



01-28-2000



101252251

**RECORDATION FORM COVER SHEET  
PATENTS ONLY**

1-3-00

**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

Name (line 1)	<input type="text" value="TOTH ALUMINUM CORPORATION"/>	Execution Date Month Day Year	<input type="text" value="12/28/99"/>
Name (line 2)	<input type="text"/>		
<b>Second Party</b>		Execution Date Month Day Year	
Name (line 1)	<input type="text" value="CHAPLIN, GERVASE"/>		<input type="text" value="12/28/99"/>
Name (line 2)	<input type="text"/>		

**Receiving Party**

Mark if additional names of receiving parties attached

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

**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)

01/28/2000 DMGUYEN 00000086 4695436

01 FC:581

120.00 OP

**FOR OFFICE USE ONLY**

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: 010499 FRAME: 0276**

**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"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="4695436"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="4710369"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1105712"/>	<input type="text"/>	<input type="text"/>

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 **PCT**       **PCT**       **PCT**

**only if a U.S. Application Number has not been assigned.**      **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**

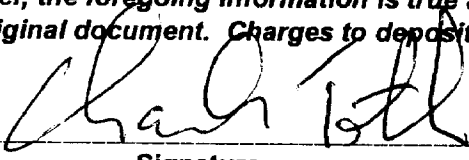
**Deposit Account**  
(Enter for payment by deposit account or if additional fees can be charged to the account.)

**Deposit Account Number:**      #

**Authorization to charge additional fees:**      **Yes**       **No**

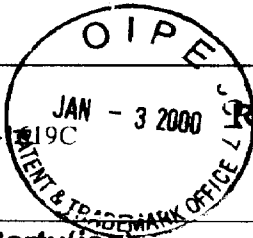
**Statement and Signature**

*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.*

CHARLES TOTH, Chairman            12/28/99

**Name of Person Signing**      **Signature**      **Date**

*Chairman*



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)

Name (line 1)

Execution Date  
Month Day Year

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.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)  City  State/Country  Zip Code

Application Number(s) or Patent Number(s)

Mark if additional numbers attached

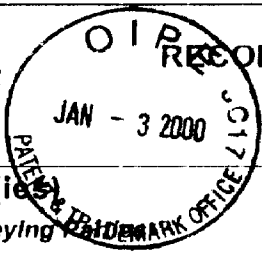
Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

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

<input type="text" value="4695436"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="4710369"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="1105712"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>



# CONTINUATION PATENTS ONLY

## Conveying Party(ies)

Mark If additional names of conveying parties attached

Enter additional Conveying Party(ies)

Execution Date  
Month Day Year

Name (line 1) HAAS MANAGEMENT, division of Villamizar, Inc.

12/28/99

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)

## 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.)

Name (line 2)

Address (line 1)

Address (line 2)

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)

4695436

4710369

1105712

## COMMERCIAL SECURITY AGREEMENT

This Commercial Security Agreement, dated as of December 28, 1999 is made by Toth Aluminum Corporation, a Louisiana corporation ("Debtor"), in favor of Wm. B. Reily, III, ("Secured Party"). Debtor's taxpayer identification number is 72-0646580 .

### RECITALS

**WHEREAS**, Secured Party has made loans and intends to make additional advances/loans to Debtor;

**WHEREAS**, Debtor's place of business is at 2141 Toth Street, P.O. Box 250, Vacherie, LA 70090;

**WHEREAS**, Debtor's chief executive office where Debtor manages the main part of its business operations and keeps its accounts receivable records is at Highway 18 River Road at 2141 Toth Street, Vacherie, LA 70090;

**WHEREAS**, Debtor is not doing business, and has not within the past five (5) years done business, under any name other than the name set forth above or under any assumed name, fictitious name, or trade name; and

**WHEREAS**, Debtor's other business records are kept at Highway 18 River Road at 2141 Toth Street, Vacherie, LA 70090 ;

### AGREEMENT

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein and other good and valuable consideration, the receipt of which is hereby acknowledged, Debtor and Secured Party agree as follows:

1. **GRANT OF SECURITY INTEREST.** To secure the prompt and complete payment and performance when due and/or reimbursement for any amounts owed by Debtor to Secured Party, Debtor hereby assigns, conveys, mortgages, pledges, hypothecates, transfers, and hereby grants to Secured Party a continuing security interest in and a right of setoff and compensation against, all of Debtor's right, title and interest in, to, and under, or right to acquire, the following, whether now owned or existing or hereafter acquired or arising and wherever located (collectively, the "Collateral"):

(i) Domestic and Foreign Patents, Patent Applications, Continuations in Part and all Intellectual Properties, Patent Disclosures, Know How, Trade Secrets, Research and Development Data, Mini-Plant and Pilot Plant Designs and results and all other relevant records, including complementary data contributed by Debtor's Consultants under Confidentiality

Agreements and related improvements and any and all present and future accounts, chattel paper, instruments, notes and monies that may be derived from the license, sale, lease or other disposition of any of the foregoing and any rights of Debtor to collect or enforce payment thereof, as well as to enforce any guaranties of the foregoing and security therefrom and all present and future general intangibles of Debtor in any way related or pertaining to the ownership, operation, or use of the foregoing and all rights of Debtor with regard thereto. While the Parties are given this right, they are under no obligation to do so.

