

3/5/09

03-11-2009



103551886

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

1. Name of conveying party(ies):

Lyon Workspace Products, LLC.

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

Citizenship (see guidelines) \_\_\_\_\_

Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) March 19, 2008

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name: Pension Benefit Guaranty Corporation

Internal

Address: Office of the Chief Counsel

Street Address: 1200 K Street, N.W.

City: washington

State: DC

Country: USA

Zip: 20005

- Association Citizenship \_\_\_\_\_
- General Partnership Citizenship \_\_\_\_\_
- Limited Partnership Citizenship \_\_\_\_\_
- Corporation Citizenship \_\_\_\_\_

Other U.S. Govt Agency Citizenship USA

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)

76/623257

B. Trademark Registration No (s)

SEE ATTACHMENT FOR CONTINUATION OF ITEMS 4.B AND 4.C.

Additional sheet(s) attached?  Yes  No

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

Homeland (Identification for Trademark Application in Item 4.A.)

See Attachment for CONTINUATION OF ITEMS 4.B. AND 4.C.

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

Name: William McCarron, Esq.

Internal Address: Pension Benefit Guaranty Corporation

Office of the Chief Counsel

Street Address 1200 K Street, N.W.

City: washington

State: DC

Zip: 20005

Phone Number: 202-326-4020 ext 4902

Fax Number: 202-326-4112

Email Address: mccarron.william@pbgc.gov

6. Total number of applications and registrations involved:

30

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

\$765.00

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number

Authorized User Name

9. Signature:

William McCarron  
Signature

William McCarron

Name of Person Signing

3/23/09  
Date

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

49

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1480, Alexandria, VA 22313-1450

CONTINUATION OF ITEMS 4.B. AND 4.C.

LYON WORKSPACE PRODUCTS, L.L.C.

TRADEMARKS

<u>Name of Grantor</u>	<u>Trademark</u>	<u>Registration Date</u>	<u>Registration Number</u>
Lyon Workspace Products, L.L.C.	XL-3000	12/11/01	2518364
Lyon Workspace Products, L.L.C.	Bigfoot	6/11/02	2579432
Lyon Workspace Products, L.L.C.	Workflor	10/9/01	2497248
Lyon Workspace Products, L.L.C.	Workflor	5/6/08	3421396
Lyon Workspace Products, L.L.C.	E-Z	12/4/01	2515660
Lyon Workspace Products, L.L.C.	Sky-wal	8/6/96	1992070
Lyon Workspace Products, L.L.C.	Labels Labels Labels On Command	12/15/92	1739823
Lyon Workspace Products, L.L.C.	Ergo-bench	3/23/93	1759910
Lyon Workspace Products, L.L.C.	Lyon	12/12/89	1570623
Lyon Workspace Products, L.L.C.	Exchange Master	7/19/88	1496799
Lyon Workspace Products, L.L.C.	Lockerrack	7/18/89	1548323
Lyon Workspace Products, L.L.C.	Safetylink	6/13/89	1543228
Lyon Workspace Products, L.L.C.	Val/Tec	2/12/85	1319400
Lyon Workspace Products, L.L.C.	Lyon	11/27/73	973836
Lyon Workspace Products, L.L.C.	Lyon	2/6/68	843704
Lyon Workspace Products, L.L.C.	Lyon	5/21/63	749664
Lyon Workspace Products, L.L.C.	Lyon	4/28/53	573619
Lyon Workspace Products, L.L.C.	Lyon	7/17/51	545042
Lyon Workspace Products, L.L.C.	Lyon	2/10/53	570062
Lyon Workspace Products, L.L.C.	Lyon	3/10/53	571461
Lyon Workspace Products, L.L.C.	Durand	3/15/94	1827068
Lyon Workspace Products, L.L.C.	Bullet-Proof	4/9/96	1966218
Lyon Workspace Products, L.L.C.	Lyon	10/12/04	501130
Lyon Workspace Products, L.L.C.	Lyon	11/1/99	873984
Lyon Workspace Products, L.L.C.	Lyon	4/18/00	876272
Lyon Workspace Products, L.L.C.	Lyon	4/20/01	234364
Lyon Workspace Products, L.L.C.	Lyon	3/21/99	1257248
Lyon Workspace Products, L.L.C.	Lyon	4/20/01	234365
Lyon Workspace Products, L.L.C.	Lyon (in Chinese)	2/21/08	4631888

TRADEMARK

REEL: 003958 FRAME: 0034

Notwithstanding anything herein to the contrary, this Security Agreement and the rights, remedies and obligations of the parties hereunder are subject to, and subordinate in the manner and to the extent set forth in, that certain Subordination Agreement dated as of November 30, 2007 (as amended, restated, supplemented, replaced, substituted, renewed, Refinanced (as defined below) and otherwise modified from time to time, the "Subordination Agreement") among North Fork Business Capital Corp., the Pension Benefit Guaranty Corporation, Lyon Workspace Products, L.L.C., Pride Metal L.L.C., Sycamore Systems, L.L.C., Paris Metal Products, L.L.C., Durand Products, L.L.C., Targeted Marketing, L.L.C., L & D Group, Inc. and Miller Global Solutions, L.L.C. In the event of any conflict between the terms of this Security Agreement and the Subordination Agreement, the terms of the Subordination Agreement shall govern.

### SECURITY AGREEMENT

(THIS SECURITY AGREEMENT (as it may be amended or modified from time to time, the "Security Agreement") is entered into as of March 19, 2008 by and among LYON WORKSPACE PRODUCTS, L.L.C., a Delaware limited liability company ("Lyon"); SYCAMORE SYSTEMS, L.L.C., a Delaware limited liability company; PARIS METAL PRODUCTS, L.L.C., a Delaware limited liability company ("Paris"); PRIDE METAL, L.L.C., a Delaware limited liability company; DURAND PRODUCTS, L.L.C., a Delaware limited liability company; TARGETED MARKETING, L.L.C., a Delaware limited liability company (each a "Borrower", and collectively, the "Borrowers"); and L. & D GROUP, Inc., a Delaware corporation; LYON METAL, INC., a Delaware corporation; and MILLER GLOBAL SOLUTIONS, L.L.C., an Illinois limited liability company (together with Borrowers, each a "Grantor", and collectively, the "Grantors") and THE PENSION BENEFIT GUARANTY CORPORATION (the "Secured Party" or "PBGC"), a wholly-owned United States government corporation created by Title IV of the Employee Retirement Income Security Act of 1974 as amended ("ERISA"), acting on behalf of the Retirement Plan for Hourly Employees of the Aurora, IL Facility of Lyon Workspace Products, L.L.C. (the "Lyon Retirement Plan")

### PRELIMINARY STATEMENT

Pursuant to Section 412(n) of the Old Code (as hereinafter defined), the Secured Party has a statutory lien (the "PBGC Lien") against the assets of each of the Grantors that arose when Lyon failed to make minimum funding contributions to the Lyon Retirement Plan that, along with interest thereon, exceeded \$1,000,000.

Lyon, as sponsor of the Lyon Retirement Plan, sought a waiver of the minimum funding standards for the plan year ended December 31, 2005, for the Lyon Retirement Plan, pursuant to Section 412(d) of the Old Code and Section 303 of Old ERISA (as hereinafter defined)

Pursuant to the terms of a letter dated July 11, 2007 (the "Original Waiver Letter"), the Internal Revenue Service ("IRS") granted such waiver for the Lyon Retirement Plan subject to the terms and conditions set forth therein (the "Funding Waiver")

By letter dated November 21, 2007 (the "Waiver Modification Letter"), the IRS modified the Funding Waiver by replacing the conditions in the Original Waiver Letter

TRADEMARK

REEL: 003958 FRAME: 0035

The aggregate amount of the outstanding balance of the Funding Waiver equals \$2,079,776, which amount will be amortized over a five plan year period under Section 412(b)(2)(C) of the Old Code or Code Section 430(e)(2), as the case may be (unless the IRS determines that a different amortization period applies, as contemplated in Condition 8 of the Waiver Modification Letter), payable in quarterly installments and other required payments with interest thereon as prescribed by Section 412 of the Old Code, or Sections 412 and 430 of the Code, as the case may be (the "Secured Obligations" as hereinafter further defined).

