

12-04-1998

12/2/98



100913882

RECORDATION FORM COVER SHEET
PATENTS 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 Security Agreement

License Change of Name

Merger Other _____

U.S. Government
(For Use ONLY by U.S. Government Agencies)

Departmental File Secret File

Conveying Party(ies)

Mark if additional names of conveying parties attached Execution Date
Month Day Year

Name (line 1) **THE NATIONAL MACHINERY COMPANY** Execution Date **11 06 98**

Name (line 2) _____

Second Party Execution Date
Month Day Year

Name (line 1) _____

Name (line 2) _____

Receiving Party

Mark if additional names of receiving parties attached

Name (line 1) **THE FIRST NATIONAL BANK OF CHICAGO**

Name (line 2) _____

Address (line 1) **ONE FIRST NATIONAL PLAZA**

Address (line 2) _____

Address (line 3) **CHICAGO** **IL** **60670**

City State/Country Zip Code

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 is attached. (Designation must be a separate document from Assignment.)

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) _____

12/03/1998 TTOM11 00000093 5560238

FOR OFFICE USE ONLY

01 FC:581 1320.00 DP

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

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

PATENT
REEL: 9605 FRAME: 0521

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. #

Application Number(s) or Patent Number(s) Mark if additional numbers attached

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

Patent Application Number(s)			Patent Number(s)		
<input type="text" value="08991200"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="5560238"/>	<input type="text" value="4301671"/>	<input type="text" value="4351180"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="5542275"/>	<input type="text" value="4317354"/>	<input type="text" value="4395899"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="4283974"/>	<input type="text" value="4342233"/>	<input type="text" value="4538437"/>

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor. Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number only if a U.S. Application Number has not been assigned.

PCT PCT PCT

PCT PCT PCT

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

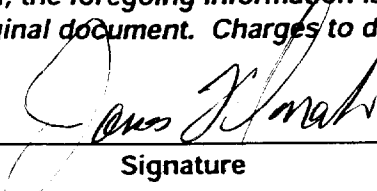
Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)

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.

JAMES F. DONATO 

Name of Person Signing Signature Date

RECORDATION FORM COVER SHEET CONTINUATION PATENTS ONLY

Conveying Party(ies)

Mark if additional names of conveying parties attached

Enter additional Conveying Parties

Name (line 1)

Execution Date
Month Day Year

Name (line 2)

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Name (line 1)

Execution Date
Month Day Year

Name (line 2)

Receiving Party(ies)

Mark if additional names of receiving parties attached

Enter additional Receiving Party(ies)

Name (line 1)

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 is attached. (Designation must be a separate document from Assignment.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Name (line 1)

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 is attached. (Designation must be a separate document from Assignment.)

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Address (line 1)

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Address (line 3)

City

State/Country

Zip Code

Application Number(s) or Patent Number(s)

Mark if additional numbers attached

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Patent Application Number(s)

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

Patent Number(s)

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<input type="text" value="4631950"/>	<input type="text" value="5005397"/>	<input type="text" value="5345800"/>
<input type="text" value="4898017"/>	<input type="text" value="5105649"/>	<input type="text" value="5363686"/>
<input type="text" value="4910993"/>	<input type="text" value="5131250"/>	<input type="text" value="5417096"/>
<input type="text" value="5230235"/>	<input type="text" value="5138866"/>	<input type="text" value="5542275"/>

RECORDATION FORM COVER SHEET CONTINUATION PATENTS ONLY

Conveying Party(ies)

Mark if additional names of conveying parties attached

Enter additional Conveying Parties

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

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Address (line 3) City State/Country Zip Code

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Address (line 3) City State/Country Zip Code

Application Number(s) or Patent Number(s)

Mark if additional numbers attached

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

Patent Application Number(s)

Patent Number(s)

5555757 5560238 5713236

5829302 5704245 5724847

5732589 5746087

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement") is made as of November 6, 1998, by and between The National Machinery Company, an Ohio corporation ("Grantor"), and The First National Bank of Chicago, with its chief executive office at One First National Plaza, Chicago, Illinois 60670, as the contractual representative (the "Agent") for the "Holders of Secured Obligations" (as such term is defined in the "Credit Agreement" defined below).

