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

1. Name of conveying party(ies):

Royal Appliance Mfg., Co.

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

2. Name and address of receiving party(ies)

Name: National City Bank

Internal Address: National City Center

Street Address: 1900 East Ninth Street

City: Cleveland State: OH ZIP: 44114

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

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

Execution Date: 3/7/2000

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

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

A. Patent Application No.(s)

B. Patent No.(s)

SEE ATTACHED

Additional numbers attached? Yes No

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

Name: John W. Sager

Internal Address: Jones, Day, Reavis & Pogue

4/25/2000 JSHABAZZ 00000205 4601735

1 FC:581

3960.00 11P

Street Address: North Point

901 Lakeside Avenue

City: Cleveland State: OH ZIP: 44114

6. Total number of applications and patents involved:

99

7. Total fee (37 CFR 3.41).....\$ 3,960.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Pamela J. Eblen

Name of Person Signing

Pamela Eblen
Signature

3/28/2000

Date

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

12

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

PATENT

REEL: 010685 FRAME: 0797

**SCHEDULE A
TO
COLLATERAL ASSIGNMENT
OF US PATENTS AND PATENT APPLICATIONS**

Patent Title	Appln. No.	Filing Date	Patent No.	Patent Date
Vacuum Bag Attachment Device			4,601,735	07/22/1986
Hand Vacuum Cleaner			4,633,543	01/06/1987
Hand Vacuum Cleaner			4,730,362	03/15/1988
Brush Speed Indicator			4,731,898	03/22/1988
Hand Vacuum Cleaner			4,741,070	05/03/1988
Hand Vacuum Cleaner			4,788,740	12/06/1988
Hand Vacuum Cleaner			4,891,861	01/09/1990
Hand Vacuum Cleaner			4,918,781	04/24/1990
Height Adjustment Mechanism			5,042,109	08/27/1991
Incremental Foot Operated Height Adjuster for Upright			5,086,538	02/11/1998
Bag Mount for a Vacuum Cleaner			5,089,038	02/18/1992
Electrically Insulating Belt Drive for Vacuum Cleaner			5,287,592	02/22/1994
Stick Type Vacuum Cleaner			5,347,679	09/20/1994
Latch Assembly for Blower of Wet/Dry Vacuum Cleaner			5,404,614	04/11/1995
Hand-Held Vacuum Cleaner			5,421,058	06/06/1995
Telescoping Wand for Vacuum Cleaner			5,462,311	10/31/1995
Method for Manufacturing a Bucket for a Wet/Dry Vacuum			5,535,500	07/16/1996
Conversion Assembly for Vacuum Cleaners			5,551,120	09/09/1996
Portable Hand-Held Vacuum Cleaner			5,561,885	10/08/1996
Compact Air Path Construction for Vacuum Cleaner			5,606,770	03/04/1997
Latch Assembly for Blower of Wet/Dry Vacuum Cleaner			5,660,493	08/24/1997
Dirt Door Linkage System			5,732,439	03/31/1998
Bag Mount for a Vacuum Cleaner			5,755,009	05/25/1998

Patent Title	Appln. No.	Filing Date	Patent No.	Patent Date
Conduit for a Vacuum Cleaner			5,781,961	07/21/1998
Vacuum Cleaner Hose Assembly			5,784,757	07/28/1998
Extendable Hose for a Vacuum Cleaner			5,797,162	08/25/1998
Nozzle Adaptor			5,799,364	09/01/1998
Upright Vacuum Cleaner			5,850,666	12/22/1998
Rechargeable Hand Held Vacuum Cleaner with Electrical Connections Circuit Board with Spring Contacts			5,869,947	02/09/1999
Upright Vacuum Cleaner			5,903,955	05/18/1999
Upright Vacuum Cleaner			5,911,261	06/15/1999
Cordless Wet Mop and Vacuum Assembly			5,924,167	07/20/1999
Cordless Wet Mop and Vacuum Assembly			5,933,913	08/10/1999
Hand-Held Scrubbing Device			5,950,268	09/14/1999
Method for Mopping and Drying a Floor			5,968,281	10/19/1999
Cordless Wet Mop and Vacuum Assembly			5,983,448	11/16/1999
Cordless Wet Mop and Vacuum Assembly			6,000,088	12/14/1999
Upright Vacuum Cleaner with Cyclonic Airflow			6,003,196	12/21/1999
Upright Vacuum Cleaner			6,012,200	01/11/2000
Upright Vacuum Cleaner			6,026,540	02/22/2000
Vacuum Cleaner			D309,204	07/10/1990
Vacuum Cleaner			D309,807	08/07/1990
Vacuum Cleaner			D319,517	08/27/1991
Vacuum Cleaner			D322,338	12/10/1991
Power Nozzle for Vacuum Cleaner			D331,991	12/22/1992
Power Nozzle for Vacuum Cleaner			D335,941	05/25/1993
Vacuum Cleaner			D346,052	04/12/1994
Carpet Sweeper			D346,470	04/26/1994
Hand Held Metal Detector			D346,977	05/17/1994
Carpet Sweeper			D349,793	08/16/1994
Vacuum Cleaner			D358,236	05/09/1995
Stick Vacuum Cleaner			D359,604	06/20/1995

