein) and Debtor has agreed to become a Guarantor (as defined therein);
- (D) **Whereas**, as partial inducement to the Original Lenders and the Mezzanine Lenders to extend the Facilities, the Debtor has agreed to provide security and collateral for the payment and performance of the Secured Obligations (as defined herein); and
- (E) **Whereas**, pursuant to Schedule 11 of the Senior Facility Agreement and Schedule 9 of the Mezzanine Loan Agreement, the Debtor is required to grant a security interest in the Collateral (as defined herein) to Secured Party;

Now, Therefore, in consideration of the premises and the covenants set forth herein, in the Senior Facility Agreement and the Mezzanine Loan Agreement, the parties hereto agree as follows:

1 Definitions

Capitalized terms used but not defined herein shall have the meanings set forth in the Intercreditor Agreement or, if not defined therein, as set forth in the Senior Facility Agreement, or if not defined therein, as set forth in the Mezzanine Loan Agreement.

"**Collateral**" shall have the meaning assigned to it in Section 2 hereof.

"**Event of Default**" shall have the meaning assigned to it in Section 8 hereof.

"Indemnitees" shall have the meaning assigned to it in Section 10 hereof.

"Intercreditor Agreement" means the Intercreditor Agreement dated September 22, 2003 as amended and restated on October 29, 2003 and made between, among others, Mat ris Holding Luxembourg S.A. as the company, ING Bank N.V., London Branch as agent, ING Bank N.V., London Branch as mezzanine agent and ING Bank N.V., London Branch as security trustee as may be amended, varied, novated or supplemented from time to time.

"Liabilities" shall mean all obligations, liabilities and indebtedness of every nature of the Debtor to the Secured Party, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter incurred, arising under or in connection with the Secured Documents.

"License" shall have the meaning assigned to it in Section 2 hereof.

"Lien" shall mean any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), preference, priority or other security agreement of any kind or nature whatsoever, including, without limitation, any publicly available evidence of a lien, including the filing of any financing statement or similar instrument under the UCC or comparable law of any jurisdiction, domestic or foreign.

"Obligor" means a Borrower or a Guarantor (as defined in the Intercreditor Deed).

"Person" shall mean and include any individual, partnership, joint venture, firm, corporation, association, trust or other enterprise or any government or political subdivision or agency, department or instrumentality thereof.

"Proceeds" shall mean "proceeds" as such term is defined in Section 9-102(a)(64) of the UCC.

"Secured Documents" means the Senior Finance Documents and the Mezzanine Finance Documents.

"Trademark" shall have the meaning assigned to it in Section 2 hereof.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

2 Grant of Security Interests

As security for the prompt and complete payment and performance in full of all the Liabilities, Debtor hereby grants to the Secured Party for the benefit of the Finance Parties a security interest in and continuing lien on all of the Debtor's right, title and interest in, to and under, each of the Debtor's following Trademarks and Licenses, in each case, whether now owned or existing or hereafter acquired or arising (all of which being hereinafter collectively referred to as the **"Collateral"**):

- 2.1** all trademarks (including, without limitation, service marks), certification marks, collective marks—and all goodwill residing in and identified by said marks—trade dress, logos, domain names, product configurations, trade names, business names, corporate names and other source identifiers, whether or not registered, whether currently in use or not, including, without limitation, all common law rights and registrations and

A03542122

applications for registration thereof, including, without limitation, the trademark registrations and trademark applications set forth in Schedule 2.14(i) hereto (as such Schedule 2.14(i) may be supplemented from time to time), and all other marks registered in the U.S. Patent and Trademark Office or in any office or agency of any State or Territory of the United States or any foreign country and all rights therein provided by international treaties or conventions, all reissues, extensions and renewals of any of the foregoing, together in each case with the goodwill of the business connected therewith and symbolized thereby, and all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of Debtor accruing thereunder or pertaining thereto (the "Trademarks");

