

11-30-2000

FORM PTO-1619A
Expires 06/30/99
OMB 0651-0027



U.S. Department of Commerce
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PATENT

101532225

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TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- ☒ **New**
- ☐ **Resubmission (Non-Recordation)**
Document ID#
- ☐ **Correction of PTO Error**
Reel # Frame #
- ☐ **Corrective Document**
Reel # Frame #

Conveyance Type

- ☐ **Assignment** ☒ **Security Agreement**
- ☐ **License** ☐ **Change of Name**
- ☐ **Merger** ☐ **Other**

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

☐ **Departmental File** ☐ **Secret File**

Conveying Party(ies)

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

Name (line 1) **Best Lock Corporation**

10-10-2000

Name (line 2)

Second Party

Name (line 1)

Execution Date
Month Day Year

Name (line 2)

Receiving Party

☐ Mark if additional names of receiving parties attached

Name (line 1) **Bank One, Indiana, NA, as Agent**

☐ 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) **Bank One Center/Tower**

Address (line 2) **111 Monument Circle**

Address (line 3) **Indianapolis**

Indiana

46277

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)

FOR OFFICE USE ONLY

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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: 011260 FRAME: 0283

Correspondent Name and Address

Area Code and Telephone Number

Name **Debra A. Kozlowski**

Address (line 1) **Sidley & Austin**

Address (line 2) **Bank One Plaza**

Address (line 3) **10 S. Dearborn Street**

Address (line 4) **Chicago, IL 60603**

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

16

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)

PLEASE SEE ATTACHED SCHEDULES A & B

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

Month Day Year

Patent Cooperation Treaty (PCT)

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

PCT PCT PCT
PCT PCT PCT

Number of Properties

Enter the total number of properties involved.

50

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ **2000.00**

Method of Payment:
Deposit Account

Enclosed ☒ Deposit Account ☐

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

Deposit Account Number:

19-2165

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.

Debra A. Kozlowski

Name of Person Signing

Debra A. Kozlowski
Signature

November 11, 2000

Date

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement") is made as of October 10, 2000, by and between Best Lock Corporation, an Indiana corporation ("Grantor"), and Bank One, Indiana, NA, as contractual representative (the "Administrative Agent") for its benefit and the benefit of the "Holders of Secured Obligations" (as such term is defined in the "Credit Agreement" defined below).

WITNESSETH:

WHEREAS, the Grantor is party to that certain Credit Agreement, dated as of October 10, 2000, by and among the Grantor, the financial institutions from time to time parties thereto as lenders (the "Lenders"), Bank One, Indiana, NA, as contractual representative for itself and the other Lenders (the "Administrative Agent"), LaSalle Bank National Association, as Syndication Agent, and Banc One Capital Markets, Inc., as Lead Arranger and Sole Book Runner (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders may, from time to time, extend credit to Grantor; and

WHEREAS, Grantor and the Administrative Agent are parties to that certain Security Agreement dated as of October 10, 2000 (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Security Agreement"), pursuant to which Grantor has granted a security interest in certain of its assets to the Administrative Agent for the benefit of the Administrative Agent and the Holders of Secured Obligations; and

WHEREAS, the Lenders have required Grantor to execute and deliver this Agreement in order to secure the prompt and complete payment, observance and performance of all of the "Secured Obligations" (as defined in the Credit Agreement);

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

Section 1. Defined Terms.

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

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

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

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

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

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

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

(ii) rights under or interest in any patent license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement, including, without limitation, those patent license agreements listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

Section 5. Restrictions on Future Agreements. Grantor will not, without the Administrative Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be

taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Administrative Agent under this Agreement or the rights associated with the Patents or Licenses.

Section 6. New Patents and Licenses. Grantor represents and warrants that, from and after the Closing Date, (a) the Patents listed on Schedule A include all of the patents and patent applications now owned or held by Grantor, (b) the Licenses listed on Schedule B include all of the patent license agreements under which Grantor is the licensee or licensor and (c) no liens, claims or security interests in such Patents and Licenses have been granted by Grantor to any Person other than the Administrative Agent. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new patentable inventions, (ii) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent or License, or (iii) enter into any new patent license agreement, the provisions of paragraph 4 above shall automatically apply thereto. Grantor shall give to the Administrative Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Grantor hereby authorizes the Administrative Agent to modify this Agreement unilaterally (i) by amending Schedule A to include any future patents and patent applications, and by amending Schedule B to include any future patent license agreements, which are Patents or Licenses under paragraph 4 above or under this paragraph 6, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A or B thereto, as the case may be, such future patents, patent applications and license agreements.

