

01-28-2005

RECORDATION
TRADEMARK



102932094

To the Director of the U. S. Patent and Trademark Office, please record the attached documents or the new address(es) below.

1/28/05

1. Name of conveying party(ies)/Execution Date(s):

Combined Metals of Chicago, L.L.C.

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company
- Association
- Limited Partnership

Citizenship (see guidelines) Illinois

Execution Date(s) December 31, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

LaSalle Bank National Association

Name:

Internal

Address:

Street Address: 135 South LaSalle Street

City: Chicago

State: Illinois

Country: USA Zip: 60603

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other Association

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

722,495; 859,953

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Diana Y. Tsai, Esq.

Internal Address: Schwartz, Cooper, Greenberger & Krauss, Chtd.

Street Address: 180 N. LaSalle Street, Suite 2700

City: Chicago

State: Illinois Zip: 60601

Phone Number: 312/516-4490

Fax Number: 312/264-2484

Email Address: dtsai@scgk.com

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 2.6(b)(6) & 3.41):

\$ 65.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Signature

1/27/05
Date

Diana Y. Tsai

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

01/28/2005 DRYRNE 0000064 722495 Name of Person Signing

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to: Mail Stop Assignment and Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

01 FC:8521
02 FC:8522

TRADEMARK
REEL: 003111 FRAME: 0682

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Security Agreement") made as of this 31st day of December, 2004, by COMBINED METALS OF CHICAGO, L.L.C., an Illinois limited liability company ("Grantor") in favor of LASALLE BANK NATIONAL ASSOCIATION, as agent (the "Agent") for itself and various other lenders ("Lenders") with an office at 135 South LaSalle Street, Chicago, Illinois 60603.

W I T N E S S E T H

WHEREAS, Grantor, Combined Metals of Michigan, L.L.C., an Illinois limited liability company ("Combined Metals of Michigan", and together with Grantor, "Borrowers"), the Agent and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as amended, restated, modified or supplemented and in effect from time to time, the "Loan Agreement") and other related loan documents dated as of even date herewith (collectively, with the Loan Agreement, and as each may be amended, restated, modified or supplemented and in effect from time to time, the "Financing Agreements"), which Financing Agreements provide (i) for the Agent and Lender to, from time to time, extend credit to or for the account of Borrowers and (ii) for the grant by Borrowers to the Agent of a security interest in certain of Borrowers' assets, including, without limitation, Grantor's 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, Grantor 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 Obligations, Grantor hereby grants to the Agent, for the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Grantor'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 Grantor's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Grantor warrants and represents to the 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) Grantor 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, including without limitation, shop rights and covenants by Grantor not to sue third persons;

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

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

4. Restrictions on Future Agreements. Grantor agrees that until Borrowers' Obligations shall have been satisfied in full and the Financing Agreements shall have been terminated, Grantor shall not, without the prior written consent of the 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 the Agent under this Security Agreement.

5. New Trademarks. Grantor represents and warrants that, based on a diligent investigation by Grantor, 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 Grantor. If, before Borrowers' Obligations shall have been satisfied in full or before the Financing Agreements have been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed the 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 Grantor shall give to the Agent prompt written notice thereof. Grantor hereby authorizes the 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 Borrowers' Obligations and the termination of the Financing Agreements. Grantor agrees that upon the occurrence of an Event of Default, the use by the Agent of all Trademarks shall be without any liability for royalties or other related charges from the Agent to Grantor.

7. Product Quality. Grantor 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, Grantor agrees that the Agent, or a conservator appointed by the Agent, shall have the right to establish such additional product quality controls as the Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Borrowers' Obligations and termination of the Financing Agreements, the 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 Grantor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by the 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 Grantor and until paid shall constitute Obligations.

10. Duties of Grantor. Grantor shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Borrowers' Obligations 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 Borrowers' Obligations under this Section 10 shall be borne by Grantor.

11. Agent's Right to Sue. After an Event of Default, the 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 the Agent shall commence any such suit, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by the Agent in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Grantor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the 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 in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

14. Modification. This Security Agreement 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 the Agent's rights and remedies with respect to the Trademarks, 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. Grantor hereby authorizes the Agent upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of the Agent as the Agent may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for the Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as the Agent deems to be in the best interest of the Agent, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Grantor 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 Borrowers' Obligations shall have been paid in full and the Financing Agreements have been terminated. Grantor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. The Agent shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement 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 Security Agreement shall be binding upon Grantor and its respective successors and assigns, and shall inure to the benefit of the Agent, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

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

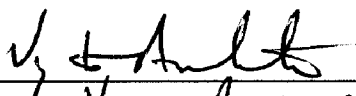
19. Further Assurances. Grantor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

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

[Remainder of page intentionally left blank; signature page follows]

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

COMBINED METALS OF CHICAGO, L.L.C.

By: 
Name: VYTAS AMBUTAS
Its: SECRETARY

Agreed and Accepted
As of the Date First Written Above

LASALLE BANK NATIONAL ASSOCIATION,
as Agent

By: _____
Name: _____
Its: _____

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

COMBINED METALS OF CHICAGO, L.L.C.

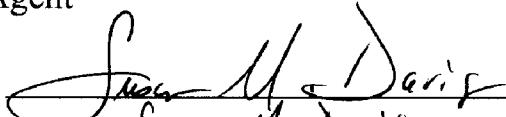
By: _____

Name: _____

Its: _____

Agreed and Accepted
As of the Date First Written Above

LASALLE BANK NATIONAL ASSOCIATION,
as Agent

By: 
Name: Juan M. Davis
Its: Vice President

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SCHEDULE A

TRADEMARK REGISTRATIONS

| <u>Trademark Description</u> | <u>U.S. Serial/Registration No.</u> | <u>Date Registered</u> |
|------------------------------|-------------------------------------|------------------------|
| ELGILOY | 722,495 | October 10, 1961 |
| USAmet | 859,953 | November 12, 1968 |

TRADEMARK APPLICATIONS

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