

12-01-1998



100910345

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

11/25/98

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

### 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

Merger

Change of Name

Other \_\_\_\_\_

Effective Date  
Month Day Year  
10 28 1988

#### Conveying Party

Mark if additional names of conveying parties attached

Name Inco Alloys International, Inc.

Execution Date  
Month Day Year  
10 28 1988

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 Credit Lyonnais New York Branch, as Agent

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

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

Address (line 1) 1301 Avenue of the Americas

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

Address (line 3) New York

NY

10019

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership  Corporation  Association

Other \_\_\_\_\_

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.)

Citizenship/State of Incorporation/Organization French

11/30/1998 SSMITH 00000022 1796748

FOR OFFICE USE ONLY

01 FC:181 40.00 DP  
02 FC:182 875.00 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 (0451-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. 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

REEL: 1820 FRAME: 0420

**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

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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

**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" value="74285456"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1796748"/>	<input type="text" value="1864522"/>	<input type="text" value="1625804"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1660262"/>	<input type="text" value="1430861"/>	<input type="text" value="509776"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2022120"/>	<input type="text" value="1102599"/>	<input type="text" value="935565"/>

**Number of Properties** Enter the total number of properties involved. #

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41): \$

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.

Laura Lopez



11/13/98

Name of Person Signing

Signature

Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

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

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

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AK/A/T/A

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

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 the Assignment.)

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

Mark if additional numbers attached

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**Trademark Application Number(s)**

**Registration Number(s)**

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<input type="text" value="2156722"/>	<input type="text" value="1519513"/>	<input type="text" value="2108784"/>
<input type="text" value="689002"/>	<input type="text" value="2085898"/>	<input type="text" value="2085905"/>
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<input type="text" value="936446"/>	<input type="text" value="1820265"/>	<input type="text" value="1119508"/>
<input type="text" value="782853"/>	<input type="text" value="50101896"/>	<input type="text" value="418914"/>
<input type="text" value="2094942"/>	<input type="text" value="10725"/>	<input type="text" value="380618"/>
<input type="text" value="567385"/>	<input type="text" value="SM 68167"/>	<input type="text" value="2129939"/>

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Mark if additional numbers attached

**Trademark Application Number(s)**

**Registration Number(s)**

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981521	<input type="text"/>	<input type="text"/>
653293	<input type="text"/>	<input type="text"/>
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514573	<input type="text"/>	<input type="text"/>
1523170	<input type="text"/>	<input type="text"/>
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## SUBSIDIARY PATENT AND TRADEMARK SECURITY AGREEMENT

This SUBSIDIARY PATENT AND TRADEMARK SECURITY AGREEMENT (this "*Agreement*") is dated as of October 28, 1998, and entered into by and INCO ALLOYS INTERNATIONAL, INC., a Delaware corporation ("IAII"), and A-1 WIRE TECH, INC., an Illinois corporation ("A-1"), each other Person that at any time agrees in writing to be bound as a Grantor hereunder (the "*Additional Grantors*" and together with IAI and A-1 each a "*Grantor*" and, collectively, the "*Grantors*"), and CREDIT LYONNAIS NEW YORK BRANCH, in its capacity as Agent (in such capacity the "*Agent*") under the Credit Agreement described herein (in such capacity, the "*Secured Party*"), *for the benefit of* the Persons that now or at any time hereafter become party as Lender to the Credit Agreement (the "*Lenders*"), Credit Lyonnais New York Branch ("*Credit Lyonnais*"), in its individual capacity and as Agent and Issuing Bank thereunder (in such capacity the "*Issuing Bank*"), and all other present and future Holders of any of the Secured Obligations described herein (all, collectively, including the Lenders, the Agent and the Issuing Bank, the "*Beneficiaries*").

### Recitals

As of the date hereof, IAI and A-1 are Domestic Subsidiaries (as defined herein) of Special Metals Corporation, a Delaware corporation (the "*Borrower*"). Each Person that hereafter agrees to become bound hereby as a Grantor is, on the date it becomes bound hereby, a Domestic Subsidiary of the Borrower.

The Grantors and the Secured Party have entered into a Subsidiary Pledge and Security Agreement dated as of the day and year first above written, which is by this reference incorporated into this Agreement as if fully set forth at length herein (the "*Subsidiary Pledge and Security Agreement*").