- 2.2 all of Debtor's license agreements, permits, authorizations and franchises, whether with respect to the Trademarks, or with respect to trademarks of any other Person, as set forth in Schedule 2.14(i) hereto, and all income, royalties and other payments now or hereafter due and/or payable with respect thereto, subject, in each case, to the terms of such license agreements, permits, authorizations and franchises, (the "Licenses");
- 2.3 any and all of Debtor's claims for damages for past, present and future infringement, misappropriation or breach with respect to the Trademarks or Licenses, including, but not limited to, those claims set forth in Schedule 2.14(ii) hereto (as such Schedule 2.14(ii) may be supplemented from time to time), with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages;
- 2.4 all other rights appurtenant to the property described above; and
- 2.5 all cash and noncash Proceeds of any and all of the foregoing.

3 Authorization to File Financing Statements

The Debtor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in the District of Columbia any initial financing statements and amendments thereto, identifying the Debtor as the "debtor" thereon and the Collateral, which the Secured Party in its sole discretion may deem necessary or appropriate. The Debtor agrees to furnish any such information to the Secured Party promptly upon the Secured Party's request. The Debtor also hereby ratifies its authorization for the Secured Party to have filed in the District of Columbia any like initial financing statements or amendments thereto if filed prior to the date hereof.

4 Representations and Warranties

The Debtor hereby represents and warrants to the Secured Party, which representations and warranties shall survive execution and delivery of this Security Agreement, as follows:

- 4.1 **Title to, and Information Concerning, the Collateral.** The Debtor is the sole owner of, and has all rights in or power to transfer, the Collateral, free from any right or claim of any Person and no Lien exists upon such Collateral except for the security interest created in favor of the Secured Party hereunder and Permitted Securities. All other information set forth in this Security Agreement pertaining to the Collateral is accurate and complete.

4.2 Name and Organization

- 4.2.1** The full and exact legal name, type of organization, jurisdiction of organization, organizational identification number or statement that the Debtor has no such number and mailing address of the Debtor as of the date hereof are correctly set forth in Annex A hereto.
- 4.2.2** Annex A correctly specifies the place of business of the Debtor or, if the Debtor has more than one place of business, the location of its chief executive office.
- 4.2.3** The Debtor is duly organized and validly existing in good standing under the laws of the jurisdiction of its organization.
- 4.2.4** The Debtor has the power and authority to execute, deliver and carry out the terms and provisions of this Security Agreement and has taken all necessary action to authorize the execution, delivery and performance by it of this Security Agreement. The Debtor has duly executed and delivered this Security Agreement, and this Security Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

4.3 Changes in Circumstances The Debtor has not (i) within the period of four months prior to the date hereof, changed its "location" (as defined in Section 9-307 of the UCC), (ii) except as specified in Schedule 4.3 hereto, heretofore changed its name, or (iii) except as specified in Schedule 4.3, heretofore become a "new debtor" (as defined in Section 9-102(a)(56) of the UCC) with respect to a currently effective security agreement previously entered into by any other Person.

4.4 Intellectual Property

- 4.4.1** Schedule 2.14(i) sets forth a complete and correct list of all Trademarks and Licenses owned by the Debtor on the date hereof; except pursuant to licenses and other user agreements entered into by the Debtor in the ordinary course of business and noted in Schedule 2.14(i) hereto, the Debtor owns and possesses the right to use, and has done nothing to authorize or enable any other Person to use, any Trademark or License listed in Schedule 2.14(i) and all registrations listed in Schedule 2.14(i) are valid and in full force and effect; and except as may be set forth in Schedule 4.4.1, the Debtor owns and possesses the right to use all Trademarks and Licenses.
- 4.4.2** To the Debtor's knowledge, except as set forth in Schedule 2.14(ii), there is no violation by others of any right of the Debtor with respect to any Trademark or License listed in Schedule 2.14(i). To the Debtor's knowledge, the Debtor is not infringing in any respect upon any Trademark or License of any other Person; and no proceedings have been instituted or are pending against the Debtor or, to the Debtor's knowledge, threatened, and no claim against the Debtor has been received by the Debtor, alleging any such violation, except as may be set forth in Schedule 2.14(ii) hereto.

