

04-08-2005

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



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

102975341

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

80-5-2

1. Name of conveying party(ies): HAYNES INTERNATIONAL, INC. Individual(s) Association General Partnership Limited Partnership Corporation-State Delaware Other Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: CONGRESS FINANCIAL CORPORATION Internal Address: (CENTRAL), AS AGENT Street Address: 150 South Wacker Drive City: Chicago State: IL Zip: 60606-4401 Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Illinois 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

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Execution Date: 4/12/04

4. Application number(s) or registration number(s): A. Trademark Application No.(s) SEE EXHIBIT A ANNEXED HERETO B. Trademark Registration No.(s) SEE EXHIBIT A ANNEXED HERETO Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Helen M. Linehan Internal Address: Otterbourg, Steindler, Houston & Rosen, P.C. Street Address: 230 Park Avenue City: New York State: NY Zip: 10169

6. Total number of applications and registrations involved: 24 7. Total fee (37 CFR 3.41): \$ 615.00 Enclosed Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature: Helen M. Linehan Name of Person Signing Signature Date: 5/3/04

Total number of pages including cover sheet, attachments, and document: 23

05/04/2004 6TON11 00000018 2752325

01 FC:0521 40.00 OP 02 FC:0522 575.00 OP

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

TRADEMARK REEL: 003144 FRAME: 0650

EXHIBIT A  
TO  
RECORDATION FORM COVER SHEET  
(TRADEMARKS ONLY)

TRADEMARK REGISTRATIONS	TRADEMARK APPLICATIONS
2,752,325	76/434,700
1,982,521	76/400,932
2,755,568	76/400,933
2,752,324	
2,816,268	
2,532,561	
2,063,855	
2,002,631	
1,953,864	
2,785,667	
1,600,332	
1,711,142	
269,898	
605,011	
566,221	
2,023,945	
1,717,465	
423,980	
759,676	
756,690	
1,742,719	

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement"), dated April 12, 2004, is by and between Haynes International, Inc., Debtor and Debtor-in-Possession, a Delaware corporation ("Debtor"), and Congress Financial Corporation (Central), an Illinois corporation, in its capacity as agent (in such capacity, "Secured Party") pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of (a) the parties thereto as lenders (individually each, a "Lender" and collectively, "Lenders") and (b) Burdale Financial Limited ("UK Lender"). Capitalized terms used herein and not defined herein shall have the meanings assigned to them in the Loan Agreement and certain other Financing Agreements.

W I T N E S S E T H :

WHEREAS, Debtor is the owner of the registered trademarks, and trademark applications described in Exhibit A hereto and made a part hereof;

WHEREAS, Debtor, certain affiliates of Debtor, Secured Party and Lenders have entered into or are about to enter into financing arrangements pursuant to which Secured Party and Lenders may make loans and advances and provide other financial accommodations to Debtor as set forth in the Loan and Security Agreement, dated of even date herewith, by and between Debtor, certain affiliates of Debtor, Secured Party and Lenders (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement"); and

WHEREAS, in order to induce Secured Party and Lenders to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Debtor and certain of its Affiliates pursuant thereto, Debtor has agreed to grant a security interest in the Collateral (as defined below) to Secured Party.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor hereby agrees as follows:

1. GRANT OF SECURITY INTEREST.

(a) To secure payment and performance of all Secured Obligations, Debtor hereby grants to Secured Party, for itself and the benefit of Lenders and UK Lender, a continuing security interest in, a lien upon, and a right of set off against, the following personal property, whether now owned or hereafter acquired or existing, and wherever located (collectively, the "Collateral"), including: (i) all of Debtor's trademarks, service marks, trade names and trade styles, and all trademark and service mark applications and registrations, licenses, and rights to use any of the foregoing, and all reissues, extensions, continuations and renewals thereof (all of

the foregoing being collectively referred to herein as the "Trademarks"), including, without limitation, the Trademarks described on Exhibit A hereto; (ii) the goodwill of the business symbolized by each of the Trademarks, (iii) customer lists and other records relating to the distribution of products or services bearing the Trademarks; (iv) all income, fees, royalties and other payments at any time due or payable with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (v) the right to sue for past, present and future infringements thereof; (vi) all rights corresponding thereto throughout the world; (vii) all products and proceeds of the foregoing, in any form, including insurance proceeds (other than business interruption insurance) and all claims against third parties, for loss or damage to or destruction of or other involuntary conversion of any kind or nature of any or all of the Collateral and all damages and payments or claims by Debtor against third parties for past or future infringement of any of the Intellectual Property.

(b) Notwithstanding anything to the contrary set forth in this Agreement the types or items of Collateral described in Section 1(a) shall not include: (i) any rights or interests in any contract, lease, permit, license, charter or license agreement covering personal property, as such, if under the terms of such contract, lease, permit, license, charter or license agreement, or applicable law with respect thereto, the valid grant of a security interest or lien therein to Secured Party is prohibited and such prohibition has not been or is not waived or the consent of the other party to such contract, lease, permit, license, charter or license agreement has not been or is not otherwise obtained or under applicable law such prohibition cannot be waived; provided, that, the foregoing exclusion shall in no way be construed (A) to apply if any such prohibition is unenforceable under Sections 9-406, 9-407, 9-408, or 9-409 of the UCC or other applicable law or (B) so as to limit, impair or otherwise affect Secured Party's unconditional continuing security interests in and liens upon any rights or interests of Debtor in or to monies due or to become due under any such contract, lease, permit, license, charter or license agreement (including any Receivables); and (ii) trademark or service mark applications that have been filed with the U.S. Patent and Trademark Office on the basis of an "intent-to-use" with respect to such marks, unless and until a statement of use or amendment to allege use is filed or any other filing is made or circumstances otherwise change so that the interests of Debtor in such marks is no longer on an "intent-to-use" basis, at which time such marks shall automatically and without further action by the parties be subject to the security interests and liens granted by Debtor to Secured Party hereunder.