Patent Title	Appln. No.	Filing Date	Patent No.	Patent Date
Combined Wet/Dry Vacuum Cleaner with a Detachable Blower			D373,862	09/17/1996
Wet/Dry Vacuum Cleaner			D384,448	09/30/1997
Upright Vacuum Cleaner			D398,097	09/08/1998
Hand Held Vacuum Cleaner			D401,021	11/10/1998
Vacuum Cleaner			D405,929	02/16/1999
Vacuum Cleaner			D408,600	04/20/1999
Hand Held Scrubbing Device			D417,789	12/21/1999
Upright Vacuum Cleaner			D418,265	12/28/1999
Upright Vacuum Cleaner			D418,953	01/11/2000
Combination Vacuum Cleaner Handle Top Portion and Tool Handle			D420,477	02/08/2000
Impeller Housing With Reduced Noise and Improved Airflow	09/407,377	09/28/1999		
Hand-Held Wet/Dry Vacuum	09/482,164	01/12/2000		
Portable Wet/Dry Vacuum	29/116,871	01/12/2000		
Upright Vacuum Cleaner with Cyclonic Airflow Pathway	09/483,014	01/13/2000		
Upper Handle Portion of a Vacuum Cleaner	29/116,860	01/12/2000		
Filter Holder for a Vacuum Cleaner	29/116,865	01/12/2000		
Cap for Dirt Cup of a Vacuum Cleaner	29/116,903	01/12/2000		
Nozzle Base for a Vacuum Cleaner	29/116,901	01/12/2000		
Lower Handle Portion of a Vacuum Cleaner	29/116,864	01/12/2000		
Brushroll Chamber for Vacuum Cleaner	09/482,592	01/13/2000		
Break-Away Handle and Electrical Contact for Upright	09/483,443	01/14/2000		
Dry Turbo Tool	60/176,122	01/14/2000		
Rechargeable Hand Vacuum	29/033,504	01/13/1995		
Extendable Hose for a Vacuum Cleaner	09/083,353	05/22/1998		
Electric Broom	29/050,395	02/16/1996		
Cordless Wet Mop and Vacuum Assembly	08/775,284	12/31/1996		
Wet Mop and Vacuum Assembly	09/226,897	01/09/1999		

Patent Title	Appln. No.	Filing Date	Patent No.	Patent Date
Upright Vacuum Cleaner with Cyclonic Air Flow	09/216,529	12/18/1998		
Upright Vacuum Cleaner with Cyclonic Air Flow	09/461,120	12/14/1999		
Upright Vacuum Cleaner with Cyclonic Air Flow	09/415,363	10/08/1999		
Vacuum Cleaner Upper Portion	29/081,859	01/09/1998		
Tool Caddy for Vacuum Cleaner	29/097,239	12/02/1998		
Nozzle Base for Vacuum Cleaner	29/098,005	12/18/1998		
Carpet Extractor Base	29/098,945	01/08/1999		
Carpet Extractor Lower Handle Portion	29/098,946	01/08/1999		
Carpet Extractor Dirty Fluid Tank	29/098,944	01/08/1999		
Combined Vacuum Cleaner Handle and Hose	29/097,994	12/18/1998		
Combination Brushroll and Nozzle Inlet Control Mechanism	09/453,596	11/29/1999		
Vacuum Cleaner with Above-Floor Cleaning Tool	09/451181	11/29/1999		
Valve Assembly for Carpet Extractor	09/227,671	01/08/1999		
Carpet Extractor Housing	09/227,360	01/08/1999		
Combination Dirty Fluid Tank and Nozzle for Carpet	09/227,977	01/08/1999		
Upper Handle Portion of Carpet Extractor	29/098,809	01/06/1999		
Nozzle Base for Vacuum Cleaner	29/098,883	01/07/1999		
Filter for Vacuum Cleaner	29/098,792	01/06/1999		
Vacuum Cleaner Dust Cup	29/098,763	01/16/1999		
Cleaning Fluid Tank for Carpet Extractor	29/098,924	01/08/1999		