As one of the conditions of granting the Funding Waiver, the IRS required that collateral acceptable to PBGC be provided to the Lyon Retirement Plan to secure the Secured Obligations (the "Waiver Collateral Requirement"), and pursuant to Section 412(f)(3)(A)(ii) of the Old Code and Section 306(A)(2) of Old ERISA, such security may be perfected and enforced only by the PBGC on behalf of the Lyon Retirement Plan.

On or about November 30, 2007, the Borrowers refinanced certain operating indebtedness then owing to JP Morgan Chase Bank, N.A. by obtaining a loan from North Fork Business Capital Corp., as agent for the Senior Lenders under the Senior Credit Agreement (each, as defined below) (together with its successors and assigns and any other person or entity that acts as an agent for lenders that Refinance (as defined in the Subordination Agreement) any or all of the Senior Obligations (as defined below) at any time and from time to time, the "Senior Agent") in the principal amount of \$34,000,000 (such loan, as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to time, the "Senior Loan").

The obligations of the Borrowers to the Senior Agent and the Senior Lenders in connection with the Senior Loan are evidenced by a Credit Agreement among the Grantors, certain lenders (collectively, such lenders, together with their respective successors and assigns and any other person or entity that acts as a lender that Refinances any or all of the Senior Obligations at any time and from time to time, the "Senior Lenders"), and Senior Agent (as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to time, the "Senior Credit Agreement"), and such obligations are secured by liens and security interests in favor of the Senior Agent and the Senior Lenders (the "Senior Liens") in accordance with, among other things, (i) a Security Agreement between the Grantors and Senior Agent (as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to time, the "Senior Security Agreement"), (ii) Real Property Mortgages made by Lyon in favor of Senior Agent, encumbering certain real property located in Kane County, Illinois and LaPorte County, Indiana (collectively, as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to time, the "Lyon Senior Mortgages"), and (iii) a Real Property Mortgage made by Paris in favor of Senior Agent, encumbering certain real property located in Edgar County, Illinois (as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to time, the "Paris Senior Mortgage" and, together with the Lyon Senior Mortgages, collectively, the "Senior Mortgages"). The Senior Credit Agreement, the Senior Security Agreement, the Senior Mortgages and all documents, records, instruments and agreements evidencing, securing, guaranteeing or executed in connection with, or otherwise related to, the Senior Loan and all other obligations related thereto, each as amended, restated, supplemented, replaced, substituted, renewed, Refinanced and otherwise modified from time to

time, are hereinafter collectively referred to as the "Senior Loan Documents". The Senior Loan and all other obligations of the Grantors now or hereafter owing under the Senior Loan Documents (including any "Obligations" as defined in the Subordination Agreement) are defined as the "Senior Obligations".

PBGC has agreed to accept, in satisfaction of the Waiver Collateral Requirement, the following security: (i) a security interest in the personal property encumbered by the Senior Security Agreement, (ii) a mortgage encumbering certain real property located in Kane County, Illinois and LaPorte County, Indiana (the "Lyon North Fork Mortgages"), and (iii) a mortgage encumbering certain real property located in Edgar County, Illinois (the "Paris North Fork Mortgage"), and collectively with the Lyon North Fork Mortgages, the "PBGC Mortgages"), in each case junior and subordinate to the Senior Liens.

ACCORDINGLY, the Grantors and the Secured Party hereby agree as follows:

## ARTICLE I

### DEFINITIONS

1.1 Terms Defined in UCC. Terms defined in the UCC (as defined below) which are not otherwise defined in this Security Agreement are used herein as defined in the UCC.

1.2 Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

"Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced.

"Assigned Contracts" means, collectively, all of the Grantors' rights and remedies under, and all moneys and claims for money due or to become due to the Grantors under any material contracts, and any and all amendments, supplements, extensions, and renewals thereof including all rights and claims of the Grantors now or hereafter existing: (a) under any insurance, indemnities, warranties, and guarantees provided for or arising out of or in connection with any of the foregoing agreements; (b) for any damages arising out of or for breach or default under or in connection with any of the foregoing contracts; (c) to all other amounts from time to time paid or payable under or in connection with any of the foregoing agreements; and (d) to exercise or enforce any and all covenants, remedies, powers and privileges thereunder.

"Chattel Paper" shall have the meaning set forth in Article 9 of the UCC.

"Code" shall mean the Internal Revenue Code of 1986, as the same now exists or may from time to time hereafter be amended.

"Collateral" shall have the meaning set forth in Article II.

"Control" shall have the meaning set forth in Article 8 or, if applicable, in Sections 9-104, 9-105, 9-106 or 9-107 of Article 9 of the UCC.

"Copyrights" means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations, and copyright applications; (b) all renewals of any of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due and/or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements for any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world.

"Default" means an event described in Section 5.1.

"Deposit Accounts" shall have the meaning set forth in Article 9 of the UCC.

"Documents" shall have the meaning set forth in Article 9 of the UCC.

"Equipment" shall have the meaning set forth in Article 9 of the UCC.

"Exhibit" refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

"Fixtures" shall have the meaning set forth in Article 9 of the UCC.

"General Intangibles" shall have the meaning set forth in Article 9 of the UCC.

"Goods" shall have the meaning set forth in Article 9 of the UCC.

"Instruments" shall have the meaning set forth in Article 9 of the UCC.

"Inventory" shall have the meaning set forth in Article 9 of the UCC.

"Investment Property" shall have the meaning set forth in Article 9 of the UCC.

"Letter-of-Credit Rights" shall have the meaning set forth in Article 9 of the UCC.

"Licenses" means, with respect to any Person, all of such Person's right, title, and interest in and to (a) any and all licensing agreements or similar arrangements in and to its Patents, Copyrights, or Trademarks, (b) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future breaches thereof, and (c) all rights to sue for past, present, and future breaches thereof.

"Old Code" shall mean the Internal Revenue Code of 1986, as in effect for plan years beginning before January 1, 2008.

"Old ERISA" shall mean the Employee Retirement Income Security Act of 1974, as in effect for plan years beginning before January 1, 2008.

**"Patents"** means, with respect to any Person, all of such Person's right, title, and interest in and to: (a) any and all patents and patent applications; (b) all inventions and improvements described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions, and continuations-in-part thereof; (d) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements thereof; and (f) all rights corresponding to any of the foregoing throughout the world.

**"PBGC Security Documents"** shall mean, collectively, this Security Agreement, the PBGC Mortgages, and all other agreements, documents and instruments at any time executed or delivered by any Grantor or any other Person to, with or in favor of PBGC in connection therewith or related thereto, as all of the foregoing now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

**"Pledged Collateral"** means all Instruments, Securities and other Investment Property of the Grantors constituting Collateral, whether or not physically delivered to the Secured Party pursuant to this Security Agreement.

**"Receivables"** means the Accounts, Chattel Paper, Documents, Investment Property, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

**"Section"** means a numbered section of this Security Agreement, unless another document is specifically referenced.

**"Secured Obligations"** means, in addition to those obligations described in the preliminary statement hereto, Lyon's obligations under Condition 8 of the Waiver Modification Letter, Grantors' obligations under Sections 6.4, 6.12 and 6.19 of this Security Agreement, and all of the Grantors' other obligations under this Security Agreement and the other PBGC Security Documents.

**"Security"** has the meaning set forth in Article 8 of the UCC.

**"Supporting Obligations"** shall have the meaning set forth in Article 9 of the UCC.

**"Trademarks"** means, with respect to any Person, all of such Person's right, title, and interest in and to the following: (a) all trademarks (including service marks), trade names, trade dress, and trade styles and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all licenses of the foregoing, whether as licensee or licensor; (c) all renewals of the foregoing; (d) all income, royalties, damages, and payments now or hereafter due or payable with respect thereto, including, without limitation, damages, claims, and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements of the foregoing, including the right to settle suits involving claims and demands for royalties owing; and (f) all rights corresponding to any of the foregoing throughout the world.