## 2. OBLIGATIONS SECURED

The security interest granted to Secured Party, for itself Lenders and UK Lender, pursuant to this Agreement shall secure the performance and payment in full in immediately available funds of any and all of the Secured Obligations.

## 3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants with and to Secured Party the following (which shall survive the execution and delivery hereof):

(a) All of the Trademarks (other than Trademarks not registered in the United States and subject to the right of Debtor to abandon Trademarks in accordance with Section 9.7 of the Loan Agreement) are subsisting and in full force and effect and, to the best of Debtor's knowledge, all such registered Trademarks are valid and enforceable, and Debtor own the sole, full and clear title thereto (subject only to the security interests granted hereunder and pursuant to the Loan Agreement and to security interests and liens with respect thereto permitted under the Loan Agreement), and has the right and power to grant the security interest granted hereunder. Debtor shall, at Debtor's expense, perform all acts and execute all documents necessary to maintain the Collateral consisting of registered Trademarks as registered trademarks and to maintain the existence of all of the Collateral as valid and subsisting, including, without limitation, the filing of any renewal affidavits and applications, except, in each case, with respect to, those Trademarks that Debtor is entitled to abandon pursuant to Section 9.7 of the Loan Agreement.

(b) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, except as otherwise permitted herein or in the Loan Agreement.

(c) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents reasonably requested at any time by Secured Party to evidence, perfect, maintain, record or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Secured Party or as otherwise determined by Secured Party. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(d) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any material licenses with respect thereto other than as set forth in Schedule 8.11 to the Information Certificate constituting Exhibit B to the Loan Agreement.

(e) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit B annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder; provided, that, so long as no Default or Event of Default shall exist or have occurred and be continuing, Secured Party shall not use any such Special Power of Attorney.

(f) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder to preserve, protect, maintain, record or enforce the Secured Obligations, the Collateral or the security interest granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, and reasonable attorneys' fees and legal expenses. Debtor shall be liable to Secured Party for such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be repayable on demand and together with all interest thereon shall constitute Secured Obligations secured by the Collateral. Interest on such payments shall be payable at the Interest Rate then applicable to Prime Rate loans and shall be payable on demand.

(g) In the event Debtor shall file any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, Debtor shall provide Secured Party with written notice of such action not later than thirty (30) days thereafter so long as no Event of Default exists or has occurred and is continuing or simultaneously therewith at any time an Event of Default exists or has occurred and is continuing. If, after the date hereof, Debtor shall (i) obtain any registered trademark or trade name, or apply for any such registration in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any trademark registrations or applications for trademark registration in the United States, any State thereof, any political subdivision thereof or in any other country, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party, Debtor shall promptly execute and deliver to Secured Party any and all agreements, instruments, documents and such other papers as may be reasonably requested by Secured Party to evidence the security interest in such Trademark in favor of Secured Party, for the benefit of itself Lenders and UK Lender.

(h) Debtor has not abandoned any of the Trademarks except for those Trademarks that Debtor is permitted to abandon under the Loan Agreement and Debtor will do any act, or omit to do any act, whereby the Trademarks may become abandoned, invalidated or unenforceable except to the extent permitted under the Loan Agreement. Debtor shall promptly notify Secured Party if it knows of any reason why any application, registration, or recording with respect to any Trademarks may become abandoned, canceled or invalidated, other than those Trademarks that Debtor is permitted to abandon pursuant to the terms of Section 9.7 of the Loan Agreement and shall provide such notice of its intention to abandon or cancel any such Trademarks to the extent set forth in Section 9.7 of the Loan Agreement.

(i) Debtor shall render any assistance, as Secured Party shall determine is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country to, subject to Debtor's rights to abandon or cancel such Trademarks and Trademark applications pursuant to the Loan Agreement: (i) maintain any application and registration of the Trademarks as Debtor's exclusive property and (ii) protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability, and opposition, interference,

and cancellation proceedings and defending against challenges.

(j) To Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademarks that would adversely affect in any material respect the fair market value of the Collateral or the benefits of this Agreement granted to Secured Party, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Secured Party hereunder. Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any Person of any term or design which infringes on any Trademark or is likely to cause confusion with any Trademark and which is likely to adversely affect in any material respect, the fair market value of the Collateral. If requested by Secured Party or any Lender, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

(k) Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party, Lenders and UK Lender harmless from and against any losses, claims, damages, liabilities, costs, and expenses (including attorneys' fees and legal expenses) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof), except that Debtor shall not have any obligation under this Section 3(k) to indemnify a person otherwise to be indemnified pursuant to the terms hereof with respect to a matter covered hereby resulting solely from the gross negligence or willful misconduct of such indemnitee as determined pursuant to a final, non-appealable order of a court of competent jurisdiction (but without limiting the obligations of Debtor as to any other person hereunder). The foregoing indemnity shall survive the payment of the Secured Obligations and the termination of this Agreement.