4.5 Validity, Perfection and Priority

A03542122

- 4.5.1 The security interests in the Collateral granted to the Secured Party hereunder constitute valid and continuing security interests in the Collateral and the Debtor has rights in or the power to transfer the Collateral; and
- 4.5.2 (i) upon filing financing statements naming the Debtor as "debtor" and the Secured Party as "secured party" in the filing offices set forth on Annex B hereto, or
- (ii) upon completion of the filings necessary to record the security interest in the Intellectual Property, the security interests in the Collateral granted to the Secured Party hereunder will constitute perfected security interests therein, to the extent a security interest in the Collateral can be perfected, superior and prior to all Liens, rights or claims of all other Persons (other than Permitted Securities).

4.6 No Liens; Other Financing Statements

No financing statement or other evidence of any Lien covering or purporting to cover any of the Collateral is on file in any public office other than (i) financing statements filed or to be filed in connection with the security interests granted to the Secured Party hereunder and with respect to Permitted Securities and (ii) financing statements for which proper termination statements have been delivered to the Secured Party for filing.

5 Covenants: Actions Concerning the Collateral

To further insure the attachment, perfection and first priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, and without limitation on the Debtor's other obligations in this Security Agreement, the Debtor agrees, in each case at the Debtor's own expense, to take the following actions with respect to the following Collateral:

- 5.1 **Other Actions as to Any and All Collateral** The Debtor agrees, at the request and option of the Secured Party, to take any and all actions the Secured Party may determine to be necessary or useful to insure the attachment, perfection and first priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral including, without limitation:
- 5.1.1 furnishing to the Secured Party from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Secured Party may reasonably request, all in reasonable detail and in form satisfactory to the Secured Party,
- 5.1.2 executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the UCC as in effect in the District of Columbia, to the extent, if any, that the Debtor's signature thereon is required therefor,
- 5.1.3 causing the Secured Party's name to be noted as secured party on any certificate of title for a titled good if such notation is a condition to attachment,

perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral,

- 5.1.4 complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral,
- 5.1.5 obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to the Secured Party, including without limitation any consent of any licensor or other person obligated on Collateral, and
- 5.1.6 taking all actions required by or under any other law, as reasonably determined by the Secured Party to be applicable in the District of Columbia or other jurisdiction, including any foreign jurisdiction.

6 Further Covenants

The Debtor covenants and agrees with the Secured Party that from and after the date of this Security Agreement:

- 6.1 **Further Assurances** The Debtor will from time to time at the expense of the Debtor, promptly execute, deliver, file and record all further instruments, endorsements and other documents, and take such further action as the Secured Party may determine to be necessary or useful in obtaining the full benefits of this Security Agreement and of the rights, remedies and powers herein granted, including, without limitation, the following:
- 6.2 **Ownership of Collateral** The Debtor will continue to own each item of the Collateral free and clear of any and all Liens, rights or claims of all other Persons other than Permitted Securities, and the Debtor shall take whatever steps it deems necessary to defend the Collateral against all claims and demands of all Persons at any time claiming the same or any interest therein adverse to the security interest granted herein to the Secured Party, including taking all reasonable steps to protect the Intellectual Property from third party infringement and misappropriation. The Debtor will maintain, renew and otherwise keep in full force and effect all registrations for the Trademarks, including without limitation the registrations and applications for registration listed on Schedule 2.14(i).
- 6.3 **Change of Name; Identity or Corporate Structure** The Debtor will not change its name, identity, corporate structure (including, without limitation, its jurisdiction of formation) without (i) giving the Secured Party written notice immediately thereafter clearly describing such new name, identity, corporate structure or new location and providing such other information in connection therewith as the Secured Party may reasonably request, and (ii) taking all action satisfactory to the Secured Party as the Secured Party may reasonably request to maintain the security interest of the Secured

Party in the Collateral intended to be granted hereby at all times fully perfected with the same or better priority and in full force and effect.

