

MRO 10-19-98

10-28-1998

Docket No.:

FORM PTO-1595 (Modified)  
(Rev. 8-93)  
OMB No. 0651-0011 (exp. 4/94)  
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P08/REV02



U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

100861743

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):  
**Portec Rail Products, Inc.**  
  
Additional names(s) of conveying party(ies)  Yes  No

2. Name and address of receiving party(ies):  
Name: **National City Bank**  
Internal Address: **155 East Broad Street**

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other **Patent Assignment and Security Agreement**  
  
Execution Date: **June 15, 1998**

Street Address:  
  
City: **Columbus** State: **Ohi** ZIP: **43251**  
  
Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or registration numbers(s):  
If this document is being filed together with a new application, the execution date of the application is:  
A. Patent Application No.(s)  
  
Additional numbers attached?  Yes  No

B. Patent No.(s)  
**4,273,486**

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: **Cory M. Amron**  
Internal Address:  
  
Street Address: **1828 L Street, N.W., Suite 1111**  
  
City: **Washington** State: **DC** ZIP: **20036**

6. Total number of applications and patents involved: **1**  
7. Total fee (37 CFR 3.41):.....\$ **40.00**  
 Enclosed - Any excess or insufficiency should be credited or debited to deposit account  
 Authorized to be charged to deposit account  
8. Deposit account number:  
**02-0595**

DO NOT USE THIS SPACE

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.*  
**Cory M. Amron**  
Name of Person Signing

*Cory Amron*  
Signature  
**13**  
Date: **OCT 15 1998**  
Total number of pages including cover sheet, attachments, and document: **13**

2. Assignment.

(a) As security for the full and prompt performance of all of the Obligations (as defined in the Loan Agreement), which includes, without limitation, and by way of example only, the obligations under (i) the Revolving Loan Promissory Note made payable by Borrower to the order of Bank in the original principal amount of \$9,500,000, (ii) the Revolving Loan Promissory Note made payable by Borrower and Portec Canada to the order of Bank in the principal amount of \$2,000,000, (iii) the Term Loan Promissory Note made payable by Borrower to the order of Bank in the original principal amount of \$9,000,000 and (iv) the Mortgage Loan Promissory Note made payable by Borrower to the order of Bank in the original principal amount of \$2,000,000, all such notes being dated as of December 31, 1997 and all as they may be modified, amended, renewed, consolidated, replaced or extended, Borrower hereby grants, assigns and conveys to Secured Party all of Borrower's entire right, title and interest in, to and under the Patent Collateral.

(b) As used herein, "Patent Collateral" means all of Borrower's right, title and interest in and to all of its now owned or existing, and hereafter acquired or arising, patents and patent applications, whether the foregoing be domestic or foreign, including without limitation the inventions and improvements described and claimed therein, those patents listed on Schedule I which is attached hereto and made a part hereof, and together with (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under with respect thereto, including without limitation damages and payments for past, present or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, (iv) all rights corresponding thereto throughout the world, and (v) all rights as licensor or licensee with respect to any patents, patent applications and rights thereto and thereunder, including without limitation the licenses listed on Schedule I (such rights as licensor or licensee, collectively, the "Patent License Rights").

3. License. In consideration of the undertaking of Borrower to fulfill the covenants of this Agreement and to pay and perform all of the Obligations in full, Secured Party grants to Borrower a personal, non-transferable exclusive license (without representation or warranty of any kind), with the right to sublicense, under each patent application and patent included in the Patent Collateral, to make, to have made, to use and to sell the subject matter claimed therein, and to exercise the Patent License Rights (all of the foregoing, collectively, the "License"); provided, however, that every such sublicense shall be necessary or desirable in the conduct of Borrower's business as the same is presently conducted. Upon the occurrence of an Event of Default and upon notice from Secured Party to Borrower, (i) the License shall terminate forthwith, (ii) all rights and interests in, to and under the License shall revert to Secured Party, and (iii) all rights of Borrower in the Patent Collateral shall cease to exist and shall be void. If such Event of Default shall cease to exist, in the sole opinion of Secured Party, then, without any further action on the part of Secured Party, the License shall revert with Borrower within 24 hours of the cessation of such Event of Default.