**COLLATERAL ASSIGNMENT OF PATENTS
AND SECURITY AGREEMENT**

THIS AGREEMENT, dated as of March 7, 2000 ("*this Agreement*"), between **ROYAL APPLIANCE MFG. CO.**, an Ohio corporation whose principal place of business is located at 650 Alpha Drive, Highland Heights, Ohio 44113 (herein, together with its successors and assigns, the "*Assignor*" or the "*Borrower*"), and **NATIONAL CITY BANK**, a national banking association whose principal place of business is located at National City Center, 1900 East Ninth Street, Cleveland, Ohio 44114, as collateral agent (herein, together with its successors and assigns in such capacity, the "*Collateral Agent*"), for the benefit of the Secured Creditors (as defined below):

PRELIMINARY STATEMENTS:

(1) This Agreement is made pursuant to the Credit Agreement, dated as of March 7, 2000 (herein, as amended or otherwise modified, restated or replaced from time to time, the "*Credit Agreement*"), among the Borrower, the financial institutions named as lenders therein (herein, together with their successors and assigns, the "*Lenders*"), and National City Bank, as the Administrative Agent (the "*Administrative Agent*") for the Lenders under the Credit Agreement.

(2) The Credit Agreement provides, among other things, for loans or advances or other extensions of credit to or for the benefit of the Borrower of up to \$80,000,000, with such loans or advances being evidenced by promissory notes (the "*Notes*", such term to include all notes and other securities issued in exchange therefor or in replacement thereof). The Credit Agreement also provides that one or more Letter of Credit Issuers may issue Letters of Credit for the benefit of the Borrower and/or any of its Subsidiaries, and that the Lenders will risk participate in such Letters of Credit.

(3) The Borrower or any of its Subsidiaries may from time to time be party to one or more Designated Hedge Agreements (as defined in the Credit Agreement) and other Designated Hedge Documents (as defined herein). Any institution or other person that participates, and in each case their successors and assigns, as a counterpart to the Borrower or any of its Subsidiaries or Affiliates pursuant to any Designated Hedge Document is referred to herein individually as a "*Designated Hedge Creditor*" and collectively as the "*Designated Hedge Creditors*".

(4) This Agreement is made for the benefit of the Administrative Agent, the Collateral Agent, each Letter of Credit Issuer, the Lenders and the Designated Hedge Creditors (any or all of the foregoing, together with their respective successors and assigns, individually a "*Secured Creditor*" and collectively, the "*Secured Creditors*").

(5) It is a condition precedent to the making of Loans and the issuance of, and participation in, Letters of Credit under the Credit Agreement that the Assignor shall have executed and delivered to the Collateral Agent this Agreement.

(6) The Assignor will obtain benefits from the incurrence of the Credit Document Obligations and the Designated Hedge Document Obligations (as such terms are hereafter defined) and, accordingly, desires to execute this Agreement in order to satisfy the condition described in the preceding paragraph and to induce the Secured Creditors to extend the Credit Document Obligations and the Designated Hedge Document Obligations.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor hereby makes the following representations and warranties to the Collateral Agent and the other Secured Creditors and hereby covenants and agrees with the Collateral Agent and the other Secured Creditors as follows:

1. Defined Terms. Terms used herein without definition shall have the respective meanings ascribed thereto in the Credit Agreement. The following terms shall have the meanings herein specified unless the context otherwise requires:

"Credit Document Obligations" shall mean and include:

- (i) the principal of and interest on the Notes issued by, and the Loans made to, the Borrower under the Credit Agreement,
- (ii) all reimbursement obligations and Unpaid Drawings with respect to Letters of Credit issued under the Credit Agreement, and
- (iii) all other obligations and liabilities owing by the Borrower and the other Credit Parties to the Administrative Agent, the Collateral Agent, any Letter of Credit Issuer or any of the Lenders under the Credit Agreement and the other Credit Documents to which the Borrower or any other Credit Party is now or may hereafter become a party (including, without limitation, indemnities, Fees and other amounts payable thereunder), whether primary, secondary, direct, contingent, fixed or otherwise,

in all cases whether now existing, or hereafter incurred or arising, including any such interest or other amounts incurred or arising during the pendency of any bankruptcy, insolvency, reorganization, receivership or similar proceeding, regardless of whether allowed or allowable in such proceeding or subject to an automatic stay under section 362(a) of the Bankruptcy Code.