#### 4. RIGHTS AND REMEDIES

At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of Secured Party, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder or required by applicable law:

(a) Secured Party may require that neither Debtor nor any Affiliate or Subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. For the purpose of enabling Secured Party to exercise the rights and remedies hereunder, Debtor hereby grants to Secured Party, to the extent assignable, an irrevocable, non-exclusive license (exercisable at any time an Event of Default shall exist or have occurred and for so long as the same is continuing) without payment of royalty or other compensation to Debtor, to use, assign, license or sublicense any of the Collateral now owned or hereafter acquired by Debtor, wherever the same may be located, including in such license reasonable

access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, at such prices or terms as Secured Party may deem reasonable, for cash, upon credit or for future delivery, all of the foregoing being free from any right or equity of redemption of Debtor, which right or equity of redemption is hereby expressly waived and released by Debtor. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries, provided that such licenses shall not violate the rights of any exclusive licensee under any license theretofore granted by Debtor or any Subsidiary or Affiliate of Debtor and disclosed to Secured Party in writing.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof in accordance with Section 10.2(c) of the Loan Agreement or otherwise as provided in any of the Financing Agreements.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to the Loan Agreement, Secured Party may execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(e) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party, Lenders and UK Lender on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees and legal expenses. Debtor agrees that Secured Party, Lenders and UK Lender have no obligation to preserve rights to the Trademarks against any other parties.

(e) Secured Party shall apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral as set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party or to Secured Party's designee, on request, Debtor's knowledge and expertise relating to the manufacture, sale and distribution of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks.

(g) Nothing contained herein shall be construed as requiring Secured Party or any Lender to take any such action at any time. All rights, remedies and powers granted to Secured Party, Lenders and UK Lender hereunder, under any of the other Financing Agreements, the Financing Order, the UCC or other applicable law, are cumulative, not exclusive and enforceable, in Secured Party's discretion, alternatively, successively, or concurrently on any one or more occasions, and shall include, without limitation, the right to apply to a court of equity for an injunction to restrain a breach or threatened breach by Debtor of this Agreement.



**5. JURY TRIAL WAIVER; OTHER WAIVERS  
AND CONSENTS; GOVERNING LAW**

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements (except as otherwise provided therein) and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of Illinois but excluding any principles of conflicts of law or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of Illinois and the Bankruptcy Code.

(b) Debtor, Secured Party, Lenders and UK Lender irrevocably consent and submit to the non-exclusive jurisdiction of the United States Bankruptcy Court of the Southern District of Indiana (Indianapolis Division), the Circuit Court of Cook County, Illinois and the United States District Court for the Northern District of Illinois, whichever Secured Party may elect, and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected with or related or incidental to the dealings of the parties hereto in respect of this Agreement or any of the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party, Lenders and UK Lender shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Debtor or its property)

(c) Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by registered or certified mail (return receipt requested) directed to its address set forth herein and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Secured Party's option, by service upon Debtor in any other manner provided under the rules of any such courts.

(d) DEBTOR, SECURED PARTY, LENDERS AND UK LENDER EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS RELATED HERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR, SECURED PARTY, LENDERS AND UK LENDER EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT DEBTOR, SECURED PARTY OR ANY LENDER MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL

BY JURY.

6. MISCELLANEOUS

(a) All notices, requests and demands hereunder shall be in writing and deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next Business Day, one (1) Business Day after sending; and if by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor: Haynes International, Inc.  
1020 West Park Avenue  
Kokomo, Indiana 46904  
Attention: Mr. Calvin S. McKay  
VP Finance and CFO  
Telephone No.: 765-456-6000  
Telecopy No.: 765-456-6985

with a copy to: Skadden, Arps, Slate, Meagher & Flom, LLP  
333 West Wacker Drive  
Chicago, Illinois 60606  
Attention: John Wm. Butler, Jr.  
Telephone No.: 312-407-0700  
Telecopy No.: 312-407-0411

If to Secured Party, Lenders and UK Lender: Congress Financial Corporation (Central)  
150 South Wacker Drive  
Chicago, Illinois 60606  
Attention: Portfolio Manager  
Telephone No.: 312-332-0420  
Telecopy No.: 312-332-0424

(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise requires.

(c) All references to Debtor, Secured Party, Lenders and UK Lender pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns, including in the case of Debtor, any trustee or other fiduciary hereafter appointed as legal representative upon conclusion of the Chapter 11 Cases.

(d) The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be

amended, modified, supplemented, extended, renewed, restated or replaced.

(e) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon and inure to the benefit of and be enforceable by Secured Party, Lenders, UK Lender, Debtor and their respective successors and assigns, except that Debtor may not assign its rights under this Agreement and any other document referred to herein or therein without the prior written consent of Secured Party, Lenders and UK Lender. Any such purported assignment without such express prior written consent shall be void. No Lender may assign its rights and obligations under this Agreement without the prior written consent of Secured Party, except as provided in the Loan Agreement. The terms and provisions of this Agreement are for the purpose of defining the relative rights and obligations of Debtor, Secured Party, Lenders and UK Lender with respect to the transactions contemplated hereby and there shall be no third party beneficiaries of any of the terms and provisions of this Agreement.