"UCC" means the Uniform Commercial Code, as in effect from time to time, of the State of Illinois or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Secured Party's lien on any Collateral.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

## ARTICLE II

### GRANT OF SECURITY INTEREST

Each Grantor hereby pledges, assigns and grants to the Secured Party a security interest in all of its right, title and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of such Grantor (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, such Grantor, and regardless of where located (all of which will be collectively referred to as the "Collateral"), including:

- (i) all Accounts;
- (ii) all Chattel Paper;
- (iii) all Documents;
- (iv) all Equipment;
- (v) all Fixtures;
- (vi) all General Intangibles;
- (vii) all Goods;
- (viii) all Instruments;
- (ix) all Inventory;
- (x) all Investment Property;
- (xi) all cash or cash equivalents;
- (xii) all letters of credit, Letter-of-Credit Rights and Supporting Obligations;
- (xiii) all Deposit Accounts with any bank or other financial institution;
- (xiv) all Assigned Contracts; and



(xv) all accessions to, substitutions for and replacements, proceeds, insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to any of the foregoing;

to secure the prompt and complete payment and performance of the Secured Obligations.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES

Each Grantor represents and warrants to the Secured Party that:

3.1 Title, Perfection and Priority. Such Grantor has good and valid rights in or the power to transfer the Collateral and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted under Section 4.1(d), and has full power and authority to grant to the Secured Party the security interest in such Collateral pursuant hereto. When financing statements have been filed in the office of the Secretary of State of the state listed as such Grantor's state of organization in Exhibit A, the Secured Party will have a fully perfected security interest in that Collateral of such Grantor in which a security interest may be perfected by filing, subject only to Liens permitted under Section 4.1(d).

3.2 Type and Jurisdiction of Organization, Organizational and Identification Numbers. The type of entity of such Grantor, its state of organization, the organizational number issued to it by its state of organization and its federal employer identification number are set forth in Exhibit A.

3.3 Principal Location. Such Grantor's mailing address and the location of its place of business (if it has only one) or its chief executive office (if it has more than one place of business), are disclosed in Exhibit A; such Grantor has no other places of business except those set forth in Exhibit A.

3.4 Collateral Locations. All of such Grantor's locations where Collateral is located are listed in Exhibit A.

3.5 Deposit Accounts. All of such Grantor's Deposit Accounts are listed in Exhibit B.

3.6 Exact Names. Such Grantor's name in which it has executed this Security Agreement is the exact name as it appears in such Grantor's organizational documents, as amended, as filed with such Grantor's state of organization.

3.7 Intellectual Property. Such Grantor does not have any interest in, or title to, any Patent, Trademark or Copyright except as set forth in Exhibit C.

3.8 No Financing Statements, Security Agreements. No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been

terminated naming such Grantor as debtor has been filed or is of record in any jurisdiction, except as permitted by Section 4.1(d).

## ARTICLE IV

### COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated, each Grantor agrees that:

#### 4.1 General.

(a) Collateral Records. Such Grantor will maintain complete and accurate books and records with respect to the Collateral owned by it, and furnish to the Secured Party such reports relating to such Collateral as the Secured Party shall from time to time reasonably request.

(b) Authorization to File Financing Statements; Ratification. Such Grantor hereby authorizes the Secured Party to file, and if requested will deliver to the Secured Party, all financing statements and other documents and take such other actions as may from time to time be requested by the Secured Party in order to maintain a perfected security interest in the Collateral owned by such Grantor, subject only to the Liens permitted under Section 4.1(d). Any financing statement filed by the Secured Party may be filed in any filing office in any UCC jurisdiction and may (i) indicate such Grantor's Collateral (1) as all assets of the Grantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC or such jurisdiction, or (2) by any other description which reasonably approximates the description contained in this Security Agreement, and (ii) contain any other information required by Part 5 of Article 9 of the UCC for the sufficiency or filing or acceptance of any financing statement or amendment, including without limitation (A) whether such Grantor is an organization, the type of organization and any organization identification number issued to such Grantor, and (B) in the case of a financing statement filed as a fixture filing or indicating such Grantor's Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. Such Grantor also agrees to furnish any such information to the Secured Party promptly upon request.

(c) Further Assurances. Such Grantor will, if so requested by the Secured Party, furnish to the Secured Party, as often as the Secured Party requests, statements and schedules further identifying and describing the Collateral owned by it and such other reports and information in connection with its Collateral as the Secured Party may reasonably request, all in such detail as the Secured Party may specify. Such Grantor also agrees to take any and all actions necessary to defend title to the Collateral owned by it against all Persons (other than Senior Agent or any successor or any person or entity claiming by or through Senior Agent) and to defend the security interest of the Secured Party in its Collateral and the priority thereof against any lien not expressly permitted by Section 4.1(d).

(d) Liens. Such Grantor will not create, incur, or suffer to exist any lien on the Collateral owned by it, except (i) the Senior Liens, (ii) the security interests created by this

Security Agreement, and (iii) any other liens that constitute "Permitted Liens" under the Senior Loan Documents.

(e) Other Financing Statements. Such Grantor will not authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by it, except as permitted by Section 4.1(d).

(f) Locations. Such Grantor will not (i) maintain any Collateral owned by it at any location other than those locations listed on Exhibit A, (ii) otherwise change, or add to, such locations without 10 days' prior written notice to the Secured Party, or (iii) change its principal place of business or chief executive office from the location identified on Exhibit A, without 10 days' prior written notice to the Secured Party.

(g) Compliance with Terms. Such Grantor will perform and comply with all obligations in respect of the Collateral owned by it and all agreements to which it is a party or by which it is bound relating to such Collateral.

#### 4.2 Receivables.

(a) Certain Agreements on Receivables. Such Grantor will not, absent the consent of the Agent or any party that has consummated an Acceptable Refinancing (as defined in the Subordination Agreement), make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of a Default, such Grantor may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business.

(b) Collection of Receivables. Except as otherwise provided in this Security Agreement, such Grantor will collect and enforce, at such Grantor's sole expense, all amounts due or hereafter due to such Grantor under the Receivables owned by it.

(c) Delivery of Invoices. Such Grantor will deliver to the Secured Party immediately upon its request after the occurrence and during the continuation of a Default, and with the prior written consent of the Senior Agent, duplicate invoices with respect to each Account owned by it bearing such language of assignment as the Secured Party shall specify.

(d) Disclosure of Counterclaims on Receivables. If after the occurrence and during the continuation of a Default (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on any Receivable owned by such Grantor exists or (ii) if, to the knowledge of such Grantor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to any such Receivable, such Grantor will promptly disclose such fact to the Secured Party in writing.

4.3 Inventory and Equipment. Such Grantor will do all things necessary to maintain, preserve, protect and keep its Inventory and the Equipment in good repair and working and saleable condition, except for damaged or defective goods arising in the ordinary course of such Grantor's business and except for ordinary wear and tear in respect of the Equipment.

4.4 Delivery of Instruments, Securities, Chattel Paper and Documents. Immediately upon the payment in full of all Senior Obligations and the irrevocable release and termination of all Senior Liens, such Grantor will (a) deliver to the Secured Party the originals of all Chattel Paper, Securities and Instruments constituting Collateral owned by it (if any then exist), (b) hold in trust for the Secured Party upon receipt and immediately thereafter deliver to the Secured Party any such Chattel Paper, Securities and Instruments constituting Collateral, and (c) deliver to the Secured Party (and thereafter hold in trust for the Secured Party upon receipt and immediately deliver to the Secured Party) any Document evidencing or constituting Collateral.

4.5 Uncertificated Pledged Collateral. Upon the payment in full of all Senior Obligations and the irrevocable release and termination of all Senior Liens, such Grantor will permit the Secured Party from time to time to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Pledged Collateral owned by it not represented by certificates to mark their books and records with the numbers and face amounts of all such uncertificated securities or other types of Pledged Collateral not represented by certificates and all rollovers and replacements therefor to reflect the lien of the Secured Party granted pursuant to this Security Agreement. Upon the payment in full of all Senior Obligations and the irrevocable release and termination of all Senior Liens, with respect to any Pledged Collateral owned by it, such Grantor will take any actions necessary to cause (a) the issuers of uncertificated securities which are Pledged Collateral and (b) any securities intermediary which is the holder of any such Pledged Collateral, to cause the Secured Party to have and retain Control over such Pledged Collateral. Without limiting the foregoing, upon the payment in full of all Senior Obligations and the irrevocable release and termination of all Senior Liens, such Grantor will, with respect to any such Pledged Collateral held with a securities intermediary, cause such securities intermediary to enter into a control agreement with the Secured Party, in form and substance satisfactory to the Secured Party, giving the Secured Party Control.