"Designated Hedge Document" shall mean and include (i) each Designated Hedge Agreement to which the Borrower or any of its Subsidiaries or Affiliates is now or may hereafter become a party, and (ii) each confirmation, transaction statement or other document executed and delivered in connection therewith to which the Borrower or any of its Subsidiaries or Affiliates is now or may hereafter become a party.

"Designated Hedge Document Obligations" shall mean and include all obligations and liabilities owing by the Borrower or any of its Subsidiaries or Affiliates under all existing and future Designated Hedge Documents, in all cases whether now existing, or hereafter incurred or arising, including any such amounts incurred or arising during the pendency of any bankruptcy, insolvency, reorganization, receivership or similar proceeding, regardless of whether allowed or allowable in such proceeding or subject to an automatic stay under section 362(a) of the Bankruptcy Code.

"Event of Default" shall mean any Event of Default under, and as defined in, the Credit Agreement, or any payment default, after any applicable grace period, under any Designated Hedge Document.

"Secured Obligations" shall mean and include

- (i) the Assignor's primary obligations in respect of all Credit Document Obligations as to which it is a primary obligor;
- (ii) the Assignor's surety obligations as a guarantor in respect of all Credit Document Obligations as to which any of its Subsidiaries or Affiliates is a primary obligor;
- (iii) the Assignor's primary obligations in respect of all Designated Hedge Document Obligations as to which it is a primary obligor;
- (iv) the Assignor's surety obligations as a guarantor in respect of all Designated Hedge Document Obligations as to which any of its Subsidiaries or Affiliates is a primary obligor;
- (v) any and all sums advanced by the Collateral Agent in compliance with the provisions of this Agreement or any of the other Credit Documents in order to preserve the Collateral of the Assignor or to preserve or protect its security interest in such Collateral, including, without limitation, sums advanced to pay or discharge insurance premiums, taxes, Liens and claims; and

(vi) in the event of any proceeding for the collection or enforcement of any indebtedness, obligations, or liabilities of the Assignor referred to in clauses (i) through (v) above, after an Event of Default shall have occurred and be continuing, the reasonable expenses of re-taking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on the Collateral of the Assignor, or of any exercise by the Collateral Agent of its rights hereunder in respect of the Assignor or its Collateral, together with reasonable attorneys' fees and court costs.

The term "**Secured Obligations**" shall include extensions of credit of the types described above, whether outstanding on the date of this Agreement or extended from time to time after the date of this Agreement.

2. Assignment and Grant of Security Interest. (a) As security for the prompt payment and performance of the Secured Obligations, the Assignor hereby assigns, transfers, conveys and grants to the Collateral Agent, for the benefit of the Secured Creditors, a security interest in, a general lien upon and/or a right of set-off against (whether now owned or hereafter acquired by the Assignor and whether acquired in the United States or elsewhere in the world) all right, title and interest of the Assignor in and to the following (hereafter collectively called the "**Collateral**"):

- (i) all letters patent issued by the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A to this Agreement);
- (ii) all applications for letters patent to be issued by the United States Patent and Trademark Office (including, without limitation, those listed on Schedule A to this Agreement);
- (iii) all letters patent issued by any other country or any office, agency or other governmental authority thereof;
- (iv) all applications for letters patent to be issued by any office, agency or other governmental authority referred to in clause (iii) above;
- (v) all registrations and recordings with respect to any of the foregoing;
- (vi) all reissues, continuations, continuations-in-part, extensions and divisions of any of the foregoing;
- (vii) all licenses and other agreements relating in whole or in part to any patents, inventions, processes, production methods, proprietary information or know-how covered by any of the foregoing, including all rights to payments in respect thereof;
- (viii) all rights to sue for past, present or future infringements of any of the foregoing;
- (ix) all goodwill related to any of the foregoing;
- (x) to the extent not included above, all general intangibles (as such term is defined in the Uniform Commercial Code of the State of Ohio) of the Assignor related to the foregoing; and
- (xi) all proceeds of any and all of the foregoing;

whether now existing or hereafter created or acquired, as to all of the above.