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

Section 8. Right to Inspect; Further Assignments and Security Interests. The Administrative Agent may at all reasonable times (and at any time when an Unmatured Default or Default exists) have access to, examine, audit, make copies (at Grantor's expense) and extracts from and inspect Grantor's premises and examine Grantor's books, records and operations relating to the Patents and Licenses; provided, that in conducting such inspections and examinations, the Administrative Agent shall use reasonable efforts not to disturb unnecessarily the conduct of Grantor's ordinary business operations. Grantor agrees not to sell or assign its respective interests in, or grant any license under, the Patents or the Licenses without the prior and express written consent of the Administrative Agent.

Section 9. Nature and Continuation of the Administrative Agent's Security Interest; Termination of the Administrative Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and Licenses and shall terminate only when the Secured Obligations have been paid in full in cash and the Credit Agreement and the Security Agreement have been terminated. When this

Agreement has terminated, the Administrative Agent shall promptly execute and deliver to Grantor, at Grantor's expense, all termination statements and other instruments as may be necessary or proper to terminate the Administrative Agent's security interest in the Patents and the Licenses, subject to any disposition thereof which may have been made by the Administrative Agent pursuant to this Agreement or the Security Agreement.

Section 10. Duties of Grantor. Grantor agrees not to abandon any Patent or License without the prior written consent of the Administrative Agent. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Neither the Administrative Agent nor any of the Holders of Secured Obligations shall have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, neither the Administrative Agent nor any of the Holders of Secured Obligations shall be under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but the Administrative Agent may do so at its option from and after the occurrence and continuance of a Default, and all expenses incurred in connection therewith shall be for the sole account of Grantor and shall be added to the Secured Obligations secured hereby.

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

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

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

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

Section 15. Cumulative Remedies; Power of Attorney. Grantor hereby irrevocably designates, constitutes and appoints the Administrative Agent (and all Persons designated by the Administrative Agent in its sole and absolute discretion) as Grantor's true and lawful attorney-in-fact, and authorizes the Administrative Agent and any of the Administrative Agent's designees, in Grantor's or the Administrative Agent's name, to take any action and execute any instrument which the Administrative Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence and continuance of a Default and the giving by the Administrative Agent of notice to Grantor of the Administrative Agent's intention to enforce its rights and claims against Grantor, to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for the Administrative Agent in the use of the Patents or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Patents or the Licenses as the Administrative Agent deems in its own or the Holders of 'Secured Obligations' best interest. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Obligations shall have been paid in full in cash and the Credit Agreement shall have been terminated. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Administrative Agent or the other Holders of Secured Obligations under the Security Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

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

days before such disposition; provided, however, that the Administrative Agent may give any shorter notice that is commercially reasonable under the circumstances.

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

Section 17. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION 735 ILCS SECTION 105/5-1 ET SEQ., BUT OTHERWISE WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS. ANY DISPUTE BETWEEN THE GRANTOR AND THE ADMINISTRATIVE AGENT OR ANY LENDER, OR ANY OTHER HOLDER OF SECURED OBLIGATIONS ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH, THIS AGREEMENT, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, 735 ILCS SECTION 105/5-1 ET SEQ., BUT OTHERWISE WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

Section 18. CONSENT TO JURISDICTION; SERVICE OF PROCESS; JURY TRIAL.

(A) EXCLUSIVE JURISDICTION. EXCEPT AS PROVIDED IN SUBSECTION (B), EACH OF THE PARTIES HERETO AGREES THAT ALL DISPUTES AMONG THEM ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH, THIS AGREEMENT WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR OTHERWISE, SHALL BE RESOLVED EXCLUSIVELY BY STATE OR FEDERAL COURTS LOCATED IN CHICAGO, ILLINOIS, BUT THE PARTIES HERETO ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF CHICAGO, ILLINOIS. EACH OF THE PARTIES HERETO WAIVES IN ALL DISPUTES BROUGHT PURSUANT TO THIS SUBSECTION (A) ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE.