4.6 No Interference. Such Grantor agrees that it will not interfere with any right, power and remedy of the Secured Party provided for in this Security Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Secured Party of any one or more of such rights, powers or remedies.

## ARTICLE V

### DEFAULTS AND REMEDIES

5.1 Defaults. The occurrence of any one or more of the following events shall constitute a "Default" hereunder:

- (a) The failure of the Grantors to timely pay any of the Secured Obligations.
- (b) Any representation or warranty made by or on behalf of any Grantor under or in connection with this Security Agreement shall be materially false as of the date on which made.
- (c) Any Grantor fails to perform any of the covenants contained in Article IV of this Security Agreement.

(d) The breach by any Grantor of any of the terms or provisions of this Security Agreement (other than a Default under any other Subsection of this Section 5.1) which is not remedied within ten (10) days after written notice to such Grantor of such breach.

(e) The Funding Waiver is deemed void under applicable law, or the Funding Waiver is declared void by the IRS, or Lyon fails to comply with any term or condition of the Waiver Modification Letter including, without limitation, Condition 8 thereof.

(f) The occurrence of any "Default" under, and as defined in, the Senior Credit Agreement, or any default under any of the other Senior Loan Documents.

(g) any (i) judgment for the payment of money is rendered against any Grantor in excess of \$1,000,000 in any one case or in excess of \$1,500,000 in the aggregate (to the extent not covered by insurance where the insurer has assumed responsibility in writing for such judgment) and shall remain undischarged or unvacated for a period in excess of thirty (30) days and execution shall at any time not be effectively stayed, or (ii) any judgment other than for the payment of money or injunction is rendered against any Grantor that materially and adversely affects its business, operations, financial condition or performance, or (iii) any attachment, garnishment or execution in excess of \$500,000 is rendered against any of the Collateral and is not immediately stayed.

(h) Any Grantor dissolves or suspends or discontinues doing business.

(i) Any Grantor makes an assignment for the benefit of creditors, makes or sends notice of a bulk transfer or calls a meeting of its creditors or principal creditors in connection with a moratorium or adjustment of the indebtedness due to them.

(j) A case or proceeding under the bankruptcy laws of the United States of America now or hereafter in effect or under any insolvency, reorganization, receivership, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction now or hereafter in effect (whether at law or in equity) ("Insolvency Proceeding") is filed against any Grantor or all or any part of its properties and the Insolvency Proceeding is not dismissed within thirty (30) days after the date of such filing or such Grantor files any answer admitting or not contesting such petition or application or indicating its consent to, acquiescence in or approval of, the Insolvency Proceeding or the relief requested is granted sooner.

(k) A petition or application commencing an Insolvency Proceeding is filed by any Grantor or for all or any part of its property.

(l) Any default in respect of any indebtedness of any Grantor (other than the Secured Obligations), in any case in an amount in excess of \$250,000, which default continues for more than the applicable cure period, if any, with respect thereto.

(m) Any material provision of any of the PBGC Security Documents shall for any reason cease to be valid, binding and enforceable with respect to any party hereto or thereto in accordance with its terms, or any such party challenges the enforceability hereof or thereof, or asserts in writing, or takes any action or fails to take any action based on the assertion that any provision hereof or of any of the PBGC Security Documents has ceased to be or is otherwise not

valid, binding or enforceable in accordance with its terms, or any security interest, mortgage or lien provided for herein or in any of the PBGC Security Documents shall cease to be a valid and perfected first priority security interest in any of the Collateral purported to be subject thereto (except as otherwise permitted herein, therein, or in the Subordination Agreement).

(n) The issuance of a Notice of Intent to Terminate with respect to the Lyon Retirement Plan under Section 4041 of ERISA, 29 U.S.C. §1341, or issuance of a Notice of Determination with respect to the Lyon Retirement Plan under Section 4042 of ERISA, 29 U.S.C. §1342.

(o) There shall be a material adverse change in the business, assets or prospects of any Grantor after the date hereof.

## 5.2 Remedies.

(a) Upon the occurrence of a Default, the Secured Party may exercise any or all of the following rights and remedies:

(i) those rights and remedies provided in this Security Agreement; *provided that*, this Section 5.2(a) shall not be understood to limit any rights or remedies available to the Secured Party prior to a Default pursuant to this Security Agreement, the UCC or other applicable law;

(ii) those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law when a debtor is in default under a security agreement; and

(iii) without notice, demand or advertisement of any kind to any Grantor or any other Person, enter the premises of any Grantor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at any Grantor's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Secured Party may deem commercially reasonable.

(b) The Secured Party may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(c) The Secured Party shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Secured Party the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption each Grantor hereby expressly releases.

(d) Until the Secured Party is able to effect a sale, lease, or other disposition of Collateral, the Secured Party shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Secured Party. The Secured Party may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Secured Party's remedies, without prior notice or hearing as to such appointment.

(e) Notwithstanding anything to the contrary in this Security Agreement or any of the other PBGC Security Documents, the Secured Party shall not be required to (i) make any demand upon, or pursue or exhaust any of its rights or remedies against, any Grantor, any other obligor, guarantor, pledgor or any other Person or entity with respect to the payment of the Secured Obligations or to pursue or exhaust any of its rights or remedies with respect to any Collateral therefor or any direct or indirect guaranty thereof, (ii) marshal the Collateral or any guaranty of the Secured Obligations or to resort to the Collateral or any such guaranty in any particular order, or (iii) effect a public sale of any Collateral.

(f) Each Grantor recognizes that the Secured Party may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with Subsection 5.2(a) above. Each Grantor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Secured Party shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit any Grantor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Grantor and the issuer would agree to do so.

5.3 Grantors' Obligations Upon Default. Upon the request of the Secured Party after the occurrence of a Default, each Grantor will:

(a) assemble and make available to the Secured Party the Collateral and all books and records relating thereto at any place or places specified by the Secured Party, whether at a Grantor's premises or elsewhere;

(b) permit the Secured Party, by the Secured Party's representatives and agents, to enter any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or the books and records relating thereto, or both, to remove all or any part of the Collateral or the books and records relating thereto, or both, and to conduct sales of the Collateral;

(c) prepare and file, or cause an issuer of Pledged Collateral to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Secured Party may request, all in form and substance satisfactory to the Secured Party, and furnish to the Secured Party, or cause an issuer of Pledged Collateral to

furnish to the Secured Party, any information regarding the Pledged Collateral in such detail as the Secured Party may specify;

(d) take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Secured Party to consummate a public sale or other disposition of the Pledged Collateral; and

(e) at its own expense, cause the independent certified public accountants then engaged by each Grantor to prepare and deliver to the Secured Party, at any time, and from time to time, promptly upon the Secured Party's request, the following reports with respect to the applicable Grantor: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

5.4 Grant of Intellectual Property License. For the purpose of enabling the Secured Party to exercise the rights and remedies under this Article V at such time as the Secured Party shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby (a) grants to the Secured Party an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to any Grantor) to use, license or sublicense any Copyrights, Patents, Trademarks or Licenses now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, and (b) irrevocably agrees that the Secured Party may sell any of such Grantor's Inventory directly to any Person or entity, including without limitation Persons or entities who have previously purchased the Grantor's Inventory from such Grantor and in connection with any such sale or other enforcement of the Secured Party's rights under this Security Agreement, may sell Inventory which bears any Trademark owned by or licensed to such Grantor and any Inventory that is covered by any Copyright owned by or licensed to such Grantor and the Secured Party may finish any work in process and affix any Trademark owned by or licensed to such Grantor and sell such Inventory as provided herein.

