

PATENT
REEL: 011284 FRAME: 0391

Correspondent Name and Address

Area Code and Telephone Number **202-457-0160**

Name **MARC A. BERGSMAN**

Address (line 1) **Dickinson Wright PLLC**

Address (line 2) **1901 L Street, NW**

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Address (line 4) **Washington, DC 20036**

Pages

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

38

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)

08/860584

09/059449

29/090958

09/129193

09/127358

09/125302

09/256953

09/316308

08/614835

Patent Number(s)

4,342,236

4,356,605

4,505,040

4,589,386

4,651,422

4,976,093

4,984,669

5,003,662

5,060,384

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

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Number of Properties

Enter the total number of properties involved. # **95**

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ **3,800.00**

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:

04-1061

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.

MARC A. BERGSMAN

Name of Person Signing

Marc A. Bergsman
Signature

November 16, 2000

Date

RECORDATION FORM COVER SHEET
CONTINUATION
PATENTS ONLY

U.S. Department of Commerce
Patent and Trademark Office
PATENT

Conveying Party(ies)

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Enter additional Conveying Parties

Name (line 1)

Execution Date
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Patent Application Number(s)

09/346,750 09/411,750 09/488,218

09/499,973 09/510,820 09/482,215

08/188,960 08/303,320

Patent Number(s)

D323,770 D323,771 5,109,607

D331,930 D332,455 5,181,369

5,203,147 D335,674 5,222,275

5,241,932 5,261,215

5,265,341 5,293,847 5,299,414

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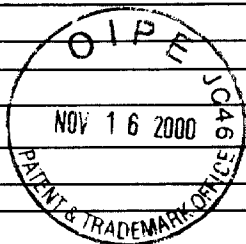
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Patent Number(s)

5,301,494	D347,640	5,329,896
5,332,085	5,337,626	5,339,526
5,357,917	D352,579	D352,430
5,363,723	D354,891	<input type="text"/>
D355,198	5,394,039	D356,581

RECORDATION FORM COVER SHEET
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PATENTS ONLY

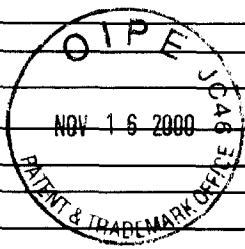
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Patent Application Number(s)			Patent Number(s)		
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<input type="text"/>	<input type="text"/>	<input type="text"/>	5,564,374	5,603,173	5,638,945

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Patent Number(s)

D382,451	5,659,960	5,671,536
5,676,248	D389,707	5,722,111
D393,506	5,738,062	D393,402
5,768,749	5,799,635	5,802,724
5,806,192	5,809,653	5,826,727

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Patent Application Number(s)

Patent Number(s)

5,845,757

5,850,922

5,950,590

5,950,276

D414,499

D417,044

6,000,370

6,000,096

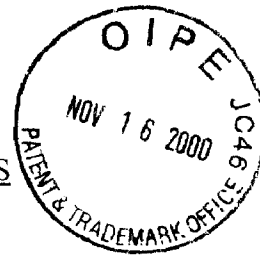
D421,163

D421,558

6,039,020

5,375,666

ALL PERSONAL PROPERTY AND FIXTURES
(DOMESTIC SUBSIDIARIES)



**AMENDED AND RESTATED
SECURITY AGREEMENT**

THIS AMENDED AND RESTATED SECURITY AGREEMENT dated as of June 14, 2000, is made by AIRCAP INDUSTRIES CORPORATION, an Ohio corporation, ARNOLD CORPORATION, an Ohio corporation, COLUMBIA MANUFACTURING COMPANY INCORPORATED, a Massachusetts corporation, CUB CADET CORPORATION, an Ohio corporation, HARTUP TOOL INC, an Indiana corporation, J & M ENGINEERING CO., an Ohio corporation, MODERN TOOL & DIE SALES CORPORATION, a Michigan corporation, MODERN TRANSMISSION DEVELOPMENT COMPANY, a Kentucky corporation, MTD ACCEPTANCE CORPORATION, an Ohio corporation, MTD HOLDINGS INC., a Delaware corporation, WHITE OUTDOOR PRODUCTS COMPANY, an Ohio corporation, MTD SOUTHWEST INC, a Delaware corporation ("MTD Southwest"), MTD MASS RETAIL GROUP INC., an Ohio corporation, MTD CONSUMER GROUP INC, an Ohio corporation, MTD AFTERMARKET GROUP INC, an Ohio corporation, INDUSTRIAL PLASTICS COMPANY, an Ohio corporation, MODERN LINE PRODUCTS, INC., a Mississippi corporation, and MTD SHELBY INC, an Ohio corporation (each individually, a "Company" and collectively, the Companies") and Bank One, NA, formerly known as The First National Bank of Chicago, in its capacity as agent (the "Agent") for the lenders party to the Loan Agreement referred to below (the "Lenders").

RECITALS

A. MTD Products Inc, an Ohio corporation (the "Borrower"), certain foreign borrowing subsidiaries of the Borrower, the Agent and the lenders party thereto (the "Prior Lenders") entered into a Loan Agreement dated as of December 23, 1997 (as amended, the "Existing Loan Agreement"). Certain of the Companies entered into a Security Agreement dated as of December 23, 1997 (the "Existing Security Agreement") in order to induce the Prior Lenders to enter into and extend credit to the Borrower and the Foreign Subsidiary Borrowers (as defined in the Existing Loan Agreement) under the Existing Loan Agreement.

B. The Borrower has entered into an Amended and Restated Loan Agreement of even date herewith (as amended or modified from time to time, including any agreement entered into in substitution therefor, the "Loan Agreement"), with the Foreign Subsidiary Borrowers, the Lenders and the Agent which Loan Agreement amends and restates the Existing Loan Agreement.

C. Each Company has executed an amended and restated guaranty in favor of the Agent and the Lenders guaranteeing the obligations of the Borrower and the Foreign Subsidiary Borrowers to the Agent and the Lenders (the "Guaranty").

D. Under the terms of the Loan Agreement, each Company has agreed to grant to the Agent, for the benefit of itself and the Lenders, a security interest, subject only to security interests expressly permitted by the Loan Agreement, in and to the Collateral hereinafter described to secure its obligations pursuant to the Guaranty and the Borrower's and the Foreign Subsidiary Borrower's obligations to the Agent and the Lenders, including those arising under the Loan Agreement.

E. The Companies and the Borrower and the Borrower's other subsidiaries are engaged as an integrated group and the integrated operation requires financing on such a basis that credit supplied to the Borrower can be made available from time to time to the Companies, as required for the continued successful operation of the Borrower and its subsidiaries and the integrated operation as a whole. The Borrower and the Companies have requested that the Lenders lend and make credit available to the Borrower and the Foreign Subsidiary Borrowers for the purpose of financing the integrated operations of the Borrower and its subsidiaries with the Companies expecting to derive benefit, directly or indirectly, from the loans and letters of credit extended by the Lenders to the Borrower and the Foreign Subsidiary Borrowers, in their separate capacities and as members of the integrated group, inasmuch as the successful operation and condition of each Company is dependent upon the continued successful performance of the functions of the integrated group as a whole.

F. For valuable consideration received and in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree that the Existing Security Agreement is hereby amended and restated as set forth herein.

ACCORDINGLY, each Company and the Agent, on behalf of the Lenders, hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1. Terms Defined in Loan Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement.

1.2. Terms Defined in Illinois Uniform Commercial Code. Terms defined in the Illinois Uniform Commercial Code which are not otherwise defined in this Security Agreement are used herein as defined in the Illinois Uniform Commercial Code as in effect on the date hereof.

1.3. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings (with any reference to "the Company" applying to each Company individually):

"Accounts" means all rights to payment for goods sold or leased or services rendered by the Company, whether or not earned by performance, together with all security interests or other security held by or granted to the Company to secure such rights to payment.

SECURITY AGREEMENT

"Article" means a numbered article of this Security Agreement, unless another document is specifically referenced.

"Chattel Paper" means any writing or group of writings which evidences both a monetary obligation and a security interest in or a lease of specific goods.

"Collateral" means all Accounts, Chattel Paper, Documents, Equipment, Fixtures, General Intangibles, Investment Property, Instruments, Inventory, Pledged Deposits, Stock Rights and Other Collateral, wherever located, in which the Company now has or hereafter acquires any right or interest, and the proceeds, insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto.

"Control" shall have the meaning set forth in Article 8 of the Illinois Uniform Commercial Code as in effect from time to time.

"Default" means an event described in Section 5.1.

"Documents" means all documents of title and goods evidenced thereby, including without limitation all bills of lading, dock warrants, dock receipts, warehouse receipts and orders for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

"Equipment" means all equipment, machinery, furniture and goods used or usable by the Company in its business and all other tangible personal property (other than Inventory), and all accessions and additions thereto, including, without limitation, all Fixtures.

"Exhibit" refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

"Fixtures" means all goods which become so related to particular real estate that an interest in such goods arises under any real estate law applicable thereto, including, without limitation, all trade fixtures.

"General Intangibles" means all intangible personal property (other than Accounts) including, without limitation, all contract rights, rights to receive payments of money, choses in action, causes of action, judgments, tax refunds and tax refund claims, patents, trademarks, trade names, copyrights, licenses, franchises, computer programs, software, goodwill, customer and supplier contracts, interests in general or limited partnerships, joint ventures or limited liability companies, reversionary interests in pension and profit sharing plans and reversionary, beneficial and residual interests in trusts, leasehold interests in real or personal property, rights to receive rentals of real or personal property and guarantee and indemnity claims.

SECURITY AGREEMENT

"Investment Property" means a security, whether certificated or uncertificated; a security entitlement; a securities account; a commodity contract; or a commodity account (all as defined in the Illinois Uniform Commercial Code as in effect from time to time).