WITNESSETH:

WHEREAS, The National Machinery Company, an Ohio corporation (the "Borrower"), the Agent and certain financial institutions (the "Lenders") are parties to that certain Credit Agreement of even date herewith (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Credit Agreement"), pursuant to which the Lenders may, from time to time, extend credit to Borrower; and

WHEREAS, Grantor and the Agent are parties to that certain Security Agreement of even date herewith (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Security Agreement"), pursuant to which Grantor has granted a security interest in certain of its assets to the Agent for the benefit of the Agent and the Holders of Secured Obligations; and

WHEREAS, the Lenders have required Grantor to execute and deliver this Agreement (i) in order to secure the prompt and complete payment, observance and performance of all of the "Secured Obligations" (as defined in the Credit Agreement) and (ii) as a condition precedent to any extension of credit to the Borrower under the Credit Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Credit Agreement shall have the meaning specified for such term in the Credit Agreement. Unless otherwise defined herein or in the Credit Agreement, each capitalized term used herein that is defined in the Security Agreement shall have the meaning specified for such term in the Security Agreement.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Credit Agreement. The Credit Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Security Interest in Patents. To secure the complete and timely payment, performance and satisfaction of all of the Secured Obligations, Grantor hereby grants to the Agent, for the benefit of the Holders of Secured Obligations, a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Grantor's now owned or existing and hereafter acquired or arising:

(i) patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents and patent applications listed on Schedule A attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all of Grantor's rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d) in this paragraph 4(i) are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(ii) rights under or interest in any patent license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this paragraph 4, the Licenses shall not include any license agreement in effect as of the date hereof which by its terms prohibits the grant of the security contemplated by this Agreement; provided, however, that upon the termination of such prohibitions for any reason whatsoever, the provisions of this paragraph 4 shall be deemed to apply thereto automatically.

5. Restrictions on Future Agreements. Grantor will not, without the Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Agent under this Agreement or the rights associated with the Patents or Licenses.

6. New Patents and Licenses. Grantor represents and warrants that, from and after the Closing Date, (a) the Patents listed on Schedule A include all of the patents and patent applications now owned by Grantor and (b) no liens, claims or security interests in such Patents and Licenses have been granted by Grantor to any Person other than the Agent. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new patentable inventions, (ii) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension

or continuation-in-part of any Patent or any improvement on any Patent or License, or (iii) enter into any new patent license agreement, the provisions of paragraph 4 above shall automatically apply thereto. Grantor shall give to the Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Grantor hereby authorizes the Agent to modify this Agreement unilaterally (i) by amending Schedule A to include any future patents and patent applications, under this paragraph 6, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A thereto, as the case may be, such future patents and patent applications.

7. Royalties. Grantor hereby agrees that the use by the Agent of the Patents and Licenses as authorized hereunder in connection with the Agent's exercise of its rights and remedies under paragraph 15 or pursuant to Section 17 of the Security Agreement shall be coextensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Agent or the other Holders of Secured Obligations to Grantor.

8. Right to Inspect; Further Assignments and Security Interests. The Agent may upon reasonable notice and during reasonable business times (and at any time when a Default exists) have access to, examine, audit, make copies (at Grantor's expense) and extracts from and inspect Grantor's premises and examine Grantor's books, records and operations relating to the Patents and Licenses; provided, that in conducting such inspections and examinations, the Agent shall use reasonable efforts not to disturb unnecessarily the conduct of Grantor's ordinary business operations; provided, further, that the Agent shall be subject to obligations of confidentiality pursuant to Section 13.4 of the Credit Agreement. Grantor agrees not to sell or assign its respective interests in, or grant any license (other than in the ordinary course of business) under, the Patents or the Licenses without the prior and express written consent of the Agent.

9. Nature and Continuation of the Agent's Security Interest; Termination of the Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and Licenses and shall terminate only when the Secured Obligations have been paid in full in cash and the Credit Agreement and the Security Agreement have been terminated. When this Agreement has terminated, the Agent shall promptly execute and deliver to Grantor, at Grantor's expense, all termination statements and other instruments as may be necessary or proper to terminate the Agent's security interest in the Patents and the Licenses, including releases to be filed with the U.S. Patent and Trademark Office, subject to any disposition thereof which may have been made by the Agent pursuant to this Agreement or the Security Agreement.