Pursuant to the Subsidiary Pledge and Security Agreement, each Grantor has assigned to Secured Party and has granted Secured Party security interests in certain property described in subsection 2.1 of the Subsidiary Pledge and Security Agreement, including the Patent and Trademark Collateral hereinafter described, as security for the payment of the debts, liabilities and obligations described in the Subsidiary Pledge and Security Agreement as the "Secured Obligations."

The Grantors and Secured Party are executing and delivering this Agreement for the purpose of creating and perfecting Secured Party's security interests in such Patent and Trademark Collateral as more particularly set forth herein.

*Accordingly*, in consideration of the foregoing and for other good and valuation consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors and Secured Party hereby agree as follows:

**SECTION I.  
DEFINITIONS**

1.1. **Terms Defined in the Subsidiary Pledge and Security Agreement.** Except as otherwise specifically provided herein, capitalized terms that are used in this Agreement, defined in the Subsidiary Pledge and Security Agreement and not otherwise defined herein have the meanings set forth in the Subsidiary Pledge and Security Agreement.

1.2. **Certain Defined Terms.** As used in this Agreement, the following terms shall have the following meanings:

**“Credit Agreement”** means the Credit Agreement, dated as of the day and year first above written, by and among the Borrower and the Beneficiaries, as such agreement from time to time may be modified, amended, restated, extended, refinanced or replaced in any manner or in any respect (including so as to reduce or increase the amount or cost of credit extended thereunder or to shorten or extend the time of payment thereunder or in any other manner change the amount or terms of credit extended to the Borrower or the identity, rights or obligations of any party thereto).

**“Goodwill”** means all present and future goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, distribution agreements and General Intangibles owned by any one or more of the Grantors and arising out of the Patent and Trademark Collateral.

**“Patent and Trademark Collateral”** is defined in subsection 2.1.

**“Secured Obligations”** means each and all of the debts, liabilities and obligations that are described as “Secured Obligations” in the Subsidiary Pledge and Security Agreement.

**“U.S. Patent Applications”** means all applications in connection with U.S. Patents, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any political subdivision thereof, including the patent applications listed in Schedule I(a).

**“U.S. Patent Licenses”** means all rights of the Grantor under any present or future written agreement granting any right with respect to any of the U.S. Patents and U.S. Patent Applications.

**“U.S. Patents”** means all of the following:

(a) All present and future patents, including all reissues, divisions, continuations, renewals, extensions and continuations-in-part and all Claims (including infringement claims) relating thereto, including, without limitation, all registrations and recordings thereof including those listed in Schedule I(a) attached hereto; and

(b) all proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, extensions and renewals thereof.

**“U.S. Trademark Applications”** means all applications in connection with U.S. Trademarks, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any political subdivision thereof, including the trademark applications listed in Schedule II(a).

**“U.S. Trademark Licenses”** means all rights of each Grantor under any present or future written agreement, or other present or future license of any right or interest acquired by any Grantor, granting any right with respect to any of the U.S. Trademarks and U.S. Trademark Applications.

**“U.S. Trademarks”** means all of the following:

(a) All present and future trademarks, trade names, corporate names, business names, trade styles, service marks, logos, mastheads, other source or business identifiers, proprietary product names or descriptions, prints and labels on which any of the foregoing may appear, designs and general intangibles of like nature, including (i) all registrations and recordings thereof including those listed in Schedule II(a) attached hereto and (ii) all of the foregoing not duly registered with the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any political subdivision thereof, including those provided in Schedule II(b) attached hereto; and

(b) all proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, extensions and renewals thereof.

**1.3. Terms Generally.** The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors, transferees and assigns, (c) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections, subsections, Exhibits and Schedules shall be construed to refer to Sections and subsections of, and Exhibits and Schedules to, this Agreement, and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, whether real, personal or mixed and of every type and description.

