

04-22-1999

CORDATION FORM COVER SHEET PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



101017601

Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Merit Abrasive Products, Inc.

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: March 23, 1999

2. Name and address of receiving party(ies)
Name: Heller Financial, Inc., as agent

Internal Address: _____

Street Address: 500 West Monroe

City: Chicago State: IL ZIP: 60661

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: _____

4/14/99

A. Patent Application No.(s)

B. Patent No.(s) 4,217,737
4,285,171
4,969,299
5,722,881

Additional numbers attached? Yes No

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

Name: Laura Konrath

Internal Address: Winston & Strawn
33rd Floor

Street Address: 35 W. Wacker

City: Chicago State: IL ZIP: 60601

6. Total number of applications and patents involved: 4

7. Total fee (37 CFR 3.41).....\$ 160.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
N/A

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

04/20/1999 JSHABAZZ 00000025 4217737

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160.00 OP

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.

Laura Konrath
Name of Person Signing

Laura Konrath
Signature

4/5/99
Date

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

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

PATENT
REEL: 9883 FRAME: 0924

PATENTS

<u>Name</u>	<u>U.S. Patent Number</u>
Abrasive Flap Drum	4,217,737
Abrasive Flap Drum	4,285,171
Flap Wheel	4,969,299
Flap Wheel/Power Wheel	5,722,881

PATENT APPLICATIONS

none

PATENT SECURITY AGREEMENT

WHEREAS, **Merit Abrasive Products, Inc.**, a Nevada corporation ("**Grantor**"), owns the Patents and applications for Patents listed on Schedule 1 annexed hereto; and

WHEREAS, Grantor, certain other credit parties, the lenders from time to time party thereto, and Heller Financial, Inc. as Agent for the lenders ("**Agent**") are parties to a Credit Agreement of even date herewith(as the same may be amended , modified, supplemented or restated from time to time, the "**Credit Agreement**"), providing for extensions of credit to be made to Grantor by Lenders; and

WHEREAS, pursuant to the terms of the Security Agreement of even date herewith (as the same may be amended and in effect from time to time, the "**Security Agreement**") between Grantor and Agent (in such capacity, "**Grantee**"), Grantor has granted to Grantee for the benefit of Lenders a security interest in substantially all the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Patents (as defined in the Security Agreement), and all products and proceeds thereof, to secure the payment of all amounts owing by Grantor under the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "**Patent Collateral**"), whether presently existing or hereafter created or acquired:

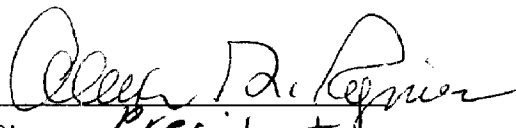
(1) each Patent and application for Patent listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of and symbolized by, each such Patent; and

(2) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement of any Patent, or (b) injury to the goodwill associated with any Patent.

The security interest granted hereby is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provision of which are incorporated by reference herein as if fully set forth herein.

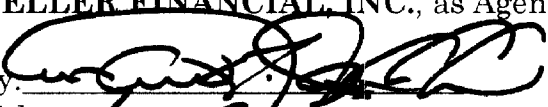
IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its duly authorized officer as of the 23rd day of March, 1999.

MERIT ABRASIVE PRODUCTS, INC.

By: 
Title: President

Acknowledged:

HELLER FINANCIAL, INC., as Agent

By: 
Title: VICE PRESIDENT

ACKNOWLEDGEMENT

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On the 3rd day of March, 1999 before me personally appeared ^{Andras} G. Jakubek to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument as V.P. of Heller Financial, Inc. who being by me duly sworn, did depose and say that he/she is V.P. of Heller Financial, Inc., the corporation described in and which executed the foregoing instrument; that the said instrument was executed and delivered on behalf of said corporation by order of its Board of Directors; that he/she signed his/her name thereto by like order; and that he/she acknowledged said instrument to be the free act and deed of said corporation.

Marion F. Figur
Notary Public

{Seal}

My commission expires: _____
MARION F. FIGUR
~~Notary Public, State of New York~~
No. 31-4734652
Qualified in New York County
Commission Expires May 31, 1999