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the United St addressed to Assistant

D.C. 20231, cn

Thereby Certic

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Patents for Collateral for Security Agreement between Detroit Stoker Company and Fleet Capital Corporation

Title	Issue No.	Issue. Date
Multi-Fuel Feeder Distributor	4,326,469	4/27/1982
Metering Feeder	4,602,572	7/29/1986
Metering Feeder	4,616,573	10/14/1986
Metering Feeder	4,718,360	1/12/1988
Metering Feeder	4,762,073	7/26/1988
Central Feed Rotary Automatic Ash	4,633,849	1/6/1987
Discharge Stoker		
Fuel Feeder	4,905,613	3/6/1990
Siftings Removal Device	4,987,837	1/29/1991
Oscillating Damper	5,239,935	8/31/1993
Extended Life Grate Bar	5,265,543	11/30/1993

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GRANT OF INTELLECTUAL PROPERTY SECURITY INTEREST (Patents and Trademarks)

WHEREAS, DETROIT STOKER COMPANY a Michigan corporation ("Grantor" or Detroit), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Intellectual Property Collateral (as defined below); and

WHEREAS, UNITED INDUSTRIAL CORPORATION, a Delaware corporation, and the following of its subsidiaries: AAI CORPORATION, a Maryland corporation; DETROIT, AAI ENGINEERING SUPPORT INC., a Maryland corporation; AAI/ACL TECHNOLOGIES, INC., a Maryland corporation; and MIDWEST METALLURGICAL LABORATORY, INC., a Michigan corporation have entered into a Loan and Security Agreement dated as of June 28, 2001 (said Loan and Security Agreement, as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "Loan Agreement") with FLEET CAPITAL CORPORATION (the "Lender"), pursuant to which Lender has made certain commitments, subject to the terms and conditions set forth in the Loan Agreement, to extend certain loans to Grantor; and

WHEREAS, pursuant to the terms of the Loan Agreement, Grantor has agreed to create in favor of Lender a secured and protected interest in, and Lender has agreed to become a secured creditor with respect to, the Intellectual Property Collateral (as defined below);

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Loan Agreement, Grantor hereby grants to Lender a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "Intellectual Property Collateral"):

all rights, title and interest (including rights acquired pursuant to a license or otherwise (i) but only to the extent permitted by agreements governing such license or other use) in and to all patents, copyrights, moral rights, rights of authors, trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles, domain names and/or other source and/or business identifiers, and applications pertaining thereto, owned by such Grantor or subject to an agreement or other obligation of assignment to Grantor, or hereafter adopted or used in its business, including, without limitation, the patents and trademarks specifically identified in Schedule A hereto and, if applicable, Schedule A to any Intellectual Property Supplement (in the form attached hereto as Exhibit A) subsequently executed by the Grantor, all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries, including, without limitation, the registrations and applications, if any, specifically identified in Schedule A hereto, or, if applicable, in any Schedule A to any Intellectual Property Supplement subsequently executed by the Grantor, all common law and other rights (but in no event any of the obligations) in and to the Intellectual Property Collateral in the United States and any state thereof and in foreign countries, and all goodwill of such Grantor's business; and

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(ii) all proceeds, products, rents, license fees and profits of or from any and all of the foregoing Intellectual Property Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Lender is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Intellectual Property Collateral. For purposes of this Grant of Intellectual Property Security Interest, the term "proceeds" includes whatever is receivable or received when Intellectual Property Collateral or proceeds are sold, exchanged, rented, licensed, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Notwithstanding anything herein to the contrary, in no event shall the Intellectual Property Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor's rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party or constitute an abandonment of such Intellectual Property Collateral; provided, that immediately upon the ineffectiveness, lapse, expiration or termination of any such provision, the Intellectual Property Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Intellectual Property Collateral granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein, as such Intellectual Property Collateral may be supplemented by the Intellectual Property Supplement attached hereto as Exhibit A.

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IN WITNESS WHEREOF, Grantor has caused this Grant of Intellectual Property Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the $\frac{38}{2}$ day of June, 2001.

DETROIT STOKER COMPANY

By:

ame:

Title:

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SCHEDULE A INTELLECTUAL PROPERTY COLLATERAL (PATENTS AND TRADEMARKS)

1. Detroit Stoker Co Patents	mpany:			
Title	Owner	Status in Patent Office	Federal Reg. No.	Reg. Date
Multi-Fuel Feeder Distributor	Detroit Stoker	Active	4,326,469	4/27/1982
Metering Feeder	Detroit Stoker	Active	4,602,572	7/29/1986
Metering Feeder	Detroit Stoker	Active	4,616,573	10/14/1986
Metering Feeder	Detroit Stoker	Active	4,718,360	1/12/1988
Metering Feeder	Detroit Stoker	Active	4,762,073	7/26/1988
Central Feed Rotary Automatic Ash Discharge Stoker	Detroit Stoker	Active	4,633,849	1/6/1987
Fuel Feeder	Detroit Stoker	Active	4,905,613	3/6/1990
Siftings Removal Device	Detroit Stoker	Active	4,987,837	1/29/1991
Oscillating Damper	Detroit Stoker	Active	5,239,935	8/31/1993
Extended Life Grate Bar	Detroit Stoker	Active	5,265,543	11/30/1993

2. Detroit Stoker C Trademarks	ompany:			
Title	Owner	Status in Patent Office	Federal Reg. No.	Reg. Date
Corporate Symbol (DSC)	Detroit Stoker	Active	862,272	
Detroit Conveying System	Detroit Stoker	Active	909,040	
DSC Logo	Detroit Stoker	Active	1,031,218	1/27/1976
RotoGrate	Detroit Stoker	Active	1,150,930	4/14/1981
RotoStoker	Detroit Stoker	Active	1,150,931	4/14/1981
Unistoker	Detroit Stoker	Active	1,150,932	4/14/1981
Superfeed	Detroit Stoker	Active	1,135,686	5/20/1980
Reciprograte	Detroit Stoker	Active	1,125,337	5/25/1979
Vibra-Grate	Detroit Stoker	Active	1,113,534	2/20/1979
Detroit	Detroit Stoker	Active	1,162,613	4/28/1981
Hydrograte	Detroit Stoker	Active	1,292,101	8/28/1984
CC	Detroit Stoker	Active	1,601,891	6/19/1990

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EXHIBIT A TO GRANT OF INTELLECTUAL PROPERTY SECURITY INTEREST

INTELLECTUAL PROPERTY SUPPLEMENT

This INTELLECTUAL PROPERTY			
pursuant to and supplements the Grant of Inter-		• •	
June, 2001 (as it may be from time to time			
executed by DETROIT STOKER COMPAN	•	· ·	
CORPORATION (the "Lender"). Capitalize			efined herein
shall have the meanings ascribed thereto in the	he Gra	nt.	
In addition to the security interest pre Grantor hereby grants to Lender a security in and to the Intellectual Property Collateral list Intellectual Property Collateral shall be deem and shall be hereafter subject to each of the to	nterest ted on ned to	in all of Grantor's right, title a Schedule A attached hereto. be part of the Intellectual Prop	and interest in All such
IN WITNESS WHEREOF, Grantor and delivered by its duly authorized officer a			uly executed
	DETR	OIT STOKER COMPANY	
	By:		
		Name:	
		Title:	

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RECORDED: 07/12/2001