**SECTION II.  
SECURITY INTEREST AND COLLATERAL**

**2.1. *Grant of Security Interest.*** As security for the payment of the Secured Obligations, each Grantor hereby transfers and assigns to Secured Party as security with power of sale, and grants Secured Party a continuing security interest in, all right, title and interest of such Grantor in, to, under or derived from the following property (collectively, the "*Patent and Trademark Collateral*"), in each case whether now owned or hereafter acquired by any Grantor and wherever located:

(a) all U.S. Patents;

(b) all U.S. Patent Applications;

(c) all U.S. Patent Licenses;

(d) all Goodwill associated with (i) any U.S. Patent, (ii) any U.S. Patent Application or (iii) any U.S. Patent or U.S. Patent Application licensed under any U.S. Patent License;

(e) all proceeds of the foregoing, including all Claims of each Grantor against third parties for any (i) past, present or future infringement of any U.S. Patent or U.S. Patent Application and (ii) injury to the Goodwill associated with the foregoing.

(f) all U.S. Trademarks;

(g) all U.S. Trademark Applications;

(h) all U.S. Trademark Licenses;

(i) all Goodwill associated with (i) any U.S. Trademark, (ii) any U.S. Trademark Application or (iii) any U.S. Trademark or U.S. Trademark Application licensed under any U.S. Trademark License; and

(j) all proceeds of the foregoing, including all Claims of each Grantor against third parties for any (i) past, present or future infringement or dilution of any U.S. Trademark or U.S. Trademark Application and (ii) injury to the Goodwill associated with the foregoing.



**SECTION III.  
REPRESENTATIONS AND WARRANTIES**

**3.1. *Representations and Warranties.*** Each Grantor hereby represents and warrants that, except as otherwise set forth in any schedule to the Subsidiary Pledge and Security Agreement:

(a) Schedule I(a), Schedule II(a) and Schedule II(b) set forth a complete and accurate listing of all U.S. Patents, U.S. Patent Applications, U.S. Trademarks and U.S. Trademark Applications in which such Grantor has an interest.

(b) It has not granted any license, rights or privileges in or to the Patent and Trademark Collateral which is material to the conduct of its business to any party, except to Secured Party and except in the ordinary course of its business.

(c) The registrations of all Patent and Trademark Collateral listed as to it in Schedule I(a) and Schedule II(a) are valid and enforceable and have not been assigned to any other Person. Such Grantor has neither taken nor failed to take any action that would have a Material Adverse Effect.

(d) It owns all right, title, and interest in, to and under all Patent and Trademark Collateral listed as to it in Schedule I(a), Schedule II(a) and Schedule II(b), except for licenses granted in the ordinary course of its business.

(e) None of the registrations of the Patent and Trademark Collateral listed as to it in Schedule I(a), or Schedule I(a) have been adjudged invalid or unenforceable, in whole or in part.

(f) Except as otherwise disclosed in the schedules to the Credit Agreement, it has not received any written threats of action, which if successful could reasonable be expected to have a Material Adverse Effect, and it has not commenced and is not about to commence any suit or action against others in connection with the violation or enforcement of its rights in any of the Patent and Trademark Collateral.

(g) It at all times is (or, as to any item of Patent and Trademark Collateral acquired after the date hereof, will be) the sole legal and beneficial owner of the Patent and Trademark Collateral and has exclusive possession and control thereof, free and clear of any Liens except those created by this Agreement or permitted under subsection 9.3 of the Credit Agreement, and except for licenses granted in the ordinary course of its business.

(h) It has the right and power to enter into this Agreement and perform its terms.

**SECTION IV.  
COVENANTS**

**4.1. Covenants.** Each Grantor covenants and agrees as follows:

(a) Such Grantor will not, either by itself or through any agent, employee, licensee or designee, file an application for the registration of any Patent and Trademark Collateral with the United States Patent and Trademark Office unless, within 30 days thereafter, it files with any such office or agency, (i) an amendment to this Agreement adding a description of such Patent and Trademark Collateral to Schedule I(a) or Schedule II(a) and (ii) any other agreements, instruments, documents and papers as Secured Party may reasonably request to evidence Secured Party's security interest in such Patent and Trademark Collateral.