All choses in action and causes of action and all other intangible personal property of Debtor of every nature and kind, now owned or hereafter acquired, including without limitation, corporate or other business records, inventions, designs, blueprints, plans, specifications, patents, patent applications, patent disclosures, trade marks, trade names, trade secrets, know how, goodwill, copyrights, registration, licenses, franchises, tax refund claims, and any letter of credit, guaranty, claim, security interest or other security held or granted to Debtor to secure payment of any indebtedness including, but not limited to the Patent interest identified on Exhibit "A" and Exhibit "B", which are attached hereto and made a part hereof, as though the individual items are listed hereon. While the Parties are given this right, they are under no obligation to do so. All of the above Collateral being hereinafter collectively referred to as the "Collateral";

(ii) all property of Debtor of every nature or kind whatsoever owned by Debtor or in which Debtor has an interest, that is now or hereafter on deposit with, in the possession of, under the control of, or held by Secured Party; and

(iii) to the extent not otherwise included, all accessions to, substitutions and replacements for, rents, increases, and profits, Proceeds and Products of each of the items listed in (i) and (ii) above, including, without limitation, proceeds of insurance policies insuring the Collateral.

2. **DEFINED TERMS.** The following terms shall have the following meanings when used in this Security Agreement, such meanings to be equally applicable to both the singular and plural forms of the terms defined:

"**Collateral**" shall have the meaning assigned to such term in Section 1 of this Security Agreement.

**“hereby,” “herein,” “hereof,” “hereunder,”** and words of similar import refer to this Security Agreement as a whole, including, without limitation, any schedules, exhibits, or attachments, and not merely to the specific section, paragraph, or clause in which the respective word appears.

**“Laws”** shall have the meaning assigned to such term in paragraph (c) of Section 4 of this Security Agreement.

**“Liens”** shall mean with respect to any Collateral any and all: (1) liens of any carrier, warehouseman, mechanic or materialman; (2) liens incurred in connection with workmen’s compensation, unemployment insurance, or other forms of governmental insurance or benefits; (3) rights of lessees and lessors under leases; and (4) all other liens, privileges, encumbrances, or security interests of any kind whatsoever.

**“Obligor”** shall mean Debtor, and all other persons obligated on any of the Secured Obligations, including any guarantor or endorsers of any notes drawn by Debtor in favor of Secured Party.

**“Person”** shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, entity, party, or federal, state, or local government, governmental agency, or instrumentality.

**“Proceeds”** shall mean all “proceeds,” as such term is defined in La. R.S. 10:9-306(1), and shall include, without limitation, (1) all proceeds of any insurance, indemnity, warranty, or guaranty payable to Debtor with respect to any of the Collateral, (2) all payments in any form whatsoever made or due and payable to Debtor in connection with any reacquisition, confiscation, condemnation, seizure, or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau, or agency or by any person acting under color of governmental authority, and (3) all other amounts paid or payable to Debtor under or in connection with all or any part of the Collateral.

**“Recitals”** shall mean the recitals contained in this Security Agreement.

**“Security Agreement”** shall mean this Commercial Security Agreement, as the same may from time to time be amended, modified, or supplemented.

**“Secured Obligations”** shall mean the obligation of Debtor to pay to Secured Party the sum of \$3,100,000. The Secured Obligations shall be evidenced in part by a promissory note dated December 28, 1999 in the principal amount of \$3,100,000 plus interest, taxes, maintenance fees, costs, attorneys’ fees, or other advances or expenditures made by Secured Party in protection or furtherance of

the rights under this Agreement together with any replacements or amendments thereto (the "Promissory Note").

3. **REPRESENTATIONS AND WARRANTIES.** Debtor hereby represents and warrants that:

(a) Debtor is a corporation duly organized, existing, and in good standing under the laws of the state of Louisiana, and Debtor is represented herein by its duly authorized officer.

(b) The name of Debtor set forth on page one of this Security Agreement is its correct name, and Debtor is not doing, and has not within the past five (5) years done, business under any other name, assumed name, fictitious name, or trade name except as may be specifically set forth in the Recitals.

(c) The taxpayer identification number or social security number set forth on page one of this Security Agreement and furnished to Secured Party for the purpose of filing all financing statements and continuation statements, covering all or any part of the Collateral, is Debtor's correct taxpayer identification number or social security number.

(d) Debtor's places of business and Debtor's chief executive office are accurately set forth in the Recitals.

(e) The location of Debtor's business records are accurately set forth in the Recitals.

(f) Debtor has the right and power and is duly authorized and empowered to enter into, execute, deliver, and perform all of its obligations under, this Security Agreement and to execute and deliver all financing statements and continuation statements that may be required or executed in connection with this Security Agreement. This Security Agreement is the legal, valid, and binding obligation of Debtor, enforceable by Secured Party against Debtor in accordance with its terms (except that enforcement may be subject to any applicable bankruptcy, insolvency or similar laws generally affecting the enforcement of creditors' rights).

(g) The execution, delivery, and performance of this Security Agreement by Debtor shall not by the lapse of time, by the giving of notice, or otherwise constitute a violation of any applicable law, rule, or regulation or a breach of any provision contained in any articles of incorporation governing Debtor or contained in any contract, agreement, instrument, or document to which Debtor is now a party or by which it is bound.



(h) Debtor has, and is in good standing with respect to (or is in the process of applying for) all governmental approvals, permits, certificates, inspections, consents, and franchises necessary to conduct Debtor's business activities and to own, lease, and operate properties used by Debtor in the conduct of its business activities.

(i) None of the approvals, permits, certificates, consents, or franchises necessary for the conduct of Debtor's business activities in existence as of the date of this Security Agreement contain, and none of the approvals, permits, certificates, consents, or franchises granted after the date of this Security Agreement will contain, any term, provision, condition, or limitation more burdensome than those generally applicable to Persons engaged in the same or similar business activities as Debtor.

(j) Debtor possesses adequate assets, licenses, patents, patent applications, copyrights, trademarks, and trade names to conduct its business activities and to continue to conduct its business activities as conducted in the past.