"Instruments" means all negotiable instruments (as defined in §3-104 of the Illinois Uniform Commercial Code as in effect from time to time), certificated and uncertificated securities and any replacements therefor and Stock Rights related thereto, and other writings which evidence a right to the payment of money and which are not themselves security agreements or leases and are of a type which in the ordinary course of business are transferred by delivery with any necessary endorsement or assignment, including, without limitation, all checks, drafts, notes, bonds, debentures, government securities, certificates of deposit, letters of credit, preferred and common stocks, options and warrants.

"Inventory" means all goods held for sale or lease, or furnished or to be furnished under contracts of service, or consumed in the Company's business, including, without limitation, raw materials, intermediates, work in process, packaging materials, finished goods, semi-finished inventory, scrap inventory, manufacturing supplies and spare parts, all such goods that have been returned to or repossessed by or on behalf of the Company, and all such goods released to the Company or to third parties under trust receipts or similar documents.

"Lenders" means the lenders party to the Loan Agreement and their successors and assigns.

"Lien" shall have the meaning set forth in the Loan Agreement.

"Obligations" shall have the meaning set forth in the Loan Agreement.

"Other Collateral" means any property of the Company, other than real estate, not included within the defined terms Accounts, Chattel Paper, Documents, Equipment, Fixtures, General Intangibles, Instruments, Inventory, Investment Property, Pledged Deposits and Stock Rights, including, without limitation, all cash on hand and all deposit accounts or other deposits (general or special, time or demand, provisional or final) with any bank or other financial institution, it being intended that the Collateral include all property of the Company other than real estate.

"Pledged Deposits" means all time deposits of money, whether or not evidenced by certificates, which the Company may from time to time designate as pledged to the Agent or to any Lender as security for any Obligation, and all rights to receive interest on said deposits.

"Rate Hedging Agreements" shall have the meaning set forth in the Loan Agreement.

"Rate Hedging Obligations" shall have the meaning set forth in the Loan Agreement.

"Receivables" means the Accounts, Chattel Paper, Documents, Investment Property, Instruments or Pledged Deposits, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

SECURITY AGREEMENT

"Required Secured Parties" means (x) prior to an acceleration of the obligations under the Loan Agreement, the Required Lenders and (y) after an acceleration of the obligations under the Loan Agreement, Lenders holding in the aggregate at least 51% of the total of (i) the unpaid principal amount of outstanding Advances and (ii) the aggregate net early termination payments then due and unpaid from the Company to the Lenders under Rate Hedging Agreements, as determined by the Agent in its reasonable discretion.

"Section" means a numbered section of this Security Agreement, unless another document is specifically referenced.

"Secured Obligations" shall have the meaning set forth in the Loan Agreement.

"Security" has the meaning set forth in Article 8 of the Illinois Uniform Commercial Code as in effect from time to time

"Stock Rights" means any securities, dividends or other distributions and any other right or property which the Company shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral and any securities, any right to receive securities and any right to receive earnings, in which the Company now has or hereafter acquires any right, issued by an issuer of such securities.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

GRANT OF SECURITY INTEREST

Each Company hereby pledges, assigns and grants to the Agent, on behalf of and for the ratable benefit of the Lenders, a security interest in all of such Company's right, title and interest in and to the Collateral to secure the prompt and complete payment and performance of the Secured Obligations.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Each Company represents and warrants to the Agent and the Lenders that:

3.1. Title, Authorization, Validity and Enforceability. The Company has good and valid rights in and title to the Collateral with respect to which it has purported to grant a security interest

SECURITY AGREEMENT

hereunder, free and clear of all Liens except for Liens permitted under Section 4.1.6, and has full power and authority to grant to the Agent the security interest in such Collateral pursuant hereto. The execution and delivery by the Company of this Security Agreement has been duly authorized by proper corporate proceedings, and this Security Agreement constitutes a legal, valid and binding obligation of the Company and creates a security interest which is enforceable against the Company in all now owned and hereafter acquired Collateral, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by equitable principles affecting the availability of specific performance and other remedies. When financing statements have been filed in the appropriate offices against the Company in the locations listed on Exhibit "G", the Agent will have a fully perfected first priority security interest in that Collateral in which a security interest may be perfected by filing, subject only to Liens permitted under Section 4.1.6.

3.2. Conflicting Laws and Contracts. Neither the execution and delivery by the Company of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Company or the Company's articles or certificate of incorporation or by-laws, the provisions of any indenture, instrument or agreement to which the Company is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement (other than any Lien of the Agent on behalf of the Lenders).

3.3. Principal Location. The Company's mailing address, and the location of its chief executive office and of the books and records relating to the Receivables, are disclosed in Exhibit "A"; the Company has no other places of business except those set forth in Exhibit "A".

3.4. Property Locations. The Inventory, Equipment and Fixtures are located solely at the locations described in Exhibit "A". All of said locations are owned by the Company except for locations (i) which are leased by the Company as lessee and designated in Part B of Exhibit "A" and (ii) at which Inventory is held in a public warehouse or is otherwise held by a bailee or on consignment as designated in Part C of Exhibit "A", with respect to which Inventory the Company has delivered bailment agreements, warehouse receipts, financing statements or other documents satisfactory to the Lenders to protect the Agent's and the Lenders' security interest in such Inventory.

3.5. No Other Names. The Company has not conducted business under any name except the name in which it has executed this Security Agreement and as set forth in Exhibit A of the Loan Agreement.

3.6. No Default. No Default or Unmatured Default exists.

3.7. Accounts and Chattel Paper. The names of the obligors, amounts owing, due dates and other information with respect to the Accounts and Chattel Paper are and will be substantially correctly stated in all records of the Company relating thereto and in all invoices and reports with respect thereto furnished to the Agent by the Company from time to time. As of the time when each Account or each item of Chattel Paper arises, the Company shall be deemed to have represented and warranted that such Account or Chattel Paper, as the case may be, and all records relating thereto, are genuine and in all respects what they purport to be.

3.8. Filing Requirements. None of the Equipment is covered by any certificate of title, except for motor vehicles. None of the Collateral is of a type for which security interests or liens may be perfected by filing under any federal statute except for (i) the vehicles described in Part A of Exhibit "B"

SECURITY AGREEMENT

and (ii) patents, trademarks and copyrights held by the Company and described in Part B of Exhibit "B". The legal description, county and street address of the property on which any Fixtures are located is set forth in Exhibit "C" together with the name and address of the record owner of each such property.

3.9. No Financing Statements. No financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming the Company as debtor has been filed in any jurisdiction except (i) financing statements naming the Agent on behalf of the Lenders as the secured party, (ii) as described in Exhibit "D" and (iii) as permitted by Section 4.1.6.

3.10. Federal Employer Identification Number. The Company's Federal employer identification number is set forth in Exhibit "E".

3.11. Pledged Securities and Other Investment Property. Exhibit "F" sets forth a complete and accurate list of the Instruments, Securities and other Investment Property delivered to the Agent. The Company is the direct and beneficial owner of each Instrument, Security and other type of Investment Property listed on Exhibit "F" as being owned by it, free and clear of any Liens, except for the security interest granted to the Agent for the benefit of the Lenders hereunder. The Company further represents and warrants that (i) all such Instruments, Securities or other types of Investment Property which are shares of stock in a corporation or ownership interests in a partnership or limited liability company have been (to the extent such concepts are relevant with respect to such Instrument, Security or other type of Investment Property) duly and validly issued, are fully paid and non-assessable and (ii) with respect to any certificates delivered to the Agent representing an ownership interest in a partnership or limited liability company, either such certificates are Securities as defined in Article 8 of the Uniform Commercial Code of the applicable jurisdiction as a result of actions by the issuer or otherwise, or, if such certificates are not Securities, the Company has so informed the Agent so that the Agent may take steps to perfect its security interest therein as a General Intangible.

ARTICLE IV

COVENANTS

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated:

4.1. General.

4.1.1. Inspection. The Company will permit the Agent or any Lender, by its representatives and agents (i) to inspect the Collateral, (ii) to examine and make copies of the records of the Company relating to the Collateral and (iii) to discuss the Collateral and the related records of the Company with, and to be advised as to the same by, the Company's officers and employees (and, in the case of any Receivable, with any person or entity which is or may be obligated thereon), all at such reasonable times and upon reasonable prior notice and intervals as the Agent or such Lender may determine, and all at the Company's expense.

SECURITY AGREEMENT

4.1.2. Taxes. The Company will pay when due all taxes, assessments and governmental charges and levies upon the Collateral, except those which are being contested in good faith by appropriate proceedings and with respect to which no Lien exists.

4.1.3. Records and Reports; Notification of Default. The Company will maintain complete and accurate books and records with respect to the Collateral, and furnish to the Agent, with sufficient copies for each of the Lenders, such reports relating to the Collateral as the Agent shall from time to time request. The Company will give prompt notice in writing to the Agent and the Lenders of the occurrence of any Default or Unmatured Default and of any other development, financial or otherwise, which might materially and adversely affect the Collateral.

4.1.4. Financing Statements and Other Actions; Defense of Title. Subject to Section 4.1.6, the Company will execute and deliver to the Agent all financing statements and other documents and take such other actions as may from time to time be requested by the Agent in order to maintain a first perfected security interest in and, in the case of Investment Property, Control of, the Collateral. The Company will take any and all actions necessary to defend title to the Collateral against all persons and to defend the security interest of the Agent in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

4.1.5. Disposition of Collateral. The Company will not sell, lease or otherwise dispose of the Collateral except (i) prior to the occurrence of a Default or Unmatured Default, dispositions specifically permitted pursuant to Section 6.12 of the Loan Agreement, (ii) until such time following the occurrence of a Default as the Company receives a notice from the Agent instructing the Company to cease such transactions, sales or leases of Inventory in the ordinary course of business, and (iii) until such time as the Company receives a notice from the Agent pursuant to Article VII, proceeds of Inventory and Accounts collected in the ordinary course of business.