- 6.4 Maintain Records** The Debtor will keep and maintain at its own cost and expense clear and complete records of the Collateral.
- 6.5 Right of Inspection** The Debtor shall ensure that any one or more representatives, agents and advisers of Secured Party will, on reasonable grounds and with reasonable prior notice (but not more often than once during each financial year of the Debtor unless Secured Party reasonably believes that an Event of Default has occurred), be allowed to have access to the books of the Debtor and to inspect the same during normal business hours (at the expense of the Debtor or its agent).
- 6.6 Payment of Obligations** The Debtor will pay promptly when due all taxes, assessments and governmental charges or levies imposed upon the Collateral, as well as all claims of any kind (including, without limitation, claims for labor, materials, supplies and services) against or with respect to the Collateral or incurred in connection with this Security Agreement, except that no such obligation need be paid if (a) (i) the validity thereof is being contested in good faith by appropriate proceedings, (ii) such proceedings do not involve any material danger for the sale, forfeiture or loss of any of the Collateral or any interest therein and (iii) such charge is adequately reserved against on the Debtor's books in accordance with generally accepted accounting principles as in effect from time to time in France or (b) the failure to pay would not have a Material Adverse Effect.
- 6.7 Negative Pledge** The Debtor will not create, incur or permit to exist, will defend the Collateral against, and will take such other action as is necessary to remove, any Lien or claim on or to the Collateral, other than the Liens created hereby and Permitted Security (as defined in the Senior Facility Agreement and the Mezzanine Loan Agreement).
- 6.8 Limitations on Dispositions of Collateral** The Debtor will not sell, transfer, lease or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except as permitted in the Senior Facility Agreement and the Mezzanine Loan Agreement.
- 6.9 Performance by the Secured Party of the Debtor's Obligations; Reimbursement** If the Debtor fails to perform or comply with any of its agreements contained herein, the Secured Party may, without notice to or consent by the Debtor, perform or comply or cause performance or compliance therewith and the expenses of the Secured Party incurred in connection with such performance or compliance, together with interest thereon, shall be payable by the Debtor to the Secured Party on demand and such reimbursement obligation shall be secured hereby.

7 Power of Attorney

- 7.1 General** The Debtor hereby irrevocably constitutes and appoints the Secured Party and any officer or agent thereof, with full power of substitution, upon the occurrence and continuance of an Event of Default, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Debtor and in the name of

the Debtor or in its own name, from time to time in the Secured Party's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action by any technologically available means, which may include, without limitation, any form of electronic data transmission, and to execute and authenticate in any appropriate manner, which may include, without limitation, using any symbol that the Secured Party may adopt to signify the Debtor's intent to authenticate, any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement.

7.2 Specific Powers Without limiting the generality of the foregoing, the Debtor hereby gives said attorney upon the occurrence and continuance of an Event of Default the power and right, on behalf of the Debtor, without notice to or assent by the Debtor, to do the following:

7.2.1 generally to sell, transfer, pledge, make any agreement with respect to or otherwise dispose of or deal with any of the Collateral as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and to do, at the Debtor's expense, at any time, or from time to time, all acts and things which the Secured Party determines, in its sole discretion, to be necessary or advisable to protect, preserve or realize upon the Collateral and the Secured Party's security interest therein, in order to effect the intent of this Security Agreement, all at least as fully and effectively as the Debtor might do, including, without limitation, (i) the filing and prosecuting of registration and transfer applications with the appropriate federal, state, local or other agencies or authorities, and (ii) the execution, delivery and recording, in connection with any sale or other disposition of any Collateral, of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Collateral, and

7.2.2 to the extent that the Debtor's authorization given in Section 3 is not sufficient, to file such financing statements with respect hereto, with or without the Debtor's signature, or a photocopy of this Security Agreement in substitution for a financing statement, as the Secured Party may deem appropriate and to execute in the Debtor's name such financing statements and amendments thereto and continuation statements which may require the Debtor's signature.