(k) Debtor is not in default with respect to any contract, indenture, loan agreement, mortgage, lease, deed of trust, security agreement, or other agreement or document to which Debtor is a party or by which Debtor is bound other than that which has been disclosed to Secured Party.

(l) Debtor is the sole owner of the Collateral. Debtor has good and marketable title to the Collateral, free and clear of all Liens, except for the Lien and security interest granted to Secured Party pursuant to this Security Agreement and those judgments and security interests recorded in St. James Parish, Orleans Parish and Jefferson Parish or disclosed to Secured Party in writing.

(m) Except as previously disclosed to Secured Party in writing, no security agreement, financing statement, equivalent security or lien instrument, or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except those in favor of Secured Party pursuant to this Security Agreement and those for which properly executed termination statements or releases have been delivered to Secured Party.

(n) Appropriate financing statements have been filed in all jurisdictions where required to perfect Secured Party's security interest in the Collateral and in the United States Patent and Trademark Office. This Security Agreement creates a valid and continuing first priority Lien and first priority (except as otherwise disclosed to Secured Party in writing) perfected security interest in the Collateral. This Security Agreement is enforceable against creditors of, and purchasers from, Debtor other than purchasers of Inventory in the ordinary course of business. This Security Agreement is enforceable against any purchaser of real property upon which any Equipment covered by this Security Agreement is located and against

any present or future creditor obtaining a Lien on such real property. All actions necessary or desirable to protect and perfect the Lien and security interest in the Collateral have been properly taken.

(o) Debtor will not change its principal place of business, chief executive office, or principal residence from their locations as set forth in the Recitals, remove its records from their location as set forth in the Recitals, or change the location, as set forth in the Recitals, of any Inventory and Equipment included in the Collateral, unless Debtor has obtained Secured Party's prior, written consent and has taken such action as is necessary to cause the security interest and Lien of Secured Party in the Collateral to continue to be perfected. During the four months immediately preceding the date of this Security Agreement, there has been no change in Debtor's name, the location of Debtor's principal place of business, Debtor's chief executive office, or the office where Debtor's records concerning the Collateral are kept.

(p) Except as previously disclosed to Secured Party, Debtor has filed all foreign, federal, state, and local tax returns and other reports required by law and has paid all amounts due and payable to all applicable taxing authorities or provided adequate reserves for the payment thereof.

(q) Except for liabilities incurred in the normal course of business, and those contingencies specifically disclosed to Secured Party in writing, the Debtor does not have any material liabilities, direct or contingent. There is no litigation, legal or administrative proceeding, investigation or other action of any nature pending or, to the knowledge of the Debtor, threatened against or affecting the Debtor which involves the possibility of any judgment or liability not fully covered by insurance or which has not been fully disclosed, and which may materially and adversely affect the business or assets of the Debtor or its ability to carry on business as now conducted.

(r) Debtor covenants, warrants, and represents to Secured Party that all representations and warranties of Debtor contained in this Security Agreement are true and correct and will continue to be true and correct until satisfaction in full of the Secured Obligations. Debtor and Secured Party expressly agree that any misrepresentation or breach of any warranty or representation whatsoever contained in this Security Agreement shall be deemed material.

4. **COVENANTS.** Debtor covenants and agrees with Secured Party as follows:

(a) **Further Assurances.** Upon the written request of Secured Party, and at the sole expense of Debtor, Debtor shall promptly and duly execute and deliver all such further instruments and documents and take such further action as Secured Party may deem necessary to obtain the full benefits of this Security Agreement and of the rights and

powers granted in this Security Agreement, including, without limitation, (1) filing any financing or continuation statements with respect to the security interest granted hereby, (2) transferring Collateral to Secured Party's possession if a security interest in such Collateral can be perfected by possession, and (3) obtaining waivers of liens from landlords and mortgagees. Debtor hereby authorizes Secured Party to file any such financing or continuation statements without the signature of Debtor to the extent permitted by applicable law. If any amount payable under, or in connection with, any of the Collateral is or becomes evidenced by any Instrument not included in the Collateral, this Security Agreement shall be amended to include the Instrument as part of the Collateral, and the Instrument shall be endorsed in a manner satisfactory to Secured Party and delivered to Secured Party.

(b) **Maintenance of Records.** Debtor shall keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, including, without limitation, a record of all payments received and all credits granted with respect to the Collateral. Debtor shall mark its books and records pertaining to the Collateral to evidence this Security Agreement and the security interest granted herein.

(c) **Compliance with Laws.** Debtor shall comply with all laws, rules, regulations, ordinances, court orders, and decrees, (collectively, "Laws") that are applicable to all or any part of the Collateral or to the operation of Debtor's business activities, including, without limitation, all Laws regarding licensure and maintenance of corporate existence under Louisiana law, the collection, payment, and deposit of employees' income, unemployment, Social Security, sales, and excise taxes, all Laws with respect to pension liabilities, and all Laws pertaining to environmental protection and occupational safety and health.

=

(d) **Payment of Obligations.** Debtor shall pay promptly when due all taxes, assessments, and governmental charges or levies imposed upon the Collateral, Debtor's income, or Debtor's profits and all other claims of any kind affecting property owned by Debtor, including, without limitation, claims for labor, materials, and supplies. If the Debtor fails to make any such payments when due, Secured Party shall have the right, but not the obligation, to pay any amounts due, and the amount paid shall be secured by the security interest granted herein.

(e) **Compliance with Terms of Contracts.** Debtor shall perform and comply with its obligations under all contracts, instruments, documents, and agreements to which it is a party or by which it is bound.