4.1.6. Liens. The Company will not create, incur, or suffer to exist any Lien on the Collateral except (i) the security interest created by this Security Agreement, (ii) existing Liens described in Exhibit "D" and (iii) other Liens permitted pursuant to Section 6.14 of the Loan Agreement.

4.1.7. Change in Location or Name. Other than in the ordinary course of business, the Company will not (i) have any Inventory, Equipment or Fixtures or proceeds or products thereof (other than Inventory and proceeds thereof disposed of as permitted by Section 4.1.5) at a location other than a location specified in Exhibit "A", (ii) maintain records relating to the Receivables at a location other than at the location specified on Exhibit "A", (iii) maintain a place of business at a location other than a location specified on Exhibit "A", (iv) change its name or taxpayer identification number or (v) change its mailing address, unless the Company shall have given the Agent not less than 30 days' prior written notice thereof, and the Agent shall have determined that such change will not adversely affect the validity, perfection or priority of the Agent's security interest in the Collateral.

4.1.8. Other Financing Statements. The Company will not sign or authorize the signing on its behalf of any financing statement naming it as debtor covering all or any portion of the Collateral, except as permitted by Section 4.1.6.

4.2. Receivables.

4.2.1. Certain Agreements on Receivables. The Company will not make or agree to make any discount, credit, rebate or other reduction in the original amount owing on a Receivable or accept in satisfaction of a Receivable less than the original amount thereof, except that, prior to the occurrence of a Default, the Company may reduce the amount of Accounts arising from the sale of Inventory in accordance with its present policies and in the ordinary course of business.

4.2.2. Collection of Receivables. Except as otherwise provided in this Security Agreement, the Company will collect and enforce, at the Company's sole expense, all amounts due or hereafter due to the Company under the Receivables.

4.2.3. Delivery of Invoices. The Company will deliver to the Agent immediately upon its request after the occurrence of a Default duplicate invoices with respect to each Account bearing such language of assignment as the Agent shall specify.

4.2.4. Disclosure of Counterclaims on Receivables. If for amounts in excess of \$1,000 (i) any discount, credit or agreement to make a rebate or to otherwise reduce the amount owing on a Receivable exists or (ii) if, to the knowledge of the Company, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a Receivable, the Company will disclose such fact to the Agent in writing in connection with the inspection by the Agent of any record of the Company relating to such Receivable and in connection with any invoice or report furnished by the Company to the Agent relating to such Receivable.

4.3. Inventory and Equipment.

4.3.1. Maintenance of Goods. The Company will do all things necessary to maintain, preserve, protect and keep the Inventory and the Equipment in good repair and working and saleable condition, ordinary wear and tear excepted.

4.3.2. Insurance. The Company will (i) maintain fire and extended coverage insurance on the Inventory and Equipment containing a lender's loss payable clause in favor of the Agent, on behalf of the Lenders, and providing that said insurance will not be terminated except after at least 30 days' written notice from the insurance company to the Agent, (ii) maintain such other insurance on the Collateral for the benefit of the Agent as the Agent shall from time to time reasonably request, (iii) furnish to the Agent upon the request of the Agent from time to time the originals of all policies of insurance on the Collateral and certificates with respect to such insurance and (iv) maintain general liability insurance naming the Agent, on behalf of the Lenders, as an additional insured.

4.4. Instruments, Securities, Chattel Paper, Documents and Pledged Deposits. The Company will (i) deliver to the Agent immediately upon execution of this Security Agreement the originals of all Chattel Paper, Securities and Instruments (if any then exist), (ii) hold in trust for the Agent upon receipt and immediately thereafter deliver to the Agent any Chattel Paper, Securities and Instruments constituting Collateral, (iii) upon the designation of any Pledged Deposits (as set forth in the definition thereof), deliver to the Agent such Pledged Deposits which are evidenced by certificates included in the Collateral endorsed in blank, marked with such legends and assigned as the Agent shall specify, and (iv) upon the Agent's request, after the occurrence and during the continuance of a Default, deliver to the Agent (and thereafter hold in trust for the Agent upon receipt and immediately deliver to the Agent) any Document evidencing or constituting Collateral.

4.5. Uncertificated Securities and Certain Other Investment Property. The Company will permit the Agent from time to time to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of uncertificated securities or other types of Investment Property not represented by certificates which are Collateral to mark their books and records with the numbers and face amounts of all such uncertificated securities or other types of Investment Property not represented by certificates and all rollovers and replacements therefor to reflect the Lien of the Agent granted pursuant to this Security Agreement. The Company will take any actions necessary to cause (i) the issuers of uncertificated securities which are Collateral and which are Securities and (ii) any financial intermediary which is the holder of any Investment Property, to cause the Agent to have and retain Control over such Securities or other Investment Property. Without limiting the foregoing, the Company will, with respect to Investment Property held with a financial intermediary, cause such financial intermediary to enter into a control agreement with the Agent in form and substance satisfactory to the Agent.

4.6. Stock and Other Ownership Interests.

4.6.1. Changes in Capital Structure of Issuers. The Company will not (i) permit or suffer any issuer of privately held corporate securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral to dissolve, liquidate, retire any of its capital stock or other Instruments or Securities evidencing ownership, reduce its capital or merge or consolidate with any other entity, or (ii) vote any of the Instruments, Securities or other Investment Property in favor of any of the foregoing.

4.6.2. Issuance of Additional Securities. The Company will not permit or suffer the issuer of privately held corporate securities or other ownership interests in a corporation, partnership, joint venture or limited liability company constituting Collateral to issue any such securities or other ownership interests, any right to receive the same or any right to receive earnings, except to the Company.

4.6.3. Registration of Pledged Securities and other Investment Property. The Company will permit any registerable Collateral to be registered in the name of the Agent or its nominee at any time at the option of the Required Secured Parties.

4.6.4. Exercise of Rights in Pledged Securities and other Investment Property. The Company will permit the Agent or its nominee at any time after the occurrence and during the continuance of a Default, without notice, to exercise all voting and corporate rights relating to the Collateral, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any corporate securities or other ownership interests or Investment Property in or of a corporation, partnership, joint venture or limited liability company constituting Collateral and the Stock Rights as if it were the absolute owner thereof.

4.7. Pledged Deposits. The Company will not withdraw all or any portion of any Pledged Deposit or fail to rollover said Pledged Deposit without the prior written consent of the Agent.

4.8. Deposit Accounts. The Company will (i) upon the Agent's request, notify each bank or other financial institution in which it maintains a deposit account or other deposit (general or special, time or demand, provisional or final) of the security interest granted to the Agent hereunder and cause each such bank or other financial institution to acknowledge such notification in writing and (ii) upon the Agent's request after the occurrence and during the continuance of a Default, deliver to each such bank or other financial institution a letter, in form and substance acceptable to the Agent, transferring dominion and control over each such account to the Agent until such time as no Default exists. In the case of deposits maintained with Lenders, the terms of such letter shall be subject to the provisions of the Loan Agreement regarding setoffs.

4.9. Federal, State or Municipal Claims. The Company will notify the Agent of any Collateral which constitutes a claim against the United States government or any state government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal, state or municipal law.

ARTICLE V

DEFAULT

5.1. The occurrence of any "Default" under, and as defined in, the Loan Agreement shall constitute a Default under this Security Agreement.

5.2. Acceleration and Remedies. Upon the acceleration of the obligations under the Loan Agreement pursuant to Section 8.1 thereof, the Secured Obligations shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and the Agent may, with the concurrence or at the direction of the Required Secured Parties, exercise any or all of the following rights and remedies:

5.2.1. Those rights and remedies provided in this Security Agreement, the Loan Agreement, or any other Loan Document, provided that this Section 5.2.1 shall not be understood to limit any rights or remedies available to the Agent and the Lenders prior to a Default.

SECURITY AGREEMENT

5.2.2. Those rights and remedies available to a secured party under the Illinois Uniform Commercial Code (whether or not the Illinois Uniform Commercial Code applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement.

5.2.3. Without notice except as specifically provided in Section 8.1 or elsewhere herein, sell, lease, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as the Agent may deem commercially reasonable.

5.3. Debtor's Obligations Upon Default. Upon the request of the Agent after the occurrence of a Default, the Company will:

5.3.1. Assembly of Collateral. Assemble and make available to the Agent the Collateral and all records relating thereto at any place or places specified by the Agent.

5.3.2. Secured Party Access. Permit the Agent, by the Agent's representatives and agents, to enter any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral and to remove all or any part of the Collateral.

5.4. License. The Agent is hereby granted a license or other right to use, following the occurrence and during the continuance of a Default, without charge, the Company's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of a Default, the Company's rights under all licenses and all franchise agreements shall inure to the Agent's benefit. In addition, the Company hereby irrevocably agrees that the Agent may, following the occurrence and during the continuance of a Default, sell any of the Company's Inventory directly to any person, including without limitation persons who have previously purchased the Company's Inventory from the Company and in connection with any such sale or other enforcement of the Agent's rights under this Agreement, may sell Inventory which bears any trademark owned by or licensed to the Company and any Inventory that is covered by any copyright owned by or licensed to the Company and the Agent may finish any work in process and affix any trademark owned by or licensed to the Company and sell such Inventory as provided herein.

ARTICLE VI

WAIVERS, AMENDMENTS AND REMEDIES

No delay or omission of the Agent or any Lender to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default

SECURITY AGREEMENT

or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Agent with the concurrence or at the direction of the Lenders required under Section 8.2 of the Loan Agreement and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Agent and the Lenders until the Secured Obligations have been paid in full.

ARTICLE VII

PROCEEDS; COLLECTION OF RECEIVABLES

7.1. Lockboxes. Upon request of the Agent after the occurrence and during the continuance of a Default or Unmatured Default, the Company shall execute and deliver to the Agent irrevocable lockbox agreements in the form provided by or otherwise acceptable to the Agent, which agreements shall be accompanied by an acknowledgment by the bank where the lockbox is located of the Lien of the Agent granted hereunder and of irrevocable instructions to wire all amounts collected therein to a special collateral account at the Agent.

