

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Varel International Acquisition, L.P.		06/01/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	The Royal Bank of Scotland PLC, as Collateral Agent		
Street Address:	101 Park Avenue, 10th Floor		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10178		
Entity Type:	CORPORATION:		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Serial Number:	76297328	RIDGEBACK	
Registration Number:	1540144	WALKER MCDONALD WM BITS	
Registration Number:	1511551	VAREL	
Registration Number:	2716371	CHALLENGER	
CORRESPONDENCE DATA			
Fax Number:	(312)863-7496		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	3128637194		
Email:	sonya.szot@goldbergkohn.com		
Correspondent Name:	Sonya Szot		
Address Line 1:	55 E. Monroe Street, Suite 3700		
Address Line 4:	Chicago, ILLINOIS 60603		
NAME OF SUBMITTER:	Sonya Szot		
Signature:	/Sonya Szot/		

OP \$115.00 76297328

Date:

06/08/2005

Total Attachments: 5

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TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of June 1, 2005 is entered into by Varel International Acquisition, L.P., a Delaware limited partnership (the "Grantor") and The Royal Bank of Scotland plc, as Collateral Agent.

Capitalized terms not otherwise defined herein have the meanings set forth in the Pledge and Security Agreement dated as of June 1, 2005 among the Grantor, certain of its affiliates and the Collateral Agent (the "Security Agreement").

WHEREAS, pursuant to the Security Agreement, Grantor has granted a security interest to the Collateral Agent in certain Trademarks whether now owned or existing or hereafter acquired or arising and wherever located, including the Trademarks listed on Schedule A ("Secured Trademarks").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and the Collateral Agent hereby agree as follows:

(i) Grant of Security Interest

(a) Grantor hereby grants to the Collateral Agent, a security interest in and continuing lien on all of such Grantor's right, title and interest in, to and under all the Secured Trademarks, subject to the terms and conditions of the Security Agreement.

(b) The security interests granted hereby are granted in conjunction with the security interest granted to the Collateral Agent under the Security Agreement. The rights and remedies of the Collateral Agent with respect to the security interest granted hereby are in addition to those set forth in the Security Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Security Agreement, the terms of the Security Agreement shall control.

(ii) Modification of Agreement

This Agreement or any provision hereof may not be changed, waived, or terminated except in accordance with the amendment provisions of the Security Agreement pursuant to which the Collateral Agent may modify this Agreement, after obtaining Grantor's approval of or signature to such modification, by amending Schedule A to include reference to any right, title or interest in any existing Trademarks or any Trademarks acquired or developed by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Trademarks in which Grantor no longer has or claims any right, title or interest.

(iii) Governing Law

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, INCLUDING, WITHOUT LIMITATION, SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW AND RULE 327(b) OF THE NEW YORK CIVIL PRACTICE LAW AND RULES.

(iv) Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the Collateral Agent and Grantor and their respective successors and assigns. Grantor shall not, without the prior written consent of the Collateral Agent given in accordance with the Credit Agreement, assign any right, duty or obligation hereunder.

(v) Counterparts

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have caused this Agreement to be duly executed and delivered as of the date first above written.

VAREL INTERNATIONAL ACQUISITION, L.P.

By: Varel GP Newco, LLC, its general partner

By: Varel Holdings, Inc., its sole member

By: CA Hamilton
Name: Charles A. Hamilton
Title: Chairperson

**THE ROYAL BANK OF SCOTLAND PLC, as
the Collateral Agent**

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Grantor and the Collateral Agent have caused this Agreement to be duly executed and delivered as of the date first above written.

VAREL INTERNATIONAL ACQUISITION, L.P.

By: Varel GP Newco, LLC, its general partner

By: Varel Holdings, Inc., its sole member

By: _____

Name: _____

Title: _____

**THE ROYAL BANK OF SCOTLAND PLC, as
the Collateral Agent**

By:  _____

Name: Paul Horton

Title: Managing Director

SCHEDULE A
TRADEMARK SECURITY AGREEMENT

I. U.S. REGISTERED TRADEMARKS

Mark	Owner	Application No./ Registration No.	Status
WALKER MCDONALD WM BITS (& Design)	Varel International Acquisition, L.P.	1,540,144	Registered 05/23/1989
VAREL	Varel International Acquisition, L.P.	1,511,551	Registered 11/08/1988
CHALLENGER	Varel International Acquisition, L.P.	2,716,371	Registered 05/13/2003

II. U.S. TRADEMARK APPLICATIONS

Mark	Owner	Application No./ Registration No.	Status
RIDGEBACK	Varel International Acquisition, L.P.	76/297,328	Pending