

SCHEDULE I
to
SUBSIDIARY PATENT SECURITY AGREEMENT

PATENTS

PATENT	DESCRIPTION	ISSUED	EXPIRES	COMPANY	COUNTRY
CURRENT					
5232099	Classifying Apparatus and Methods	8/3/1993	8/3/2010	PEP	USA
4906352	Impr. Tensioning Assembly for Vib. Screens	3/6/1990	3/6/2007	PEP	USA
4732670	Tensioning Assembly for Vibratory Screens	3/22/1988	3/22/2005	PEP	USA

PATENT APPLICATIONS

None.

SUBSIDIARY PATENT SECURITY AGREEMENT

SUBSIDIARY PATENT SECURITY AGREEMENT, dated as of April 11, 2003 (this "Subsidiary Patent Security Agreement"), by PRODUCTION ENGINEERED PRODUCTS, INC., a Nevada corporation ("Grantor"), in favor of BANK ONE, NA, a national banking association, in its capacity as Collateral Agent for the Secured Parties.

WITNESSETH:

WHEREAS, the Grantor has entered into that certain Security Agreement, dated as of May 13, 2002 (the "Security Agreement"), by and among the Grantor, the Collateral Agent and the other Credit Parties, in order to induce the Banks to extend or maintain credit pursuant to the Credit Agreement and the Purchasers to maintain credit pursuant to the Note Purchase Agreements. Pursuant to Section 4.1.4 of the Security Agreement, the Grantor is required to deliver to the Collateral Agent all financing statements and other documents and take such other actions as may from time to time be requested by the Collateral Agent in order to maintain a first perfected security interest in and, if applicable, Control of, the Collateral; and

WHEREAS, pursuant to the Security Agreement, the Grantor has granted the Collateral Agent a security interest in all of its property, including its patents. The Grantor is executing this Borrower Patent Security Agreement in accordance with the requirements of the Security Agreement to permit the Collateral Agent to protect its security interest in the Grantor's patents, all of which constitute "Collateral" under the Security Agreement.

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

1. DEFINED TERMS. For the purposes of the Subsidiary Patent Security Agreement, the following terms shall have the following meanings:

"Patent License" means rights under any written agreement now owned or hereafter acquired by any Credit Party granting any right with respect to any invention on which a Patent is in existence.

"Patents" means all of the following in which any Credit Party now holds or hereafter acquires any interest: (a) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or of any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or any other country, and (b) all reissues, continuations, continuations-in-part or extensions thereof.

All other capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Grantor hereby grants (and reaffirms its prior grant in the Security Agreement) to the Collateral Agent, on behalf of itself and the Secured Parties, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral"):


- (a) all of its Patents and Patent Licenses to which it is a party including those referred to on Schedule I hereto;
- (b) all reissues, continuations or extensions of the foregoing; and
- (c) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any Patent License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Subsidiary Patent Security Agreement are granted in conjunction with the security interests granted to the Collateral Agent, on behalf of itself and the Secured Parties, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature pages follow]

IN WITNESS WHEREOF, Grantor has caused this Borrower Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

PRODUCTION ENGINEERED
PRODUCTS, INC.

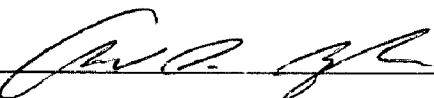
By: 

Name: F. McKamy Hall

Title: TREASURER

ACCEPTED AND ACKNOWLEDGED BY:

BANK ONE, NA, as Collateral Agent

By: 

Name: Brock R. McDaniel

Title: V.P.

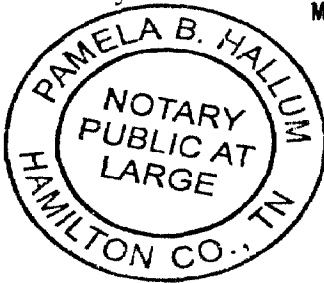
ACKNOWLEDGMENT OF GRANTOR

STATE OF TENNESSEE)
)
COUNTY OF HAMILTON) ss.

On this 11th day of April, 2003 before me personally appeared F. McKamy Hall, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Production Engineered Products, Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Pamela B. Hallum
{seal} Notary Public

My commission expires Oct. 23, 2005



- 4 -

CHI:1192066.2

CHI:1192066.2

RECORDED: 05/02/2003

PATENT
REEL: 014027 FRAME: 0170