7.2. Collection of Receivables. The Agent may at any time after the occurrence of a Default which is not waived or cured, by giving the Company written notice, elect to require that the Receivables be paid directly to the Agent for the benefit of the Lenders. In such event, the Company shall, and shall permit the Agent to, promptly notify the account debtors or obligors under the Receivables of the Lenders' interest therein and direct such account debtors or obligors to make payment of all amounts then or thereafter due under the Receivables directly to the Agent. Upon receipt of any such notice from the Agent, the Company shall thereafter hold in trust for the Agent, on behalf of the Lenders, all amounts and proceeds received by it with respect to the Receivables and Other Collateral and immediately and at all times thereafter deliver to the Agent all such amounts and proceeds in the same form as so received, whether by cash, check, draft or otherwise, with any necessary endorsements. The Agent shall hold and apply funds so received as provided by the terms of Sections 7.3 and 7.4.

7.3. Special Collateral Account. The Agent may require all cash proceeds of the Collateral to be deposited in a special non-interest bearing cash collateral account with the Agent and held there as security for the Secured Obligations. The Company shall have no control whatsoever over said cash collateral account. If no Default or Unmatured Default has occurred or is continuing, the Agent shall from time to time deposit the collected balances in said cash collateral account into the Company's general operating account with the Agent. If any Default or Unmatured Default has occurred and is continuing, the Agent may (and shall, at the direction of the Required Secured Parties, from time to time, apply the collected balances in said cash collateral account to the payment of the Secured Obligations whether or not the Secured Obligations shall then be due.

7.4. Application of Proceeds. The proceeds of the Collateral shall be applied by the Agent to payment of the Secured Obligations in the following order unless a court of competent jurisdiction shall otherwise direct:

(a) FIRST, to payment of all reasonable costs and expenses of the Agent incurred in connection with the collection and enforcement of the Secured Obligations or of the security interest granted to the Agent pursuant to this Security Agreement;

(b) SECOND, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest and fees, pro rata among the Lenders in accordance with the amount of such accrued and unpaid interest and fees owing to each of them;

(c) THIRD, to payment of the principal of the Secured Obligations and any Rate Hedging Obligations, pro rata among the Lenders in accordance with the amount of such principal and Rate Hedging Obligations owing to each of them;

(d) FOURTH, to payment of any Secured Obligations (other than those listed above) pro rata among those parties to whom such Secured Obligations are due in accordance with the amounts owing to each of them; and

(e) FIFTH, the balance, if any, after all of the Secured Obligations have been satisfied, shall be deposited by the Agent into the Company's general operating account with the Agent.

ARTICLE VIII

GENERAL PROVISIONS

8.1. Notice of Disposition of Collateral. Notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made shall be reasonable if sent to the Company, by registered or certified mail and addressed as set forth in Section 8, at least 10 days prior to any such public sale or the time after which any such private sale or other disposition may be made.

8.2. Compromises and Collection of Collateral. The Company and the Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, the Company agrees that the Agent may at any time and from time to time, if a Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Agent in its sole discretion shall determine or abandon any Receivable, and any such action by the Agent shall be commercially reasonable so long as the Agent acts in good faith based on information known to it at the time it takes any such action.

SECURITY AGREEMENT

8.3. Secured Party Performance of Debtor Obligations. Without having any obligation to do so, the Agent may perform or pay any obligation which the Company has agreed to perform or pay in this Security Agreement and the Company shall reimburse the Agent for any amounts paid by the Agent pursuant to this Section 8.3. The Company's obligation to reimburse the Agent pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.4. Authorization for Secured Party to Take Certain Action. Upon the occurrence of a Default, the Company shall irrevocably authorize the Agent and appoint the Agent as its attorney in fact (i) to execute on behalf of the Company as debtor and to file financing statements necessary or desirable in the Agent's sole discretion to perfect and to maintain the perfection and priority of the Agent's security interest in the Collateral, (ii) to endorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Agent's security interest in the Collateral, (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Collateral and which are Securities or with financial intermediaries holding other Investment Property as may be necessary or advisable to give the Agent Control over such Securities or other Investment Property, (v) subject to the terms of Section 4.1.5, to enforce payment of the Receivables in the name of the Agent or the Company, (vi) to apply the proceeds of any Collateral received by the Agent to the Secured Obligations as provided in Article VII and (vii) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), and the Company agrees to reimburse the Agent on demand for any payment made or any expense incurred by the Agent in connection therewith, provided that this authorization shall not relieve the Company of any of its obligations under this Security Agreement or under the Loan Agreement.

8.5. Specific Performance of Certain Covenants. The Company acknowledges and agrees that a breach of any of the covenants contained in Sections 4.1.5, 4.1.6, 4.4, 5.3, or 8.7 or in Article VII will cause irreparable injury to the Agent and the Lenders, that the Agent and Lenders have no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Agent or the Lenders to seek and obtain specific performance of other obligations of the Company contained in this Security Agreement, that the covenants of the Company contained in the Sections referred to in this Section 8.5 shall be specifically enforceable against the Company.

8.6. Use and Possession of Certain Premises. Upon the occurrence of a Default, the Agent shall be entitled to occupy and use any premises owned or leased by the Company where any of the Collateral or any records relating to the Collateral are located until the Secured Obligations are paid or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay the Company for such use and occupancy.

8.7. Dispositions Not Authorized. The Company is not authorized to sell or otherwise dispose of the Collateral except as set forth in Section 4.1.5 and notwithstanding any course of dealing between the Company and the Agent or other conduct of the Agent, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 4.1.5) shall be binding upon the Agent or the Lenders unless such authorization is in writing signed by the Agent with the consent or at the direction of the Required Lenders.

8.8. Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Company, the Agent and the Lenders and their respective successors and assigns, except that the Company shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Agent.

8.9. Survival of Representations. All representations and warranties of the Company contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.10. Taxes and Expenses. Any taxes (excluding income taxes and franchise taxes imposed in lieu of income taxes of the Agent and/or the Lenders) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Company, together with interest and penalties, if any. The Company shall reimburse the Agent for any and all reasonable out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, legal assistants, auditors and accountants who may be employees of the Agent) paid or incurred by the Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by the Company in the performance of actions required pursuant to the terms hereof shall be borne solely by the Company.

8.11. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.12. Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (i) the Loan Agreement has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been indefeasibly paid and performed in full and no commitments of the Agent or the Lenders which would give rise to any Secured Obligations are outstanding.

8.13. Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Company and the Agent relating to the Collateral and supersedes all prior agreements and understandings between the Company and the Agent relating to the Collateral.

8.14. CHOICE OF LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF ILLINOIS, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

8.15. Indemnity. The Company hereby agrees to indemnify the Agent and the Lenders, and their respective successors, assigns, agents and employees, from and against any and all liabilities,

damages, penalties, suits, reasonable costs, and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Agent or any Lender is a party thereto) imposed on, incurred by or asserted against the Agent or the Lenders, or their respective successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Agent or the Lenders or the Company, and any claim for patent, trademark or copyright infringement), except for those liabilities, damages, penalties, suits, costs, and expenses arising from the gross negligence or willful misconduct of the Agent or the Lenders.

ARTICLE IX

NOTICES

9.1. Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent (and deemed received) in the manner set forth in Article XIV of the Loan Agreement, in each case addressed to the other party at the address for such party set forth below or at such other address as is designated in writing to such other party in accordance with the provisions of this Section 9.1:

To the Company as follows:

c/o MTD Products Inc
5965 Grafton Road
Valley City, OH 44280-9711
Attention: Chief Financial Officer

with a copy to:

Wegman, Hessler, Vanderburg & O'Toole
Suite 200
6055 Rockside Woods Boulevard
Cleveland, OH 44131
Attention: Lawrence S. Crowther, Esq.

To the Agent as follows:

Bank One, NA
c/o NBD Bank
611 Woodward Avenue
Detroit, MI 48226
Attention: Credit Department
Credit Officer

9.2. Change in Address for Notices. Each of the Company, the Agent and the Lenders may change the address for service of notice upon it by a notice in writing to the other parties.

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0414

ARTICLE X

THE AGENT

Bank One, NA has been appointed Agent for the Lenders hereunder pursuant to Article XI of the Loan Agreement. It is expressly understood and agreed by the parties to this Security Agreement that any authority conferred upon the Agent hereunder is subject to the terms of the delegation of authority made by the Lenders to the Agent pursuant to the Loan Agreement, and that the Agent has agreed to act (and any successor Agent shall act) as such hereunder only on the express conditions contained in such Article XI. Any successor Agent appointed pursuant to Article XI of the Loan Agreement shall be entitled to all the rights, interests and benefits of the Agent hereunder.

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0415

IN WITNESS WHEREOF, the Company and the Agent have executed this Security Agreement as of the date first above written.

AIRCAP INDUSTRIES CORPORATION
ARNOLD CORPORATION
COLUMBIA MANUFACTURING COMPANY
INCORPORATED
CUB CADET CORPORATION
HARTUP TOOL, INC.
J & M ENGINEERING CO.
MODERN TOOL & DIE SALES CORPORATION
MODERN TRANSMISSION DEVELOPMENT
COMPANY
MTD ACCEPTANCE CORPORATION
MTD HOLDINGS INC.
WHITE OUTDOOR PRODUCTS COMPANY
MTD SOUTHWEST INC.
MTD MASS RETAIL GROUP INC.
MTD CONSUMER GROUP INC.
MTD AFTERMARKET GROUP INC.
INDUSTRIAL PLASTICS COMPANY
MODERN LINE PRODUCTS INC.
MTD SHELBY INC.