10. Duties of Grantor. Grantor shall have the duty, to the extent desirable in the normal conduct of Grantor's business, to: (i) prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (ii) make application on unpatented but patentable inventions. Grantor further agrees (i) not to abandon any material Patent or License without the prior written consent of the Agent, and (ii) to use commercially reasonable efforts to maintain in full force and effect the Patents and the Licenses that are or shall be necessary or economically desirable in the operation of Grantor's business. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Neither the Agent nor any of the Holders of Secured Obligations shall have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, neither the Agent nor any of the Holders of Secured Obligations shall be

under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but the Agent may do so at its option from and after the occurrence and during the continuance of a Default, and all reasonable expenses incurred in connection therewith shall be for the sole account of Grantor and shall be added to the Secured Obligations secured hereby.

11. The Agent's Right to Sue. From and after the occurrence and during the continuance of a Default, the Agent shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Patents and the Licenses and, if the Agent shall commence any such suit, Grantor shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents required by the Agent in aid of such enforcement. Grantor shall, upon demand, promptly reimburse the Agent for all reasonable costs and expenses incurred by the Agent in the exercise of its rights under this paragraph 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for the Agent).

12. Waivers. The Agent's failure, at any time or times hereafter, to require strict performance by Grantor of any provision of this Agreement shall not waive, affect or diminish any right of the Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Grantor and the Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Grantor contained in this Agreement shall be deemed to have been suspended or waived by the Agent unless such suspension or waiver is in writing signed by an officer of the Agent and directed to Grantor specifying such suspension or waiver.

13. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney. Grantor hereby irrevocably designates, constitutes and appoints the Agent (and all Persons designated by the Agent in its sole and absolute discretion) as Grantor's true and lawful attorney-in-fact, and authorizes the Agent and any of the Agent's designees, in Grantor's or the Agent's name, to take any action and execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence and during the continuance of a Default and the giving by the Agent of notice to Grantor of the Agent's intention to enforce its rights and claims against Grantor, to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for the Agent in the use of the Patents or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Patents or the Licenses as the Agent deems in its own or the Holders of Secured

Obligations' best interest. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations shall have been paid in full in cash and the Credit Agreement shall have been terminated. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent or the other Holders of Secured Obligations under the Security Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

The Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents or the Licenses may be located or deemed located. Upon the occurrence of a Default and the election by the Agent to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code with respect to the Patents and Licenses, Grantor agrees to assign, convey and otherwise transfer title in and to the Patents and the Licenses to the Agent or any transferee of the Agent and to execute and deliver to the Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Agent's sole discretion, to effect such assignment, conveyance and transfer. All of the Agent's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by the Security Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of a Default, the Agent may exercise any of the rights and remedies provided in this Agreement, the Security Agreement and any of the other Loan Documents. Grantor agrees that any notification of intended disposition of any of the Patents and Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that the Agent may give any shorter notice that is commercially reasonable under the circumstances.

16. Successors and Assigns. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of each of the Holders of Secured Obligations and its nominees, successors and assigns. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Grantor; provided, however, that Grantor shall not voluntarily assign or transfer its rights or obligations hereunder without the Agent's prior written consent.

17. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED AND THE RIGHTS AND DUTIES OF THE PARTIES SHALL BE GOVERNED BY IN ALL RESPECTS IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, 735 ILCS 105/5-1 ET SEQ., BUT OTHERWISE WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS) AND DECISIONS OF THE STATE OF ILLINOIS.

18. Notices. All notices or other communications hereunder shall be given in the manner and to the address of the Borrower, in the case of the Grantor, and to the address of the Agent, in each case, as set forth in the Credit Agreement.

19. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

21. Merger. This Agreement represents the final agreement of the Grantor with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Grantor and the Agent or any Holder of Secured Obligations.

22. No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

THE NATIONAL MACHINERY COMPANY

By: [Signature]
Name: Robert Fesler
Title: Vice President

ATTEST:

By: [Signature]
Name: Charles E. Coppening
Title: Asst. Secretary

Accepted and agreed to as of the day and year first above written.

THE FIRST NATIONAL BANK OF CHICAGO,
as Agent

By: [Signature]
Name: Kelly T. Cotton
Title: First Vice President

**Schedule A
to
Patent Security Agreement**

PATENTS - U.S.