(b) Subject to subsection 4.1(a) and except to the extent that (i) Secured Party may otherwise agree or (ii) such Grantor reasonably determines that certain of the Patent and Trademark Collateral is no longer of material value to the Grantor's business, each Grantor shall take all necessary actions to maintain and pursue each application, to obtain the relevant registration, and to maintain the registration of all of the Patent and Trademark Collateral with the United States Patent and Trademark Office or other appropriate filing office or agency in which registration is necessary to protect its rights therein, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition and cancellation proceedings; *provided, however*, that neither this subsection 4.1(b) nor any other provision of this Agreement or any other Loan Document shall obligate such Grantor to file any application for the registration or to obtain or maintain the registration of any Patent and Trademark Collateral which it would not otherwise file, obtain or maintain in the exercise of its ordinary business practices.

(c) In the event that the Grantor's rights under any Patent and Trademark Collateral that is material to the conduct of its business are infringed, misappropriated or diluted by a third party, such Grantor (i) shall notify Secured Party promptly after it learns thereof if such infringement, misappropriation or dilution could have a Material Adverse Effect and (ii) shall take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Patent and Trademark Collateral.

(d) Such Grantor shall promptly notify Secured Party, in writing, of any suit, action or proceeding brought against it relating to, concerned with or affecting the Patent and Trademark Collateral that is material to the conduct of its business or infringement of or interference with another trademark which could reasonably be expected to be determined adversely and thereupon to have a Material Adverse Effect. Such Grantor shall promptly, upon request by Secured Party, deliver to Secured Party a copy of all pleadings, papers, orders or decrees theretofore or thereafter filed in any such suit, action or proceeding, and upon request by Secured Party shall promptly keep Secured Party fully advised and informed of the progress of any such suit, action or proceeding.

(e) Such Grantor shall promptly notify Secured Party if it knows (i) that any application or registration relating to any Patent and Trademark Collateral that is material to the

conduct of its business may become abandoned or dedicated, (ii) that there has been or likely may be an adverse determination or development (including the institution or any adverse determination or development in, any proceeding in the United States Patent and Trademark Office or any court) regarding (A) its ownership of any Patent and Trademark Collateral that is material to the conduct of its business, (B) its right to register such Patent and Trademark Collateral that is material to the conduct of its business or (C) its right to keep and maintain such Patent and Trademark Collateral that is material to the conduct of its business or (iii) of any other event that materially adversely affects the value of any Patent and Trademark Collateral that is material to the conduct of its business.

(f) Subject to subsection 4.1(b), upon the written request of Secured Party, such Grantor shall promptly and duly execute and deliver any and all additional documents, including UCC-1 financing statements, and take such further action as Secured Party may deem necessary to obtain the full benefit of this Agreement, all at the sole expense of such Grantor.

(g) Without Secured Party's prior written consent, which consent shall not be unreasonably withheld, such Grantor shall not (i) enter into any agreement that would materially impair or conflict with such Grantor's obligations hereunder or (ii) permit the inclusion in any material contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in the Grantor's rights and interests in any property included within the definition of Patent and Trademark Collateral that is material to the conduct of its business acquired under such contracts.

(h) Such Grantor shall maintain the security interests created in favor of the Secured Party, for the ratable benefit of the Beneficiaries and the other Holders of the Secured Obligations, in the Patent and Trademark Collateral pursuant to this Agreement as valid and duly perfected first priority security interests and shall defend such security interests against claims and demands of all Persons whomever. At any time and from time to time, upon the written request of the Secured Party, and at the sole expense of such Grantor, such Grantor shall promptly and duly execute and deliver such further instruments and documents and take such further actions as the Secured Party may request for the purposes of obtaining or preserving all of the benefits, rights and powers granted to the Secured Party, the Lenders and the other Holders of the Secured Obligations, pursuant to this Agreement.

## **SECTION V. POWER OF ATTORNEY**

**5.1. *Power of Attorney.*** Each Grantor hereby irrevocably constitutes and appoints Secured Party and any officer, agent or nominee of Secured Party, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority, in the name of each Grantor or in its own name, to take any and all actions and to execute and deliver any and all agreements, documents, notices, instruments and writings that Secured Party or the Required Lenders may determine to be necessary or desirable for Secured Party, without notice to or assent by any Grantor, to do any or all of the following if and whenever such Grantor is in default under the Subsidiary Pledge and Security Agreement as set forth in subsection 4.1 thereof: (a) to

use the Patent and Trademark Collateral, (b) to grant or issue to any third party a license or, to the extent permitted by an applicable U.S. Patent License or U.S. Trademark License, a sublicense, whether general, specific or otherwise and whether on an exclusive or non-exclusive basis, of any Patent and Trademark Collateral throughout the world on such terms and conditions and in such manner as Secured Party shall, in its sole discretion, determine, or (c) to assign, pledge, convey or otherwise transfer title in or dispose of the Patent and Trademark Collateral to any third person. Each Grantor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Discharge of the Obligations.