By: Ronald C. Houser

Ronald C. Houser

Title: Executive Vice President of each of the above
listed entities

BANK ONE, NA, as Agent

By: Paul R. DeMelo

Paul R. DeMelo

Title: Vice President

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0416

STATE OF MICHIGAN)
) SS
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me this 14th day of June 2000, by Ronald C. Houser, the Executive Vice President of each of the above-listed entities on behalf of said entities.

DEBORAH L. LEEDY
Notary Public, Wayne County, MI
My Commission Expires Apr 9 2002

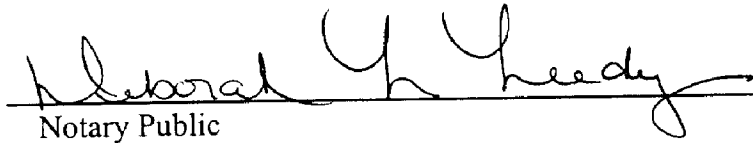


Notary Public

My commission expires: 4-9-2002

STATE OF MICHIGAN)
) SS
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me this 14th day of June, 2000, by Paul R. DeMelo, the Managing Director and Vice President of Bank One, NA, as Agent, on behalf of said association.



Notary Public

My commission expires: 4-9-2002

DEBORAH L. LEEDY
Notary Public, Wayne County, MI
My Commission Expires Apr 9 2002

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0417

EXHIBIT "A"

(See Sections 3.3, 3.4, 4.1.7 and 9.1 of Security Agreement)

Principal Place of Business and Mailing Address:

AIRCAP INDUSTRIES CORPORATION

Highway 45 South
Verona, MS 38879

MTD HOLDINGS INC.

P.O. Box 368022
Cleveland, Ohio 44136

ARNOLD CORPORATION

614 Liverpool Drive
Liverpool Industrial Park
Valley City, Ohio 44280

WHITE OUTDOOR PRODUCTS COMPANY

614 Liverpool Drive
Liverpool Industrial Park
Valley City, Ohio 44280

**COLUMBIA MANUFACTURING
COMPANY INCORPORATED**

One Cycle Street
Westfield, MA 01085

MTD SOUTHWEST INC

5965 Grafton Road
Valley City, Ohio 44280

CUB CADET CORPORATION

(n/k/a MTD Independent Retail Group Inc)
614 Liverpool Drive
Liverpool Industrial Park
Valley City, Ohio 44280

MTD MASS RETAIL GROUP INC

5965 Grafton Road
Valley City, Ohio 44280

HARTUP TOOL INC

910 South Marr Road
Columbus, IN 47201

MTD CONSUMER GROUP INC

5965 Grafton Road
Valley City, Ohio 44280

J & M ENGINEERING CO.

1246 Princeton
Akron, OH 44301-1168

MTD AFTERMARKET GROUP INC

Central Ohio Industrial Park
Building #14 – Section E
Shelby, Ohio 44875

**MODERN TOOL & DIE
SALES CORPORATION**

28310 Franklin Rd.
Southfield, MI 48034

INDUSTRIAL PLASTICS COMPANY

680 Liverpool Drive
Valley City, Ohio 44280

**MODERN TRANSMISSION
DEVELOPMENT COMPANY**

2555 Brandenburg Rd.
Leitchfield, KY 42754

MODERN LINE PRODUCTS INC

Second Street
Indianola, MS 38751

MTD ACCEPTANCE CORPORATION

P.O. Box 368022
Cleveland, OH 44136

MTD SHELBY INC

Central Ohio Industrial Park
Building #14 – Section E
Shelby, Ohio 44875

SECURITY AGREEMENT

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**PATENT
REEL: 011284 FRAME: 0418**

Assumed Names:

Hartup Tool, Inc. has an assumed name of HTI Inc.

Aircap Industries Corporation has an assumed name of Adcomm Graphics

Location(s) of Receivables Records (if different from Principal Place of Business above): N/A

A. Properties Owned by the Companies:

1. Aircap Industries Corporation
 - (a) Highway 45 South, Verona, MS 38879
 - (b) Route 7, Highway 261 East, Manning, South Carolina
2. Cub Cadet Corporation (n/k/a MTD Independent Retail Group Inc)
 - (a) 1620 Welch Street, Brownsville, TN 38012-2394
3. Columbia Manufacturing Company Incorporated
 - (a) One Cycle Street, Westfield, MA 01085
4. Hartup Tool, Inc.
 - (a) 910 South Marr, Columbus, Indiana 47201
5. MTD Southwest Inc
 - (a) 550 N. 54th Street, Chandler, AZ 85226
(building owned, land leased)
6. Modern Line Products Inc
 - (a) Second Street, Indianola, MS
7. Other.
 - (a) 2555 Brandenburg Road, Leitchfield, KY 42754. Title and Name of Leitchfield-Grayson County Industrial Development Foundation, facility subject to Industrial Revenue Bond and leased to Modern Transmission Development Co. In addition, portions of the original real estate purchased which have not been developed are still owned by Modern Transmission Development Co.
 - (b) Second Street, Indianola, MS. Title and Name of City of Indianola and the Board of Supervisors of Sunflower County, MS (no payment obligations owing and leased to Modern Line Products, Inc.
 - (c) Highway 431 East, Martin Industrial Park, Martin, TN 38237. Title and Name of The Industrial Development Board of the City of Martin ("IDBCM"), leased to MTD Products Inc

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0419

B. Properties Leased by the Companies (Include Landlord's Name):

**Tenant and
Lease Location**

Landlord

Modern Line Products Inc
Second Street
Indianola, MS

City of Indianola and the Board
of Supervisors of Sunflower County, MS

MTD Mass Retail Group Inc
Highway 45 South
Verona (Tupelo), MS 38879

Aircap Industries Corporation

MTD Mass Retail Group Inc
979 S. Conwell Rd.
Willard, OH

MTD Products Inc

MTD Mass Retail Group Inc
701 Theo Moll Dr.
Willard, OH 44890

MTD Products Inc

MTD Consumer Group Inc
5965 Grafton Road (Tech Center)
Valley City, OH 44280-9711

MTD Products Inc

MTD Consumer Group Inc
5460 Wegman Drive
Valley City, OH

MTD Products Inc

Industrial Plastics Company
680 Liverpool Drive
Valley City, OH

MTD Products Inc

Cub Cadet Corporation
(n/k/a MTD Independent Retail Group Inc)
614 Liverpool Drive (Corp II)
Valley City, OH

MTD Products Inc

Cub Cadet Corporation
(n/k/a MTD Independent Retail Group Inc)
2000 Tamm Street
Brownsville, TN

MTD Products Inc

MTD Shelby Inc
Central Ohio Industrial Park
Building #12-Section E
Shelby, OH 44875

Northern Ohio Associates

**Tenant and
Lease Location**

Landlord

MTD Southwest Inc
Kyrene Warehouse
Building No. 3
6655 S. Kyrene Rd.
Tempe, AZ 85283

ProLogis Trust

MTD Shelby Inc
Central Ohio Warehouse
P.O. Box 646
Shelby, OH 44875

Northern Ohio Associates

MTD Independent Retail Group Inc
(f/k/a Cub Cadet Corporation)
Central Ohio Warehouse
P.O. Box 646
Shelby, OH 44875

Northern Ohio Associates

Adcomm Graphics (a division of Aircap
Industries Corporation)
120 Franklin St.
Tupelo, MS

Milam Properties, Inc.

MTD Southwest Inc
Lone Butte Industrial Park
6725 West Allison Road
Chandler, AZ
(land leased, building owned)

Gila River Indian Community

MTD Mass Retail Group Inc
Highway 45 South
Verona (Tupelo), MS 38879
(non-public warehouse lease)

Threldkeld Enterprises, LLC

**C. Public Warehouses or other Locations pursuant to Bailment or Consignment
Arrangements (include name of Warehouse Operator or other Bailee or Consignee):**

MTD Mass Retail Group Inc
669 South Placentia
Fullerton, CA 92831
(warehouse lease)

The Home Depot

SECURITY AGREEMENT

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**PATENT
REEL: 011284 FRAME: 0421**

MTD Mass Retail Group Inc
4300 Planned Industrial Dr
St. Louis, MO 63120
(warehouse lease)

Madison Warehouse Corp

MTD Mass Retail Group Inc
400 Par Blvd
Reno, NV 89512
(warehouse lease)

Bender Warehouse

MTD Mass Retail Group Inc
4472 Steelway Blvd
Liverpool, NY 13090
(warehouse lease)

GATX Logistics Inc

MTD Mass Retail Group Inc
5180 Phillip Lee Dr
Atlanta, GA 30336
(warehouse lease)

GATX Logistics, Inc

MTD Mass Retail Group Inc
120 South Brandt
Killanning, PA 16201
(warehouse lease)

MHF

MTD Mass Retail Group Inc
Swaim Warehouse
Industrial Parkway
Martin, TN 38237
(warehouse lease)

Swaim & Sawim

MTD Mass Retail Group Inc
1701 Vantage Drive
Carlton, TX 75006
(warehouse lease)

GATX Logistics, Inc

Modern Line Products Inc
Hayden Street
Indianola, MS 38751
(warehouse lease)

Mississippi Properties Warehouse

D. Other:

Tools, dies, equipment and unfinished goods and other assets owned by MTD are delivered to various vendors in the ordinary course of business. (In the ordinary course of business, MTD holds property including tooling, dies, equipment and unfinished goods owned by customers of the Companies.)

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0422

EXHIBIT "B"
(See Section 3.8 of Security Agreement)

A. Aircraft/engines, ships, railcars and other vehicles governed by federal statute:

<u>Description</u>	<u>Registration Number</u>
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NONE

B. Patents, copyrights, trademarks protected under federal law. *

See Attached (Owner: MTD Southwest Inc)

*For (i) trademarks, show the trademark itself, the registration date and the registration number; (ii) trademark applications, show the trademark applied for, the application filing date and the serial number of the application; (iii) patents, show the patent number, issue date and a brief description of the subject matter of the patent; and (iv) patent applications, show the serial number of the application and the application filing date. Any licensing agreements for patents or trademarks should be described on a separate schedule.