(f) **Alienation or Encumbrances of Collateral.** Debtor shall not sell, assign, convey, hypothecate, mortgage, lease, transfer, pledge, grant a security interest in or Lien upon, encumber, or otherwise dispose of or abandon, all or any part of the Collateral except in favor of Secured Party (except for inventory in the ordinary course of business) and Debtor shall not permit any Lien on the Collateral other than the Lien created hereby to exist; provided, however, that Debtor may sell any Inventory included in

the Collateral in the ordinary course of business as long as no Event of Default exists. Debtor shall defend the Collateral against, and take such other action as is necessary to remove, any Lien, other than the Lien created hereby, affecting the Collateral. Debtor shall defend against the claims and demands of all Persons whomsoever the right, title, and interest of Secured Party in and to Debtor's right, title, and interest in and to the Collateral. Debtor shall notify Secured Party at once if the Collateral is seized by any Person other than Secured Party. If the Collateral is seized to enforce any Lien in favor of any Person other than Secured Party, Secured Party shall have the option to pay the sum in controversy and the amount so paid shall be secured by the Lien and security interest granted herein.

(g) **Notices.** Debtor shall advise Secured Party promptly (1) of any claim made or Lien asserted against any of the Collateral, (2) of any material change in the composition of the Collateral, and (3) of the occurrence of any other event that might have a material adverse effect on the aggregate value of the Collateral or on Secured Party's security interest in the Collateral.

(h) **Right of Inspection.** Upon notice to Debtor (unless an Event of Default has occurred, in which case no notice is necessary), Secured Party shall at all times have full and free access during normal business hours to all of the books, records and correspondence of Debtor, and Secured Party or its representatives may examine the books and records, take extracts from the books and records, and make photocopies of the books and records, and Debtor agrees to give Secured Party, at Debtor's cost and expense, such clerical and other assistance as may be reasonably requested with regard to such examining, copying, and extracting. Upon notice to Debtor (unless an Event of Default has occurred, in which case no notice is necessary), Secured Party and its representatives shall also have the right to enter into and upon any premises where any of the Collateral is located for the purpose of inspecting the Collateral, observing its use, or otherwise protecting its interests in the Collateral. After the occurrence of an Event of Default, Debtor shall deliver and turn over all of its books and records to Secured Party or to Secured Party's representatives at any time requested by Secured Party. Since the nature of the collateral is confidential in nature, should copies have to be made, the information will be retained in confidence.

(i) **Continuous Perfection.** Debtor shall not change its name, identity, or structure, in any manner unless Debtor has given Secured Party at least thirty (30) days prior, written notice and has taken all action necessary or requested by Secured Party to amend the financing statements or continuation statements filed in connection with this Security Agreement. Debtor shall not change its taxpayer identification number in any way whatsoever without the prior, written consent of Secured Party.

(j) **Indemnification in Patent Litigation.** Debtor agrees to indemnify and hold Secured Party harmless from all loss, claim, damage, cost and expense, including attorneys' fees, arising out of or as a result of Secured Party being joined in any litigation or proceeding involving or relating to the Collateral.

5. **EVENTS OF DEFAULT.** The occurrence of any one or more of the following events shall constitute an event of default (an "Event of Default") under this Security Agreement:

(a) failure of Debtor to observe or perform promptly when due any covenant, agreement, or obligation under any agreement between Debtor and Secured Party and the same is not covered to Secured Party's satisfaction within five days after Debtor discovers or is notified of said default by Secured Party in writing;

(b) failure to pay any interest or principal on any promissory note drawn by Debtor that is held by Secured Party or on demand any amounts advanced by Secured Party for the payment of insurance premiums, taxes and assessments, the cost of maintaining any Collateral or the cost of obtaining the release of any Collateral from any seizure, Lien, or attachment;

(c) the inaccuracy at any time of any warranty, representation, or statement made to Secured Party by any Obligor, whether such warranty, representation, or statement is made (1) in this Security Agreement, (2) in any other agreement, document, or writing, or (3) orally;

(d) dissolution, liquidation, or insolvency of any Obligor;

(e) the admission in writing by any Obligor of an inability or failure generally to pay such party's debts as they become due;

(f) any garnishment, seizure, attachment, tax lien, or tax levy against any assets of any Obligor, including, without limitation, those assets that are Collateral;

(g) the issuance of an order for the sale of all or any part of the Collateral in a judicial proceeding;

(h) any material adverse change in any Obligor's financial condition, business, or ability to pay or perform its obligations to Secured Party;

(i) the filing by or against any Obligor of a proceeding for bankruptcy, reorganization, arrangement, or any other relief afforded debtors affecting the rights of creditors generally under the laws of any state or country or under the United States Bankruptcy Code;

(j) any loss, or sale of, all or any part of the Collateral; or

(k) the subjection of the Collateral to any Lien (other than a Lien created by this Security Agreement).

6. **REMEDIES UPON EVENT OF DEFAULT.** Upon the occurrence of an Event of Default, Secured Party, at its option, may declare all of the Secured Obligations to be immediately due and payable, without demand or notice to any Obligor. Secured Party shall have all the rights and remedies of a secured party under the Commercial Laws of Louisiana, Title 10 of the Louisiana Revised Statutes of 1950, as the same may be amended.

Debtor hereby acknowledges the indebtedness owed under the Secured Obligations and confesses judgment, consenting that judgment be rendered and signed whether during the court's term or during vacation, in favor of Secured Party for the full amount of the Secured Obligations in principal, interest, and attorney fees, together with all charges and expenses whatsoever, as mentioned in this Security Agreement or in any document, instrument, agreement, or other writing evidencing the Secured Obligations.

