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8-27-98

09-01-1998

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



To the Honorable Commissioner of P

100804826

hed original documents or copy thereof.

1. Name of conveying party(ies): Timminco Limited

Additional name(s) of conveying party(ies) attached? ☐ Yes ☐ No

3. Nature of conveyance:

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

Execution Date: June 25, 1998

2. Name and address of receiving party(ies)

Name: The Bank of Nova Scotia

Internal Address: \_\_\_\_\_

Street Address: 44 King Street West, Suite 1600, Toronto, Ontario  
MSH 1H1, CANADA

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Additional name(s) & address(es) attached? ☐ Yes ☐ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s) 08/672,758

B. Patent No.(s) 5,041,160, 5,143,693, 4,937,044, 5,055,254,  
5,338,712, 5,461,012, 5,547,634

Additional numbers attached? ☐ Yes ☒ No

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

Name: Deborah Schavey Ruff

Internal Address: \_\_\_\_\_

Street Address: P.O. Box 2828

City: Chicago State: IL ZIP: 60690-2828

6. Total number of applications and patents involved. 8

7. Total fee (37 CFT 3.41) . . . . . \$ 320.00

☒ Enclosed

☒ Authorized to be charged to deposit account any additional fees or refund

8. Deposit account number:

13-0019

(Attach duplicate copy of this page if paying by deposit account)

9. 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.*

Deborah Schavey Ruff

Name of Person Signing

Signature Deborah Schavey Ruff

Date 8/26/98

Total number of pages including cover sheet, attachments, and document: 7

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

PATENT  
REEL: 9405 FRAME: 0356

## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "Agreement"), dated as of June 25, 1998, between TIMMINCO LIMITED, a corporation governed by the Canada Business Corporations Act (the "Grantor"), and THE BANK OF NOVA SCOTIA, as agent (the "Agent") for each of the Lenders (as defined below);

### W I T N E S S E T H:

WHEREAS, pursuant to a Credit Agreement, made as of June 25, 1998 (together with all amendments, modifications, supplements, restatements or replacements if any, from time to time made thereto, the "Credit Agreement"), among GRANTOR and Timminco Corporation, a Delaware corporation ("Timmcorp"), as borrowers, the various commercial lending institutions (individually a "Lender" and collectively the "Lenders") as are, or may from time to time become, parties thereto, the other parties thereto and the Agent (as of the date hereof, The Bank of Nova Scotia is the only Lender); and

WHEREAS, the Grantor has executed a Guarantee, dated as of June 25, 1998 (as amended, supplemented or otherwise modified from time to time, the "Guaranty"), pursuant to which the Grantor guaranteed the obligations of Timmcorp under the Credit Agreement;

WHEREAS, in connection with the Credit Agreement and the Guaranty, the Grantor has executed and delivered a Demand Debenture, dated as of June 25, 1998 and an Intellectual Property Security Agreement dated as of June 25, 1998 (together with all amendments and other modifications, if any, from time to time made thereto, the "Security Agreement"); and

WHEREAS, as a condition precedent to the making of the initial Advance (as defined in the Credit Agreement) under the Credit Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Agent a continuing security interest in all of the Patent Collateral (as defined below) to secure all Obligations (as defined in the Security Agreement); and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

WHEREAS, it is in the best interests of the Grantor to execute this Agreement inasmuch as the Grantor will derive substantial direct and indirect benefits from the Advances (as defined in the Credit Agreement) made from time to time by the Lenders pursuant to the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Lenders to make Advances (as defined in the Credit Agreement) pursuant to the Credit Agreement, the Grantor agrees, for the benefit of each Lender, 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 Obligations, the Grantor does hereby mortgage, pledge and hypothecate to the Agent, and grant to the Agent a security interest in, for its benefit and for the benefit of each Lender, all of the following property (the "Patent Collateral"), whether now owned or hereafter acquired or existing:

(a) all letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including each patent and patent application referred to in Item A of Attachment 1 hereto;

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

(c) all reissues, divisionals, continuations, continuations-in-part and reexaminations of any of the items described in the foregoing clauses (a) and (b); and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, including any patent or patent application referred to in Item A of Attachment 1 hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Attachment 1 hereto, and all rights corresponding thereto through the world.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Agent in the Patent 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 Agent for its benefit and for the benefit of each Lender under the

Security Agreement. The Security Agreement (and all rights and remedies of the Agent and each Lender 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 Obligations, the Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Patent Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the security interest in the Patent 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. 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.

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.

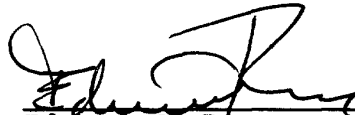
**Address for Notice**

Waterpark Place, 9th Floor  
10 Bay Street, P.O. Box 1160,  
Station A  
Toronto, Ontario  
M5J 2R8

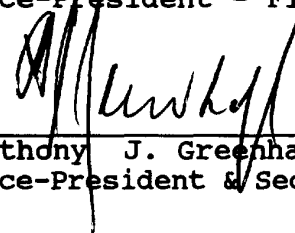
Attention: Vice-President  
and Secretary  
Fax No.: 416-364-3451

**TIMMINCO LIMITED**

By:

  
Edward V. Reeser  
Vice-President - Finance

And:

  
Anthony J. Greenhalgh  
Vice-President & Secretary

**Address for Notice**

The Bank of Nova Scotia  
44 King Street West, Suite 1600  
Toronto, Ontario  
M5H 1H1

Attention: Vice-President  
Fax No.: (416) 866-2010

**THE BANK OF NOVA SCOTIA**

By:

  
Ray Clarke  
Relationship Manager

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SCHEDULE 1  
to  
Patent Security Agreement

**PATENTS**  
TIMMINCO LIMITED

ITEM A

<b><u>REGISTERED PATENTS</u></b>			
PATENT	REGISTRATION NO.	DATE ISSUED	EXPIRY DATE
Magnesium-Calcium Alloys for Debismuthizing Lead	5,041,160	8/20/91	8/20/2008
Magnesium-Calcium Alloys for Debismuthizing Lead	5143693	9/1/92	8/31/2009
Strontium-Magnesium-Aluminum Master Alloy	4937044	6/26/90	6/25/2007
Magnesium-Aluminium-Zinc Alloy	5055254	10/8/91	10/7/2008
Production of Non-Explosive Fine Metallic Powders	5338712	8/16/94	8/16/2011
Non-Explosive Fine Metallic Powder Mixtures for Making Refractories	5461012	10/24/95	2/4/2013
Method For Adding Al-Cal to Molten Lead	5547634	8/20/96	2/20/2013

<u>REGISTERED PATENTS</u>			
PENDING PATENT APPLICATIONS			
PATENT	APPLICATION NUMBER	DATE OF APPLICATION	
Strontium-Aluminum Intermetallic Alloy Granules	08/672,758	June 28, 1996	

ITEM B - NIL

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