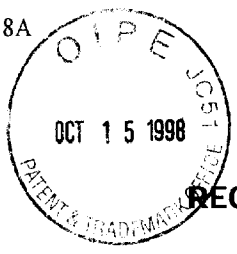


MRE 10-15-98

FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027

10-20-1998

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK



100853179

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

#### Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

#### Conveyance Type

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year  
\_\_\_\_\_
- Merger
- Change of Name
- Other Release

#### Conveying Party

Mark if additional names of conveying parties attached

Name Chase Manhattan Bank, N.A. Execution Date  
Month Day Year  
01/26/96

Formerly \_\_\_\_\_

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other \_\_\_\_\_
- Citizenship/State of Incorporation/Organization Delaware

#### Receiving Party

Mark if additional names of receiving parties attached

Name Systems Control, Inc.

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 246 Sobrante Way

Address (line 2) \_\_\_\_\_

Address (line 3) Sunnyvale California, USA 94086

City State/Country Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other \_\_\_\_\_
- Citizenship/State of Incorporation/Organization Delaware

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

#### FOR OFFICE USE ONLY

10/20/1998 DNGUYEN 00000074 1224663  
01 FC:481 40.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 1801 FRAME: 0208

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

(212) 735-4133

Name

James Talbot

Address (line 1)

Skadden Arps Slate Meagher & Flom LLP

Address (line 2)

919 Third Avenue

Address (line 3)

New York, New York 10022

Address (line 4)

USA

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

15

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

1,224,663	<input type="text"/>	<input type="text"/>
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**Number of Properties**

Enter the total number of properties involved.

#

1

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

40.00

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

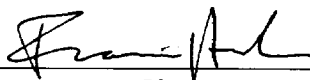
Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Francis Hsueh



10/15/98

Name of Person Signing

Signature

Date Signed

**AGREEMENT AND LIMITED WAIVER**January 26, 1996

Systems Control Acquisition Corp.  
 Systems Control, Inc. (Delaware)  
 Systems Control Indiana Corp.  
 Systems Control, Inc. (Washington)  
 SC Testing Technology, Inc.  
 246 Sobrante Way  
 Sunnyvale, CA 94086  
 Attn: Robert Miller

McCown DeLeeuw & Co.  
 3000 Sand Hill Road  
 Building 3, Suite 290  
 Menlo Park, CA 94025  
 Attn: George McCown

Ladies and Gentlemen:

Reference is made to each of (i) the Senior Credit Agreement dated as of September 29, 1994 (the "Loan Date"), as amended (the "Credit Agreement"; the terms defined therein being used herein as therein defined), among Systems Control Acquisition Corp., a Delaware corporation ("Holdings"), Systems Control Merger Corp., a Delaware corporation ("Merger Corp."), the financial institutions listed on Schedule I thereto ("Banks") and The Chase Manhattan Bank, N.A., as agent for Banks and the issuing Bank ("Agent"); (ii) the separate Conditional Assignments of and Security Interest in Intellectual Property Rights (Patent) (Trademark), each dated as of the Loan Date made by System Control, Inc., a Delaware corporation ("SCI"), as the surviving corporation to the merger with Merger Corp., in favor of Agent (collectively, the "Conditional Assignments"), (iii) the Security Agreement dated as of the Loan Date between Merger Corp. and Agent (the "SCI Security Agreement"), (iv) the Pledge Agreement dated as of the Loan Date between SCI and Agent (the "SCI Pledge Agreement"); (v) the Subsidiary Guarantee in favor of Agent made by each of System Control Indiana Corp., a Delaware corporation ("SCI-IN"), SC Testing Technology, Inc., a Delaware corporation ("SCI-ME"), and Systems Control, Inc., a Washington corporation ("SCI-WA"), with respect to the Obligations and dated as of the Loan Date (the "SCI-IN Guarantee", the "SCI-ME Guarantee" and the "SCI-WA Guarantee").

1996  
 AGREEMENT AND LIMITED WAIVER

respectively, and, collectively, the "Unsecured Guarantees"), (vi) the Security Agreement dated as of the Loan Date between SCI-ME and Agent (the "ME Security Agreement"); collectively, the Credit Agreement, the Conditional Assignment, the SCI Security Agreement, the SCI Pledge Agreement, the Unsecured Guarantees, the Secured Guarantee and the ME Security Agreement are the "Specified Loan Documents".