## **PATENT ASSIGNMENT AND SECURITY AGREEMENT**

THIS PATENT ASSIGNMENT AND SECURITY AGREEMENT (this "Agreement") is made and entered into be effective as of June 15, 1998, by and between PORTEC RAIL PRODUCTS, INC., a West Virginia corporation having an address at 900 Old Freeport Road, Pittsburgh, Pennsylvania 15238 ("Borrower"), and NATIONAL CITY BANK, formerly known as National City Bank of Columbus, a national banking association having an address at 155 East Broad Street, Columbus, Ohio 43251 ("Secured Party").

### **Background Information**

(a) Borrower and Portec Limited, now known as Portec, Rail Products Ltd., a corporation amalgamated under the Canada Business Corporations Act ("Portec Canada"), and Secured Party are parties to a Loan and Security Agreement dated as of December 31, 1997 (such agreement, as it may hereafter be amended or otherwise modified is hereinafter referred to as the "Loan Agreement").

(b) All capitalized terms used herein and not otherwise defined herein shall have the meaning attributed to them in the Loan Agreement.

(c) Borrower executed and delivered to Secured Party a Patent Assignment and Security Agreement dated as of December 31, 1997 (the "1997 Patent Security Agreement") in order to induce (i) Secured Party to accept the Loan and Security Agreement, and (ii) Secured Party to make advances to Borrower and Portec Canada pursuant to the terms of the Loan Documents (as defined in the Loan Agreement).

(d) Pursuant to a Second Assignment of Intellectual Property Assets dated as of May 12, 1998, Borrower has acquired patents and other intellectual property in addition to the patents described in the 1997 Patent Security Agreement.

(e) Secured Party requires that Borrower enter into this Agreement to grant Secured Party a security interest in the additional patents.

NOW, THEREFORE, for valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Definitions.** All capitalized terms used herein and not otherwise defined herein shall have the meaning attributed to them in the Loan Agreement.

4. Grant of Security. As security for the full and prompt performance of all of the Obligations, Borrower hereby assigns, pledges and grants to Secured Party a lien on and security interest in all of the right, title and interest of Borrower in and to the License.

5. Representations and Warranties. Borrower hereby represents and warrants to Secured Party (with respect to the Patent Collateral currently in existence, and with respect to any Patent Collateral subsequently acquired at the time such Patent Collateral is acquired), until all of the Obligations are paid and performed in full and this agreement is terminated, that:

(a) Borrower is the sole, legal and beneficial owner of the entire right, title and interest in and to the Patent Collateral and the License, free and clear of any lien, security interest, option, charge, pledge, license, assignment (whether conditional or not) or covenant, or any other encumbrance, except as otherwise set forth on **Schedule I**;

(b) set forth on **Schedule I** is a complete and accurate list of all patents, patent applications and Patent License Rights owned by Borrower other than those described in the 1997 Patent Security Agreement;

(c) each patent and patent application identified on **Schedule I** is subsisting and has not been adjudged invalid, unpatentable or unenforceable, in whole or in part, and is fully valid, patentable and enforceable, except as otherwise set forth on **Schedule I**;

(d) Borrower has not granted any license, release, covenant not to sue, or non-assertion assurance of any kind to any Person with respect to any part of the Patent Collateral, except as otherwise set forth on **Schedule I**;

(e) the current conduct of Borrower's business does not conflict with or infringe any proprietary right enforceable at law of any third party in any way which adversely affects the business, financial condition or business prospects of Borrower, and, except as set forth in Schedule 2 to the Loan Agreement, no Person has asserted to or against Borrower that such conduct conflicts with or infringes any valid proprietary right of any third party in any way which adversely affects the business, financial condition or business prospects of Borrower;

(f) all of the Patent License Rights are in full force and effect, Borrower is not in default under any of the Patent License Rights and no event has occurred which, with notice or the passage of time or both, would constitute a default by Borrower under any of the Patent License Rights; and