## **SECTION VI. PATENT AND TRADEMARK COLLATERAL**

**6.1. *Grant of License to Use Intellectual Property Collateral.*** Each Grantor hereby grants to Secured Party an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to such Grantor), to do any or all of the following if and whenever such Grantor is in default under the Subsidiary Pledge and Security Agreement as set forth in subsection 4.1 thereof: (a) to use, license or sublicense any of the Patent and Trademark Collateral now owned or hereafter acquired by the Borrower and wherever the same may be located and (b) to have access to all media in which any of the licensed items may be recorded or stored and all computer and automatic machinery software and programs used for the compilation or printout thereof. Each Grantor hereby agrees that the permitted use by the Secured Party, for the ratable benefit of the Beneficiaries and the other Holders of the Secured Obligations, of the Patent and Trademark Collateral shall be worldwide without any liability for royalties or other related charges from the Secured Party, the Lenders or the other Holders of the Secured Obligations to such Grantor.

**6.2. *Use and Protection of Patent and Trademark Collateral.*** Notwithstanding anything to the contrary contained herein, unless an Event of Default has occurred and is continuing, each Grantor may continue to use, exploit, license, enjoy and protect the Patent and Trademark Collateral in the ordinary course of its business, and Secured Party shall from time to time, execute and deliver, upon the reasonable written request of any Grantor, any and all instruments, certificates or other documents, in the form so requested, that in the reasonable judgment of any Grantor are necessary or appropriate to permit such Grantor to continue to do so.

## **SECTION VII. MISCELLANEOUS PROVISIONS**

**7.1. *Incorporation of Agreements.*** Each and all of the provisions of the Subsidiary Pledge and Security Agreement shall apply to this Agreement, *mutatis mutandis*.

**7.2. Additional Grantors .** The initial Grantors hereunder shall be IAI, A-1 and DISC. From time to time subsequent to the date hereof, additional Domestic Subsidiaries of the Borrower may become party hereto, as additional Grantors (each an “*Additional Grantor*”), by executing a counterpart of this Agreement. Upon delivery of any such counterpart to the Secured Party, notice of which is hereby waived by each Grantor, each such Additional Grantor shall be a Grantor and shall be as fully a party hereto as if such Additional Grantor were an original signatory hereof. Each Grantor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Grantor hereunder, nor by any election of any Beneficiary not to cause any Subsidiary of Borrower to become an Additional Grantor hereunder. This Agreement shall be fully effective as to any Grantor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Grantor hereunder.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the Grantors and Secured Party have executed this  
Subsidiary Patent and Trademark Security Agreement as of the day and year first above written.

**GRANTORS**  
**INCO ALLOYS INTERNATIONAL, INC.,**

a Delaware corporation

By: Donald C. Darling  
Name: Donald C. Darling  
Title: Treasurer

**A-1 WIRE TECH, INC.,**  
an Illinois corporation

By: Donald C. Darling  
Name: Donald C. Darling  
Title: Treasurer

**SECURED PARTY**

Accepted and agreed as of  
the day and year first above written:

**CREDIT LYONNAIS NEW YORK BRANCH,**

as Agent

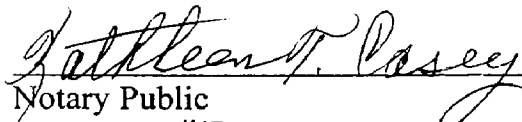
By: Mark Koneval  
Name: Mark Koneval  
Title: VP

**CERTIFICATES OF ACKNOWLEDGEMENT**

STATE OF NEW YORK     )  
  ) SS  
COUNTY OF NEW YORK    )

I, Kathleen T. Casey, a Notary Public of Westchester County, do hereby certify that Donald C. Darling, personally appeared before me this day and acknowledged that he/she is Treasurer of INCO ALLOYS INTERNATIONAL, INC., and personally known to me to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that as such Treasurer, he/she signed and delivered the said instrument and that by authority duly given, the foregoing instrument was signed in its name by its Treasurer, for and on behalf of said corporation.