(b) Unless an Event of Default shall have occurred and be continuing, the Collateral Agent hereby grants to the Assignor, without representation or warranty of any kind, express or implied, the exclusive, nontransferable right and license to use the Collateral, for the Assignor's own benefit and account. The Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to the Assignor in this paragraph, without the prior written consent of the Collateral Agent. Upon the occurrence and during the continuance of any Event of Default, the Assignor's license with respect to the Collateral as set forth in this paragraph

shall terminate automatically without any requirement of notice to the Assignor of such termination, and the Collateral Agent shall thereupon have, in addition to all other rights and remedies given it by this Agreement, those allowed by the federal laws of the United States and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which any of the Collateral may be located.

3. Continuing Liability. The Assignor hereby expressly agrees that, anything herein to the contrary notwithstanding, it shall remain liable under each license, interest and obligation assigned to the Collateral Agent hereunder to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof. The Collateral Agent shall have no obligation or liability under any such license, interest or obligation by reason of or arising out of this Agreement or the assignment thereof to the Collateral Agent or the receipt by the Collateral Agent of any payment relating to any such license, interest or obligation pursuant thereto, nor shall the Collateral Agent be required or obligated in any manner to perform or fulfill any of the obligations of the Assignor thereunder or pursuant thereto, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any such license, interest or obligation, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

4. Remedies. If an Event of Default has occurred and is continuing, the Collateral Agent may exercise, in addition to all other rights and remedies granted to it in this Agreement, the Credit Agreement and any other Security Document, all rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law. Without limiting the generality of the foregoing, the Assignor expressly agrees that in any such event the Collateral Agent, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Assignor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange, broker's board or at any of the Collateral Agent's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk, and the Collateral Agent shall apply the net proceeds (after expenses) of any such sale, lease, assignment or other disposition against the Secured Obligations in accordance with section 10.3 of the Credit Agreement, the Assignor remaining liable for any deficiency therein. After payment in full of all of the Secured Obligations (including those not yet due and payable at the time of the application referred to above), the Collateral Agent shall remit any surplus net proceeds to the Assignor (or its successors or assigns) or otherwise as a court of competent jurisdiction may direct. The Collateral Agent shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity or redemption in the Assignor, which right or equity is hereby expressly waived and released. To the extent permitted by applicable law, the Assignor waives all claims, damages and demands against the Collateral Agent arising out of the repossession, retention or sale of the Collateral. The Assignor agrees that the Collateral Agent need not give more than 10 days' notice of the time after which a private sale may take place and that such notice is reasonable notification of such matter.

5. Grant of License to Use Intangibles. For the purpose of enabling the Collateral Agent to exercise rights and remedies under section 4 hereof at such time as the Collateral Agent, without regard to this section 5, shall be lawfully entitled to exercise such rights and remedies and for no other purpose, the Assignor hereby grants to the Collateral Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Assignor) to use, assign or sublicense any of the Collateral, now owned or hereafter acquired by the Assignor, and wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof.

6. Representations and Warranties, etc. The Assignor agrees that it will at its expense forever warrant and, at the Collateral Agent's request defend the Collateral Agent's and the Assignor's respective interests in the Collateral from any and all claims and demands of any other person, and that it will not grant, create or permit to exist any Lien upon or security interest in the Collateral in favor of any other person except as expressly permitted under section 9.3 of the Credit Agreement. The Assignor represents and warrants to the Collateral Agent that: (a)

the Assignor has full power, authority and legal right and capacity to incur and perform its obligations hereunder, (b) this Agreement constitutes the legal, valid and binding obligation of the Assignor, enforceable in accordance with its terms, (c) the making and performance by the Assignor of this Agreement and the grant of the security interest hereunder have been duly authorized by all necessary corporate action, and do not and will not violate the provisions of any applicable law or applicable regulation, the Assignor's certificate of articles of incorporation or by-laws (or code of regulations), and do not and will not result in a breach of, or constitute a default under, or require any consent (other than consents which have been obtained which are in full force and effect and copies of which have been delivered to the Collateral Agent) or create any lien, charge or encumbrance under, any agreement, instrument or document or the provisions of any order, writ, judgment, injunction, decree, determination or award of any court, government or governmental agency or instrumentality, applicable to the Assignor or to any of the assets of the Assignor to which the Assignor is a party or by which the Assignor or any of the assets of the Assignor may be bound or affected, (d) so long as the Secured Obligations remain outstanding, the Assignor at all times will be the sole direct or indirect beneficial owner of the Collateral hereunder, and (e) this Agreement grants to the Collateral Agent a first priority lien upon and first priority perfected secured interest in the Collateral subject to no lien or security interest except as expressly permitted under section 9.3 of the Credit Agreement.