Upon the occurrence of an Event of Default, Debtor declares that it shall be lawful for, and it does hereby authorize, Secured Party to cause all or any part of the Collateral to be seized and sold, under executory process or under writ of fieri facias issued in execution of an ordinary judgment obtained upon the Secured Obligations, without appraisalment to the highest bidder, for cash or on such terms as are acceptable to Secured Party. Debtor waives all and every appraisalment of the Collateral and waives and renounces the benefit of appraisalment and the benefit of all laws relative to the appraisalment of the Collateral seized and sold under executory or other legal process. Debtor agrees to waive, and does hereby specifically waive:

- (a) the benefit of appraisalment provided for in Articles 2332, 2336, 2723, and 2724, Louisiana Code of Civil Procedure, and all other laws conferring such benefits;
- (b) the demand and three (3) days delay accorded by Articles 2639 and 2721, Louisiana Code of Civil Procedure;
- (c) the notice of seizure required by Articles 2293 and 2721, Louisiana Code of Civil Procedure;
- (d) the three days delay provided by Articles 2331 and 2722, Louisiana Code of Civil Procedure;
- (e) the benefit of the other provisions of Articles 2331, 2722, and 2723, Louisiana Code of Civil Procedure;
- (f) the benefit of the provisions of any other articles of the Louisiana Code of Civil Procedure not specifically mentioned above; and
- (g) all rights of division and discussion with respect to all Secured Obligations.

In the event any proceedings are taken under this Agreement by way of executory process or otherwise, any and all declaration of the facts made by authentic act before a Notary Public and in the presence of two witnesses, by a person declaring that such facts lie in his knowledge, shall constitute authentic evidence.

In the event Secured Party elects, at its option, to enter suit via ordinaria on the Secured Obligations, in addition to the foregoing confession of judgment, Debtor hereby waives citation, other legal process, and legal delays and hereby consents that judgment for the unpaid principal due on the Secured Obligations, together with interest, attorney fees, costs, and other charges that may be due on the Secured Obligations, be rendered and signed immediately, whether during the court's term or during vacation.

Pursuant to the authority contained in La. R.S. 9:5136 through 9:5140.1 (La. Act. No. 315 of 1976), as the same may be amended from time to time, Debtor and Secured Party do hereby expressly designate, at this time, Secured Party or its designee to be keeper or receiver for the benefit of Secured Party or any assignee of Secured Party, at its option, to take effect immediately upon any seizure of the Collateral under writ of executory process or under writ of sequestration or fieri facias as an incident to an action brought by Secured Party. The fees of the keeper or receiver shall be determined by the court before which the proceedings are pending, and the payment of such fees shall be secured by the security interest in the Collateral granted in this Security Agreement.

Upon the occurrence of an Event of Default, Secured Party may proceed by summary process against Debtor to obtain possession of any Instruments and Documents included in the Collateral to exercise Secured Party's right to sell the Instruments and Documents pursuant to La. R.S. 10:9-503(1)(b), to enforce the Instruments and Documents as provided by La. R.S. 10:9-207 and 9-502, or to obtain the endorsement of Debtor on the Instruments and Documents. Secured Party may sell, in the manner and with the effect as provided by La. R.S. 10:9-504, the following Collateral: (1) Goods included in the Collateral that are in Secured Party's possession or that have been voluntarily delivered or surrendered to Secured Party by Debtor, either before or after an Event of Default and (2) Instruments and Documents included in the Collateral.

Upon any sale of Collateral, Secured Party shall have the right, to the extent permitted by law, to purchase all or any part of the Collateral sold, free of all rights or equities of redemption, all of which rights or equities of redemption Debtor hereby waives and releases. Debtor further agrees, at the request of Secured Party, to disconnect, detach, or separate all Collateral from any other property and to assemble the Collateral and make it available to Secured Party at a place or places Secured Party shall reasonably select, whether at Debtor's premises or elsewhere.

To the maximum extent permitted by applicable law, Debtor waives all claims, damages, and demands against Secured Party arising out of the repossession, retention, or sale of the Collateral. Debtor agrees that the Collateral may be sold at one or more sales, whether judicial, public, or private. Debtor agrees that in the event of a judicial sale of

Collateral, notice of the judicial sale given pursuant to the Louisiana Revised Statutes and the Louisiana Code of Civil Procedure is reasonable notification of the sale. In the event of a public sale of the Collateral, Secured Party shall have the right to conduct the sale on Debtor's premises or elsewhere and shall have the right to use Debtor's premises without charge for such sale for such time or times as Secured Party may see fit. Unless the Collateral is perishable, may quickly decline in value, or is of the type customarily sold on a recognized market, Secured Party will send Debtor reasonable notice of the time and place of any public sale. The requirement of sending reasonable notice shall be met if the notice is deposited in the United States mail, postage prepaid, addressed to Debtor at its address referred to in Section 10 of this Security Agreement at least 10 days before the time of the public sale. Secured Party will send Debtor reasonable notice of the time after which a private sale may take place, and the requirement of sending reasonable notice shall be met if such notice is deposited in the United States mail, postage prepaid, addressed to Debtor at its address referred to in section 10 of this Security Agreement. Each Obligor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay all Secured Obligations. Each Obligor shall also remain liable for the fees of any attorneys employed by Secured Party to collect such deficiency.

Debtor also agrees to pay all costs incurred by Secured Party in connection with the enforcement of any of its rights and remedies under this Security Agreement, including, without limitation, reasonable attorney fees. To the maximum extent permitted by law, Debtor hereby waives presentment, demand, protest, or any notice of any kind, except such notice as Secured Party expressly agrees in this Security Agreement to give, in connection with the Loan, this Security Agreement, or any Collateral.

The proceeds of any sale, disposition, or other realization upon all or any part of the Collateral shall be distributed as required by law.

**7. LIMITATION ON SECURED PARTY'S DUTY WITH RESPECT TO THE COLLATERAL.** Secured Party shall not have any duty as to any Collateral in its possession or control, or in the possession of control of any agent or nominee of Secured Party, as to any income from the Collateral, as to the preservation of the Collateral, or as to any other Person with a security interest in the Collateral, except that Secured Party shall use reasonable care with respect to the Collateral in its possession. Upon request of Debtor, Secured Party shall account for any moneys received by it from any foreclosure on, or disposition of the Collateral.