## ARTICLE VI

### GENERAL PROVISIONS

6.1 Waivers. Each Grantor hereby waives any notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Grantors, addressed as set forth in Article VII, at least ten days prior to (i) the date of any such public sale, or (ii) the time after which any such private sale or other disposition may be made. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against the Secured Party arising out of the repossession, retention or sale of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Secured Party as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, each Grantor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Secured Party, any valuation, stay, appraisal, extension, moratorium, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any



Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

6.2 Limitation on Secured Party's Duty with Respect to the Collateral. The Secured Party shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Secured Party shall use reasonable care with respect to the Collateral in its possession or under its control. The Secured Party shall have no other duty as to any Collateral in its possession or control or in the possession or control of any nominee of the Secured Party, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees that it is commercially reasonable for the Secured Party (i) to fail to incur expenses deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against Account debtors or other Persons obligated on Collateral or to remove liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against Account debtors and other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons or entities, whether or not in the same business as such Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have reasonable capacity for doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral. Each Grantor acknowledges that the purpose of this Section 6.2 is to provide non-exhaustive indications of what actions or omissions by the Secured Party would be commercially reasonable in the Secured Party's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable on account of not being indicated in this Section 6.2. Without limitation upon the foregoing, nothing contained in this Section 6.2 shall be construed to grant any rights to any Grantor or to impose any duties on the Secured Party that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 6.2.

6.3 Compromises and Collection of Collateral. The Grantors and the Secured Party recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, but in each case subject and subordinate to the Senior Liens as provided in the Subordination Agreement, each Grantor agrees that the Secured Party may at any time and from time to time, if a Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Secured Party in its sole discretion shall determine or abandon any Receivable, and any such action by the Secured Party shall be commercially reasonable so long as the Secured Party acts in good faith based on information known to it at the time it takes any such action.

6.4 Secured Party Performance of Debtor Obligations. Without having any obligation to do so, the Secured Party may perform or pay any obligation which any Grantor has agreed to perform or pay in this Security Agreement and the Grantors shall reimburse the Secured Party for any amounts paid by the Secured Party pursuant to this Section 6.4. The Grantors' obligation to reimburse the Secured Party pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

6.5 Intentionally Omitted.

6.6 Use and Possession of Certain Premises. Upon the occurrence of a Default, the Secured Party shall be entitled to occupy and use any premises owned or leased by any Grantor where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay any Grantor for such use and occupancy.

6.7 No Waiver; Amendments; Cumulative Remedies. No delay or omission of the Secured Party to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Secured Party and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Secured Party until the Secured Obligations have been paid in full.

6.8 Limitation by Law; Severability of Provisions. All rights, remedies and powers provided in this Security Agreement may be exercised only to the extent that the exercise thereof does not violate any of the rights of the Senior Agent or the Senior Lenders under the Subordination Agreement or any applicable provision of law, and all the provisions of this Security Agreement are intended to be subject to the rights of the Senior Agent or the Senior Lenders under the Subordination Agreement and all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they shall not violate any of the rights of the Senior Agent or the Senior Lenders under the Subordination Agreement. Any

provision in this Security Agreement that is held to be inoperative, unenforceable or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability or validity of that provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

6.9 Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

6.10 Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Grantors, the Secured Party and their respective successors and assigns, except that no Grantor shall have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein without the prior written consent of the Secured Party.

6.11 Survival of Representations. All representations and warranties of the Grantors contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

6.12 Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Grantors, together with interest and penalties, if any. The Grantors shall reimburse the Secured Party for any and all out-of-pocket expenses (including reasonable attorneys' fees) paid or incurred by the Secured Party in connection with the collection and enforcement of this Security Agreement and in the collection, preservation or sale of the Collateral. The Grantors' obligation to reimburse the Secured Party pursuant to the preceding sentence shall be a Secured Obligation payable on demand. Any and all costs and expenses incurred by the Grantors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Grantors.

6.13 Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

6.14 Termination. This Security Agreement shall continue in effect, and the Liens granted hereby, the duties, covenants and liabilities of Grantors hereunder and all the terms conditions and provisions hereof shall continue to be fully operative until the latter of (i) payment in full of the Secured Obligations, or (ii) payment in full, with interest to the extent

provided by applicable law, of any paid amount which has been rescinded, reduced, restored or returned, as provided in Section 6.9 above.

6.15 Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Grantors and the Secured Party relating to the Collateral and supersedes all prior agreements and understandings between the Grantors and the Secured Party relating to the Collateral.

6.16 CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF ILLINOIS, EXCEPT TO ANY EXTENT PREEMPTED BY THE CODE, ERISA, OR OTHER APPLICABLE FEDERAL LAW.

6.17 CONSENT TO JURISDICTION. EACH GRANTOR HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY U.S. FEDERAL OR ILLINOIS STATE COURT SITTING IN CHICAGO, ILLINOIS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE SECURED OBLIGATIONS, THIS SECURITY AGREEMENT OR ANY OF THE OTHER PBGC SECURITY DOCUMENTS, AND EACH GRANTOR HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE SECURED PARTY TO BRING PROCEEDINGS AGAINST ANY GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY ANY GRANTOR AGAINST THE SECURED PARTY INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THE SECURED OBLIGATIONS, THIS SECURITY AGREEMENT OR ANY OF THE OTHER PBGC SECURITY DOCUMENTS SHALL BE BROUGHT ONLY IN A COURT IN THE DISTRICT OF COLUMBIA.

6.18 WAIVER OF JURY TRIAL. EACH GRANTOR HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THE SECURED OBLIGATIONS, THIS SECURITY AGREEMENT, THE RELATIONSHIP ESTABLISHED HEREUNDER, ANY OF THE OTHER PBGC SECURITY DOCUMENTS OR THE RELATIONSHIPS ESTABLISHED THEREUNDER.

6.19 Indemnity. Each Grantor hereby agrees to indemnify the Secured Party and its successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, costs and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Secured Party is a party thereto) imposed on, incurred by or asserted against the Secured Party or its successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement or any of the other PBGC Security Documents, or the manufacture, purchase, acceptance, rejection,

ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Secured Party or any Grantor, and any claim for Patent, Trademark or Copyright infringement). The Grantors' obligation to indemnify the Secured Party pursuant to this Section 6.19 shall be a Secured Obligation payable on demand.

6.20 Counterparts. This Security Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Security Agreement by signing any such counterpart.

## ARTICLE VII

### NOTICES

7.1 Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent by United States mail, telecopier, personal delivery or nationally established overnight courier service, and shall be deemed received (a) when received, if sent by hand or overnight courier service, or mailed by certified or registered mail notices, or (b) when sent, if sent by telecopier (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient), in each case addressed to the Grantors or to the Secured Party at the notice address set forth on Exhibit A.

7.2 Change in Address for Notices. Each of the Grantors and the Secured Party may change the address for service of notice upon it by a notice in writing to the other parties.

[Signature Page Follows]

IN WITNESS WHEREOF, the Grantors and the Secured Party have executed this Security Agreement as of the date first above written.


LYON WORKSPACE PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

SYCAMORE SYSTEMS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

PARIS METAL PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

PRIDE METAL L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

DURAND PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

TARGETED MARKETING, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

L & D GROUP, INC.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

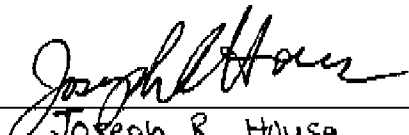
LYON METAL, INC.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

MILLER GLOBAL SOLUTIONS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

THE PENSION BENEFIT GUARANTY  
CORPORATION

By:   
Name: Joseph R. House  
Title: Director DISC

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Lyon Workspace Products,  
LLC**

- I. Name of Grantor: Lyon Workspace Products, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE 3296361
- V. Federal Identification Number: 36-4399222
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:

420 N. Main Street  
Mongtomery, IL 60538  
Attention: Robert Miller

VII. Locations of Collateral:

- (a) Properties Owned by the Grantor:

420 N. Main Street  
Mongtomery, IL 60538

1701 Kentucky Street  
Michigan City, IN 46360

- (b) Properties Leased by the Grantor (Include Landlord's Name):

360 Commerce



Grand Prairie, TX 75052  
Landlord: Walton CWTX 360 I CC 89, LP (WCV Commercial  
Properties)

524 Imperial Court  
Bensalem, PA 19020  
Landlord: Cobalt Industrial REIT

2650 A Lindsay Privado  
Ontario, CA 91761  
Landlord: Mico Archibald Partners  
Majestic Realty

475 N Veterans Parkway  
Watska, IL 60970  
Landlord: City of Watska

(c) Public Warehouses or other Locations pursuant to Bailment or  
Consignment Arrangements (include name of Warehouse Operator or other  
Bailee or Consignee):