(f) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(g) Neither this Agreement nor any of the terms hereof may be amended waived, discharged or terminated unless such amendment, waiver, discharge or termination is in writing signed by Secured Party and Debtor. Secured Party, Lenders and UK Lender shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed as provided herein. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party or any Lender of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party or such Lender would otherwise have on any future occasion, whether similar in kind or otherwise.

(h) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile shall have the same force and effect as the delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of any such agreement by telefacsimile shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of such agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

HAYNES INTERNATIONAL, INC.

Debtor and Debtor-in-Possession

By:

*Dale S. McKelvey*

Title:

*VP Finance*

CONGRESS FINANCIAL CORPORATION  
(CENTRAL), as Agent

By:

\_\_\_\_\_

Title:

\_\_\_\_\_

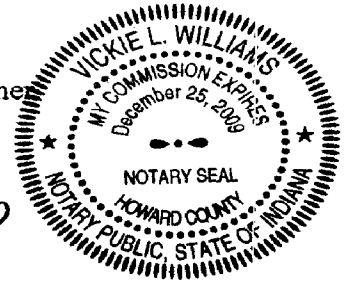
TRADEMARK

REEL: 003144 FRAME: 0661

STATE OF INDIANA )  
 ) ss.:  
COUNTY OF HOWARD )

On the \_\_\_ day of \_\_\_\_\_, 2004, before me personally came CARLINS MCKAY, to me known, who being by me duly sworn, did depose, acknowledge and say that he/she is the V.P. Finance of HAYNES INTERNATIONAL, INC., Debtor and Debtor-in-Possession, and that he/she signed his/her name thereto by order of the board of directors of each such corporation.

Vickie R. Williams  
Notary Public



STATE OF \_\_\_\_\_ )  
 ) ss.:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of \_\_\_\_\_, 2004, before me personally came \_\_\_\_\_, to me known, who, being duly sworn, did depose and say, that he/she is the \_\_\_\_\_ of CONGRESS FINANCIAL CORPORATION (CENTRAL), the corporation described in and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the Board of Directors of said corporation.

\_\_\_\_\_  
Notary Public

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

HAYNES INTERNATIONAL, INC.  
Debtor and Debtor-in-Possession

By: \_\_\_\_\_

Title: \_\_\_\_\_

CONGRESS FINANCIAL CORPORATION  
(CENTRAL), as Agent

By: \_\_\_\_\_

Title: Sr. Vice-President

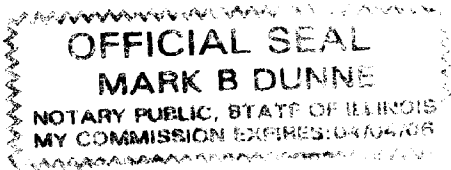
STATE OF )  
 ) ss.:  
COUNTY OF )

On the \_\_\_ day of \_\_\_\_\_, 2004, before me personally came \_\_\_\_\_, to me known, who being by me duly sworn, did depose, acknowledge and say that he/she is the \_\_\_\_\_ of HAYNES INTERNATIONAL, INC., Debtor and Debtor-in-Possession, and that he/she signed his/her name thereto by order of the board of directors of each such corporation.

\_\_\_\_\_  
Notary Public

STATE OF *Illinois* )  
 ) ss.:  
COUNTY OF *Cook* )

On this *8th* day of *April*, 2004, before me personally came *Richard Dickard*, to me known, who, being duly sworn, did depose and say, that he/she is the *Sr. V.P.* of CONGRESS FINANCIAL CORPORATION (CENTRAL), the corporation described in and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the Board of Directors of said corporation.



*Mark B Dunne*  
\_\_\_\_\_  
Notary Public

EXHIBIT A  
TO  
TRADEMARK SECURITY AGREEMENT

Please see attached.



## TRADEMARKS

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
HASTELLOY	AR	1951		06	1995/04/28	1,559,928	2005/04/28
HAYNES	AR	1995/11/21	2,010,428	06	1996/11/13	1,622,192	2006/11/13
HAYNES	AR	1988/05/03	1,645,690	10	1957/07/24	1,621,372	2006/11/08
HAYNES	AR	1988/05/03	1,645,689	09	1957/07/24	1,621,371	2006/11/08
HASTELLOY	AT			06	1958/06/02	38,984	2008/06/30
HASTELLOY C-22	AT	1987/12/11	4783/87	06	1988/07/21	120,376	2008/07/31
HASTELLOY G-30	AT	1987/12/11	4784/87 AM	06	1988/07/21	120,377	2008/07/31
HASTELLOY H-9M	AT	1987/12/11	4782/87 AM	06	1988/07/21	120,375	2008/07/31
HAYNES	AT			06	1958/05/20	38,900	2008/05/31
MULTIMET	AT			06	1951/03/06	21,532	2011/03/31
ULTIMET	AT	1991/10/23	91/5118 AM	06	1992/01/24	140,035	2012/01/24
HASTELLOY	AU	1947/09/30		06	1947/09/30	092,883	2003/09/30
HASTELLOY C-22	AU	1988/01/04	A 479,153	06	1988/01/04	479,153	2009/01/04
HASTELLOY G-30	AU	1988/01/04	A 479,152	06	1988/01/04	479,152	2009/01/04
MULTIMET	AU			06	1950/02/24	101,652	2005/02/24
ULTIMET	AU	1991/09/16	A 563,686	06	1991/09/16	563,686	2003/09/16
C-22	BE	1987/11/19	60,551	06	1987/11/19	436,584	2007/11/19
G-30	BE	1987/11/19	60,553	06	1987/11/19	438,726	2007/11/19
HASTELLOY	BE			06	1947/10/08	77,943	2007/11/12
HAYNES	BE	1998/05/29	560,212	6, 7, 8	1958/02/03	77,944	2003/11/12
MULTIMET	BE			06	1951/01/25	79,211	2011/11/10
ULTIMET	BE	1991/06/25	72,054	6 & 9	1991/06/25	499,414	2011/06/25
HASTELLOY	BR	1988/01/12		06	1998/09/01	811,723,208	2003/01/12
HAYNES	BR	1988/06/24	814,309,801	06	1991/05/21	814,309,801	2011/05/21
MULTIMET	BR	1950/04		06	1950/04/15	2,544,334	2010/04/13
ULTIMET	BR	1991/12/11	816,479,240	06	1993/04/06	816 479 240	2003/04/05
C-22	CA	1987/11/12	595,473		1990/12/21	377,434	2003/12/21