Holdings, SCI, SCI-IN, SCI-WA and SCI-ME (collectively, the "Requesting Parties") have informed Agent and Banks that:

- (i) SCI and Envirotec Acquisition Co., a Delaware corporation ("Envirotec"), have entered into a Stock Purchase Agreement dated as of the date hereof (together with all exhibits, schedules and other documents and instruments relating thereto, the "Stock Purchase Agreement"), pursuant to which, among other things (1) Envirotec agrees to purchase and SCI agrees to sell all of SCI's right, title and interest in the capital stock of SCI-WA (the "Shares"), (2) SCI sells and assigns to Envirotec or an affiliate thereof all of its right, title and interest in and to (x) all intellectual property owned by, registered in the name of, licensed to, or used in the business of, SCI or any of its affiliates (the "Intellectual Property"), subject to a non-exclusive, royalty free license from Envirotec to SCI and its affiliates with respect to the Intellectual Property, and (y) certain leases, contracts and other agreements identified in the Assignment and Assumption Agreements between SCI and Envirotec or an affiliate thereof entered into pursuant to the Stock Purchase Agreement with respect to (A) the real property located at 246 Sobrante Way and 250 Sobrante Way, Sunnyvale, California and (B) otherwise relating to the vehicle emissions testing programs in the state of Washington (the "Related Property"), and (3) SCI grants to Envirotec an option to purchase all of the outstanding capital stock or assets of SCI-IN (the "Option") on the terms set forth in the Stock Purchase Agreement; and
- (ii) SCI and certain of its affiliates and Snap-On Incorporated and Sun Electric Corporation have entered into mutual releases with respect to obligations set forth therein (the "Releases").

Copies of the Stock Purchase Agreement and all other related agreements, exhibits and documents are attached hereto as Exhibit A. Collectively, the foregoing agreements, each in their current form, are referred to herein as the "Transaction Documents" and the transactions expressly provided for in the Transaction Documents are collectively referred to herein as the "Permitted Transactions."

Effective as of the date hereof, and in consideration of Banks entering into this Agreement and Limited Waiver, each of the Requesting Parties (other than SCI-WA) heroby:

(i) transfers and assigns to Agent for the benefit of Banks, as collateral security for the payment of the Obligations and not in satisfaction of the Obligations, all of the Requesting Party's right, title and interest in, to and under the Transaction Documents (including, without limitation, the right to receive and retain all payments to be made thereunder and all intellectual property licenses granted to SCI and its affiliates thereunder); provided, that nothing contained herein or in the Transaction Documents shall obligate Banks to assume any obligations of the Requesting Party under the Transaction Documents (it being understood that, upon foreclosure, the Agent shall abide by the covenants set forth in the License Agreement (as defined in the Stock Purchase Agreement) with respect to the Intellectual Property); and

(ii) acknowledges that the understandings and agreements, if any, of the Banks with respect to the funding of severance obligations by SCI or any of its affiliates, including, without limitation, as set forth in the term sheet entitled "Severance Funding Proposal" attached hereto as Exhibit B, are terminated as of the date hereof and are without any further force or effect.

Agent hereby agrees that upon receipt by Agent of any payment pursuant to the terms of the Transaction Documents or the terms hereof, such payment shall be applied in respect of the Obligations in accordance with the terms of the Credit Agreement.

At the request of the Requesting Parties, and subject to the terms of this Agreement and Limited Waiver and the consummation of the Permitted Transactions in accordance with the terms hereof, the undersigned Banks, constituting all Banks, hereby (i) waive compliance with the provisions of the Credit Agreement and the other Credit Documents, including the Specified Loan Documents that would be violated by the Permitted Transactions but for this Agreement and Limited Waiver (collectively, the "Applicable Provisions") to the extent, and only to the extent, necessary to permit the Permitted Transactions (including the execution and delivery of the Releases) to be consummated as expressly provided for in the Transaction Documents, (ii) consent to the execution, delivery and performance of the Stock Purchase Agreement and the other Transaction Documents by SCI and its affiliate parties thereto, (iii) consent to the sale and/or assignment under the Transaction Documents of the Shares (it being understood and agreed that in connection therewith all proxies given to Agent by SCI in respect of the Shares shall be deemed terminated and of no further force or effect upon such sale and/or assignment), the Intellectual Property and the Related Property free and clear of Agent's security interest therein, which security interest shall attach to the proceeds of such sale, (iv) release and discharge SCI-WA from any further obligation under the SCI-WA Guarantee and each other Specified Loan Document and (v) consent to the