ADS Logistics/Roll and Hold  
725 George Nelson Street  
Portage, IN 46368

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Sycamore Systems, LLC**

- I. Name of Grantor: Sycamore Systems, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE 2577092
- V. Federal Identification Number: 36-4061996
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:
  - 449 N California St
  - Sycamore, IL 60178
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):
    - 449 N California St
    - Sycamore, IL 60178
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**TRADEMARK**

**REEL: 003958 FRAME: 0058**

Mountain State Warehousing  
5501 E 47<sup>th</sup> Avenue, #A  
Denver, CO 80216

Kleen-Tex Canada  
6970 Pacific Circle  
Mississauga, Ontario, Canada L5T1N8

Lokker Repair Service  
90 Dayton Avenue Building J  
Passaic, NJ 07055

Total Warehousing  
6063 Boat Rock Road  
Atlanta, GA 30336

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Paris Metal Products, LLC**

- I. Name of Grantor: Paris Metal Products, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE 2975989
- V. Federal Identification Number: 36-4262846
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:
  - 13571 IL Highway 133
  - Paris, IL 61944
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
    - 13571 IL Highway 133
    - Paris, IL 61944
  - (b) Properties Leased by the Grantor (Include Landlord's Name):
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**TRADEMARK**

**REEL: 003958 FRAME: 0060**

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Pride Metal, LLC**

- I. Name of Grantor: Pride Metal, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE 2955124
- V. Federal Identification Number: 36-4261253
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:  

475 N Veterans Parkway  
Watseka, IL 60970
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):  

Note: Shares the Lyon leased facility at the same address
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**EXHIBIT A**  
**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

INFORMATION AND COLLATERAL LOCATIONS OF Durand Products, LLC

- I. Name of Grantor: Durand Products, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE  
2777097
- V. Federal Identification Number: 23-2834838
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one  
place of business) and Mailing Address:

524 Imperial Court  
Bensalem, PA 19020

- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):  
  
Note: Shares the Lyon leased facility at the same address
  - (c) Public Warehouses or other Locations pursuant to Bailment or  
Consignment Arrangements (include name of Warehouse Operator or other  
Bailee or Consignee):

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Targeted Marketing, LLC**

- I. Name of Grantor: Targeted Marketing, LLC
- II. State of Incorporation or Organization: Delaware
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: DE 2577115
- V. Federal Identification Number: 34-4061994
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:
  - 420 N Main Street
  - Montgomery, IL 60538
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**EXHIBIT A**

**NOTICE ADDRESS FOR ALL GRANTORS**

c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF Miller Global Solutions, LLC**

- I. Name of Grantor: Miller Global Solutions, LLC
- II. State of Incorporation or Organization: Illinois
- III. Type of Entity: Limited Liability Company
- V. Organizational Number assigned by State of Incorporation or Organization: IL 0144368-2
- V. Federal Identification Number: 20-2461891
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:
  - 420 N Main St
  - Montgomery, IL 60538
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**TRADEMARK**

**REEL: 003958 FRAME: 0064**



**EXHIBIT A**

**(See Sections 3.2, 3.3, 3.4, 3.9 and 9.1 of Security Agreement)**

**NOTICE ADDRESS FOR ALL GRANTORS**

L & D GROUP, INC.  
c/o Mr. Douglas Harrison  
P.O. Box 617  
Aurora, Illinois 60507  
Attention : 630/892-8941  
Facsimile: 6301906-3539

**INFORMATION AND COLLATERAL LOCATIONS OF L & D GROUP, INC**

- I. Name of Grantor: L & D GROUP, INC.
- II. State of Incorporation or Organization: DELAWARE
- III. Type of Entity: CORPORATION
- IV. Organizational Number assigned by State of Incorporation or Organization: DE2066643
- V. Federal Identification Number: 36-3373310
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:  

420 North Main Street Montgomery,  
Illinois 60538  
Attention: Mr. Douglas M. Harrison
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:  

NONE
  - (b) Properties Leased by the Grantor (Include Landlord's Name):  

NONE
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee).  

NONE

**EXHIBIT B**

**(See Section 3.5 of Security Agreement)**

**DEPOSIT ACCOUNTS**

<u>Name of Grantor</u>	<u>Name of Institution</u>	<u>Account Number</u>	Check here if Deposit Account is a Collateral <u>Deposit Account</u>	Description of Deposit Account if not a Collateral <u>Deposit Account</u>

**EXHIBIT C**  
**INTELLECTUAL PROPERTY RIGHTS**

**PATENTS**

<u>Name of Grantor</u>	<u>Patent Description</u>	<u>Patent Number (Appl. Number)</u>	<u>Issue Date (Filing Date)</u>
Lyon Workspace Products, LLC	Chair Back	D 409864	05/18/1999
Lyon Workspace Products, LLC	Chair Seat	D 408664	04/27/1999
Lyon Workspace Products, LLC	Shelving System	5452812	09/26/1995
Lyon Workspace Products, LLC	Storage Rack Locking Beam-to-Column Connection	6352164	03/05/2002
Lyon Workspace Products, LLC	Locker Latch Assembly	(10/925692)	(08/24/2004)
Lyon Workspace Products, LLC	Locker Latch Assembly	(0410097991.6)	(12/01/2004)
Lyon Workspace Products, LLC	Locker Latch Assembly	(6106067.9)	(05/26/2006)
Lyon Workspace Products, LLC	Handle Housing	(11/105206)	(04/13/2005)
Lyon Workspace Products, LLC	Handle Housing	(0510115337.8)	(11/14/2005)
Lyon Workspace Products, LLC	Steel Cabiner and Locker	(11/729812)	(03/29/2007)

**TRADEMARKS**

<u>Name of Grantor</u>	<u>Trademark</u>	<u>Registration Date (Filing Date)</u>	<u>Registration Number (Appl. Number)</u>
Lyon Workspace Products, L.L.C.	XL-3000	12/11/01	2518364
Lyon Workspace Products, L.L.C.	Bigfoot	6/11/02	2579432
Lyon Workspace Products, L.L.C.	Workflor	10/9/01	2497248
Lyon Workspace Products, L.L.C.	Workflor	5/6/08	3421396
Lyon Workspace Products, L.L.C.	Homeland	(11/6/04)	(76/623257)
Lyon Workspace Products, L.L.C.	E-Z	12/4/01	2515660
Lyon Workspace Products, L.L.C.	Sky-wal	8/6/96	1992070
Lyon Workspace Products, L.L.C.	Labels Labels Labels On Command	12/15/92	1739823
Lyon Workspace Products, L.L.C.	Ergo-bench	3/23/93	1759910
Lyon Workspace Products, L.L.C.	Lyon	12/12/89	1570623
Lyon Workspace Products, L.L.C.	Exchange Master	7/19/88	1496799
Lyon Workspace Products, L.L.C.	Lockerrack	7/18/89	1548323
Lyon Workspace Products, L.L.C.	Safetylink	6/13/89	1543228
Lyon Workspace Products, L.L.C.	Val/Tec	2/12/85	1319400
Lyon Workspace Products, L.L.C.	Lyon	11/27/73	973836
Lyon Workspace Products, L.L.C.	Lyon	2/6/68	843704

<u>Name of Grantor</u>	<u>Trademark</u>	<u>Registration Date (Filing Date)</u>	<u>Registration Number (Appl. Number)</u>
Lyon Workspace Products, L.L.C.	Lyon	5/21/63	749664
Lyon Workspace Products, L.L.C.	Lyon	4/28/53	573619
Lyon Workspace Products, L.L.C.	Lyon	7/17/51	545042
Lyon Workspace Products, L.L.C.	Lyon	2/10/53	570062
Lyon Workspace Products, L.L.C.	Lyon	3/10/53	571461
Lyon Workspace Products, L.L.C.	Durand	3/15/94	1827068
Lyon Workspace Products, L.L.C.	Bullet-Proof	4/9/96	1966218
Lyon Workspace Products, L.L.C.	Lyon	10/12/04	501130
Lyon Workspace Products, L.L.C.	Lyon	11/1/99	873984
Lyon Workspace Products, L.L.C.	Lyon	4/18/00	876272
Lyon Workspace Products, L.L.C.	Lyon	4/20/01	234364
Lyon Workspace Products, L.L.C.	Lyon	3/21/99	1257248
Lyon Workspace Products, L.L.C.	Lyon	4/20/01	234365
Lyon Workspace Products, L.L.C.	Lyon (in Chinese)	2/21/08	4631888

COPYRIGHTS

NONE

Notwithstanding anything herein to the contrary, this Joinder to Security Agreement and the rights, remedies and obligations of the parties hereunder are subject to, and subordinate in the manner and to the extent set forth in, that certain Subordination Agreement dated as of November 30, 2007 (as amended, restated, supplemented, replaced, substituted, renewed, Refinanced (as defined below) and otherwise modified from time to time, the "Subordination Agreement") among Capital One Leverage Finance Corp., formerly know as North Fork Business Capital Corp., the Pension Benefit Guaranty Corporation, Lyon Workspace Products, L.L.C., Pride Metal L.L.C., Sycamore Systems, L.L.C., Paris Metal Products, L.L.C., Durand Products, L.L.C., Targeted Marketing, L.L.C., L & D Group, Inc. and Miller Global Solutions, L.L.C. In the event of any conflict between the terms of this Joinder to Security Agreement and the Subordination Agreement, the terms of the Subordination Agreement shall govern.

