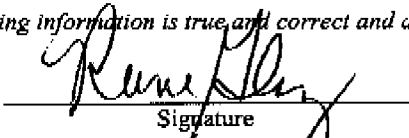


Form PTO-1595 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)		RECORDATION FORM COVER SHEET PATENTS ONLY	U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office
Tab settings ⇒ ⇒ ⇒ ▼ ▼ ▼ ▼ ▼ ▼ ▼			
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.			
1. Name of conveying party(ies): Handv & Harman, a New York Corporation		2. Name and address of receiving party(ies) Name: Ahleco Finance LLC	
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other		Street Address: 299 Park Avenue City: New York State: NY Zip: 10171	
Execution Date: March 31, 2004		Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: _____ A. Patent Application No.(s) 08/896327 B. Patent No.(s) 5372779; 1283138 Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
5. Name and address of party to whom correspondence concerning document should be mailed: Name: Reine H. Glanz, Esq. Internal Address: Schulte Roth & Zabel LLP Street Address: 919 Third Avenue City: New York State: N.Y. Zip: 10022		6. Total number of applications and patents involved: 3 7. Total fee (37 CFR 3.41) \$120.00 <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: Schulte Roth & Zabel LLP - 500675 (Attach duplicate copy of this page if paying by deposit account)	
DO NOT USE THIS PAGE			
9. Statement and signature. <i>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.</i> Reine H. Glanz, Esq.  April 5, 2004 Name of Person Signing Signature Date Total number of pages including cover sheet, attachments, and documents: 18			

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

CH \$120.00 500675 08896327

PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT ("Agreement"), dated March 31, 2004, is by and between Handy & Harman, a New York corporation ("Debtor"), and ABLECO FINANCE LLC, a Delaware limited liability company in its capacity as agent (in such capacity, "Secured Party"), pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of the parties thereto from time to time as lenders (each individually, a "Lender" and collectively, "Lenders").

W I T N E S S E T H :

WHEREAS, Debtor has adopted and is the owner of the entire right, title, and interest in and to the patents and applications therefor described in Exhibit A hereto and made a part hereof;

WHEREAS, Debtor, certain affiliates of Debtor, Secured Party and Lenders have entered into or are about to enter into financing arrangements pursuant to which Secured Party and Lenders may make a term loan to Debtor and certain of its affiliates as set forth in the Loan and Security Agreement, dated of even date herewith, by and among Debtor, certain affiliates of Debtor, Secured Party and Lenders (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and the other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, this Agreement (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements"); and

WHEREAS, in order to induce Secured Party and Lenders to enter into the Loan Agreement and the other Financing Agreements and to make a term loan to Debtor and certain of its affiliates pursuant thereto, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein;

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

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants to Secured Party a continuing security interest in and a general lien upon, and a conditional assignment of, the following (being collectively referred to herein as the "Collateral"): (a) all of Debtor's now existing or hereafter acquired right, title and interest in and to all of Debtor's interest in any patents and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof, including, without limitation, those patents, applications, registrations and recordings described in Exhibit A hereto,

together with all rights and privileges arising under applicable law with respect to Debtor's use of any patents and all reissues, divisions, continuations, extensions and renewals thereof (all of the foregoing being collectively referred to herein as the "Patents"); (b) all present and future inventions and improvements described and claimed therein; (c) all income, fees, royalties and other payments at any time due or payable to Debtor with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (d) the right to sue for past, present and future infringements thereof; (e) all rights corresponding thereto throughout the world; and (f) any and all other proceeds of any of the foregoing, including, without limitation, all damages and payments or claims by Debtor against third parties for past or future infringement of the Patents. Notwithstanding anything to the contrary contained in this Section 1, the Collateral shall not include any rights or interest in any contract, license or license agreement covering personal property of Debtor, so long as under the terms of such contract, license or license agreement, or applicable law with respect thereto, the grant of a security interest or lien therein to Secured Party is prohibited and such prohibition has not been or is not waived or the consent of the other party to such contract, license or license agreement has not been or is not otherwise obtained; provided, that, the foregoing exclusion shall in no way be construed (i) to apply if any such prohibition is unenforceable under the Uniform Commercial Code or other applicable law or (ii) so as to limit, impair or otherwise affect Secured Party's unconditional continuing security interests in and liens upon any rights or interests of such Debtor in or to monies due or to become due under any such contract, license or license agreement.

2. OBLIGATIONS SECURED. The security interest, lien and other interests granted to Secured Party pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by Debtor to Secured Party, any Lender and/or their respective affiliates, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, arising under this Agreement, the Loan Agreement or the other Financing Agreements, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Debtor under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case and including loans, interest, fees, charges and expenses related thereto and all other obligations of Debtor to Secured Party or any Lender arising after the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by Secured Party or any Lender (all of the foregoing being collectively referred to herein as the "Obligations").