7.3 The Debtor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

7.4 The powers conferred on the Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Secured Party shall be accountable only for the amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Debtor for any act or failure to act, except for the Secured Party's own gross negligence or willful misconduct.

8 Events of Default

The occurrence of any of the following shall, at the option of the Secured Party, constitute an Event of Default:

- 8.1 Any Event of Default by the Debtor under the Senior Facility Agreement or the Mezzanine Loan Agreement;
- 8.2 The Debtor shall fail to comply with, or become subject to, any administrative or judicial proceeding under any federal, state or local (a) hazardous waste or environmental law, (b) asset forfeiture or similar law which can result in the forfeiture of property, or (c) other law, where noncompliance may have a Material Adverse Effect on the Collateral.

9 Remedies; Rights Upon Default

- 9.1 **Rights and Remedies Generally** If an Event of Default shall occur and be continuing, then and in every such case, the Secured Party shall have all the rights of a secured party under the UCC, shall have all rights now or hereafter existing under all other applicable laws, and, subject to any mandatory requirements of applicable law then in effect, shall have all the rights set forth in this Security Agreement and all the rights set forth with respect to the Collateral or this Security Agreement in any other security agreement between the parties.
- 9.2 **Disposition of Collateral** The Secured Party will give the Debtor reasonable notice of the time and place of any public sale of the Collateral or any part thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The Debtor agrees that the requirements of reasonable notice to it shall be met if such notice is mailed, postage prepaid to its address specified in Section 10.4 of this Security Agreement (or such other address that the Debtor may provide to the Secured Party in writing) at least ten (10) days before the time of any public sale or after which any private sale may be made.
- 9.3 **Notification to Account Debtors and Other Persons Obligated on Collateral** If an Event of Default shall have occurred and be continuing, the Debtor shall, at the request of the Secured Party, notify account debtors and other persons obligated on any of the Collateral of the security interest of the Secured Party the Collateral and that payment thereof is to be made directly to the Secured Party or to any financial institution designated by the Secured Party as the Secured Party's agent therefor, and the Secured Party may itself, without notice to or demand upon the Debtor, so notify account debtors and other persons obligated on Collateral. After the making of such a request or the giving of any such notification, the Debtor shall hold any proceeds of collection of the Collateral received by the Debtor as trustee for the Secured Party without commingling the same with other funds of the Debtor and shall turn the same over to the Secured Party in the identical form received, together with any necessary endorsements or assignments. The Secured Party shall apply the proceeds of collection of the Collateral received by the Secured Party to the Liabilities.

9.4 Recourse The Debtor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to satisfy the Liabilities. The Debtor shall also be liable for all expenses of the Secured Party incurred in connection with collecting such deficiency, including, without limitation, the fees and disbursements of any attorneys employed by the Secured Party to collect such deficiency.

9.5 Expenses; Attorneys Fees; Proceeds of Disposition The Debtor shall pay to the Secured Party on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Secured Party in protecting, preserving or enforcing the Secured Party's rights and remedies in respect of any of the Collateral. All such expenses shall also constitute Liabilities. After deducting all of said expenses, the residue of any proceeds of collection or sale or other disposition of the Collateral shall, to the extent actually received in cash, be applied to the payment of the Liabilities in such order or preference as the Secured Party may determine.

9.6 Limitation on Duties Regarding Preservation of Collateral

- (a) The Secured Party shall have no obligation to take any steps to preserve rights against prior parties to any Collateral.
- (b) Neither the Secured Party nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Debtor or otherwise.