execution and delivery of the Releases by SCI and its affiliates. In addition, subject to the terms of this Agreement and Limited Waiver, Banks consent to the sale of the stock or assets of SCI-IN, free and clear of Agent's interest therein (including, without limitation, pursuant to the Specified Loan Documents), and other transactions contemplated by the Option on terms substantially in accordance with the Stock Purchase Agreement, with such changes to such terms and such other documentation contemplated thereby as shall be acceptable to Agent, provided that (a) Agent is given not less than 20 days prior written notice of the exercise of the Option, (b) on or prior to the exercise of, and any performance under, the Option, SCI shall have entered into such agreements as Agent may require further evidencing the assignment by SCI to Agent of all of SCI's right (including right to payments), title and interest in and to all agreements, instruments and other documentation executed and delivered in connection with the Option, and (c) all transactions contemplated by the Option close no later than March 15, 1996.

Without limiting the generality of the provisions of subsection 12.10 of the Credit Agreement, the waiver set forth herein shall be limited precisely as written and relates solely to the noncompliance under the Credit Agreement and the Specified Loan Documents with the Applicable Provisions by any of the Requesting Parties as a result of the execution and delivery of the Transaction Documents and the consummation of the Permitted Transactions, and nothing in this Agreement and Limited Waiver shall be deemed to (i) constitute a waiver of compliance by any of the Requesting Parties with respect to (a) the Applicable Provisions in any other instance or (b) any other term, provision or condition of the Specified Loan Documents or any other instrument or agreement referred to therein (whether in connection with the Permitted Transactions or otherwise); or (ii) prejudice any right or remedy that Agent or any Bank may now have (except to the extent such right or remedy was based upon existing defaults that will not exist after giving effect to this Agreement and Limited Waiver) or may have in the future under or in connection with the Specified Loan Documents or any other instrument or agreement referred to therein. Except as expressly set forth herein, the terms, provisions and conditions of the Specified Loan Documents and the other Credit Documents shall remain in full force and effect and in all other respects are hereby ratified and confirmed.

In order to induce Banks to enter into this Agreement and Limited Waiver, SCI, by its execution of a counterpart of this Agreement and Limited Waiver, represents and warrants that after giving effect to this Agreement and Limited Waiver, except as otherwise disclosed in that certain Forbearance Agreement, dated as of September 1, 1995 between the Requesting Parties and the Banks (the "Forbearance Agreement"), (a) no Event of Default exists under the Credit Agreement (as "Event of Default" is defined for the purposes of the Forbearance Agreement), (b) all representations and warranties contained in the Credit Agreement and the other Credit Documents are true, correct and complete in all material respects on and as of the date hereof except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true, correct and complete in all material respects on and as of such

1. The receipt by Agent upon the execution and delivery by SCI of the Stock Purchase Agreement of not less than \$2.35 million in immediately available funds; and
2. The receipt by Agent, on or prior to the date hereof, of a written statement of the chief financial officer of SCI certifying, as of the date hereof, the aggregate amount of cash and cash equivalents of SCI, SCI-ME, SCI-IN and Systems Control Michigan Corp. after payment of the amounts provided for herein.

Each of the Requesting Parties represents and warrants that the Transaction Documents are consistent in form and substance, and do not conflict in any manner, with any provision of this Agreement and Limited Waiver, provided however that SCI-WA shall have no liability for any breach of the foregoing representation and warranty. So long as any Obligations remain outstanding, none of the Transaction Documents shall be amended or modified and none of the obligations of Envirotest thereunder shall be waived without the prior written consent of Agent.

This Agreement and Limited Waiver shall be effective when fully executed and acknowledged as provided below. This Agreement and Limited Waiver may be executed and acknowledged in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered (including by telecopy) shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.


**THIS LIMITED WAIVER AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.**

---


IN WITNESS WHEREOF, the parties hereto have caused this Agreement and Limited Waiver to be duly executed and delivered as of the date first written above.