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
G-30	CA	1987/11/12	595,475		1988/11/04	347,500	2018/11/04
HASTELLOY	CA	1951/06/22	211,777		1951/06/22	UCA 44585	2011/06/22
HAYNES	CA				1959/10/02	115,468	2004/10/02
MULTIMET	CA		211,778		1951/06/22	UCA 42769	2011/06/22
MULTIMET	CA				1960/06/24	118,603	2005/06/24
ULTIMET	CA	1991/11/18	693,946		1994/08/26	432,184	2009/08/26
HASTELLOY	CH	1954/06/22	151,540	6 & 7	1954/06/22	P 271,285	2004/06/04
HASTELLOY C-22	CH	1987/11/19	7,534	06	1988/03/21	358,783	2007/11/19
HASTELLOY G-30	CH	1987/11/19	7,535	06	1988/03/21	358,784	2007/11/19
HASTELLOY H-9M	CH	1987/11/19	7,536	06	1988/03/21	358,785	2007/11/19
HAYNES	CH			06	1958/02/03	292,047	2007/12/13
MULTIMET	CH			06	1951/01/23	253,181	2011/01/18
ULTIMET	CH	1991/10/23	7171/1991	06	1992/07/21	393,396	2011/10/23
HASTELLOY	CN	1995/03/09	95 024 186	06	1996/12/14	914,870	2006/12/13
HAYNES	CN	1995/03/09	95 024 187	06	1996/12/14	914,869	2006/12/13
ULTIMET	CN	1995/03/09	95 024 188	06	1996/12/14	914,868	2006/12/13
214	DE	1995/04/06	39514 954.1	6, 7, 9	1996/03/14	39514954	2006/03/14
230	DE	1995/04/06	39514 950.9	6, 7, 9	1996/03/14	39514950	2006/03/14
242	DE	1995/04/06	39514 951.7	6, 7, 9	1996/03/14	39514951	2006/03/14
556	DE	1995/04/06	39514 952.5	6, 7, 9	1996/03/14	39514952	2006/03/14
6B alloy	DE	1995/04/06	39514 953.3	6, 7, 9	1996/03/14	39514953	2006/03/14
B-2 alloy	DE	1995/04/06	39514 960.6	6, 7, 9	Pending		2005/04/30
B-3 alloy	DE	1995/04/06	39514 981.9	6, 7, 9	Pending		2005/04/30
C-22	DE	1995/04/06	39514 982.1	6, 7, 9	1996/03/14	39514982	2006/03/14
C-276	DE	1995/04/06	39514 983.5	6, 7, 9	1996/11/04	39514983	2005/04/06
C-4 alloy	DE	1995/04/06	39514 961.4	6, 7, 9	Pending		2005/04/30
D-205	DE	1995/04/06	39514 984.3	6, 7, 9	Pending		2005/04/30
G-30	DE	1995/04/06	39514 957.6	6, 7, 9	1996/03/14	39514957	2005/03/14
G-50	DE	1995/04/06	39514 956.8	6, 7, 9	1996/03/14	39514956	2006/03/14
HASTELLOY	DE			06	1956/09/27	701,325	2005/09/30