### JOINDER TO SECURITY AGREEMENT

THIS JOINDER TO SECURITY AGREEMENT (this "Joinder"), dated as of July \_\_, 2008, is executed by Lyon Workspace, Inc., a California corporation (the "New Subsidiary"). All capitalized terms used herein and not otherwise defined shall have the meanings set forth in that certain Security Agreement dated as of March 19, 2008 among The Pension Benefit Guaranty Corporation (the "Secured Party"), a wholly-owned United States government corporation created by Title IV of the Employee Retirement Income Security Act of 1974, as amended, acting on behalf of the Retirement Plan for Hourly Employees of the Aurora, Illinois Facility of Lyon Workspace Products, L.L.C., and Lyon Workspace Products, L.L.C., Pride Metal L.L.C., Sycamore Systems, L.L.C., Paris Metal Products, L.L.C., Durand Products, L.L.C., Targeted Marketing, L.L.C., L&D Group, Inc., and Miller Global Solutions, L.L.C. (as amended or otherwise modified to the date hereof, the "Security Agreement").

By its execution of this Joinder, the New Subsidiary hereby acknowledges, agrees and confirms that the New Subsidiary will be deemed to be a "Grantor" for all purposes of the Security Agreement. New Subsidiary hereby pledges, assigns and grants to the Secured Party a security interest in all of its right, title and interest in, to and under all Collateral. New Subsidiary shall have all of the obligations of a Grantor under the Security Agreement as if it had executed the Security Agreement. The New Subsidiary hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Security Agreement.

*{signature pages follow}*


IN WITNESS WHEREOF, the New Subsidiary has caused this Joinder to be duly executed by its authorized officer, as of the day and year first above written.

LYON WORKSPACE, INC., a California corporation

By:   
Name: Douglas M Harrison  
Title: President

Acknowledged and agreed to this  
\_\_\_\_ day of \_\_\_\_\_, 2008

PENSION BENEFIT GUARANTY CORPORATION

By:   
Name: JOSEPH R. HOUSE  
Title: Director, DISC

LYON WORKSPACE PRODUCTS, L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer

PRIDE METAL L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer


SYCAMORE SYSTEMS, L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer


PARIS METAL PRODUCTS, L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer

DURAND PRODUCTS, L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer

TARGETED MARKETING, L.L.C.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer

L & D GROUP, INC.

By:   
Name: Douglas M Harrison  
Title: Chief Operating Officer

MILLER GLOBAL SOLUTIONS, L.L.C.

By 

Name: Douglas M Harrison

Title: Chief Operating Officer



**EXHIBIT A**

**(SEE SECTIONS 3.2, 3.3, 3.4, 3.9 AND 9.1 OF SECURITY AGREEMENT)**

**NOTICE ADDRESS FOR ALL GRANTORS**

\_\_\_\_\_  
c/o \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**INFORMATION AND COLLATERAL LOCATIONS OF {Insert name of applicable Grantor}**

- I. Name of Grantor: Lyon Workspace Products, Inc.
- II. State of Incorporation or Organization: California
- III. Type of Entity: S-Corporation
- IV. Organizational Number assigned by State of Incorporation or Organization: 03091779
- V. Federal Identification Number: 26-2270386
- VI. Place of Business (if it has only one) or Chief Executive Office (if more than one place of business) and Mailing Address:  

420 N Main Street  
Montgomery, IL 60538
- VII. Locations of Collateral:
  - (a) Properties Owned by the Grantor:
  - (b) Properties Leased by the Grantor (Include Landlord's Name):
  - (c) Public Warehouses or other Locations pursuant to Bailment or Consignment Arrangements (include name of Warehouse Operator or other Bailee or Consignee):

**PATENT, TRADEMARK AND COPYRIGHT  
SECURITY AGREEMENT**

This Patent, Trademark and Copyright Security Agreement (this "Agreement") is made as of the 10<sup>th</sup> day of September, 2008 by and among Lyon Workspace Products, L.L.C. ("Lyon"), a Delaware limited liability company, Sycamore Systems, L.L.C., a Delaware limited liability company, Paris Metal Products, L.L.C., a Delaware limited liability company, Pride Metal, L.L.C., a Delaware limited liability company, Durand Products, L.L.C., a Delaware limited liability company, Targeted Marketing, L.L.C., a Delaware limited liability company (each a "Borrower" and collectively, the "Borrowers"), L & D Group, Inc., a Delaware corporation, Miller Global Solutions, L.L.C., an Illinois limited liability company, and Lyon Workspace, Inc., a California corporation (together with Borrowers, each a "Grantor" and collectively, the "Grantors"), and the Pension Benefit Guaranty Corporation ("Secured Party"), a wholly-owned United States government corporation created by Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), acting on behalf of the Retirement Plan for Employees of Lyon Workspace Products, L.L.C. (the "Lyon Retirement Plan").

W I T N E S S E T H

WHEREAS, Lyon, as sponsor of the Lyon Retirement Plan, obtained the Funding Waiver from the IRS, which required as a condition of granting the Funding Waiver that collateral acceptable to Secured Party be provided to the Lyon Retirement Plan to secure the Secured Obligations in connection therewith, and pursuant to Section 412(f)(3)(A)(ii) of the Old Code and Section 306(A)(2) of Old ERISA, such security may be perfected and enforced only by Secured Party on behalf of the Lyon Retirement Plan.

WHEREAS, a certain Security Agreement dated as of March 19, 2008 among Secured Party and Grantors (the "Security Agreement") grants to Secured Party, on behalf of the Lyon Retirement Plan, among other things, a continuing security interest in certain of Grantors' assets, including, without limitation, their patents, patent rights and applications therefor, trademarks and applications therefor, copyrights and all applications and registrations therefor, license rights and goodwill.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors hereby agree as follows:

1. Incorporation of Security Agreement: Security Agreement Definitions. The Security Agreement and the provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Security Agreement.

2. Grant of Security Interest. To secure the complete and timely payment and satisfaction of the Secured Obligations, each Grantor hereby grants to Secured Party a continuing security interest in such Grantor's entire right, title and interest in and to any and all of its now owned or existing and hereafter acquired or arising:

(a) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, all patentable inventions and those patents and patent applications listed on Schedule A attached hereto, and the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing, 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 (collectively, the "Patents");

(b) copyrights, rights and interests in copyrights, works protectable by copyrights, copyright registrations and copyright applications, including, without limitation, the copyright registrations and applications listed on Schedule B attached hereto, and all renewals of any of the foregoing, all income, royalties, damages and payments now and 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 (collectively, the "Copyrights");

(c) 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 in connection therewith, including, without limitation, the trademarks and applications listed in Schedule C attached hereto 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 (collectively, the "Trademarks"); and

(d) rights corresponding to any of the foregoing throughout the world and the goodwill of its business connected with the use of and symbolized by the Trademarks.

In addition to, and not by way of limitation of, all other rights granted to Secured Party under this Agreement, each Grantor hereby assigns, transfers and conveys, effective upon the occurrence of any Default, to Secured Party all of the Patents, Copyrights and Trademarks, together with the rights and goodwill described in clause (d) above to the extent necessary to enable Secured Party to realize on such property and any successor or assign to enjoy the benefits thereof. This right and assignment shall inure to the benefit of Secured Party and its successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such right and assignment is granted free of charge, without requirement that any monetary payment whatsoever (including, without limitation, any royalty or license fee) be made to any Grantor or any other person or entity by Secured Party (except that if Secured Party shall receive proceeds from the disposition of any such property, such proceeds shall be applied to the Secured Obligations).