**8. REINSTATEMENT.** This Security Agreement shall remain in full force and effect and continue to be effective if any petition is filed by or against Debtor for liquidation or reorganization, if Debtor becomes insolvent or makes an assignment for the benefit of creditors, or if a receiver or trustee is appointed for all or any significant part of Debtor's assets. This Security Agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time all or any part of the payment on, or performance of, the Secured Obligations is, pursuant to applicable law, rescinded or reduced in amount or if all or any part of the payment on the Secured Obligations must



otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. If all or any part of a payment is rescinded, reduced, restored, or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored, or returned.

9. **NOTICES.** Except as otherwise provided in this Security Agreement, all notices, demands, requests, consents, approvals, declarations, and other communications shall be given to, or served upon, any party by any other party. Except as otherwise provided in this Security Agreement, whenever any party wants to give or serve upon any other party a communication with respect to this Security Agreement, each such notice, demand, request, consent, approval, declaration, or other communication shall be in writing and shall be delivered in person with receipt acknowledged or sent by registered or certified mail, return receipt requested, postage prepaid, or by overnight courier service, addressed as follows:

a) If to Secured Party,

Wm. B. Reily, III,  
P.O. Box 60296  
New Orleans, LA 70160

(b) If to Debtor, at the address set forth on the signature page of this Security Agreement, or at such other address as may be substituted by notice given as provided above.

The giving of any notice required under this Security Agreement may be waived in writing by the party entitled to receive the notice. All notices, demands, requests, consents, approvals, declarations, and other communications shall be deemed to have been duly given or served on the date on which personally delivered, with receipt acknowledged, on the date after the same has been sent by overnight courier service, or three (3) business days after the same has been deposited in the United States mail.

10. **SEVERABILITY.** Any provision of this Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Security Agreement or any related agreement. Any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11. **NO WAIVER AND CUMULATIVE REMEDIES.** Secured Party may remedy any Event of Default and may waive any Event of Default without waiving the requirement that the Event of Default be remedied and without waiving any other Event of Default. The remedies of Secured Party are cumulative, may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. Secured

Party shall not by any act, delay, or omission, or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing and signed by Secured Party, and then the waiver shall be valid only to the extent set forth. A waiver by Secured Party of any right or remedy on any one occasion shall not be construed as a bar to any right or remedy on any other occasion. No failure to exercise or any delay in exercising on the part of Secured Party, any right, power, or privilege under this Security Agreement shall operate as a waiver of the right, remedy, power, or privilege, nor shall any single or partial exercise of any right, power, or privilege preclude any other or future exercise of the right, power, or privilege, or the exercise of any other right, power, or privilege.

12. **SUCCESSORS AND ASSIGNS.** This Security Agreement and all obligations of Debtor hereunder shall be binding upon the successors and assigns of Debtor and shall, together with the rights and remedies of Secured Party hereunder, inure to the benefit of Secured Party, its successors and assigns, all future holders of any Secured Obligations, and their respective successors and assigns.

13. **GOVERNING LAW.** This Security Agreement, the Promissory Note and all collateral documents shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Louisiana.

14. **TERMINATION.** The security interest granted to Secured Party shall terminate, and the Collateral will be reassigned to Debtor at Debtor's sole expense, upon the termination of this Security Agreement and the payment and performance in full of all Secured Obligations.

15. **POSSESSION.** Notwithstanding that Secured Party, whether on its own behalf or on behalf of others, holds any Collateral, and regardless of the value thereof, Debtor shall be liable for the payment and performance in full of all Secured Obligations.

16. **SECTION TITLES AND HEADINGS.** The section titles and headings contained in this Security Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

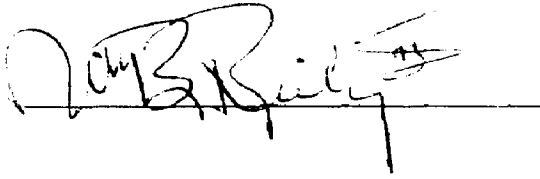
17. **TERMINATION STATEMENTS.** Debtor acknowledges and agrees that all financing statements filed hereunder shall remain in full force and effect until this Security Agreement has been terminated and all Secured Obligations have been paid and performed in full. To the extent permitted by law, Debtor waives any rights that it may have under La. R.S. 10:9-404(1) to demand the filing of termination statements with respect to the Collateral, and agrees that Secured Party shall not be required to send such termination statements to Debtor, or to file them with any filing office, unless and until this Security Agreement has been terminated and all Secured Obligations have been paid and performed in full.

18. **COUNTERPARTS.** This Security Agreement may be executed in any number of separate counterparts.

Debtor and Secured Party have each executed and delivered this Security Agreement on the date first set forth above.

**SECURED PARTY**

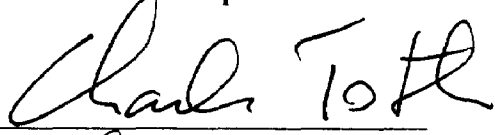
Wm. B. Reily, III,



Date: December 28, 1999

**DEBTOR**

Toth Aluminum Corporation

By: 

Its: Chairman of the Board.

**Mailing Address of Debtor:**

2141 Toth Street  
P.O. Box 250  
Vachere LA 70090

C:\WORDBYSC\CS512ReilyFamily\SECURITY.DOC

\*\*

Subordination Agreement  
attached as Exhibit C

EXHIBIT "A"

The following Domestic Patents were issued to TOTH ALUMINUM CORPORATION:

- 1.) U.S. Patent No: 4,695,436  
Inventors: Wyndham, Ronald  
Chaplin, Gervase  
Swanson, William M.  
  