WITNESS my hand and Notarial Seal, this 28th day of October, 1998.


  
\_\_\_\_\_  
Notary Public  
KATHLEEN T. CASEY  
Notary Public, State of New York  
No. 4840674  
Qualified in Westchester County  
Certificate Filed in New York County  
Commission Expires January 27, 2000

My Commission Expires: 1/27/2000

STATE OF NEW YORK     )  
  ) SS  
COUNTY OF NEW YORK    )

I, Kathleen T. Casey, a Notary Public of Westchester County, do hereby certify that Donald C. Darling, personally appeared before me this day and acknowledged that he/she is Treasurer of A-1 WIRE TECH, INC., and personally known to me to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that as such Treasurer, he/she signed and delivered the said instrument and that by authority duly given, the foregoing instrument was signed in its name by its Treasurer, for and on behalf of said corporation.

WITNESS my hand and Notarial Seal, this 28th day of October, 1998.

  
\_\_\_\_\_  
Notary Public  
KATHLEEN T. CASEY  
Notary Public, State of New York  
No. 4840674  
Qualified in Westchester County  
Certificate Filed in New York County  
Commission Expires January 27, 2000

My Commission Expires: 1/27/2000

**SUBSIDIARY PATENT AND TRADEMARK  
SECURITY AGREEMENT**

**SCHEDULE I (a) and (b)  
REGISTERED U.S. PATENTS AND PENDING PATENT APPLICATIONS**

1. Inco Alloys International, Inc.

<u>Title of Patent</u>	<u>Patent No.</u>	<u>Issue Date</u>
Rotary Mill with Charging System	4887773	12/19/89
TI & Rare Earth Element Additions to Mechanically Alloyed AL Alloys for Improved	4624705	11/25/86
System for Discharging Ball Mills Under Sealed Conditions	4603814	08/05/86
Method for Producing Dispersion Strengthened AL Alloy	4643780	02/17/87
Dispersion Strengthened AL Alloys	4758273	07/19/88
Production of AL Alloys with Improved Properties	4801339	01/31/89
Formation of Intermetallic Compounds by Mechancial Alloying	4668470	05/26/87
Formation of Intermetallic Compunds by Mechancial Alloying	4668282	05/26/87
Thermoelectric Metal Sorter (Blue Zapper)	4156840	05/29/79
Hiscor Alloy	4784831	11/15/88
Stub Design for ESR Electrodes	4150247	04/17/79
NI-CR-W-MO-CB Welding Electrode	4415530	11/15/83
NI-CR-CO-MO Welding Electrode	4355224	10/19/82
Incoloy Alloy 925	4358511	11/09/82
Corrosion Resistant High-Strength Nickel-Base Alloy	4788036	11/29/88

0403842.03 10/25/98

**TRADEMARK  
REEL: 1820 FRAME: 0435**



<u>Title of Patent</u>	<u>Patent No.</u>	<u>Issue Date</u>
Heat Treatments With Improved High Temperature Strength in Low Expansion NI-FE-C	4445944	05/01/84
Heat Treatments With Improved High Temperature Strength in low Expansion NI-FE A	4445943	05/01/84
High Strength Controlled Expansion Alloys With Improved Combination of Tensile & Controlled Expansion Alloy (Incoloy 909)	4487743	12/11/84
Inconel Alloy 926	4685978	08/11/87
Inconel Alloy 926	4816217	03/28/89
High Temperature NI Base Alloy with Improved Stability	4750954	06/14/88
NI-CU Alloys With Enhanced Malleability & Improved Sulfide Distribution (Monel A)	4612164	09/16/86
High MO Nickel-Base Alloy Suitable for Cladding to Steel	5120614	06/09/92
Modified Version of Inconel Welding Electrode 112 for Welding Inconel Alloy 625	4639576	01/27/87
Carburization Resistant Alloy Also Resistant to Degradation Caused by Cyclic Ext	4762681	08/09/88
Range of FE-NI-CR-MO-AL Alloys to Manufacture a Wrought Radiant Section Tube for	4743318	05/10/88
Integral Pipe Joints for High Strength Corrosion Resistance Alloy	4629225	12/16/86
Grain Size Control in Incoloy Alloy MA 956 Sheet Production	5167728	12/01/92
Apparatus and Method for Processing Powder Metallurgy Tubing	4722209	02/02/88
Method of Manufacture of a Heat Resistant Alloy Useful in Heat Recuperator Appli	4761190	08/02/88
Production of NI Base Alloy Product Using Water Atomized Powder	4722826	02/02/88