TITLE	PATENT/ APPLICATION NUMBER	FILE DATE	ISSUE DATE
THREAD MONITOR	5,560,238	1-19-1994	11-23-1994
FXT	5,542,275	4-02-1992	2-21-1995
BAR END DROPPER	4,283,974	8-06-1979	8-06-1979
SUPPORTED K.O.	4,301,671	2-04-1980	11-24-1981
SHORT BLANK EJECTOR	4,317,354	1-10-1980	3-02-1982
LOAD DETECTING PROBE	4,342,233	8-18-1980	8-03-1982
90 DEGREE HOT FORMER TRANSFER	4,351,180	6-30-1980	9-28-1982
KICK PIERCE METHOD OF MAKING TUB. RIVET	4,395,899	8-14-1980	6-02-1983
K.O. WITH RUNNING ADJUSTMENT	4,538,437	6-25-1984	9-03-1985
THREAD ROLLING MONITOR	4,615,197	10-05-1984	10-07-1986
MICROFORMER TOOL PACK	4,631,950	5-17-1984	12-30-1986
QUICK-CHANGE TOOLING FOR PROGRESSIVE FORMERS AND THE LIKE	4,898,017	8-09-1988	2-06-1990
FX CONSTRUCTION	4,910,993	5-04-1988	3-27-1990
FX FEED APPARATUS	4,942,796	8-03-1988	7-24-1990
METHOD FOR PROVIDING PROGRESSIVE FORMERS WITH QUICK-CHANGE TOOLING	5,005,397	11-13-1989	4-09-1991
METHOD OF PRODUCING FORGING MACHINES	5,105,649	1-14-1991	4-21-1992
FLAT DIE THREAD ROLLER	5,131,250	2-08-1991	7-21-1992
FORMAX CONSTRUCTION	5,138,866	4-26-1991	6-18-1992
FXT	5,230,235	4-14-1992	7-27-1993
FORMAX CONSTRUCTION	5,263,356	4-22-1992	11-23-1993
FXT	5,345,800	3-22-1993	9-13-1994
PROGRESSIVE FORMER	5,363,686	6-29-1993	11-15-1994
FLAT DIE THREAD ROLLER	5,417,096	3-18-1994	5-23-1995
FLAT DIE THREAD ROLLER	5,542,275	2-21-1995	8-06-1996
FLAT DIE THREAD ROLLER	5,555,757	5-25-1995	9-17-1996
THREAD ROLLING MONITOR	5,560,238	11-23-1994	10-01-1996
PICK AND PLACE TRANSFER	5,713,236	2-08-1995	2-03-1998
CASSETTE TOOLING	5,829,302	5-31-1996	11-03-1998
WASHER ASSEMBLY APPARATUS	08/991,200	12-16-1997	
PROG. FORGING MCH WIND. ADJ. TOOLS	5,704,245	5-31-1996	1-06-1998
INTEGRATED WIRE FEED & DRAW APPARATUS	5,724,847	5-31-1996	3-10-1998
AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH	5,732,589	5-31-1996	3-31-1998
HEADING SLIDE GUIDING SYSTEM	5,746,087	6-12-1997	5-05-1998

Schedule A
to
Patent Security Agreement

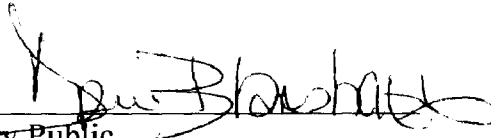
PATENTS - FOREIGN

COUNTRY	TITLE	APP/PATENT NUMBER	FILE/ISSUE DATE
BELGIUM	FX CONSTRUCTION		
BELGIUM	FLAT DIE THREAD ROLLER		
BELGIUM	INTEGRATED WIRE FEED & DRAW APPARATUS		
BELGIUM	CASSETTE TOOLING		
BELGIUM	PROG. FORGING MACH WIND. ADJ. TOOLS		
BELGIUM	AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH		
BELGIUM	FLAT DIE THREAD ROLLER		
BELGIUM	BAR END DROPPER	884,637	8-05-1980
BELGIUM	SUPPORTED K.O.	887,361	2-03-1981
BELGIUM	MICROFORMER TOOL PAC	902,434	5-15-1985
BELGIUM	K.O. WITH RUNNING ADJUSTMENT	902,734	6-24-1985
BELGIUM	THREAD ROLLING MONITOR	903,362	10-31-1985
BELGIUM	FORMAX QCT	0354428	7-28-1989
BELGIUM	GRIP FEED	8,900,827	8-02-1989
BRITAIN	FLAT DIE THREAD ROLLER		
EUROPE	FORMAX QCT	0354428	4-19-1995
EUROPEAN	PICK AND PLACE TRANSFER		
EUROPEAN	HEADING SLIDE GUIDING SYSTEM		
EUROPEAN	FXT	0498225	10-09-1996
EUROPEAN	FX CONSTRUCTION	89107086.4	
FRANCE	FLAT DIE THREAD ROLLER		
FRANCE	MICROFORMER TOOL PACK	85,07212	6-13-1985
GERMANY	FX CONSTRUCTION		
GERMANY	INTEGRATED WIRE FEED & DRAW APPARATUS		
GERMANY	CASSETTE TOOLING		
GERMANY	PROG. FORWARD MACH WIND. ADJ. TOOLS		
GERMANY	AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH		
GERMANY	FLAT DIE THREAD ROLLER		
GERMANY	P.F. & METHOD OF REDUCING SAME	0340543	3-02-1994
GERMANY	FORMAX QCT	0354428	
GERMANY	HIGH SPEED BALL HDR.	P2825988.3	6-14-1978
GERMANY	MICROFORMER TOOL PAC	P3517637.7	5-15-1985
GERMANY	GRIP FEED	P3925370.8	6-01-1989
ITALY	FLAT DIE THREAD ROLLER		
ITALY	INTEGRATED WIRE FEED & DRAW APPARATUS		