(g) except for the recording of this Agreement with the United States Patent and Trademark Office and the filing of Uniform Commercial Code financing statements naming Borrower as "debtor" and Secured Party as "secured party" in the appropriate filing offices describing therein "general intangibles" (as defined under the UCC), no authorization, consent, approval or other action by, and no notice to or filing or recording with, any Governmental Authority is currently, or is reasonably expected to be, required either (i) for the making by Borrower of the assignments and the granting by Borrower of the lien and security interest made

and granted hereby, or for the execution, delivery or performance of this Agreement by Borrower and the consummation of the transactions contemplated hereby, or (ii) for the perfection of or the exercise by Secured Party of its rights and remedies hereunder or thereunder.

6. Covenants. Borrower agrees and covenants to Secured Party that, until all of the Obligations have been paid and performed in full and this Agreement is terminated, Borrower shall:

(a) at its cost and expense, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Secured Party may reasonably request, in order (i) to continue, perfect and protect the assignment, lien and the security interest granted to Secured Party hereunder, and (ii) to enable Secured Party to exercise and enforce any or all of its rights and remedies hereunder with respect to all or any part of the Patent Collateral and the License. Without limiting the generality of the foregoing, Borrower shall execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as Secured Party may reasonably request, in order to perfect and preserve the lien and security interest granted hereby to Secured Party. Borrower hereby authorizes Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Patent Collateral and the License without the signature of Borrower where permitted by law. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Patent Collateral or License or any part thereof shall be sufficient as a financing statement where permitted by law;

(b) furnish to Secured Party from time to time statements and schedules further identifying and describing the Patent Collateral and the License, including without limitation any sublicensing of Patent Collateral by Borrower, and such other reports in connection with the Patent Collateral and the License as Secured Party may reasonably request, all in reasonable detail;

(c) in the event that Borrower obtains an ownership interest in any patent, patent application or Patent License Rights which is not now identified in Schedule I, give prompt written notice thereof to Secured Party. The provisions of Section 2 shall automatically apply to any such patent, patent application and Patent License Rights, and any such patent, patent application and Patent License Rights shall automatically become part of the Patent Collateral. Borrower authorizes Secured Party to modify this Agreement by amending Schedule I to include any such patents, patent applications and Patent License Rights which become part of the Patent Collateral pursuant to this Section 6(c);

(d) with respect to any patent, patent application or Patent License Rights necessary to the conduct of Borrower's business, take all necessary steps in any proceeding before the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, or in any court, to maintain and pursue such patent application now or hereafter included in the Patent Collateral, and to maintain each patent now or hereafter included in the Patent Collateral, including the filing of divisional, continuation,

continuation-in-part and substitute applications, the filing of applications for reissue, renewal or extensions, the payment of maintenance fees, and the participation in interference, reexamination, opposition and infringement proceedings. Any and all costs and expenses incurred in connection with such activities shall be borne by Borrower. Borrower shall not abandon any right to file a patent application, or abandon any pending patent application or patent, unless the invention which is the subject of such patent application or patent is not necessary or desirable in the conduct of Borrower's business;

(e) notify Secured Party immediately and in writing if Borrower learns (i) that any of the Patent Collateral may become abandoned or dedicated, (ii) of any adverse determination or any development (including without limitation the institution of any proceeding in the United States Patent and Trademark Office or any other U.S. or foreign court or tribunal of any kind) regarding any material item of the Patent Collateral, or (iii) that Borrower is or potentially could be in default of any of the Patent License Rights;

(f) if Borrower becomes aware that any item of the Patent Collateral is materially infringed or misappropriated by a third party, promptly notify Secured Party in writing, and, if necessary under the circumstances or directed by Secured Party, promptly sue for infringement or misappropriation and for recovery of all damages caused by such infringement or misappropriation, and take such other actions as Borrower shall deem appropriate under the circumstances to protect such Patent Collateral. Any and all costs and expenses incurred in connection with such activities shall be paid by Borrower;

(g) enter into written agreements with Borrower's present and future employees, agents and consultants which will enable Borrower to comply with the covenants set forth in this Agreement; and

(h) continue to mark Borrower's products with the numbers of appropriate patents in accordance with the existing practices of Borrower.