Assignee: Toth Aluminum Corporation  
App. No: 691958  
Filed: January 16, 1985  
Date: September 22, 1987
  
- 2.) U.S. Patent No: 4,710,369  
Inventor: Bergman, Lee H.  
Assignee: Toth Aluminum Corporation  
App. No: 872600  
Filed: June 10, 1986  
Date: December 1, 1987

EXHIBIT "B"

The following Foreign Patent was issued to TOTH ALUMINUM CORPORATION:

Canadian Patent No: 1,105,712

..

A true copy of  
the original

*Cecily S. Salley*

Cecily S. Salley  
NOTARY PUBLIC  
My Commission Issued For Life

**SUBORDINATION AGREEMENT**

**THIS SUBORDINATION AGREEMENT** is made as of the 28th day of December, 1999 by and among **WM. B. REILY, III**, ("Lender") **GERVASE M. CHAPLIN, CHARLES E. TOTH, JR., CAROLINE I. REILY, CALVIN LAICHE, and HAAS MANAGEMENT, division of VILLAMIZAR, INC.** (hereinafter referred to collectively as the "Subordinated Lender(s)"), and **TOTH ALUMINUM CORPORATION**, a Louisiana corporation ("Borrower").

**RECITALS:**

A. Pursuant to that certain Commercial Security Agreement dated of even date herewith executed by and between Lender and Borrower (the "Loan Agreement"), Lender has agreed to loan to Borrower \$3,100,000 (the "Loan"), subject to the terms and conditions set forth in the Loan Agreement.

B. Pursuant to the Subordinated Loan Instruments (as defined in Section 1 below), the Subordinated Lenders had loaned or provided services to Borrower the sum of \$10,000,000 (the "Subordinated Loans"), subject to the terms and conditions set forth in the Subordinated Loan Instruments.

C. A condition precedent to the obligation of Lender to make the Loan is that the parties hereto execute this Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. **Definitions.** When used herein, the following terms shall have the following meanings:

**Borrower Instruments:** collectively, the Loan Instruments and the Subordinated Loan Instruments.

**Business Day:** any day other than a Saturday, Sunday or other day on which banks in New Orleans, LA are required to close.

**Debt:** the indebtedness owing to Lender by Borrower pursuant to the Loan Instruments.

**Loan Instruments:** the Loan Agreement and all other documents executed and/or delivered by Borrower in connection with the Loan.

**Default Notice:** a written notice delivered to the Subordinated Lenders by Lender notifying the Subordinated Lenders of the existence of one or more defaults under the Loan Instruments.

**Waiver Notice:** A written notice delivered to the Subordinated Lenders by Lender notifying the Subordinated Lenders that the defaults described in the default notice have been cured or waived.

**Lenders:** collectively, Lender and the Subordinated Lenders.

**Person:** any individual, firm, corporation, business enterprise, trust, association, joint venture, partnership, governmental body or other entity whether acting in an individual, fiduciary or other capacity.

**Proceeding:** any insolvency, bankruptcy, receivership, custodianship, liquidation, reorganization, assignment for the benefit of creditors, or any other proceeding for the liquidation, dissolution or other winding up of Borrower or of any portion of the property of Borrower.

**Subordinated Debt:** the indebtedness owing to the Subordinated Lenders by Borrower pursuant to the Subordinated Loan Instruments.

**Subordinated Lender Action:** any action against Borrower, whether by judicial proceedings or otherwise, by the Subordinated Lenders to collect or accelerate any portion of the Subordinated Debt.

**Subordinated Loan Instruments:** all documents executed and/or delivered by Borrower in connection with the Subordinated Loans, including but not limited to an Act of Pledge ("Subordinated Pledge") and Commercial Security Agreement, both dated February 11, 1998.

2. **Subordination.** The payment of the Subordinated Debt hereby expressly is subordinated to the prior payment in full of the Debt. In addition, the Subordinated Lenders' rights in and to the Patents described in the Subordinated Pledge and the related financing statement filed in St. James Parish on February 25, 1998, as number 47-51943, are hereby expressly subordinated to the Lender's rights therein until the Debt has been paid in full. Furthermore, the Subordinated Lender's rights in and to the Collateral, as described in the Subordinated Loan Instruments are hereby expressly subordinated to the Lender's rights therein until the Debt has been paid in full.

3. **Proceeding.** In the event of any Proceeding:

(a) all Debt shall be paid in full before any payment or distribution shall be made in respect of the Subordinated Debt;

(b) any payment or distribution which, but for the terms hereof would be payable or deliverable in respect of the Subordinated Debt, shall be paid or delivered to Lender until the Debt is paid in full, and the Subordinated Lenders irrevocably (i) authorize, empower and direct all receivers, trustees, liquidators,

custodians, conservators and other having authority in the premises to effect all such payments and deliveries, (ii) authorize and empower Lender to demand, sue for, collect and receive every such payment or distribution described herein, and (iii) agree to (A) execute and deliver to Lender all such further instruments confirming the foregoing authorizations and (B) take all such other actions as may be requested by Lender in order to enable Lender to enforce all claims upon or in respect of the Debt.

4. **No Prepayment**. Until the Debt is paid in full, Borrower shall not make and the Subordinated Lenders shall not receive, accept or retain any prepayments with respect to the Subordinated Debt, whether consisting of principal, interest or otherwise, unless same shall have been approved by Lender.

5. **Restrictions on Subordinated Lender Action**. Until the Lender Debt is paid in full, the Subordinated Lenders shall take no Subordinated Lender Action, except that if any Proceeding shall be commenced by or against Borrower, the Subordinated Lenders shall be entitled to file proofs of claim and other proceedings in order to evidence and otherwise protect their interest in the Subordinated Debt.