COUNTRY	TITLE	APP/PATENT NUMBER	FILE/ISSUE DATE
ITALY	CASSETTE TOOLING		
ITALY	PROG. FORGING MACH WIND. ADJ. TOOLS		
ITALY	AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH		
JAPAN	ASSEMBLY HEADER FEEDER		
JAPAN	BIMETAL ELECTRODE		
JAPAN	BIMETAL ELECTRODE		
JAPAN	PICK AND PLACE TRANSFER		
JAPAN	INTEGRATED WIRE FEED & DRAW APPARATUS		
JAPAN	HEADING SLIDE GUIDING SYSTEM		
JAPAN	CASSETTE TOOLING		
JAPAN	PROG. FORGING MACH WIND. ADJ. TOOLS		
JAPAN	AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH		
JAPAN	HI SPEED TRANSFER	1,370,029	
JAPAN	MICROFORMER TOOL PAC	104105/1985	5-17-1985
JAPAN	FX CONSTRUCTION	107989/1989	
JAPAN	FORMAT QCT	1996927	12-08-1995
JAPAN	A PROGRESSIVE FORMER	2,023,862	2-26-1996
JAPAN	GRIP FEED	202262/1989	8-03-1989
JAPAN	FXT	22952/1992	2-07-1992
SPAIN	FLAT DIE THREAD ROLLER		
SPAIN	HIGH SPEED BALL HEADER	472,515	8-11-1978
SWITZERLAND	FLAT DIE THREAD ROLLER		
SWITZERLAND	INTEGRATED WIRE FEED & DRAW APPARATUS		
SWITZERLAND	CASSETTE TOOLING		
SWITZERLAND	PROG. FORGING MACH WIND. ADJ. TOOLS		
SWITZERLAND	SUPPORTED K.O.	649,935	2-04-1981
SWITZERLAND	BAR END DROPPER	656,817	7-03-1980
SWITZERLAND	MICROFORMER TOOL PAC	885,368-6	5-17-1982
SWITZERLAND	GRIP FEED	680115-8	8-02-1989
SWITZERLAND	FORMAX QCT	0354428	
SWITZERLAND	AUTO. ADJ. MULTIPLE CAM FOR FRG'G MACH		
TAIWAN	HEADING SLIDE GUIDING SYSTEM		

STATE OF NEW YORK)
COUNTY OF New York) SS

The foregoing Patent Security Agreement was acknowledged before me this 10 day of November, 1998, by Robert Fecht, a Vice President of The National Machinery Company, an Ohio corporation, on behalf of such corporation.



Notary Public

County, New York
My commission expires: _____

APRIL BLANSHAFT
Notary Public, State of New York
No. 01BL509007
Qualified in Nassau County
Commission Expires July 25, 2000

Patent Security Agreement

STATE OF NEW YORK)
COUNTY OF New York) SS

The foregoing Patent Security Agreement was acknowledged before me this 4 day of November, 1998, by Walter T. Cotton, a First V.P. of The First National Bank of Chicago, a national banking association, on behalf of such association.

APRIL BLANSHAF
Notary Public, State of New York
No. 01BL5030907
Qualified in Nassau County
Commission Expires July 25, 2000

[Signature]
Notary Public
_____ County, New York
My commission expires: _____

Patent Security Agreement