<u>Title of Patent</u>	<u>Patent No.</u>	<u>Issue Date</u>
Welding Electrode	4994640	02/19/91
Optimum Thermal Fatigue Resistance	5312697	05/17/94
NiRod FC 44 HT	5422071	06/06/95
Dispersion Strengthened Alloy	5209772	05/11/93
High Nickel Chromium Alloy	4784830	11/15/88
Short Term Heat Treatment to Reduce the Cost of Production of Inconel Alloy 690	4798633	01/17/89
Nickel-Chromium Alloy of Improved Fatigue Strength	4765956	08/23/88
Clad Metal Product	4933141	06/12/90
Clad Metal Product	4958060	09/18/90
Sulfidation/Oxidation Resistant Alloys	4882125	11/21/89
Incoloy Alloy 925 Valve Heat Treatment	4750950	06/14/88
High Intermediate Temperature Strength ODS Products	4781772	11/01/88
Advanced Vane Alloy	5002834	03/26/91
Low COE Alloy for Superconductor Sheathing	4785142	11/15/88
Mechanically Alloyed NI-Cobalt-Chromium-Iron Composition of Matter	4877435	10/31/89
Submerged Arc Flux for Welding	4750948	06/14/88
Heat Resistant Alloy for 2000 Degrees F.	4787945	11/29/88
Welding Flux and Welding Electrode	4940882	07/10/90
	RE34262	05/25/93
Hot Working Aluminum-Based Alloys	4832734	05/23/89
Production of Oxidic Superconductor Precursors	4962084	10/09/90
Production of Oxidic Superconductors	4962085	10/09/90
Thermal-Mechanical Process for Enhancing Strength of NI-CR-CO-MO Alloys	4877461	10/31/89

<u>Title of Patent</u>	<u>Patent No.</u>	<u>Issue Date</u>
Nickel-Base Alloy	5017249	05/12/91
Method for Strengthening Cold Worked Nickel-Base Alloys	4909860	03/20/90
Corrosion Resistant Nickel-Chromium-Molybdenum Alloys	5019184	05/28/91
Heat Treatment Method for Reducing Polythionic Acid Stress Corrosion Cracking	4969964	11/13/90
Tundish for Ingot Pouring	4961563	10/09/90
Improved Method of Producing a Tube with Finned I.D. Destruction Technology	5016460	05/21/91
Oxidation Resistant Low Expansion Superalloys	5403547	04/04/95
Method & Process to Manufacture Copper-Invar Composite Strip	5011655	04/30/91
MA 956 Sheet Processing	5032190	07/16/91
Very High Modulus Aluminum Composites	5114505	05/19/92
A Method of Producing a HI TC Superconductor Motor Winding Using MA Precursor	5034373	07/23/91
Elevated Temp. MA AL Alloys	5169461	12/08/92
Intermediate Temp. Aluminum-Base Alloy	5171381	12/15/92
Device & Method for Simultaneous Bottom Teeming Ingots of Various Heights	5253848	10/19/93
Welding Material for Low Coefficient of Thermal Expansion Alloys	5304346	04/19/94
HT for Dispersion Strengthened Aluminum Alloys	5240521	08/31/93
Melting Facility to Supply Molten Metal to Continuous Caster	5139236	08/18/92
Heater Sheath Alloy	5160382	11/03/92
Heater Sheath Alloy	5217545	06/08/93