SECURITY AGREEMENT

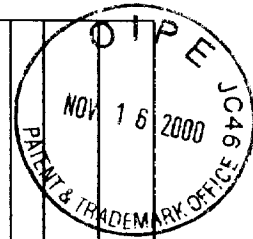
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PATENT
REEL: 011284 FRAME: 0423

UPDATE: 3-14-2000

EXHIBIT "B" (continued)

RNA File No.	Firm	Firm File No.	Secondary Firm	Description	Assignee	Related File	Filing No.	Filing Date	Issue No.	Issue Date	Status	Comment
LGG 0153 P US	BK	IDC 0122 PUS	-	Crankshaft with Laminated Counterweight	RNA	-	199,629	10/22/80	4,342,236	08/03/82	Issued	Will expire: 10-22-00
LGG 0152 P US	BK	IDC 0121 PUS	-	Crankshaft with Laminated Counterweight	RNA	-	163,110	06/25/80	4,356,605	11/02/82	Issued	Will expire: 6-25-00
LGG 0160 P US	BK	IDC 0130 PUS	-	Coupling for Interconnecting Two Handle Portions of a Power Driven Implement	RNA	-	549,804	11/09/83	4,505,040	03/19/85	Issued	-
LGG 0154 P US	BK	IDC 0123 PUS	-	Carburetor Priming System for Internal Combustion Engines	RNA	-	719,991	04/04/85	4,589,386	05/20/86	Issued	-
LGG 0162 P US	BK	IDC 0132 PUS	-	Line Guard for a Line Cutting Type Weed Trimmer	RNA	-	405,175	08/04/82	4,651,422	03/24/87	Issued	-
LGG 0171 P US	BK	IDC 0141 PUS	-	Brake System for Rotary Cutters and Trimmers	RNA	-	398,704	08/25/89	4,976,093	12/11/90	Issued	-
LGG 0147 P US	BK	IDC 0115 PUS	-	Drum Assembly for a Centrifugal Clutch	RNA	-	433,706	11/13/89	4,984,669	01/15/91	Issued	-
LGG 0161 P US	BK	IDC 0131 PUS	-	Connector for a Convertible Blower-Vacuum	RNA	-	451,729	12/15/89	5,003,662	04/02/91	Issued	-
LGG 0155 P US	BK	IDC 0124 PUS	-	Automatic Head for a Line Trimmer	RNA	-	623,241	12/06/90	5,060,384	10/29/91	Issued	-
LGG 0118 D US	BK	RMP 0192 DUS	-	Combined Engine Housing and Handle Grip for a Hedge Trimmer	RNA	-	422,440	10/17/89	Des.323,770	02/11/92	Issued	-
LGG 0119 D US	BK	RMP 0193 DUS	-	Combined Engine Housing and Handle Grip for a Hedge Trimmer	RNA	-	440,736	11/24/89	Des.323,771	02/11/92	Issued	-
LGG 0145 P US	BK	IDC 0113 PUS	-	Automatic Line Trimmer Head	RNA	-	597,818	10/12/90	5,109,607	05/05/92	Issued	-
LGG 0148 D US	BK	IDC 0116 DUS	-	Cutting Head Assembly for a Line Trimmer	RNA	-	544,482	06/27/90	Des.331,930	12/22/92	Issued	-
LGG 0137 D US	BK	IDC 0104 DUS	-	Combined Housing and Handle Assembly for a Line Trimmer	RNA	-	544,483	06/27/90	Des.332,455	01/12/93	Issued	-
LGG 0191 P US	BK	IDC-0165 PUS	-	Battery Powered Line Trimmer	RNA	FWC of LGG-0149	799,902	11/26/91	5,181,369	01/26/93	Issued	-
LGG 0107 P US	BK	RMP-0131 PUS	-	Lawn Mower Activation Switch	RNA	-	824,185	01/22/92	5,203,147	04/20/93	Issued	-
LGG 0146 D US	BK	IDC 0114 DUS	-	Combined Housing and Handle Assembly for a Line Trimmer	RNA	-	544,484	06/27/90	Des.335,674	05/18/93	Issued	-
LGG 0194 P US	BK	IDC-0168 PUS	-	Blower Vacuum	RNA	-	887,464	05/22/92	5,222,275	06/29/93	Issued	-
LGG 0111 D CA	MacRae	D-2518	RMP 0144 DCA	Electric Lawn Mower	RMP	-	1,609,923	09/16/92	73,109	08/26/93	Issued	-
LGG 0246 P US	BK	RYL-0105 PUS	-	Operator Carried Power Tool Having a Four-Cycle Engine	ROP	-	07801,026	12/02/91	5,241,932	09/07/93	Issued	-
LGG 0122 P US	BK	RMP 0316 PUS	-	Vertically Storable Lawn Mower	RNA	-	920,134	07/24/92	5,261,215	11/16/93	Issued	-
LGG 0200 P US	BK	IDC-0174 PUS	-	Battery Powered Line Trimmer Arm Rest	RNA	-	011,340	01/29/93	5,265,341	11/30/93	Issued	-
LGG 0247 P US	BK	RYL-0113 PUS	-	Powdered Metal Camshaft Assembly	RNA	-	018,079	02/16/93	5,293,847	03/15/94	Issued	-



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RNA File No.		Firm	Firm File No.	Secondary Firm	Description	Assignee	Related File	Filing No.	Filing Date	Issue No.	Issue Date	Status	Comment
LGG	0113 P US	BK	RMP 0146 PUS	-	Mulching Lawn Mower Blade and Housing Assembly	RNA	-	920,140	07/24/92	5,299,414	04/05/94	Issued	-
LGG	0114 P US	BK	RMP 0156 PUS	-	Recharging System for a Battery Operated Tool Having an On-Board Transformer	RNA	-	920,133	07/24/92	5,301,494	04/12/94	Issued	-
LGG	0111 D US	BK	RMP-0144 DUS	-	Electric Lawn Mower	RNA	-	847,762	04/27/92	Des.347,640	06/07/94	Issued	-
LGG	0196 P US	BK	IDC-0170 PUS	-	Replaceable Recoil Starter	RNA	-	001,298	01/06/93	5,329,896	07/19/94	Issued	-
LGG	0203 P US	BK	IDC-0177 PUS	-	Shipping and Display Container for a Lawn Implement	RNA	-	006,375	01/19/93	5,332,085	07/26/94	Issued	-
LGG	0244 P US	BK	RYL-0102 PUS	-	Laminated Gear and Method of Forming a Laminated Gear	RNA	-	021,495	02/23/93	5,337,626	08/16/94	Issued	-
LGG	0197 P US	BK	IDC-0171 PUS	-	Resistance Spool for a Line Trimmer Head	RNA	-	051,186	04/22/93	5,339,526	08/23/94	Issued	-
LGG	0250 P US	BK	RYL-0117 PUS	-	Stamped Cam Follower and Method of Making a Stamped Cam Follower	RNA	-	08/021,496	02/23/93	5,357,917	10/25/94	Issued	-
LGG	0195 D US	BK	IDC-0169 DUS	-	Combined Blower and Vacuum	RNA	To LGG-0226-DUS	896,542	06/10/92	Des.352,579	11/15/94	Issued	-
LGG	0199 D US	BK	IDC-0173 DUS	-	Power Head for a Line Trimmer	RNA	-	004,224	01/29/93	Des.352,430	11/15/94	Issued	-
LGG	0204 P US	BK	IDC-0178 PUS	-	Angle Gear Drive	RNA	-	021,057	02/23/93	5,363,723	11/15/94	Issued	-
LGG	0209 P US	BK	IDC-0185 PUS	-	Vibration Isolator for a Portable Power Tool	RNA	-	096,763	07/23/93	5,375,666	12/27/94	Issued	-
LGG	0121 D US	BK	RMP 0315 DUS	-	Hedge Trimmer	RNA	-	007,335	04/20/93	Des.354,891	01/31/95	Issued	-
LGG	0127 D CA	MacRae	D-2706	RMP 0449 DCA	Lawn Mower	RMP	-	1994-1731	09/06/94	75,627	02/02/95	Issued	-
LGG	0210 D US	BK	IDC-0186 DUS	-	Small Engine for a Portable Power Tool	RNA	-	011,028	07/23/93	Des.355,198	02/07/95	Issued	-
LGG	0193 P US	BK	IDC-0167 PUS	-	Electric Motor Mount Having Vibration Damping	RNA	-	005,641	01/19/93	5,394,039	02/28/95	Issued	-
LGG	0124 D US	BK	RMP 0420 DUS	-	Electric Lawn Mower	RNA	-	014,396	10/20/93	Des.356,581	03/21/95	Issued	-
LGG	0128 P US	BK	RMP 0451 PUS	-	Mulching Lawn Mower Blade and Housing Assembly	RNA	CIP OF RMP-0146	219,134	03/29/94	5,410,866	05/02/95	Issued	-
LGG	0226 D US	BK	IDC-0202 DUS	-	Electric Blower	RNA	Div. of LGG-0195	026,231	07/22/94	Des.358,912	05/30/95	Issued	-
LGG	0249 P US	BK	RYL-0115 PUS	-	Cylinder Head Assembly	RNA	-	097,075	07/23/93	5,421,292	06/06/95	Issued	-
LGG	0124 D CA	MacRae	D-2670	RMP 0420 DCA	Electric Lawn Mower	RMP	-	94-000820	04/20/94	76,576	06/15/95	Issued	-
LGG	0130 P US	BK	RMP 0466 PUS	-	Self-Propelled Mower	RNA	-	278,747	07/22/94	5,442,901	08/22/95	Issued	-
LGG	0212 P US	BK	IDC-0188 PUS	-	Trigger Retainer for a Portable Power Tool	RNA	-	320,629	04/21/94	5,447,206	09/05/95	Issued	-
LGG	0255 P US	BK	RYL-0127 PUS	-	Method of Making a Powdered Metal Camshaft Assembly	RNA	Div. of LGG-0247	176,019	12/30/93	5,463,809	11/07/95	Issued	-