7. Transfers and Other Liens. Borrower shall not, without the prior written consent of Secured Party:

(a) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Patent Collateral or the License, except as permitted by the provisions of this Agreement;

(b) create or suffer to exist any lien, security interest or other charge or encumbrance upon or with respect to any of the Patent Collateral or the License, except as otherwise set forth in Schedule I, or as otherwise permitted by this Agreement; or

(c) take any other action in connection with any of the Patent Collateral or the License that would impair the value of the interests or rights of Borrower thereunder, or the value of the rights, assignment, lien and security interest granted to Secured Party hereunder.

8. Power of Attorney. Borrower hereby irrevocably and unconditionally appoints Secured Party as its attorney-in-fact with full power of substitution to perform in the name of Borrower each of Borrower's obligations under this Agreement. This power of attorney is coupled with an interest in favor of Secured Party, and thus is irrevocable. This power of attorney grants Secured Party full authority in Borrower's place, stead and behalf and in Borrower's name or otherwise, from time to time in Secured Party's sole and absolute discretion, to take any action and to execute any instrument that Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including without limitation:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Patent Collateral;

(b) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with subparagraph (a) above; and

(c) to file any claims or take any action or institute any proceedings that Secured Party may deem necessary or desirable for the collection of any of the Patent Collateral or otherwise to enforce the rights of Secured Party with respect to any of the Patent Collateral or the License; and

9. Rights of Secured Party.

(a) If Borrower fails to perform any of its obligations set forth in this Agreement, Secured Party may itself perform, or cause performance of, such obligation, and all of the costs and expenses incurred by Secured Party in connection therewith shall be payable by Borrower under Section 12(b) hereof.

(b) Secured Party, or its designated representatives, shall have the right, at all reasonable times, to inspect Borrower's premises and to examine books, records and operations relating to the Patent Collateral.

(c) Secured Party shall have the right, but in no way shall be obligated, to bring suit in its own name or in the name of Borrower to enforce any part of the Patent Collateral. Borrower shall, at the reasonable request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement. Upon demand, Borrower shall promptly reimburse and indemnify and hold Secured Party harmless from and against any and all costs and expenses incurred by Secured Party (including without limitation attorneys' fees and expenses) in the exercise of its rights and under this Section 9(c).

10. Duties of Secured Party. The powers conferred on Secured Party hereunder are solely to protect its assignment, lien and security interest granted hereunder in the Patent Collateral and the License, and shall not impose any duty upon Secured Party to exercise any such powers.

11. Remedies. If any Event of Default shall have occurred and be continuing, then:

(a) Secured Party may exercise in respect of all or any part of the Patent Collateral and the License, in addition to other rights and remedies provided for herein or otherwise available to Secured Party at law, in equity or otherwise, all of the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Patent Collateral), and also may (i) exercise any and all rights and remedies of Borrower under or in connection with the License or otherwise in respect of all or any part of the Patent Collateral, (ii) require Borrower to, and Borrower hereby agrees that it will at its sole cost and expense and upon request of Secured Party forthwith, assemble all or any part of the documents embodying the Patent Collateral as directed by Secured Party, and make the same available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both Secured Party and Borrower, (iii) occupy any premises owned or leased by Borrower where documents embodying all or any part of the Patent Collateral and/or the License are assembled for a reasonable period in order to effectuate Secured Party's rights and remedies hereunder, or otherwise available to Secured Party at law or in equity, without any obligation to Borrower in respect of such occupation, (iv) license the Patent Collateral or any part thereof, or assign its rights to the Patent License Rights to any Person, and (v) without notice except as specified below, sell all or any part of the Patent Collateral and/or the License in one or more parcels at public or private sale, at any of Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Secured Party may deem commercially reasonable.