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
HAYNES	DE			06	1956/07/31	706,256	2006/07/31
HAYNES	DE	1976/11/12	C 25978/6	06	1976/11/12	962,834	2006/11/30
HR-120	DE	1995/04/06	39514 959.2	6, 7, 9	Pending		2005/04/30
HR-160	DE	1995/04/06	39514 958.4	6, 7, 9	1996/03/14	39514958	2006/03/14
MULTIMET	DE			06	1958/02/27	726,177	2008/02/27
MULTIMET	DE			06	1949/05/12	609,423	2009/05/12
ULTIMET	DE	1991/10/30	H 66 494/6	6, 7, 9	1993/09/28	2,045,806	
HASTELLOY	DK	1958/02/08	399/58	06	1958/10/25	VR1958/02126	1998/10/25
HAYNES	DK			6, 7, 17	1958/12/13	1958/02491	1998/12/12
MULTIMET	DK			06	1951/05/19	685-1951	2001/05/19
HASTELLOY	ES			06	1959/09/03	353,337	1999/03/16
HASTELLOY	ES	1958/02/12	329,908	06	1999/02/12	329,908	2008/02/12
HAYNES	ES	1958/02/12	329,907	06	1999/09/13	329,907	2008/02/12
MULTIMET	ES	1951/01/23	243,617	06	1952/04/07	243,617	2011/01/23
ULTIMET	ES	1991/11/11	1,666,505	06	1993/10/05	1,666,505	2011/11/11
HASTELLOY	EU	1996/04/01	55,400	6, 7, 9	1999/03/29	055,400	2006/04/01
HAYNES	EU	1996/04/01	55,434	6, 7, 9	1999/02/09	055,434	2006/04/01
ULTIMET	EU	1996/04/01	55,376	6, 7, 9	1999/03/29	055,376	2006/04/01
HASTELLOY	FI			06	1959/05/22	33,893	2009/05/22
HAYNES	FI			06	1959/06/23	34,010	2009/06/23
MULTIMET	FI			06	1951/07/02	24,447	2011/07/02
ULTIMET	FI	1991/11/01	91/5221	06	1993/01/05	124,102	2013/01/05
214	FR	1987/12/29	896,866	06	1988/06/03	1,442,399	2007/12/29
230	FR	1987/12/29	896,863	06	1988/06/03	1,442,396	2007/12/29
556	FR	1987/12/29	896,865	06	1988/06/06	1,442,398	2007/12/29
C-22	FR	1987/11/23	889,662	06	1988/04/29	1,436,759	2007/11/23
G-30	FR	1987/11/23	889,665	06	1988/04/29	1,436,761	2007/11/23
HASTELLOY	FR	1984/06/15	705,880	6 & 7	1984/06/15	1,275,970	2004/06/10
HAYNES	FR			06	1956/11/07	1,184,072	2011/09/30

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
MULTIMET	FR	1951/01/26	58,420	06	2000/05/12	1,592,419	2010/05/12
ULTIMET	FR	1991/06/20	293,017	06	1994/06	1,738,570	2011/06/20
C-2000	GB	1999/08/19	2206327	6	1999/08/19	2,206,327	2009/08/19
HASTELLOY	GB			06	1966/01/20	889,533	2011/01/20
HASTELLOY	GB			06	1939/03/02	604,994	2012/03/02
HASTELLOY C-22	GB	1987/11/05	1,326,706	06	1987/11/05	1,326,706	2004/11/05
HASTELLOY C-22	GB	1988/12/13	1,366,720	11	1990/03/27	1,366,720	2005/12/13
HASTELLOY G-30	GB	1988/12/13	1,366,723	11	1988/12/13	1,366,723	2005/12/13
HASTELLOY G-30	GB	1987/11/05	1,326,707	06			2005/05/13
HASTELLOY H-9M	GB	1987/11/05	1,326,708	06			2005/05/13
HASTELLOY H-9M	GB	1988/12/13	1,366,725	11	1988/12/13	1,366,725	2005/12/13
HAYNES	GB			06	1976/10/19	1,069,591	2007/10/19
HAYNES	GB			07	1976/10/19	1,069,592	2007/10/19
HAYNES 214	GB	1988/12/13	1,366,729	11	1991/02/01	1,366,729	2005/12/12
HAYNES 214	GB	1987/11/05	1,326,709	06	1990/10/05	1,326,709	2004/11/05
HAYNES 230	GB	1988/12/13	1,366,730	11	1991/02/01	1,366,730	2005/12/13
HAYNES 230	GB	1987/11/05	1,326,710	06	1990/10/05	1,326,710	2004/11/05
HAYNES 556	GB	1987/11/05	1,326,711	06	1990/10/05	1,326,711	2004/11/05
HAYNES 556	GB	1988/12/13	1,366,732	11	1991/02/01	1,366,732	2005/12/13
MULTIMET	GB			06	1951/01/12	695,277	2009/01/15
ULTIMET	GB	1992/03/05	1,492,982	09	1992/03/05	1,492,982	2009/03/05
ULTIMET	GB	1991/06/25	1,468,437	06	1995/05/05	1,468,437	2008/06/25
HASTELLOY	GR			06	1966/01/14	34,851	2006/01/14
C-22	IL	1988/01/07	68,155	06	1996/09/30	68,155	2009/01/07
G-30	IL	1988/01/07	68,156	06	1988/01/07	68,156	2009/01/07
HASTELLOY	IL			06	1960/02/02	18,385	2009/02/02
HAYNES	IL	not yet					
MULTIMET	IL			06	1960/02/02	18,386	2009/02/02
HASTELLOY	IN			06	1967/11/07	245,358	2009/11/07