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RNA File No.	Firm	Firm File No.	Secondary Firm	Description	Assignee	Related File	Filing No.	Filing Date	Issue No.	Issue Date	Status	Comment
LGG 0132 D US	BK	RMP 0498 DUS	-	Hedge Trimmer	RNA	DIV OF RMP-0315	034,284	01/31/95	Des.364,541	11/28/95	Issued	-
LGG 0227 P US	BK	IDC-0203 PUS	-	Shipping and Display Container for Motorized Implement	RNA	CIP of LGG-0203	279,657	07/25/94	5,495,937	03/05/96	Issued	-
LGG 0224 P US	BK	IDC-0200 PUS	-	Switch Actuator for a Portable Power Tool	RNA	FWC of LGG-0208	264,188	06/22/94	5,540,291	07/30/96	Issued	-
LGG 0253 P US	BK	RYL-0123 PUS	-	Operator Carried Power Tool Having a Four-Cycle Engine	ROP	Cont. of LGG-0246	08/065,576	05/02/93	5,558,057	09/24/96	Issued	-
LGG 0127 D US	BK	RMP 0449 DUS	-	Lawn Mower	RNA	-	019,528	03/04/94	Des.374,017	09/24/96	Issued	-
LGG 0260 P US	BK	RYL-0150 PUS	-	Cam Carrier for an Internal Combustion Engine	RNA	Div. of LGG-0249-PUS	08/470,934	06/06/95	5,564,374	10/15/96	Issued	-
LGG 0239 P US	BK	IDC-0214 PUS	-	Snow Thrower	RNA	FWC of LGG-0216	556,825	11/02/95	5,603,173	02/18/97	Issued	-
LGG 0133 P US	BK	RMP 0522 PUS	-	Locking Trigger Mechanism for a Portable Power Tool	RNA	-	08/661,104	06/10/96	5,638,945	06/17/97	Issued	-
LGG 0268 D US	BK	RYL 0162 DUS	-	Battery Powered Hedge Trimmer	RNA	-	29/056,943	07/12/96	Des.382,451	08/19/97	Issued	-
LGG 0241 P US	BK	IDC-0216-PUS	-	Line Feed Configuration for Line Trimmers	RNA	CIP of LGG-0233	08/664,157	06/14/96	5,659,960	08/26/97	Issued	-
LGG 0233 P US	BK	IDC-0209 PUS	-	Line Feed Configuration for Line Trimmers	RNA	-	08/601,788	02/15/96	5,671,536	09/30/97	Issued	-
LGG 0265 P US	BK	RYL 0161 PUS	-	Open Face Display Carton and Motorized Implement	RNA	-	08/685,816	07/25/96	5,676,248	10/14/97	Issued	-
LGG 0275 D US	BK	RYL 0168 DUS	-	Hedge Trimmer Attachment	RNA	-	29/057,516	07/26/96	Des.389,707	01/27/98	Issued	-
LGG 0278 P US	BK	RYL 0170 PUS	-	Blower Vacuum	RNA	-	08/690,334	07/26/96	5,722,111	03/03/98	Issued	-
LGG 0272 D US	BK	RYL 0166 DUS	-	Combined Blower and Nozzle Attachment	RNA	Parent of LGG-330 DUS	29/057,517	07/26/96	Des.393,506	04/14/98	Issued	-
LGG 0297 P US	BK	RYL 0189 PUS	-	Operator Carried Power Tool Having a Four-Cycle Engine	ROP	FWC of LGG-0271	08/895,345	07/16/97	5,738,062	04/14/98	Issued	-
LGG 0300 D US	BK	RYL 0191 DUS	-	Grass Shear	RNA	-	29/074,841	07/25/97	Des.393,402	04/14/98	Issued	-
LGG 0270 P US	BK	RYL 0163 PUS	-	Portable Air Blower	RNA	-	08/690,366	07/26/96	5,768,749	06/23/98	Issued	-
LGG 0274 P US	BK	IDC 0220 PUS	-	Two Cycle Engine Having a Decompression Slot	RNA	-	08/898,049	07/22/97	5,799,635	09/01/98	Issued	-
LGG 0277 P US	BK	RYL 0169 PUS	-	Coupling for Split-Boom Power Tool	RNA	CIP of LGG-0217 LGG-0351 PUS	08/688,036	07/26/96	5,802,724	09/08/98	Issued	Responded to restriction requirement. (10-25-99)
LGG 0281 P US	BK	IDC 0221 PUS	-	Line Feed Configuration for Line Trimmers	RNA	CIP of LGG-0241	08/719,904	09/25/96	5,806,192	09/15/98	Issued	-
LGG 0286 P US	BK	IDC 0226 PUS	-	Attachment System for Battery Powered Tool	RNA	FWC of LGG-0217	08/703,686	08/27/96	5,809,653	09/22/98	Issued	-
LGG 0290 P US	BK	IDC 0229 PUS	-	Shipping and Display Container for Motorized Implement	RNA	FWC of LGG-0243	08/841,054	04/29/97	5,826,727	10/27/98	Issued	-
LGG 0235 P US	BK	IDC-0211 PUS	-	Centrifugal Clutch	RNA	-	08/766,748	12/13/96	5,845,757	12/08/98	Issued	-

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RNA File No.	Firm	Firm File No.	Secondary Firm	Description	Assignee	Related File	Filing No.	Filing Date	Issue No.	Issue Date	Status	Comment
LGG 0240 P US	BK	IDC 0215 PUS	-	Shipping and Retail Display Pallet pack	RNA	-	08/649,206	05/17/96	5,850,922	12/22/98	Issued	-
LGG 0318 P US	BHGL	8888/10	-	Operator Carried Power Tool Having a Four-Cycle Engine and an Engine Lubrication Method	ROP	Cont. of LGG-0297-PUS LGG 0362 PUS	09/028,376	02/24/98	5,950,590	09/14/99	Issued	-
LGG 0294 P US	BK	RYL 0190 PUS	-	Blower and Adjustable Blower Nozzle Attachment	RNA	-	09/034,097	03/03/98	5,950,276	09/14/99	Issued	-
LGG 0339 D US	BK	RYL 0210 DUS	-	Engine for an Operator Carried Power Tool	RNA	-	29/090,960	07/21/98	Des. 414,499	09/28/99	Issued	-
LGG 0330 D US	BK	RYL 0200 DUS	-	Blower Attachment	RNA	Div. of LGG 0272 DUS	29/083,680	02/16/98	Des. 417,044	11/23/99	Issued	-
LGG 0276 P US	BK	RYL 0276 PUS	-	Compression Release Mechanism for an Internal Combustion Engine	RNA	-	08/974,771	11/20/97	6,000,370	12/14/99	Issued	-
LGG 0336 P US	BK	RYL 0209 PUS	-	Gasoline Powered Parallel Tube Blower/Vacuum	RNA	-	09/129,196	07/23/98	6,000,096	12/14/99	Issued	-
LGG 0340 D US	BK	RYL 0211 DUS	-	Blower Head Assembly	RNA	-	29/090,961	07/21/98	Des. 421,163	02/22/00	Issued	-
LGG 0341 D US	BK	RYL 0212 DUS	-	Battery-Handle Housing Assembly for a Portable Power Tool	RNA	-	29/090,959	07/21/98	Des. 421,558	03/14/00	Issued	-
LGG 0312 P US	BHGL	8888/20	(IDC 0232 PUS)	Multiple-Position, Operator-Carried, Four-Stroke Engine	RNA	-	09/035,552	03/05/98	6,039,020	03/21/00	Issued	-
LGG 0149 P CA	MacRae	19436	IDC 0117 PCA		ROP	-	2,105,377	02/10/92	-	-	Filed	-
LGG 0246 P CA	MacRae	20236	RYL 0105 PCA		ROP	PCT/US92/0103 11	2,124,824	12/01/92	-	-	Filed	-
LGG 0203 P CA	MacRae	19821	IDC 0177 PCA		ROP	-	2,113,709	01/18/94	-	-	Filed	-
LGG 0216 P US	BK	IDC-0192 PUS	-		RNA	-	188,960	01/28/94	-	-	Filed	-
LGG 0209 P CA	MacRae	21730	IDC 0185 PCA		ROP	PCT/US94/0757 6	2,165,348	07/06/94	-	-	Filed	-
LGG 0217 P US	BK	IDC-0193 PUS	-		RNA	LGG 0286 PUS	303,320	09/09/94	-	-	Filed	-
LGG 0281 P CA	MacRae	24325	IDC 0209 PCA		RNA	LGG-0231,241,281	2,245,580	02/14/97	-	-	Filed	-
LGG 0302 P US	C1	ESFP0655	RYB 0111 PUSA		RL/RNA	PCT/JP97/0046 9	08/860,584	07/01/97	-	-	Filed	Issue fee paid. (10-25-99)
LGG 0308 P US	BK	RYL 0186 PUS	-		RNA	-	09/059,449	04/13/98	-	-	Filed	Responded to office action. (12-17-99)
LGG 0338 D US	BK	RYL 0208 DUS	-		RNA	-	29/090,958	07/21/98	-	-	Filed	Issue fee payment instructed. (1-31-00)
LGG 0269 P US	BK	RYL 0207 PUS	-		RNA	-	09/129,193	07/24/98	-	-	Filed	Responded to final action. (12-20-99)
LGG 0351 P US	BK	RYL 0213 PUS	-		RNA	Div. of LGG-0277-PUS	09/127,358	07/31/98	-	-	Filed	-