Borrower agrees that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Secured Party shall not be obligated to make any sale of Patent Collateral or the License regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All payments received by Borrower under or in connection with any of the Patent Collateral or the License shall be received in trust for the benefit of Secured Party, shall be segregated from other funds of Borrower and shall be forthwith paid over to Secured Party in the same form as so received (with any necessary indorsement).

(c) All payments made under or in connection with or otherwise in respect of the Patent Collateral or the License, and all cash proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Patent Collateral or the License may, in the discretion of Secured Party, be held by Secured Party, as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to Secured Party pursuant to Section 12 hereof) in whole or in part by Secured Party against, all or any part of the Obligations, in such order as set forth in the Loan Agreement and other Loan Documents. Any surplus of such cash or cash proceeds held by Secured Party and remaining after payment in full of all the Obligations shall be paid over by Borrower or to whomsoever may be lawfully entitled to receive such surplus.



12. Indemnity and Expenses.

(a) Borrower agrees to and does hereby indemnify and hold Secured Party harmless from and against any and all claims, losses and liabilities arising out of or resulting from this Agreement or the transactions contemplated hereby (including without limitation enforcement of any of Secured Party's rights and remedies under this Agreement), except claims, losses or liabilities resulting from Secured Party's bad faith or willful misconduct as determined by a final judgment of a court of competent jurisdiction.

(b) Borrower will upon demand pay to Secured Party the amount of any and all costs and expenses, including without limitation the reasonable fees and disbursements of its counsel and of any experts and agents, which Secured Party may incur in connection with any and all of (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, all or any part of the Patent Collateral and the License, (iii) the exercise or enforcement of any of Secured Party's rights or remedies hereunder or otherwise available to Secured Party under any of the other Loan Documents or at law or in equity, or (iv) the failure by Borrower to perform or observe any of the provisions hereof.

13. Amendments, Waivers, Consents. No amendment or waiver of any provision of this Agreement, nor consent to any departure by Borrower herefrom, shall in any event be effective unless such amendment or waiver shall be in writing and signed by Secured Party, and then any such amendment or waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

14. Notices. Any notice or notification required, permitted or contemplated hereunder shall be in writing, shall be addressed and given to the party to be notified at the address set forth in, and in the manner required by, the Loan Agreement.

15. Miscellaneous.

(a) This Agreement shall create continuing ownership rights in the Patent Collateral and a continuing security interest and lien in the License, and shall (i) remain in full force and effect until payment and performance of all of the Obligations in full, (ii) be binding upon Borrower, its successors and assigns, and (iii) inure, together with the rights and remedies of Secured Party hereunder, to the benefit of Secured Party, its successors, transferees and assigns; provided, however, that Borrower shall not assign any of its rights or obligations hereunder to any other Person without the prior written consent of Secured Party.

(b) Upon the payment and performance of all of the Obligations in full, the assignment made, and the security interest and lien granted hereby, shall terminate, and all rights to the Patent Collateral and the License shall revert to Borrower. Upon any such termination, Secured Party will, at Borrower's sole cost and expense, execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination.

(c) If any term or provision of this Agreement is or shall become illegal, invalid or unenforceable in any jurisdiction, all other terms and provisions of this Agreement shall remain legal, valid and enforceable in such jurisdiction and such illegal, invalid or unenforceable provision shall be legal, valid and enforceable in any other jurisdiction.

(d) This Agreement shall be governed by, and construed in accordance with, the local laws of the State of Ohio, except to the extent that the validity or perfection of the lien and security interest hereunder, or rights or remedies hereunder, in respect of any particular Patent Collateral, are governed by the laws of the United States or any other jurisdiction other than the State of Ohio.

(e) The captions in this Agreement are for reference purposes only and shall not relate to or affect in any way the construction or interpretation hereof.

(f) The representations, warranties, covenants and agreements contained herein or in any Schedule attached hereto shall survive the execution hereof.