10 Miscellaneous

10.1 Indemnity The Debtor agrees to indemnify, reimburse and hold the Secured Party and its officers, directors, employees, representatives and agents ("**Indemnitees**") harmless from any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs or expenses or disbursements (including reasonable attorneys' fees and expenses) for whatsoever kind or nature which may be imposed on, asserted against or incurred by any of the Indemnitees in any way relating to or arising out of this Security Agreement or the transactions contemplated hereby. The obligations of the Debtor under this Section shall be secured hereby and shall survive payment and performance or discharge of the Liabilities and the termination of this Security Agreement.

10.2 Governing Law and Consent to Jurisdiction **THIS SECURITY AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.** The Debtor agrees that any action or claim arising out of, or any dispute in connection with, this Security Agreement, any rights, remedies, obligations, or duties hereunder, or the performance or enforcement hereof or thereof, may be brought in the courts of the State or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court. The Debtor hereby waives any

objection that it may now or hereafter have to the venue of any such suit or a court or that such suit is brought in an inconvenient court. Pledgor agrees that a judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Pledgor hereby irrevocably designates and appoints CT Corporation System, located at 111 Eighth Avenue, New York, New York 10011 as the agent of Pledgor to receive on its behalf service of all process brought against it with respect to any such proceeding in any such court in the State of New York, such service being hereby acknowledged by Pledgor to be effective and binding on it in every respect. If for any reason such agent shall cease to be available to act as such, then Pledgor shall promptly designate a new agent in the Borough of Manhattan in The City of New York.

10.3 Waiver of Jury Trial. THE DEBTOR WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS SECURITY AGREEMENT, ANY RIGHTS, REMEDIES, OBLIGATIONS, OR DUTIES HEREUNDER, OR THE PERFORMANCE OR ENFORCEMENT HEREOF OR THEREOF. Except as prohibited by law, the Debtor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Debtor: (i) certifies that neither the Secured Party nor any representative, agent or attorney of the Secured Party has represented, expressly or otherwise, that the Secured Party would not, in the event of litigation, seek to enforce the foregoing waivers or other waivers contained in this Security Agreement, and (ii) acknowledges that, in entering into the Finance Documents, the Secured Party is relying upon, among other things, the waivers and certifications contained therein.

10.4 Notices Except as otherwise expressly provided herein, all notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by facsimile, telecopy, telex, or cable communication), and shall be deemed to have been duly given or made when delivered by hand, or five days after being deposited in the United States mail, postage prepaid, or in the case of telex notice, when sent, answer-back received, or in the case of telecopy notice, when sent, or in the case of facsimile, upon confirmed transmittal, or in the case of a nationally recognized overnight courier service, one business day after delivery to such courier service, addressed, in the case of each party hereto, at its address specified opposite its signature below, or to such other address as may be designated by any party in a written notice to the other party hereto.

If to the Debtor:

Matéris Aluminates SAS
19, place de la Resistance
92446 Issy les Moulineaux cedex
France

Attn: Olivier Legrain
Fax: +33 1 41 17 19 89

If to the Secured Party:

ING Bank N.V., London Branch
60 London Wall
London EC2M 5TQ
United Kingdom

Attn: Loans Administration and Agency Department
Fax: +44 20 7776 7324

with a copy to:

ING Finance France SA
Coeur Defense Coeur Défense Tour A - La Défense 4
110 esplanade du Général de Gaulle