3. REPRESENTATIONS, WARRANTIES AND COVENANTS. Debtor hereby represents, warrants and covenants with and to Secured Party the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) Debtor shall pay and perform all of the Obligations according to their terms.

(b) All of the existing Collateral is valid and subsisting in full force and effect, and Debtor owns the sole, full and clear title thereto, and the right and power to grant the security interest and conditional assignment granted hereunder. Debtor shall, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral consisting of registered Patents as registered patents and to maintain all of the Collateral as valid and subsisting, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests or encumbrances of any nature whatsoever, except (i) the security interests granted hereunder and pursuant to the Loan Agreement, (ii) the security interests permitted under the Loan Agreement and (iii) the licenses referred to under Section 3(c) below.

(c) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, except as otherwise permitted herein or in the Loan Agreement. Nothing in this Agreement shall be deemed a consent by Secured Party or any Lender to any such action, except as such action is expressly permitted hereunder.

(d) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents reasonably requested at any time by Secured Party or any Lender to evidence, perfect, maintain, record or enforce the security interest in and conditional assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral signed only by Secured Party or as otherwise determined by Secured Party or any Lender. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(e) As of the date hereof, Debtor does not have any Patents registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, or any political subdivision thereof, other than those described in Exhibit A hereto and has not granted any licenses with respect thereto other than as set forth in Exhibit B hereto.

(f) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder.

(g) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party or any Lender to preserve, defend, protect, maintain, record or enforce the Obligations, the Collateral or the security interest and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, attorneys' fees and legal expenses. Debtor shall be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable on demand together with interest at the rate

then applicable to the Obligations set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

(h) Debtor shall notify Secured Party within (30) days of filing any application for the registration of a Patent with the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country. If, after the date hereof, Debtor shall (i) obtain any patent, including any reissue, division, continuation, continuation-in-part, or extension of any patent, file any patent application, including any application for reissue or extension of any patent, or any divisional, continuation, or continuation-in-part application in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any patent or new patentable inventions used in the United States, any State thereof, any political subdivision thereof or in any other country, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party or any Lender, Debtor shall promptly execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may be requested by Secured Party or any Lender to evidence the security interest in and conditional assignment of such Patent in favor of Secured Party.

(i) Debtor has not abandoned any of the Patents and Debtor will not do any act, nor omit to do any act, whereby the Patents may become abandoned, invalidated, unenforceable, avoided or avoidable. Debtor shall notify Secured Party immediately if it knows of any reason why any application, registration, or recording with respect to the Patents may become abandoned, canceled, invalidated, avoided or avoidable.

(j) Debtor shall render any assistance, as Secured Party shall determine is necessary, to Secured Party and Lenders in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Patents as Debtor's exclusive property and to protect Secured Party's and Lenders' interests therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(k) To Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Patents that to Debtor's knowledge would adversely affect in any material respect the fair market value of the Patents or the benefits of this Agreement granted to Secured Party and Lenders, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Secured Party and Lenders hereunder. There has been no judgment holding any of the Patents invalid or unenforceable, in whole or part nor is the validity or enforceability of any of the Patents presently being questioned in any litigation or proceeding to which Debtor is a party. Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any other process or product which infringes upon any Patent. If requested by Secured Party or any Lender, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interests and Lenders' interests in and to the Patents.

(l) Debtor assumes all responsibility and liability arising from its use of the Patents and Debtor hereby indemnifies and holds Secured Party and Lenders harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees and legal expenses) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Patent or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof). The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Loan Agreement.

(m) Debtor shall promptly pay Secured Party and Lenders for any and all reasonable expenditures made by Secured Party or any Lender pursuant to the provisions of this Agreement or for the defense, protection or enforcement of the Obligations, the Collateral, or the security interests and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and reasonable attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

4. EVENTS OF DEFAULT. The occurrence or existence of any Event of Default under the Loan Agreement or any of the other Financing Agreements is referred to herein individually as an "Event of Default" and collectively as "Events of Default".

5. RIGHTS AND REMEDIES. At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of Secured Party or any Lender, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Patents for any purpose whatsoever. Secured Party may make use of any Patents for the sale of goods, completion of work-in-process or rendering of services or otherwise in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary or affiliate of Debtor or for such other reason as Secured Party may determine.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of ten (10) days prior written notice to Debtor of any proposed disposition shall be deemed reasonable notice thereof

and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Debtor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale or other disposition of any of the Collateral pursuant to the terms hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(f) hereof, one or more instruments of assignment of the Patents (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party and Lenders on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees and legal expenses. Debtor agrees that Secured Party and Lenders have no obligation to preserve rights to the Patents against any other parties.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral to the costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party or Lenders. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party and Lenders for any of the Obligations remaining unpaid after the application of such proceeds, and Debtor shall pay Secured Party on demand any such unpaid amount, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party or to Secured Party's designee, Debtor's knowledge and expertise relating to the manufacture and sale of the products and services to which the Patents relate and Debtor's customer lists and other records relating to the Patents and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party or any Lender to take any such action at any time. All of Secured Party's and Lenders' rights and remedies, whether provided under, this Agreement, the other Financing Agreements, applicable law or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. JURY TRIAL WAIVER; OTHER WAIVERS AND CONSENTS; GOVERNING LAW.