(B) OTHER JURISDICTIONS. THE GRANTOR AGREES THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY HOLDER OF SECURED OBLIGATIONS SHALL HAVE THE RIGHT TO PROCEED AGAINST THE GRANTOR OR ITS PROPERTY IN A COURT IN ANY LOCATION TO ENABLE SUCH PERSON TO (1) OBTAIN PERSONAL JURISDICTION OVER THE GRANTOR OR (2) REALIZE ON THE

COLLATERAL OR ANY OTHER SECURITY FOR THE SECURED OBLIGATIONS OR (3) ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF SUCH PERSON. THE GRANTOR AGREES THAT IT WILL NOT ASSERT ANY PERMISSIVE COUNTERCLAIMS IN ANY PROCEEDING BROUGHT BY SUCH PERSON TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF SUCH PERSON. THE GRANTOR WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH SUCH PERSON HAS COMMENCED A PROCEEDING DESCRIBED IN THIS SUBSECTION (B).

(C) SERVICE OF PROCESS; VENUE. THE GRANTOR WAIVES PERSONAL SERVICE OF ANY PROCESS UPON IT AND IRREVOCABLY APPOINTS JENNER & BLOCK WHOSE ADDRESS IS ONE IBM PLAZA, CHICAGO, ILLINOIS 60611 AS THE GRANTOR'S AGENT FOR THE PURPOSE OF ACCEPTING ANY WRITS, SERVICE OF PROCESS OR SUMMONSES IN ANY SUIT, ACTION OR PROCEEDING ISSUED BY ANY COURT. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF THE ADMINISTRATIVE AGENT OR THE HOLDERS OF SECURED OBLIGATIONS TO SERVE ANY SUCH WRITS, PROCESS OR SUMMONSES IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. THE GRANTOR IRREVOCABLY WAIVES ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION OF THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith IN ANY JURISDICTION SET FORTH ABOVE.

(D) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith. EACH OF THE PARTIES HERETO AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(E) WAIVER OF BOND. THE GRANTOR WAIVES THE POSTING OF ANY BOND OTHERWISE REQUIRED OF ANY PARTY HERETO IN CONNECTION WITH ANY JUDICIAL PROCESS OR PROCEEDING TO REALIZE ON THE COLLATERAL, ENFORCE ANY JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF SUCH PARTY, OR TO ENFORCE BY SPECIFIC PERFORMANCE, TEMPORARY RESTRAINING ORDER, PRELIMINARY OR PERMANENT INJUNCTION, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

(F) ADVICE OF COUNSEL. EACH OF THE PARTIES REPRESENTS TO EACH OTHER PARTY HERETO THAT IT HAS DISCUSSED THIS AGREEMENT AND, SPECIFICALLY, THE PROVISIONS OF THIS SECTION 18, WITH ITS COUNSEL.

Section 19. Notices. All notices or other communications hereunder shall be given in the manner and to the address of the Grantor and to the address of the Administrative Agent, in each case, as set forth in the Credit Agreement.

Section 20. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

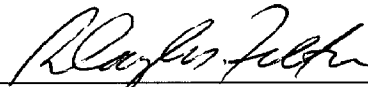
Section 21. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

Section 22. Merger. This Agreement represents the final agreement of the Grantor with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Grantor and the Administrative Agent or any Holder of Secured Obligations.

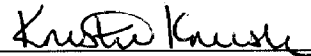
Section 23. No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

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

BEST LOCK CORPORATION

By: 
Name: R. Douglas Felton
Title: Vice President

ATTEST:

By: 
Name: Kristin Krusk
Title: Counsel

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

BANK ONE, INDIANA, NA, as Administrative Agent

By: _____
Name: Steven J. Krakoski
Title: Vice President

Signature Page
To
Best Lock Patent Security Agreement

PATENT
REEL: 011260 FRAME: 0293

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

BEST LOCK CORPORATION

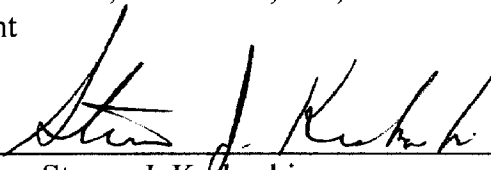
By: _____
Name: R. Douglas Felton
Title: Vice President

ATTEST:

By: _____
Name: _____
Title: _____

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

BANK ONE, INDIANA, NA, as Administrative Agent

By:  _____
Name: Steven J. Krakoski
Title: Vice President

Signature Page
To
Best Lock Patent Security Agreement

PATENT
REEL: 011260 FRAME: 0294

Schedule A

to

Patent Security Agreement

Dated as of October 10, 2000

SCHEDULE A

SUMMARY OF PATENTS

TITLE OF INVENTION	PATENT NO. ISSUE DATE	APPLICATION NO. FILING DATE
Mortise Lock	4572556 02/25/86	
Cylinder Lock with Hotel Function	4262507 04/21/81	
Door Lock Mechanism	4394821 07/26/83	
Pull-Resistant Lock Core	4444034 04/24/84	
Key-Removable Lock core	4424693 01/10/84	
Mortise Lock With Improved Deadlock Release Mechanism	4389061 06/21/83	
Key-Changeable Lock Core	4386510 06/07/83	