Attn: Acquisition Finance
Fax No: +33 1 56 39 49 49

- 10.5 Successors and Assigns** This Security Agreement shall be binding upon and inure to the benefit of the Debtor, the Secured Party, all future holders of the Liabilities and their respective successors and assigns, except that the Debtor may not assign or transfer any of its rights or obligations under this Security Agreement without the prior written consent of the Secured Party.
- 10.6 Waivers and Amendments** None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the party against whom enforcement is sought. In the case of any waiver, the Debtor and the Secured Party shall be restored to their former position and rights hereunder and under the outstanding Liabilities, and any Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.
- 10.7 No Waiver; Remedies Cumulative** No failure or delay on the part of the Secured Party in exercising any right, power or privilege hereunder and no course of dealing between the Debtor and the Secured Party shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The Secured Party shall not be deemed to have waived any of its rights or remedies in respect of the Liabilities or the Collateral unless such waiver shall be in writing and signed by the Secured Party. A waiver by the Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Secured Party would otherwise have on any future occasion. The rights and remedies herein expressly provided are cumulative and may be exercised singly or concurrently and as often and in such order as the Secured Party deems expedient and are not exclusive of any rights or remedies which the Secured Party would otherwise

have whether by security agreement or now or hereafter existing under applicable law. No notice to or demand on the Debtor in any case shall entitle the Debtor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Secured Party to any other or future action in any circumstances without notice or demand.

- 10.8 Termination; Release** When the Liabilities have been indefeasibly paid and performed in full, this Security Agreement shall terminate, and the Secured Party, at the request and sole expense of the Debtor, will execute and deliver to the Debtor the proper instruments (including UCC termination statements) acknowledging the termination of this Security Agreement.
- 10.9 Headings Descriptive** The headings of the several Sections and subsections of this Security Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Security Agreement.
- 10.10 Severability** In case any provision in or obligation under this Security Agreement or the Liabilities shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.
- 10.11 Counterparts** This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. An executed counterpart of this instrument delivered by facsimile shall be as effective as a manually executed and delivered counterpart of this instrument.

In Witness Whereof, the Debtor and the Secured Party have caused this Security Agreement to be duly executed and delivered as of the date first above written.

MATERIS ALUMINATES SAS

By: 

Name: Olivier Legrain

Title: President

ING BANK N.V., LONDON BRANCH

By:

Name:

Title:

In Witness Whereof, the Debtor and the Secured Party have caused this Security Agreement to be duly executed and delivered as of the date first above written.

MATERIS ALUMINATES SAS

By: Mr. Olivier Legrain, Mr. Arnaud Lay, Mr. Georges Nordmann or Mrs. Natalie Perreau, or such other person duly authorized by one of these persons

Name:

Title:

ING BANK N.V., LONDON BRANCH

By: Mr. Aurélien Loszyer, Mr. Baptiste Vaissé or Mr. Nicolas Mouta, or such other person duly authorized

Name:

Au

Title:

VB

(Aurélien Loszyer)

Annex A

**Debtor Corporate Information
and Location of Chief Executive Offices**

Mailing Address and Chief Executive Office:

19, place de la Resistance
92446 Issy les Moulineaux cedex
France

Attn: Olivier Legrain
Fax: +33 1 41 17 19 89

Annex B
Filing Offices

Office of the Recorder of Deeds of the District of Columbia, USA

United States Patent and Trademark Office

A03542122

- 16 -

TRADEMARK
REEL: 002878 FRAME: 0463

Schedule 2.14(i)

Intellectual Property: Trademarks and Licenses

Trademarks

1

Word Mark	FONDU
Goods and Services	IC 019. US 012. G & S: CEMENT. FIRST USE: 19250400. FIRST USE IN COMMERCE: 19250400
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	72390778
Filing Date	April 30, 1971
Published for Opposition	N/A
Registration Number	1006543
Registration Date	March 11, 1975

Licenses

None

Schedule 2.14(ii)

Intellectual Property: Claims

None

Schedule 4.3
Changes in Circumstances

None

A03542122

- 19 -

TRADEMARK
REEL: 002878 FRAME: 0466

Schedule 4.4.1

Limitations on the Debtor's Ownership and Use of Intellectual Property

None

A03542122

- 20 -

RECORDED: 11/21/2003

TRADEMARK
REEL: 002878 FRAME: 0467