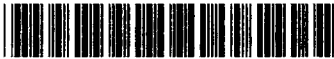




07-19-2000

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #26

08-08-2000



**REGISTRATION FORM COVER SHEET  
TRADEMARKS ONLY**

101426905

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  Non-Pro Tunc Assignment
- Merger
- Change of Name
- Other

TRADEMARK FEE PROCESSED  
 RECEIVED  
 JUL 19 2000  
 U.S. PATENT & TRADEMARK OFFICE  
 Effective Date  
 Month Day Year  
 Execution Date  
 Month Day Year

**Conveying Party**

Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year  
08/30/2000

Formerly

- Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

**Receiving Party**

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual  General Partnership  Limited Partnership  Corporation  Association
- 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

**FOR OFFICE USE ONLY**

08/07/2000 NTHA11 00000223 1373777

01 FC:481 40.00 DP  
02 FC:482 75.00 DP

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

**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)**

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

**Registration Number(s)**

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<input type="text" value="806,740"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

**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.

David R. Haarz

Name of Person Signing

Signature

July 17, 2000

Date Signed

**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**

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Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

**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/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership

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**Trademark Application Number(s)**

**Registration Number(s)**

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RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

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Name

DBA/AKA/TA

Composed of

Address (line 1)

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Address (line 3)     
City State/Country Zip Code

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SECURITY AGREEMENT  
(Trademark)

THIS SECURITY AGREEMENT (TRADEMARK) (this "Agreement"), dated as of June 30, 2000, among HOLM ACQUISITION COMPANY ("Company" and sometimes a "Debtor"), and THE PENINSULA FUND II LIMITED PARTNERSHIP, a Delaware limited partnership ("Peninsula"), MARLBOROUGH CAPITAL INVESTMENT FUND III, LP, a Delaware limited partnership ("Marlborough III") and MARLBOROUGH CAPITAL INVESTMENT FUND IIIB, L.P., a Delaware limited partnership ("Marlborough IIIB" and together with Peninsula and Marlborough III, the "Secured Party").

WITNESSETH

WHEREAS, pursuant to that certain Note Purchase Agreement dated as of June 30, 2000 (as amended or otherwise modified from time to time, the "Note Purchase Agreement"), among the Company and Secured Party, the Secured Party has agreed, subject to the satisfaction of certain terms and conditions, to purchase the Senior Subordinated Notes (as defined in the Note Purchase Agreement) from the Company provided therein; and

WHEREAS, in connection with the Note Purchase Agreement, the Debtor has executed and delivered a Security Agreement dated as of the date hereof (as amended or otherwise modified from time to time, the "Security Agreement"); and

WHEREAS, as a condition precedent to the Purchase of the Senior Subordinated Notes ("Notes") under the Note Purchase Agreement, the Debtor is required to execute and deliver this Agreement and to further confirm the grant to the Secured Party for the benefit of the Secured Party a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Indebtedness.

NOW, THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged, and in order to induce the Secured Party to purchase the Notes pursuant to the Note Purchase Agreement, Debtor agrees as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Indebtedness, each of the Debtor does hereby mortgage, pledge and hypothecate to the Secured Party and grant to the Secured Party a security interest in, all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing:

Trademark Security Agreement

TRADEMARK  
REEL: 002116 FRAME: 0502

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (all of the foregoing items in this clause (a) being collectively called a "Trademark") now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Attachment 1 hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Attachment 1 hereto;

(c) all renewals of any of the items described in clauses (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by the Debtors against third parties for past, present, or future infringement or dilution of any Trademark, Trademark registration, or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Attachment 1 hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Debtor for the purpose of registering the security interest of the Secured Party in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party and the Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the Secured Party thereunder shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Indebtedness (other than with respect to contingent indemnification obligations to the extent no claim has been asserted) and commitment (whether optional or obligatory) to extend any credit under the Note Purchase Agreement has been terminated, the Secured Party shall, at the Debtor's expense, execute and deliver to the Debtor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Debtor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Other Agreements, etc. This Agreement is an Other Agreement executed pursuant to the Note Purchase Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Note Purchase Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

SECTION 8. Subordination Agreement. This Agreement is subject to the terms and conditions of that certain Senior Subordination Agreement of even date herewith by and among Company, Secured Party and Comerica Bank as Agent for the Banks defined therein

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

DEBTOR:

HOLM ACQUISITION COMPANY

By: 

Gary W. Gies, Jr.

Its: President

Address:

500 W. Madison #3890  
Chicago, IL 60661

Attention: President

Facsimile No:

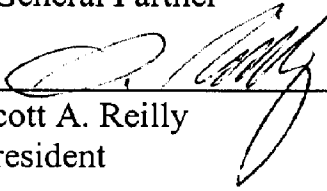
312-277-0163



SECURED PARTY

THE PENINSULA FUND II LIMITED  
PARTNERSHIP

By: Peninsula Capital Partners L.L.C.  
Its: General Partner

By:  \_\_\_\_\_  
Scott A. Reilly  
President

MARLBOROUGH CAPITAL  
INVESTMENT FUND III, L.P.

By: Marlborough Capital Partners III, L.L.C.,  
Its: General Partner

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

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

MARLBOROUGH CAPITAL INVESTMENT  
FUND IIIB, L.P.

By: Marlborough Capital Partners III, L.L.C.,  
Its: General Partner

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

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

Attention: Metropolitan Loan Division F/Group  
Manager

Facsimile: No: (313) 222-3503

Trademark Agreement  
ATTACHMENT 1  
to Agreement (Trademark)

Item A. Trademarks

Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>
USA	OEM	1,373,777
USA	MAXPOWR	1,328,510
USA	JARROW	772,334
USA	MAGNET-ALL	806,740
MEXICO	HOLM INDUSTRIES	447,774
MEXICO	HOLM INDUSTRIES	447,775

Pending Trademark Applications

None

Expired, Abandoned or Cancelled Trademarks

None

Trademark Applications in Preparation

None

Item B. Trademark Licenses

None