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York without regard to principals of conflicts of laws, but excluding any rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York.

(b) Debtor and Secured Party irrevocably consent and submit to the non-exclusive jurisdiction of the Supreme Court of New York County, New York and the United States District Court for the Southern District of New York, whichever Secured Party may elect, and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected or related or incidental to the dealings of Debtor and Secured Party or any Lender in respect of this Agreement or the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or thereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Debtor or its property).

(c) Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified mail (return receipt requested) directed to its address set forth herein and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Secured Party's option, by service upon Debtor in any other manner provided under the rules of any such courts. Within thirty (30) days after such service, Debtor shall appear in answer to such process, failing which Debtor shall be deemed in default and judgment may be entered by Secured Party against Debtor for the amount of the claim and other relief requested.

(d) DEBTOR AND SECURED PARTY EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF DEBTOR AND SECURED PARTY OR ANY LENDER IN RESPECT OF THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR AND SECURED PARTY EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT DEBTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTOR AND SECURED PARTY TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) Notwithstanding any other provision contained herein, Secured Party and Lenders shall not have any liability to Debtor (whether in tort, contract, equity or otherwise) for losses suffered by Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on Secured Party or such Lender that the losses were the result of acts or omissions constituting gross negligence or willful misconduct. In any such litigation, Secured Party and Lenders shall be entitled to the benefit of the rebuttable presumption that it acted in

good faith and with the exercise of ordinary care in the performance by it of the terms of this Agreement and the other Financing Agreements.

7. MISCELLANEOUS.

(a) All notices, requests and demands hereunder shall be in writing and shall be deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor: c/o Handy & Harman
555 Theodore Fremd Avenue
Rye, New York 10580
Attention: Chief Financial Officer
Telephone No.: 914-921-5200
Telecopy No.: 914-925-4498

If to Secured Party: Ableco Finance LLC, as Agent
299 Park Avenue, 23rd Floor
New York, New York 10171
Attention: Mr. Daniel E. Wolf
Telephone No.: 212-891-2121
Telecopy No.: 212-891-1541

(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to Debtor, Secured Party and any Lender pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 7(e) hereof. All references to the term "Person" or "person" herein shall mean any individual, sole proprietorship, partnership, corporation (including, without limitation, any corporation which elects subchapter S status under the Internal Revenue Code of 1986, as amended), limited liability company, limited liability partnership, business trust, unincorporated association, joint stock company, trust, joint venture or other entity or any government or any agency or instrumentality or political subdivision thereof.

(c) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon Debtor and its successors and assigns and

inure to the benefit of and be enforceable by Secured Party and Lenders and their respective successors and assigns.

(d) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(e) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Secured Party. Secured Party and Lenders shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Secured Party. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party or any Lender of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party or such Lender would otherwise have on any future occasion, whether similar in kind or otherwise.

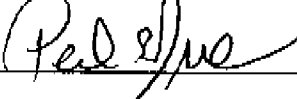
(f) This Agreement (i) may be executed in separate counterparts, each of which taken together shall constitute one and the same instrument and (ii) may be executed and delivered by telecopier with the same force and effect as if it were as a manually executed and delivered counterpart.

8. INTERCREDITOR AGREEMENT. Notwithstanding anything to the contrary in this Agreement, (i) the rights of Debtor, Lenders and Secured Party under this Agreement are subject to the terms of the Intercreditor Agreement (as defined in the Loan Agreement) and (ii) in the event of a direct conflict between the terms and provisions of this Agreement and the terms and provisions of the Patent Collateral Assignment and Security Agreement, dated as of even date herewith, made by Debtor in favor of Working Capital Agent (the "WC Patent Agreement"), it is the intention of Debtor, Secured Party and Lenders that such provisions shall be read together and construed, to the fullest extent possible, to be in concert with each other; however, in the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of the WC Patent Agreement shall control and, in such case, Debtor shall not be in breach of its obligations under this Agreement as a result of complying with the terms and provisions of the WC Patent Agreement; provided, that, notwithstanding the foregoing, nothing contained in this Section 8 shall limit or otherwise adversely effect the grant of a lien on or a security interest in any Collateral under Section 1 of this Agreement.