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
HAYNES	IN			06	1972/12/29	285,051	1993/12/29
ULTIMET	IN	1991/11/07	561,598	06	2000/07/11	561,598	2005/07/11
C-22	IT	1997/11/25	97C010665	06	1990/09/04	533,031	2007/11/27
G-30	IT	1998/01/12	98C000140	06	1990/02/14	522,670	2008/01/12
HASTELLOY	IT	1996/11/08	196C009765	06	1956/11/12	135,507	2006/11/12
HAYNES	IT	1996/11/08	196C009766	06	1958/04/12	135,505	2006/11/12
MULTIMET	IT	1991/02/01	191C000717	06	1951/02/01	104,532	2001/02/11
ULTIMET	IT	1991/12/09	191X089666	06	1995/05/08	008,966	2005/05/08
HASTELLOY	JP		722620/1995	07	1955/07/13	468,099	2005/04/09
HASTELLOY	JP		722618/1995	06	1955/07/09	467,920	2005/07/09
HASTELLOY	JP	1994/04/18	712923/1994	06	1984/04/20	1,682,002	2014/04/20
HASTELLOY C-22	JP	1988/02/26	20910/1988	06	1990/11/30	2,285,601	2010/11/30
HASTELLOY G-30	JP	1988/02/26	20911/1988	06	1990/11/30	2,285,602	2010/11/30
HASTELLOY C-2000	JP	2001/04/09	2001-32425	06	2002/05/10	4,565,865	2012/05/10
HAYNES	JP	1953/05/20		06	1953/05/20	425,614	2013/05/20
MULTIMET	JP			07	1952/10/07	416,742	2012/04/08
MULTIMET	JP		722619/1995	06	1955/07/09	467,923	2005/07/09
MULTIMET	JP	1994/09/26	730345/1994	06	1995/04/27	1,715,739	2004/09/26
ULTIMET	JP	1991/06/25	66263/1991	06	1993/10/29	2,587,501	2013/10/29
ULTIMET in Katakana	JP	1991/09/25	99159/1991	06	1994/02/28	2,629,077	2014/02/28

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
HASTELLOY	KW			06	1964/04/08	1,608	1994/04/06
HAYNES	KW			06	1964/04/08	1,605	1994/04/06
HASTELLOY	MA			06	1957/07/03	62,919	2007/06/02
HAYNES	MA			06	1957/07/03	62,917	2007/06/02
MULTIMET	MA			06	1957/07/03	62,918	2007/06/02
C-22	MX	1988/02/15	37,430	6 & 9	1988/06/01	349,181	2013/02/15
G-30	MX	1988/02/16	37,470	6 & 9	1988/06/03	349,273	2013/02/16
HASTELLOY	MX			06	1943/08/27	46,333	2013/08/27
ULTIMET	MX	1992/02/07	132,319	06	1992/10/16	423,792	2012/02/07
HASTELLOY	NO			06	1958/02/05	51,955	2008/02/05
HAYNES	NO			06	1958/02/04	52,324	2008/02/04
MULTIMET	NO			06	1951/01/19	40,151	2011/01/19
ULTIMET	NO	1991/10/23	91 5341	06	1994/11/03	165,182	2004/11/03
HASTELLOY	NZ			06	1947/10/01	45,516	2010/10/01
HASTELLOY	PK	1998/02	04966/1997	06	1942/06/24	13,063	2011/06/30
HAYNES	PK			06	1951/01/10	13,071	2018/01/10
HASTELLOY	SE	1954/11/26	77,077	6, 7 & 9	1954/11/26	77,077	2004/11/26
HASTELLOY C-22	SE	1987/12/10	87/9889	06	1990/05/11	216,818	2010/05/11
HASTELLOY G-30	SE	1987/12/10	87/9891	06	1990/05/11	216,820	2010/05/11
MULTIMET	SE			06	1949/04/01	66,242	2009/04/01
ULTIMET	SE	1991/06/24	91-5535	06	1992/07/24	238,094	2012/07/24
HASTELLOY	TR	1958/02/28			1993/02/28	077,350	2013/02/28
HASTELLOY	TW			06	1963/10/01	16,169	2013/09/30
HAYNES	TW			06	1963/08/01	15,769	2013/07/31
214	US	2002/06/19	76/423,152	06	2003/08/19	2,752,325	2013/08/19
230	US	1995/07/03	74/697,077	06	1996/06/25	1,982,521	2002/06/25
230-W	US	2002/06/1976/4	76/423,153	6, 9	2003/08/26	2,755,568	2003/08/26
242	US	2002/06/19	76/423,151	06	2003/08/19	2,752,324	2013/08/19

MARK	CO	DATE FILE	APPLN.NO.	CLASS	DATE REG.	REG.NO.	EXPIRES
282	US	2002/07/26	76/434,700	06			
556	US	2002/08/16	76/442,604	06	2004/02/24	2,816,268	2014/02/24
625 SQ	US	1999/02/19	73/646,170	06	2002/01/22	2,532,561	2012/01/22
B-3	US	1995/05/11	74/673,214	06	1997/05/20	2,063,855	2007/05/20
C-2000	US	1995/07/03	74/697,076	06	1996/09/24	2,002,631	2002/09/24
C-22	US	1987/12/18	73/701,790	06	1996/02/06	1,953,864	2006/02/06
C-22HS	US	2002/04/29	76/400,932	06			
D-205	US	2002/06/19	76/423,154	06	2003/01/25	2,785,667	2013/11/25
G-30	US	1987/12/18	73/701,791	06	1990/06/12	1,600,332	2010/06/12
G-35	US	2002/04/29	76/400,933				
G-50	US	1991/05/20	74/168,140	06	1992/09/01	1,711,142	2012/09/01
HASTELLOY	US	1929/11/26	71/292,933	06	1930/04/22	269,898	2010/04/22
HASTELLOY	US	1954/06/02	71/667,590	06	1955/04/26	605,011	2005/04/26
HAYNES	US	1949/10/19	71/586,534	06	1952/11/04	566,221	2012/11/04
HR-120	US	1996/01/23	75/047,108	06	1996/12/17	2,023,945	2006/12/17
HR-160	US	1991/06/10	74/174,760	06	1992/09/22	1,717,465	2012/09/22
MULTIMET	US	1945/12/21	71/493,683	06	1946/09/17	423,980	2006/09/17
MULTIMET	US	1962/12/19	72/159,440	11	1963/11/05	759,676	2013/11/05
MULTIMET	US	1962/11/15	72/157,340	06	1963/09/17	756,690	2013/09/17
ULTIMET	US	1990/01/29	74/023,771	06	1992/12/29	1,742,719	2012/12/29
C-22	ZA	1987/11/16	87/9342	06	1989/10/27	B 87/9342	2007/11/16
G-30	ZA	1987/11/16	87/9344	06	1989/10/27	B 87/9344	2007/11/16
H-9M	ZA	1987/11/16	87/9343	06	1989/10/27	B 87/9343	2007/11/16
HASTELLOY	ZA			06	1947/10/04	47/2687	2005/10/04
ULTIMET	ZA	1991/10/24	91/8990	06	1991/10/24	91/8990	2001/10/24
MULTIMET	Tuni sia			06,07,08, 28		App date 2002/05/09	App # EE021583
HASTELLOY	Tuni sia			Same as above		Same as above	EE021584
HAYNES	Tuni sia			Same as above		Same as above	EE021585