6. **Incorrect Payments**. If, notwithstanding the provisions of this Agreement, any payment or distribution is received by the Subordinated Lenders in contravention of the terms of this Agreement before the payment in full of the Debt, such payment or distribution shall (i) not be commingled with any assets of the Subordinated Lenders, (ii) be held in trust by the Subordinated Lenders for the benefit of Lenders and (iii) shall be paid over to Lender for application to the Debt, unless same shall have been approved by Lender.

7. **Sale, Transfer, etc.** In the event of any proposed sale, assignment, disposition, or other transfer of all or any portion of the Subordinated Debt, the Subordinated Lenders, prior to the consummation of any such action, shall cause the transferee of such Subordinated Debt to execute and deliver to Lender an agreement substantially identical with this Agreement, providing for the continued subordination of such Subordinated Debt to the Lender Debt as provided herein and for the continued effectiveness of all of the rights of Lender arising under this Agreement. Notwithstanding the failure to execute and/or deliver any such agreement, the subordination effected hereby shall survive any sale, assignment, disposition, or other transfer of all or any portion of the Subordinated Debt.

8. **Amendment to Subordinated Loan Instruments**. Until the Debt is paid in full, the Subordinated Loan Instruments shall not be amended, modified, or supplemented without the approval of Lender.

9. **Continued Effectiveness of this Agreement**. The terms of this Agreement and the rights and obligations of the Lenders arising hereunder shall not be affected, modified or impaired in any manner or to any extent by: (a) any amendment, modification or termination of or supplement to any of the Borrower Instruments; (b) the



validity or enforceability of any such Borrower Instruments; or (c) any exercise or nonexercise of any right, power, or remedy under or in respect of the Debt or the Subordinated Debt or any of the Borrower Instruments or arising at law.

10. **Miscellaneous.**

(a) **Purpose of Agreement.** The provisions of this Agreement are solely for the purpose of defining the relative rights of the Lenders and shall not be deemed to create any rights or priorities in any other Person, including, without limitation, Borrower.

(b) **Conflicts.** In the event of any conflict between any term, covenant or condition of this Agreement and any term, covenant or condition of any of the Borrower Instruments, the provisions of this Agreement shall govern and be controlling.

(c) **Notices.** All notices and communications under this Agreement shall be in writing and shall be (i) delivered in person, (ii) sent by facsimile, or (iii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or by overnight express carrier, addressed to the parties hereto as initially provided or modified in writing. Any notice hereunder shall be given (i) if sent by facsimile before 2 p.m. central time, then on the day sent if a Business Day, or if such day is not a Business Day or if sent after 2:00 p.m. central time, then on the next Business Day immediately following the day sent, (ii) if sent by overnight express carrier, then on the next Business Day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of actual receipt by the recipient or the third Business Day after the day deposited in the mails, postage prepaid. Any party hereto may designate any other address to which any notices shall be given by notice duly given hereunder; provided, however, that any such notice of other address shall be deemed to have been given hereunder only when actually received by the party to which addressed.

(d) **Waiver Notices.** Lender agrees that if it delivers a Default Notice to the Subordinated Lenders and the defaults described in such Default Notice are cured or waived by Lender, Lender promptly, after each cure or waiver, shall deliver a Waiver Notice to the Subordinated Lenders.

(e) **Amendment of Agreement, Entire Agreement, Successors and Assigns, Counterparts.** This Agreement may be amended or modified by written instrument only, signed by each of the parties hereto. No waiver of any term or provision of this Agreement, shall be effective unless it is in writing, making specific reference to this Agreement and signed by the party against which such waiver is sought to be enforced. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns. This Agreement

may be signed in one or more counterparts which, when taken together, shall constitute one and the same document.

(f) **Statement of Accounts**. Borrower will render to Lender, upon demand, at reasonable intervals, a statement of the account of Borrower with the Subordinated Lenders and will give Lender access to its books at reasonable times in order that Lender may make a full examination of the state of the account of Borrower with the Subordinated Lenders.

(g) **Further Action**. The parties hereto agree to execute and deliver all such other instruments and take all such other action as any party hereto reasonably may request in order to effectuate the provisions and purposes of this Agreement.

(h) **Severability**. If any provision of this Agreement shall be prohibited by or be invalid under applicable law, such provision shall be deemed ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(i) **Headings**. The paragraph headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

(j) **Termination**. This Agreement shall terminate upon payment in full of the Debt.

(k) **GOVERNING LAW**. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS AND DECISIONS OF THE STATE OF LOUISIANA.

IN WITNESS WHEREOF, this Agreement has been executed and delivered by each of the parties hereto on the date first set forth above.

WITNESSES:

[Signature]  
Chal Entwistle

[Signature]  
Chal Entwistle

[Signature]  
Chal Entwistle

[Signature]  
Chal Entwistle

[Signature]  
Chal Entwistle

[Signature]

[Signature]  
Chal Entwistle

LENDER

[Signature]  
WM. B. REILY, III

SUBORDINATED LENDERS

[Signature]  
GERVASE M. CHAPLIN

[Signature]  
CHARLES E. TOTH, JR.

[Signature]  
CAROLINE J. REILY

[Signature]  
CALVIN LAICHE

HAAS MANAGEMENT, division of  
Villamizar, Inc.

By [Signature]  
PRESIDENT

signatures continued to next page

**BORROWER**

TOTH ALUMINUM  
CORPORATION

By: Charles Toth  
Charles Toth  
Chairman and CEO

A true copy of  
the original

Cecily S. Salley

Cecily S. Salley  
NOTARY PUBLIC  
My Commission Expires