7. **Notices.** All notices or other communications hereunder shall be given in the manner and to the addresses determined under section 12.3 of the Credit Agreement.

8. **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9. **No Waiver; Cumulative Remedies.** The Collateral Agent shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Collateral Agent, and then only to the extent therein set forth. A waiver by the Collateral Agent or any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Collateral Agent would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Collateral Agent any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law.

10. **Waivers; Amendments.** None of the terms and provisions of this Agreement may be waived, altered, modified or amended except by an instrument in writing executed by the parties hereto.

11. **Limitations by Law.** All rights, remedies and powers provided by sections 4 and 5 hereof may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of law, and all the provisions of sections 4 and 5 hereof are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable in whole or in part, or not entitled to be recorded, registered or filed under the provision of any applicable law.

12. **Successors and Assigns.** This Agreement shall be binding upon the Assignor and the Collateral Agent and their respective successors and assigns and shall inure to the benefit of the Collateral Agent and the Secured Creditors and their respective successors and assigns. Nothing herein is intended or shall be construed to give any other person any right, remedy or claim under, to or in respect of this Agreement.

13. **Obligations Absolute.** The obligations of each Assignor under this Agreement shall be absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, terminated or otherwise affected by, any circumstance or occurrence whatsoever, other than indefeasible payment in full of, and complete performance of, all of the Secured Obligations, including, without limitation:

(i) any renewal, extension, amendment or modification of, or addition or supplement to or deletion from other Credit Documents or any Designated Hedge Document, or any other instrument or agreement referred to therein, or any assignment or transfer of any thereof;

(ii) any waiver, consent, extension, indulgence or other action or inaction under or in respect of any such agreement or instrument or this Agreement except as expressly provided in such renewal, extension, amendment, modification, addition, supplement, assignment or transfer;

(iii) any furnishing of any additional security to the Collateral Agent or its assignee or any acceptance thereof or any release of any security by the Collateral Agent or its assignee;

(iv) any limitation on any person's liability or obligations under any such instrument or agreement or any invalidity or unenforceability, in whole or in part, of any such instrument or agreement or any term thereof;

(v) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to the Assignor or any Subsidiary of the Assignor, or any action taken with respect to this Agreement by any trustee or receiver, or by any court, in any such proceeding, whether or not the Assignor shall have notice or knowledge of any of the foregoing; or

(vi) any other event or circumstance which, but for this provision, might release or discharge a guarantor or other surety from its obligations as such.

14. Termination and Reassignment. After the termination of the Total Commitment and all Designated Hedge Documents, when no Note nor Letter of Credit is outstanding and when all Loans and other Secured Obligations (other than unasserted indemnity obligations) have been paid in full, this Agreement shall terminate, and the Collateral Agent, at the request and expense of the Assignor, will execute and deliver to the Assignor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement, and will duly reassign (without representation or warranty) to the Assignor the Assignor's property and rights assigned hereby.

15. Reference to Separate Security Agreement. This Agreement has been entered into by the Assignor and the Collateral Agent primarily for recording purposes as contemplated by the Security Agreement, dated as of the date hereof, between the Assignor and any other Assignors named therein, as debtors, and the Collateral Agent, as secured party for the benefit of the Secured Creditors (as defined therein). In the event of any inconsistency between any of the terms or provisions hereof and the terms and provisions of such Security Agreement, the terms and provisions of such Security Agreement shall govern.

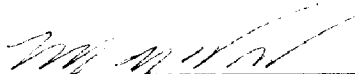
16. Applicable Law. This Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Ohio.

17. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which collectively shall be one and the same agreement.

18. Jury Trial Waiver. THE ASSIGNOR AND THE COLLATERAL AGENT EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN THE COLLATERAL AGENT AND THE ASSIGNOR ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED THERETO.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

ROYAL APPLIANCE MFG. CO.

By: 
Richard G. Vasek, Chief Financial Officer

NATIONAL CITY BANK,
as Collateral Agent

By: 
Boyd K. Pethel, Vice President