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IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

HANDY & HARMAN

By: 

Title: Sr. VP, General Counsel and Secretary

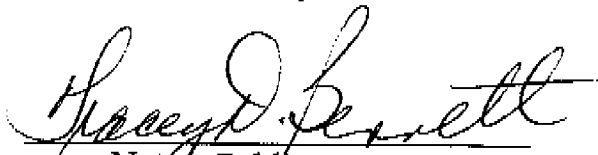
ABLECO FINANCE LLC
as Agent

By: _____

Title: _____

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

On the 30th day of March, 2004, before me personally came Paul E. Dixon to me known, who being by me duly sworn, did depose, acknowledge and say that he is the Sr. Vice President, General Counsel and Secretary of HANDY & HARMAN, the corporation which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

TRACEY D. BENNETT
Notary Public, State of New York
No. 01BE6022715
Qualified in Queens County
Commission Expires 4/15/2007

STATE OF)
COUNTY OF) ss.:

On the ___ day of March, 2004, before me personally came _____, to me known, who being by me duly sworn, did depose, acknowledge and say that he is the _____ of ABLECO FINANCE LLC, the limited liability company which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said limited liability company.

Notary Public

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

HANDY & HARMAN

By: _____

Title: _____

ABLECO FINANCE LLC

as Agent

By: _____ 

Title: SVP _____

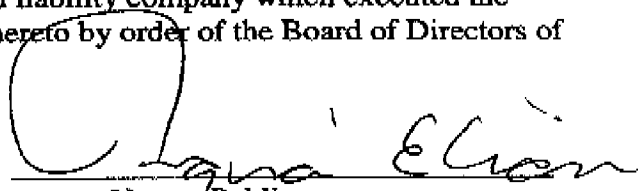
STATE OF)
) ss.:
COUNTY OF)

On the __ day of March, 2004, before me personally came _____, to me known, who being by me duly sworn, did depose, acknowledge and say that he is the _____ of HANDY & HARMAN, the corporation which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

STATE OF New York)
) ss.:
COUNTY OF New York)

On the 30th day of March, 2004, before me personally came Donell Wolf, to me known, who being by me duly sworn, did depose, acknowledge and say that he is the SVP of ABLECO FINANCE LLC, the limited liability company which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said limited liability company.



Notary Public

REGINA E. CIANCI
Notary Public, State of New York
No. 60-4676879
Qualified in Westchester County
Commission Expires Nov. 30, 2006

EXHIBIT A
TO
PATENT COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

HANDY & HARMAN

List of Patents and Patent Applications

Patent Description	Patent Number	Registration Date	Expiration Date	Patent Application	Application/Serial Number	Application Date
Elongated Metal Tape for Forming Electrical Contacts – USA					08/896327	07/17/97
S/A/A (Corresponds to/Application. Serial No.08/896327) – Brazil						
Elongated Metal Tape for Forming Electrical Contacts- PCT					PCT/US98/01263	
S/A/A (Corresponds to PCT/US98/01263) – European Patent Appln. Countries: Austria Belgium Denmark Finland France Germany Greece Ireland					98904650.3	01/20/98

Italy Luxembourg Monaco Netherlands Portugal Spain Sweden Switzerland/ Liechtenstein UK						
S/A/A (corresponds to PCT/US98/01263) - Korea					99-7000511	01/20/98
Nichel - Free White Gold Alloys - USA	5372779	12/13/94			08/060601	05/12/93
Replacement Roof Drain Insert Coupling - Canada	2,070,241	01/06/04	06/02/12		2,070,241	06/02/92
Roof Drain Coupling - USA	1,283,138	4/16/91	4/16/08		530,215	2/20/87
Vented Roof Drain Insert - Canada	2,257,777	11/5/02	1/6/19		2,257,777	1/6/99

413762-1

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

KNOW ALL MEN BY THESE PRESENTS, that HANDY & HARMAN ("Debtor"), hereby appoints and constitutes, ABLECO FINANCE LLC, as Agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any patents and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Patent Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: March __, 2004

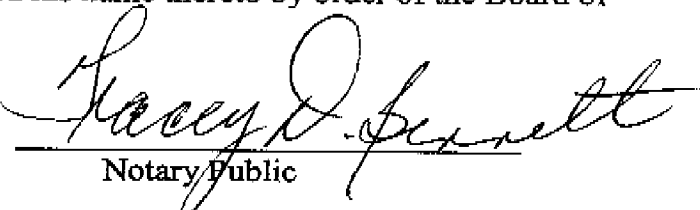
HANDY & HARMAN

By: 

Title: Sr. VP, General Counsel and Secretary

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

On the 20 day of March, 2004, before me personally came Paul E. Dixon to me known, who being by me duly sworn, did depose, acknowledge and say that he is the Sr. Vice President, General Counsel and Secretary of HANDY & HARMAN, the corporation which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

TRACEY D. BENNETT
Notary Public, State of New York
No. 01BE6022715
Qualified in Queens County
Commission Expires 4/15/2007