Haynes' Active Licensees

I. Granted to:

Cannon Muskegon, Muskegon, WI, USA (Includes Greenville Metals, Inc. Transfer, PA)

Term: Effective 08/03/89; Amended 6/5/90; Expires 04/17/2009  
Type: Patents and Trademarks  
Subject: Remelt Materials & Castings of alloys B-2, C-4c, C-22, C-276, G-30, and Ultimet  
Territory: Make in USA, sell worldwide  
Royalty: Quarterly; 10% of Net Sales; Interested in B-3, C-2000, etc.

Certified Alloy Products, Long Beach, CA, USA

Term: Effective 10/01/95 for 3 years and renews yearly thereafter.  
Type: Patents and Trademarks  
Subject: Cast Remelt Materials of 230 alloy  
Territory: Make in North America, sell worldwide  
Royalty: Quarterly; 7.5% +2.5% of Selling Price

Deloro-Stellite, LP

Term: Effective 10/10/02, automatically renews each September 30 unless terminated  
Type: Patents and Trademarks  
Subject: ULTIMET alloy  
Territory: Worldwide  
Royalty: 7%-9% for powder products; 91¢/lb. for castings

Mitsubishi Materials Corp., Japan

Term: Effective 10/01/98; Expires 03/31/04. Will not be renewed.  
Type: Trademarks and any necessary patents  
Subject: Wrought products of most alloys  
Territory: Manufactured in Japan and sell worldwide except certain alloys.  
Royalty: Semi-annual; 0-5% of Net Sales depending upon \$ purchase

Mitsubishi Materials Corp., Japan

Term: Effective 10/01/98 to 03/31/04. Will not be renewed.  
Type: Trademarks and any necessary patents  
Subject: Castings and Powders of most alloys  
Territory: Make in Japan and sell worldwide.  
Royalty: Semi-annual; 2-5%-10% of Sales depending on alloy.

Ross & Catheral, Ltd., Sheffield, UK

Term: Effective 7/1/93; Renews yearly from 7/1/98  
Type: Trademarks  
Subject: Cast Remelt Materials of 230 alloy  
Territory: Make in Europe and sell worldwide.  
Royalty: 7 Swiss Franks/Kg sold

Haynes International, Ltd., UK

Term: Effective 04/01/87; No expiration  
Type: Trademarks and any necessary patents  
Subject: All products  
Territory: Worldwide  
Royalty: Semi-annual; 2-5% of Value Added

II. Received from:

Deloro-Stellite, Inc.

Term: Automatically renewable two year terms from 7/5/01  
Type: Trademark  
Subject: STELLITE alloy 6B  
Territory: Limited to sales to authorized customers  
Royalty: Royalty free

EXHIBIT B  
TO  
TRADEMARK SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

STATE OF                    )  
                                  ) ss.:  
COUNTY OF                )

KNOW ALL MEN BY THESE PRESENTS, that HAYNES INTERNATIONAL, INC., Debtor and Debtor-in-Possession ("Debtor"), having an office at 1020 West Park Avenue, Kokomo, Indiana 46904, hereby appoints and constitutes, severally, CONGRESS FINANCIAL CORPORATION (CENTRAL), as Agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all trademark applications and registrations, licenses and rights to use any of the foregoing, and all reissues, extensions, continuations and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Secured Obligations", as such term is defined in the Security Agreement, are paid in full and the lien created under the Security Agreement is terminated in writing by Secured Party.

Dated: \_\_\_\_\_, 2004

HAYNES INTERNATIONAL, INC.  
Debtor and Debtor-in-Possession

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF )  
 ) ss.:  
COUNTY OF )

On the \_\_\_\_ day of \_\_\_\_\_, 2004, before me personally came \_\_\_\_\_, to me known, who being by me duly sworn, did depose, acknowledge and say that he/she is the \_\_\_\_\_ of HAYNES INTERNATIONAL, INC., Debtor and Debtor-in-Possession, the corporation which executed the foregoing instrument and that he/she signed his/her name thereto by order of the board of directors of such corporation.

\_\_\_\_\_  
Notary Public

340064.5