<u>Title of Patent</u>	<u>Patent No.</u>	<u>Issue Date</u>
Alloy With Superior Stress Rupture Strength and Grain Size Control	5372662	12/13/94
A Nickel Chromium Iron Flux Coated Welding Electrode	5308698	05/03/94
Controlled Thermal Expansion Superalloy	5439640	08/08/95
Controlled Thermal Expansion Superalloy	5478417	12/26/95
Mechanically Alloyed Ni-Base Composition Having Improved Hot Formability	5328499	07/12/94
Strengthened Low Thermal Expansion Composite Tooling Alloy	5688471	11/18/97
Electroslag Flux to Weld NI Alloys	5308407	05/03/94
Low COE Superalloy Weld Metal With Improved Toughness	5425912	06/20/95
Accelerated Mechanical Alloying Processing In Large Ball Mills	4443249	04/17/84
CO-Free Maraging Steel (IN-777)	4443254	04/17/84
Platinum or Palladium Complexes	4584392	04/22/86
Platinum or Palladium Complexes	4673754	06/16/87
Metal Matrix Composites Made by Mechanical Alloying	4557893	12/10/85
Metal Matrix Composites Made by Mechanical Alloying	4623388	11/18/86
Corrosion Resistant Turbine Blade Superalloy	4668312	05/26/87
Turbine Blade Superalloy II	5006163	04/09/91

The following patents are the property of IAI (or IAI and DIAL where indicated) though they may be registered with the United States Patent and Trademark Office under the name of a predecessor or sister corporation. On or prior to the Closing, one or more assignments will be executed conveying the patents to IAI (or IAI and DIAL where indicated):

Patent No.

Patent No.

4288247 (expires 9/98)	4801100
4358318	4679736
4388125	4668312
4439498	4653335
4240887	4634491
4200515	4532106
4331741	4233062
4443254	5226980 (IAII and Daido Steel)
4557893	5120614
4273755	4900248 (IAII and Daido Steel)
4320185	4396693
4386976	4288247
4409038	4339401

Title

Appln. No.

Filing Date

Age Hardenable/Controlled Thermal Expansion Alloy	08/790609	01/29/97
Strengthenable Ethylene Pyrolysis Alloy	08/663511	06/13/96
Flexible Alloy and Components Made Therefrom	08/757405	10/31/96
Ductile Nickel Chromium Alloy	08/943293	11/14/97
Sprayform Provisional Patent Application	60/061631	10/09/98

2. A-1 Wire Tech, Inc.

None

**SCHEDULE II (a)**  
**REGISTERED U.S. TRADEMARKS AND PENDING TRADEMARK APPLICATIONS**

1. Inco Alloys International, Inc.

<u>Trademark</u>	<u>Registration No.</u>	<u>Reg. Date</u>
601GC	1796748	10/05/93
625LCF	1660262	10/08/91
686CPT	2022120	12/10/96
725NDUR	1864522	11/29/94
800HT	1430861	03/03/87
DEPOLARIZED	1102599	09/19/78
DUPLEX	1625804	12/04/90
DURANICKEL	509776	05/10/49
HAI HOUSE MARK	935565	06/13/72
INCO-CORED	2156722	
INCO-WELD	689002	12/01/59
INCOBAR	581022	10/13/53
INCOCLAD	936446	06/27/72
INCOFLUX	782853	01/05/65
INCOLOY	2094942	09/09/97
INCOLOY	567385	12/02/52
INCOMAP	1519513	01/10/89
INCONEL	2085898	08/05/97
INCONEL	308200	11/21/33
INCONET ADVANTAGE	1820265	02/08/94
INCONET ADVANTAGE	5010-1896	05/24/93-IN
INCONET ADVANTAGE	10725	05/11/93-KY

<u>Trademark</u>	<u>Registration No.</u>	<u>Reg. Date</u>
INCONET ADVANTAGE	Sm 68167	05/24/93-OH
INCOTEST	2108784	10/28/97
MONEL	2085905	08/05/97
MONEL	142583	05/17/21
NI-ROD	1119508	06/05/79
NI-SPAN-C	418914	01/15/46
NICKELSWORTH	380618	08/27/40
NILO	2129939	01/20/98
NILO	981521	04/02/74
NIMOCAST	653293	10/22/57
NIMONIC	433744	10/28/47
PERMANICKEL	514573	08/30/49
TRIANGULAR DESIGN	1523170	02/07/89

<u>Trademark</u>	<u>Appln. No.</u>	<u>Filing Date</u>
718SPF	74/285456	06/17/92

**SCHEDULE II (b)**

**UNREGISTERED U.S. TRADEMARKS**

1. Inco Alloys International, Inc.

None

2. A-1 Wire Tech, Inc.

None