3. Reports of Applications. The Patents, Copyrights and Trademarks listed on Schedules A, B and C, respectively, constitute all of the federally registered patents, copyrights and trademarks, and all of the federal applications therefor owned by each Grantor. Each Grantor shall provide Secured Party on an annual basis with a list of all patents, copyrights and trademarks issued or applied for by such Grantor subsequent to the issuance of the previous list, which patents, copyrights and trademarks, if any, shall be subject to the terms and conditions of the Security Agreement and this Agreement.

4. Effect on Security Agreement; Cumulative Remedies. Each Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Secured Party under the Security Agreement or applicable law but rather is intended to supplement and facilitate the exercise of such rights and remedies. All of the rights and remedies of Secured Party with respect to the Patents, Copyrights and Trademarks, whether established hereby or by the Security Agreement, by any other agreements, or by law, shall be cumulative and may be exercised singularly or concurrently. NOTWITHSTANDING ANY PROVISION HEREIN CONTAINED TO THE CONTRARY, SECURED PARTY SHALL HAVE NO RIGHT TO USE AND ENFORCE THE

PATENTS, COPYRIGHTS AND TRADEMARKS UNLESS AND UNTIL THE OCCURRENCE OF A DEFAULT, AND UNTIL THE OCCURRENCE OF A DEFAULT, GRANTORS SHALL HAVE ALL OF SUCH RIGHTS.

5. Binding Effect; Benefits. This Agreement shall be binding upon each Grantor and its respective successors and assigns, and shall inure to the benefit of Secured Party and its successors and assigns.

6. APPLICABLE LAW; SEVERABILITY. THIS AGREEMENT SHALL BE CONSTRUED IN ALL RESPECTS IN ACCORDANCE WITH, AND GOVERNED BY, ALL OF THE PROVISIONS OF THE ILLINOIS UNIFORM COMMERCIAL CODE AND BY THE OTHER INTERNAL LAWS (AS OPPOSED TO CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, EXCEPT FOR THE PERFECTION AND ENDORSEMENT OF SECURITY INTERESTS AND LIENS IN OTHER JURISDICTIONS, WHICH SHALL BE GOVERNED BY THE LAWS OF THOSE JURISDICTIONS OR, AS APPLICABLE, BY THE LAWS OF THE UNITED STATES OF AMERICA. WHENEVER POSSIBLE, EACH PROVISION OF THIS AGREEMENT SHALL BE INTERPRETED IN SUCH A MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS AGREEMENT SHALL BE PROHIBITED BY OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE ONLY TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF SUCH PROVISIONS OR THE REMAINING PROVISIONS OF THIS AGREEMENT.

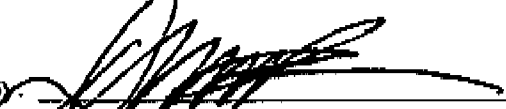
*[signature pages follow]*

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

LYON WORKSPACE PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

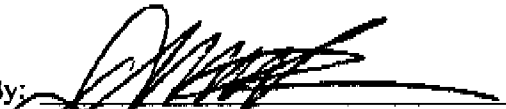
SYCAMORE SYSTEMS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

PARIS METAL PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

PRIDE METAL L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

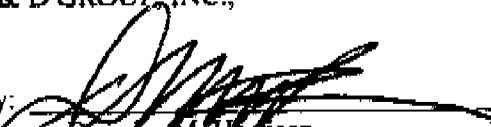
DURAND PRODUCTS, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer


TARGETED MARKETING, L.L.C.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

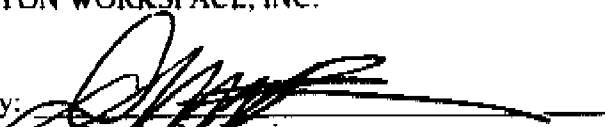
L & D GROUP, INC.,

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

MILLER GLOBAL SOLUTIONS, L.L.C.

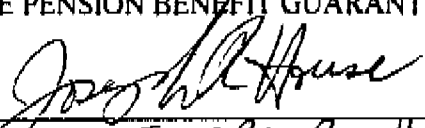
By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

LYON WORKSPACE, INC.

By:   
Name: Douglas M. Harrison  
Title: Chief Operating Officer

Accepted and Agreed to:

THE PENSION BENEFIT GUARANTY CORPORATION

By:   
Name: JOSEPH R. HOUSE  
Its: Director, PISC

**SCHEDULE A**

**PATENTS**

<b>PATENT DESCRIPTION</b>	<b>COUNTRY</b>	<b>PATENT NO.</b>	<b>OWNER</b>
Chair Back	US	D 409864	Lyon Workspace Products, L.L.C.
Chair Seat	US	D 408664	Lyon Workspace Products, L.L.C.
Shelving System	US	5452812	Sycamore Systems, L.L.C.
Storage Rack Locking Beam-to-Column Connection	US	6352164	Lyon Workspace Products, L.L.C.

CHI 11348950.1

**SCHEDULE B**  
**COPYRIGHT REGISTRATIONS**

**NONE**



SCHEDULE C

TRADEMARK REGISTRATIONS

MARK	COUNTRY	REG. NO. (APPL. NO.)	REG. DATE (APPL. DATE)	OWNER
XL-3000	US	2518364	12/11/01	Lyon Workspace Products, L.L.C.
Bigfoot	US	2579432	6/11/02	Lyon Workspace Products, L.L.C.
Workflor	US	2497248	10/9/01	Lyon Workspace Products, L.L.C.
Workflor	US	(77/095771)	(1/31/07)	Lyon Workspace Products, L.L.C.
Homeland	US	(76/623257)	(11/6/04)	Lyon Workspace Products, L.L.C.
E-Z	US	2515660	12/4/01	Lyon Workspace Products, L.L.C.
Sky-waj	US	1992070	8/6/96	Lyon Workspace Products, L.L.C.
Labels Labels Labels On Command	US	1739823	12/15/92	Lyon Workspace Products, L.L.C.
Ergo-beach	US	1759910	3/23/93	Lyon Workspace Products, L.L.C.
Lyon	US	1570623	12/12/89	Lyon Workspace Products, L.L.C.
Exchange Master	US	1496799	7/19/88	Lyon Workspace Products, L.L.C.
Lockerack	US	1548323	7/18/89	Lyon Workspace Products, L.L.C.
Safetylink	US	1543228	6/13/89	Lyon Workspace Products, L.L.C.
MSS II	US	1450354	8/4/87	Lyon Workspace Products, L.L.C.
Val/Tec	US	1319400	2/12/85	Lyon Workspace Products, L.L.C.
Lyon	US	973836	11/27/73	Lyon Workspace Products, L.L.C.
Lyon	US	843704	2/6/68	Lyon Workspace Products, L.L.C.
Lyon	US	749664	5/21/63	Lyon Workspace Products, L.L.C.
Lyon	US	573619	4/28/53	Lyon Workspace Products, L.L.C.
Lyon	US	545042	7/17/51	Lyon Workspace Products, L.L.C.
Lyon	US	570062	2/10/53	Lyon Workspace Products, L.L.C.
Lyon	US	571461	3/10/53	Lyon Workspace Products, L.L.C.
Durand	US	1827068	3/15/94	Durand Products, L.L.C.
Bullet-Proof	US	1966218	4/9/96	Targeted Marketing, L.L.C.
Lyon	Mexico	501130	10/12/04	Lyon Workspace Products, L.L.C.
Lyon	Taiwan	873984	11/1/99	Lyon Workspace Products, L.L.C.
Lyon	Taiwan	876272	4/18/00	Lyon Workspace Products, L.L.C.
Lyon	Colombia	234364	4/20/01	Lyon Workspace Products, L.L.C.
Lyon	China	1257248	3/21/99	Lyon Workspace Products, L.L.C.
Lyon	Colombia	234365	4/20/01	Lyon Workspace Products, L.L.C.
Lyon (in Chinese)	China	(4631888)	(4/28/05)	Lyon Workspace Products, L.L.C.

CHI 1134601.1