AS A SPECIFICALLY BARGAINED INDUCEMENT FOR SECURED PARTY TO ENTER INTO THIS AGREEMENT AND FOR SECURED PARTY TO EXTEND CREDIT TO BORROWER, BORROWER AGREES THAT ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT, ITS VALIDITY OR PERFORMANCE, AT THE SOLE OPTION OF SECURED PARTY, ITS SUCCESSORS AND ASSIGNS, SHALL BE INITIATED AND PROSECUTED AS TO ALL PARTIES AND THEIR SUCCESSORS AND ASSIGNS AT COLUMBUS, OHIO. SECURED PARTY AND BORROWER EACH CONSENTS TO AND SUBMITS TO THE EXERCISE OF JURISDICTION OVER ITS PERSON BY ANY COURT SITUATED AT COLUMBUS, OHIO HAVING JURISDICTION OVER THE SUBJECT MATTER, WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO BORROWER AND SECURED PARTY AT THEIR RESPECTIVE ADDRESSES AS SET FORTH IN THE THE LOAN AGREEMENT AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE (5) BUSINESS DAYS AFTER SUCH PROCESS SHALL HAVE BEEN DEPOSITED IN THE U.S. MAIL, POSTAGE PREPAID. BORROWER HEREBY WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER, AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

AS A SPECIFICALLY BARGAINED INDUCEMENT FOR SECURED PARTY TO ENTER INTO THIS AGREEMENT AND EXTEND CREDIT TO BORROWER, BORROWER AND SECURED PARTY EACH WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREBY.

IN WITNESS WHEREOF, the parties hereto have, by their duly authorized officers, signed this Agreement to be effective as of the date and year first above written.

BORROWER:

PORTEC RAIL PRODUCTS, INC.

By: [Signature]  
Name: JOHN S. COOPER  
Its: PRES. & CEO

SECURED PARTY:

NATIONAL CITY BANK, formerly known as National City Bank of Columbus

By: [Signature]  
Name: RICHARD R. MURPHY III  
Its: VICE PRESIDENT

STATE OF PA )  
 ) SS:  
COUNTY OF Allegheny )

The foregoing Patent Assignment and Security Agreement was executed and acknowledged before me this 15 day of June 1998 by JOHN S. COOPER personally known to me to be the PRES. & CEO. of Portec Rail Products, Inc., a West Virginia corporation, on behalf of such corporation.

[Signature]  
Notary Public

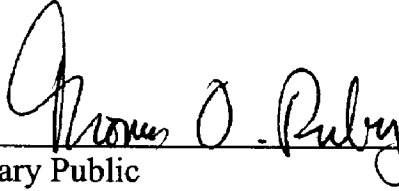
My Commission Expires: May 10, 1999

Notarial Seal  
Linda R. Boe, Notary Public  
Wilkins Twp., Allegheny County  
My Commission Expires May 10, 1999

Member, Pennsylvania Association of Notaries

STATE OF OHIO )  
 ) SS:  
COUNTY OF FRANKLIN )

The foregoing Patent Assignment and Security Agreement was executed and acknowledged before me this 26th day of June, 1998 by Richard R. Murphey III, personally known to me to be a Vice President of National City Bank, a national banking association, on behalf of such national banking association.



\_\_\_\_\_  
Notary Public

My Commission Expires:



**THOMAS O. RUBY,**  
**ATTORNEY AT LAW**  
\_\_\_\_\_  
NOTARY PUBLIC, STATE OF OHIO  
My commission has no expiration date.  
Section 147.03 R.C.

**SCHEDULE I TO PATENT ASSIGNMENT AND SECURITY AGREEMENT**

**Patents**

<u>Country</u>	<u>Patent</u>	<u>Appl. Registration No.</u>	<u>Appl. Regis. Date</u>
Canada	Shoulder type rail fastener	1,179,659	12/18/84
Canada	Railway track spike driving device	1,114,233	12/15/81
Canada	Insulated base rail joint	1,150,701	7/26/83
Canada	Electrically insulating joint for connecting adjacent rails	2,156,754	2/24/97
U.S.	Winch and chain attachment assembly	4,273,486	06/16/81