**Requesting Parties:**

**SYSTEMS CONTROL ACQUISITION CORP.**

By:   
Name: F. Robert Miller  
Title: Chief Executive Officer


**SYSTEMS CONTROL, INC.**

By:   
Name: F. Robert Miller  
Title: Chief Executive Officer

**SYSTEMS CONTROL, INC.,  
a Washington corporation**

By:   
Name: F. Robert Miller  
Title: Chief Executive Officer

**SYSTEMS CONTROL INDIANA CORP.**

By:   
Name: F. Robert Miller  
Title: Chief Executive Officer





**SC TESTING TECHNOLOGY**

By: \_\_\_\_\_  
Name:  
Title:

**Agent and Banks:**

**THE CHASE MANHATTAN BANK, N.A.,  
as Agent and Bank**

By: *Kathleen M. Brady*  
Name: *Kathleen M. Brady*  
Title: *Associate*

**CREDIT LYONNAIS  
NEW YORK BRANCH**

By: \_\_\_\_\_  
Name:  
Title:

**CREDIT LYONNAIS  
CAYMAN ISLAND BRANCH**

By: \_\_\_\_\_  
Name:  
Title:

**MORGAN GUARANTY TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

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AGREEMENT AND LIMITED WAIVER

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FROM

\*\*\*\*\*

DEC 28 1995 10:31

**SC TESTING TECHNOLOGY**

By: \_\_\_\_\_  
Name:  
Title:

*Agent and Banks:*

**THE CHASE MANHATTAN BANK, N.A.,  
as Agent and Bank**

By: \_\_\_\_\_  
Name:  
Title:

**CREDIT LYONNAIS  
NEW YORK BRANCH**

By: *Robert H. Dial*  
Name: Robert H. Dial  
Title: Vice President

**CREDIT LYONNAIS  
CAYMAN ISLAND BRANCH**

By: *Robert H. Dial*  
Name: Robert H. Dial  
Title: Authorized Signature

**MORGAN GUARANTY TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

**SC TESTING TECHNOLOGY**

By: \_\_\_\_\_  
Name:  
Title:

*Agent and Banks:*

**THE CHASE MANHATTAN BANK, N.A.,**  
as Agent and Bank

By: \_\_\_\_\_  
Name:  
Title:


**CREDIT LYONNAIS**  
**NEW YORK BRANCH**

By: \_\_\_\_\_  
Name:  
Title:

**CREDIT LYONNAIS**  
**CAYMAN ISLAND BRANCH**

By: \_\_\_\_\_  
Name:  
Title:

**MORGAN GUARANTY TRUST COMPANY**

By:   
Name: *Ump Boucker*  
Title: *Vice President*

**THE TRAVELERS INSURANCE COMPANY**

By: AW Carnduff  
Name: AW CARNDUFF  
Title: 2nd Vice President

**THE TRAVELERS INDEMNITY COMPANY**

By: AW Carnduff  
Name: AW CARNDUFF  
Title: 2nd Vice President

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AGREEMENT AND LIMITED WAIVER

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TOTAL P.02

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Acknowledged and Consented to:

ENVIRONMENT ACQUISITION CO.


BY   
Name: ERNEST DAURAMPART  
Title: CHAIRMAN

EXHIBIT A

(See Tab 1)

**EXHIBIT B****SEVERANCE FUNDING PROPOSAL**

1. **Severance Program** As described in Systems Control August 21, 1995 memorandum, with such modifications described herein or as may be acceptable to the Agent and the Bank.
2. **Triggering Events** Termination of employment by Company on or before 60 days after the termination of the Forbearance Period (a) other than for cause or (b) to the extent severance upon termination is required by contract between Company and terminated employee. "Cause" to include fraud, theft or embezzlement or conviction of any felony, negligence or dishonesty in performance of duties, insubordination.
3. **Payment Terms** Payments to terminated employee to be made (a) in equal installments at the end of each payroll period that would otherwise be applicable to that employee or (b) as required by contract.
4. **Mitigation Events** Severance otherwise payable to be reduced to the extent salary, severance or other compensation is received from subsequent employer.
5. **Funding Mechanics** 15% of excess cash flow payments, up to a maximum of \$450,000, otherwise payable to Agent under the Forbearance Agreement in excess of \$2 million actually paid to Agent will be deposited with Agent (subject at all times to Agent's lien and setoff rights, which lien and rights shall be further subject to Company's right to use amounts so deposited to pay severance in accordance with the terms hereof). Such amounts may be used by Company to fund severance payments from time to time in accordance with the terms hereof.



6. **Representations,  
Warranties and  
Covenants of Company**

No severance program, policy or practice exists other than as described in August 21, 1995 memorandum.

No amendments or modifications will be made to any severance program, policy or practice (or any employment contract with respect to same) without the prior consent of Agent and the Banks.

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TOTAL P.16