Cylinder Lock Retractor And Chassis Assembly	4428212 01/31/84	
Lever Handle Or Similar Article	DES289369 04/21/87	
Lever Handle	4655059 04/07/87	
Tool-Loadable Biasing Spring	4428570 01/31/84	
Knob Retainer Blocker Mechanism	4437695 03/20/84	
Pull-Resistant Knob Cylinder Lock	4424691 01/10/84	
Doorknob	4435967 03/13/84	
Cabinet Lock	4531389 07/30/85	
Pick-Resistant Core	4655063	

	04/07/87	
Lock Capping	4531390 07/30/85	
Break-Away Knob Driver	4550581 11/05/85	
Frangible Spindle	4667994 05/26/87	
Fire Safety Mortise Latch Blocker	4726613 02/23/88	

Lever Handle Mortise Lock	4589691 05/20/86	
Cylinder Anchor	4633690 01/06/87	
Key Blank	DES290085 06/02/87	
Sliding Door Lock	4722204 02/02/88	
Bar Lock Assembly	DES301116 05/16/89	
Latch Bolt Deadlocking Mechanism	4779908 10/25/88	
Lock With Force-Override Assembly	4773240 09/27/88	
Lock With Torque-Release Means	5010755 04/30/91	
Removable Core Padlock With Bolt Retain	4998422 03/12/91	
Disposable Construction Core	4843852 07/04/89	
High Security Lock	4836001 06/06/89	
Door Handle Return Assembly	4998760 03/12/91	
Escutcheon Assembly	4873853 10/17/89	
High Security Padlock	4918950 04/24/90	
Sliding Door Lock	6122943 02/19/99	

Drill Jig For Preparing A Door To Receive a Cylindrical Lock	5116170 05/26/92	
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Motorized Lock Actuator For Cylindrical Lockset	5421178 06/06/95	
Method And Apparatus For Decoding Bi-Phase Encoded Data	5453603 09/26/95	
Motorized Actuator For Mortise Lockset	5474348 12/12/95	
Shuttling Throw Member For Lockset	5916281 06/29/99	
Disconnecting Drive Mechanism For Cylindrical Lockset	5794472 08/18/98	
Anti-Rotation Mechanism for Lockset Chassis	5590555 01/07/97	
Motor Assembly For Cylindrical Lockset	5931430 08/02/99	
Proximity Card Detection System		60/076024 02/26/98
Wireless Lock Communication System		60/124324 03/12/99
Wireless Security Control System		09/523670 03/10/2000
Video Surveillance Access Control System		60/191120 03/22/2000
Proximity Card Detection System		09/243772 02/03/99

Schedule B

to

Patent Security Agreement

Dated as of October 10, 2000

License Agreements

None, except:

1. Exclusive license under U.S. Patent No. 4,267,753 from Ace Technology, Inc. of Ft. Lauderdale, Florida to Best Lock, dated August 9, 1991.
2. Non-exclusive license under U.S. Patent No. 5,010,755 from Best Lock to Select Hardware Corp. of Bristol, Connecticut, dated 1996.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Patent Security Agreement was acknowledged before me this 10th day of October, 2000, by Steven J. Krakoski, a Vice President of Bank One, Indiana, NA, a national banking association, on behalf of such association.

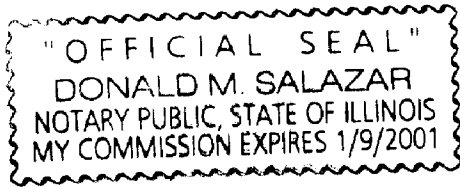


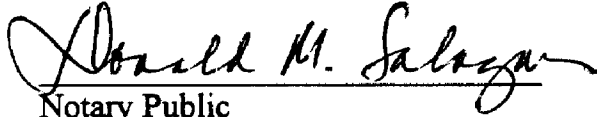
Donald M. Salazar

Notary Public
Cook County, Illinois
My commission expires: 1-9-2001

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Patent Security Agreement was acknowledged before me this 10th day of October, 2000, by R. Douglas Felton, a Vice President of Best Lock Corporation, an Indiana corporation, on behalf of such corporation.




Notary Public
Cook County, Illinois
My commission expires: 1-9-2001