TRANSFERRED OUTDOOR PATENTS

CONFIDENTIAL

RNA File No.			Firm	Firm File No.	Secondary Firm	Description	Assignee	Related File	Filing No.	Filing Date	Issue No.	Issue Date	Status	Comment
LGG	0281	P US	C1	BK	IDC 0209 PUSA	-	RNA	LGG-0231,241,281	09/125,302	08/14/98	-	-	Filed	Issue fee paid. (12-10-99)
LGG	0354	P US	BHGL	8888/19	IDC 0243 PUS	-	RNA	Div. of LGG 0234 PUS	09/256,953	02/24/99	-	-	Filed	-
LGG	0312	P CA	MacKae	-	8888/31	-	RNA	-	2,288,681	03/05/99	-	-	Filed	-
LGG	0292	P US	BK	IDC 0230 PUS	-	-	RNA	-	09/316,308	05/21/99	-	-	Filed	-
LGG	0361	P US	BHGL	8888/17	-	-	RNA	CPA of LGG 0234 PUS	08/614,835	05/25/99	-	-	Filed	-
LGG	0362	P US	BHGL	8888/24	-	-	ROP	Cont. LGG-0318-PUS	09/346,750	07/02/99	-	-	Filed	-
LGG	0365	P US	BK	IDC 0248 PUS	-	-	RNA	-	09/411,750	11/17/99	-	-	Filed	-
LGG	0376	P US	BHGL	8888/35	-	-	RNA	Cont. of LGG 0312 PUS	09/488,218	01/19/00	-	-	Filed	-
LGG	0369	P US					RNA		09/499,973	02/08/00	-	-	Filed	-
LGG	0364	P US					RNA		09/510,820	02/23/00	-	-	Filed	-
LGG	0368	P US					RNA		09/482,215	02/25/00	-	-	Filed	-

EXHIBIT "C"
(See Section 3.8 of Security Agreement)

Legal description, county and street address of property on which
Fixtures are located:

1. **Aircap Industries Corporation**
 - (i) Highway 45 South, Verona, MS 38879 (owned)**Adcomm Graphics (a division of Aircap Industries Corporation)**
 - (ii) 120 Franklin Street, Tupelo, MS (leased from Milam Properties, Inc.)
2. **MTD Southwest Inc**
 - (a) 6725 West Allison Road, Chandler, AZ
(land leased from Gila River Indian Community, building owned)
 - (b) 550 N. 54th Street, Chandler, AZ (owned)
3. **Hartup Tool, Inc.**
 - (a) 910 South Marr, Columbus, Indiana 47201 (owned)
4. **Modern Transmission Development Company**
 - (a) 2555 Brandenburg Rd., Letichfield, KY (owned)
5. **Modern Line Products Inc**
 - (a) Second Street, Indianola, MS (owned by MTD Products Inc)
6. **Industrial Plastics Company**
 - (a) 680 Liverpool Drive, Valley City, OH (owned by MTD Products Inc)
7. **MTD Consumer Group Inc**
 - (a) 614 Liverpool Drive, Valley City, OH (owned by MTD Products Inc)
 - (b) 5460 Wegman Drive, Valley City, OH (owned by MTD Products Inc)
8. **MTD Mass Retail Group Inc**
 - (a) 5965 Grafton Road, Valley City, OH 44280 (owned by MTD Products Inc)
 - (b) 979 S. Conwell Rd., Willard, OH (owned by MTD Products Inc)
 - (c) 701 Theo Moll Drive, Willard, OH (owned by MTD Products Inc)
 - (d) Martin Industrial Park, Highway 431 East, Martin, TN (owned by MTD Products Inc)
9. **Cub Cadet Corporation (n/k/a MTD Independent Mass Retail Group Inc)**
 - (a) 2000 Tamm Street, Brownsville, TN (owned by MTD Products Inc)
 - (b) Martin Industrial Park, Highway 431 East, Martin, TN (owned by MTD Products Inc)
 - (c) 614 Liverpool Drive, Valley City, OH (owned by MTD Products Inc)

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0429

EXHIBIT "D"
(See Sections 3.9 and 4.1.6 of Security Agreement)

EXISTING LIENS ON THE COLLATERAL

<u>Secured Party</u>	<u>Collateral</u>	<u>Principal Balance</u>	<u>Maturity</u>
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See Schedules 5.20 and 6.14 to the Loan Agreement.

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0430

EXHIBIT "E"
(See Section 3.10 of Security Agreement)

FEDERAL EMPLOYER IDENTIFICATION NUMBERS

<u>Company</u>	<u>I.D. Number</u>
AIRCAP INDUSTRIES CORPORATION	34-0732236
ARNOLD CORPORATION	34-1449367
COLUMBIA MANUFACTURING COMPANY INCORPORATED	34-2274701
CUB CADET CORPORATION	34-1329915
(now known as MTD Independent Retail Group Inc)	
HARTUP TOOL, INC.	34-1033425
J & M ENGINEERING CO.	34-1765388
MODERN TOOL & DIE SALES CORPORATION	34-1602684
MODERN TRANSMISSION DEVELOPMENT COMPANY	34-1765258
MTD ACCEPTANCE CORPORATION	34-1456106
MTD HOLDINGS INC.	34-1807715
WHITE OUTDOOR PRODUCTS COMPANY	34-1330093
MTD SHELBY INC	34-1909909
MODERN LINE PRODUCTS INC	31-1681422
INDUSTRIAL PLASTICS COMPANY	34-1910416
MTD CONSUMER GROUP INC	34-1909912
MTD MASS RETAIL GROUP INC	34-1909907
MTD AFTERMARKET GROUP INC	34-1909913
MTD SOUTHWEST INC	31-1557510

EXHIBIT "F"

List of Pledged Securities
(See Section 3.11 of Security Agreement)

A. STOCKS:**OWNER: MTD MASS RETAIL GROUP INC**

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number of Shares</u>
Industrial Plastics Company	1	100
Modern Line Products, Inc.	1	100

OWNER: MTD CONSUMER GROUP INC

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number of Shares</u>
Cub Cadet Corporation (n/k/a MTD Independent Retail Group Inc)	2	100
MTD Aftermarket Group Inc	1	100
MTD Mass Retail Group Inc	1	100
White Outdoor Products Company	2	100
MTD Acquisition Corp. (nka MTD Southwest Inc)	2	3,000
Modern Transmission Development Company	2	100

OWNER: MTD AFTERMARKET GROUP INC

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number of Shares</u>
Arnold Corporation	2	100
MTD Shelby Inc	1	100

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0432

B. BONDS:

<u>Issuer</u>	<u>Number</u>	<u>Face Amount</u>	<u>Coupon Rate</u>	<u>Maturity</u>
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None

C. GOVERNMENT SECURITIES:

<u>Issuer</u>	<u>Number</u>	<u>Type</u>	<u>Face Amount</u>	<u>Coupon Rate</u>	<u>Maturity</u>
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None

**D. OTHER SECURITIES OR OTHER INVESTMENT PROPERTY
(CERTIFICATED AND UNCERTIFICATED):**

<u>Issuer</u>	<u>Description of Collateral</u>	<u>Percentage Ownership Interest</u>
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None

[See attached for description of custody accounts or arrangements with securities intermediary, if any]

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0433

EXHIBIT "G"
(See Section 3.1 of Security Agreement)

OFFICES IN WHICH FINANCING STATEMENTS HAVE BEEN FILED

Aircap Industries Corporation

1. Mississippi Secretary of State
2. Lee County, Mississippi
3. Ohio Secretary of State
4. Cuyahoga County, Ohio
5. Medina County, Ohio
6. South Carolina Secretary of State
7. Clarendon County, South Carolina

Arnold Corporation

1. Ohio Secretary of State
2. Cuyahoga County, Ohio
3. Medina County, Ohio
4. Richland County, Ohio

Columbia Manufacturing Company Incorporated

1. Massachusetts Secretary of State
2. Hampden County, Massachusetts

Cub Cadet Corporation (n/k/a MTD Independent Retail Group Inc)

1. Ohio Secretary of State
2. Cuyahoga County, Ohio
3. Medina County, Ohio
4. Tennessee Secretary of State
5. Haywood County, Tennessee

Hartup Tool, Inc, a/k/a HTI, Inc.

1. Indiana Secretary of State
2. Bartholomew County, Indiana

J&M Engineering Co.

1. Ohio Secretary of State
2. Summit County, Ohio

Modern Tool & Die Sales Corporation

1. Michigan Secretary of State

Modern Transmission Development Company

1. Grayson County, Kentucky (2)

SECURITY AGREEMENT

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PATENT
REEL: 011284 FRAME: 0434

MTD Acceptance Corporation

1. Ohio Secretary of State
2. Cuyahoga County, Ohio

MTD Holdings Inc.

1. Delaware Secretary of State

White Outdoor Products Company

1. Ohio Secretary of State
2. Cuyahoga County, Ohio
3. Medina County, Ohio

MTD Southwest Inc

1. Arizona Secretary of State
2. Maricopa County, Arizona
3. Ohio Secretary of State
4. Medina County, Ohio

MTD Mass Retail Group Inc

1. Ohio Secretary of State
2. Medina County, Ohio
3. Huron County, Ohio

MTD Consumer Group Inc

1. Ohio Secretary of State
2. Medina County, Ohio

MTD Aftermarket Group Inc.

1. Ohio Secretary of State
2. Medina County, Ohio
3. Richland County, Ohio

Industrial Plastics Company

1. Ohio Secretary of State
2. Medina County, Ohio

Modern Line Products, Inc

1. Mississippi Secretary of State
2. Sunflower County, Mississippi
3. Ohio Secretary of State
4. Medina County, Ohio

MTD Shelby Inc

1. Ohio Secretary of State
2. Medina County, Ohio
3. Richland County, Ohio

DETROIT 7-3100 522382-5

SECURITY AGREEMENT

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RECORDED: 09/20/2000

PATENT
REEL: 011284 FRAME: 0435