

10-14-1998

COVER SHEET ONLY

U.S. DEPARTMENT OF Patent and Trademark



Tab settings

To the Honorable Commission

100849102

the attached original documents or copy thereof.

1. Name of conveying party(ies): Reading Alloys, Inc.

10-06-98

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State (PA), Other

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: Heller Financial, Inc., as Agent

Internal Address:

Street Address: 500 West Monroe Street

City: Chicago State: IL Zip: 60661

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation State DE, Other

If assignee is not domiciled in the United States, a domestrepresentative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: September 28, 1998

4. Application number(s) or trademark

A. Trademark Application No.(s)

B. Trademark Registration 779,210 908,424 1,367,307

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Federal Research Corp.

Internal Address:

Street Address: 400 Seventh St NW

Suite 101

City: Washington State DC ZIP: 20004

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41) \$90.00

- Enclosed, Authorized to be charged to deposit

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

10/07/1998 JSHABAZZ 00000068 779210

DO NOT USE THIS SPACE

01 FC:401 40.00 OP 02 FC:402 50.00 OP

9. 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 of the original document.

Nancy A. Butler Name of Person

Signature

9/28/98 Date

Total number of pages including cover sheet, attachments, and document: 6

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

TRADEMARK REEL: 1799 FRAME: 0116

TRADEMARK SECURITY AGREEMENT

WHEREAS, READING ALLOYS, INC., a Pennsylvania corporation ("Grantor"), owns the Trademarks, Trademark registrations, and Trademark applications listed on Schedule 1 annexed hereto, and is a party to the Trademark Licenses listed on Schedule 1 annexed hereto; and

WHEREAS, KB Alloys, Inc., a Delaware corporation ("Borrower") has entered into a Second Amended and Restated Credit Agreement dated as of September 28, 1998 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with Heller Financial, Inc., as agent ("Agent") for the benefit of all financial institutions that from time to time become lenders under the Credit Agreement ("Lenders"), and the Lenders parties thereto, providing for extensions of credit and other financial accommodations to be made to Borrower by Agent and the Lenders; and

WHEREAS, Grantor is a wholly owned subsidiary of Borrower and has guaranteed the payment and performance of Borrower's Obligations pursuant to that certain Guaranty dated September 28, 1998 (the "Guaranty"); and

WHEREAS, pursuant to the terms of a Security Agreement dated as of September 28, 1998 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), between Grantor and Agent (in such capacity, "Grantee"), Grantor has granted to Grantee, for the benefit of Agent and the Lenders a security interest in substantially all the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Security Agreement), Trademark registrations, Trademark applications and Trademark Licenses (as defined in the Security Agreement), together with the goodwill of the business symbolized by Grantor's Trademarks, and all proceeds thereof, to secure the payment of all amounts owing by Grantor under the Guaranty and other Loan Documents to which it is a party;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee, for the benefit of Grantee and the Lenders a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

- (1) each Trademark, Trademark registration and Trademark application, including, without limitation, the Trademarks, Trademark registrations (together with any reissues, continuations or extensions thereof) and Trademark applications referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application;

(2) each Trademark License and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark License; and

(3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark or Trademark registration including, without limitation, the Trademarks and Trademark registrations referred to in Schedule 1 annexed hereto, the Trademark registrations issued with respect to the Trademark applications referred in Schedule 1 and the Trademarks licensed under any Trademark License, or (b) injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Trademark 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.

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the 28th day of September, 1998.

Acknowledged:

HELLER FINANCIAL, INC.,
as Agent

READING ALLOYS, INC.

By: Robert M. Horach
Title: Asst. Vice President

By: Richard J. Mallick
Title: CEO

ACKNOWLEDGEMENT

STATE OF Illinois)
) ss.
COUNTY OF Cook)

On the 28th day of September 1998 before me personally appeared Richard J. Malliris, to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument as CEO of Reading Alloys, Inc., a Pennsylvania corporation, who being by me duly sworn, did depose and say that he is CEO of Reading Alloys, Inc., the corporation described in and which executed the foregoing instrument; that the said instrument was signed on behalf of said corporation by order of its Board of Directors; and that he acknowledged said instrument to be the free act and deed of said corporation.



Mary Louise Lyons
Notary Public

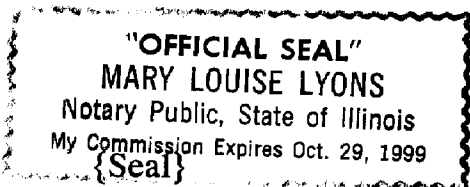
My commission expires:

October 29, 1999

ACKNOWLEDGEMENT

STATE OF Illinois)
) ss.
COUNTY OF Cook)

On the 28th day of September, 1998 before me personally appeared Robert M. Horak, to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument as Asst. V.P. of Heller Financial, Inc., a Delaware corporation, who being by me duly sworn, did depose and say that he is Asst. V.P. of Heller Financial, Inc., the corporation described in and which executed the foregoing instrument; that the said instrument was signed on behalf of said corporation by order of its Board of Directors; and that he acknowledged said instrument to be the free act and deed of said corporation.



Mary Louise Lyons
Notary Public

My commission expires:

October 29, 1999

Schedule 1
to Trademark Security Agreement

U.S. TRADEMARK REGISTRATIONS

<u>MARK</u>	<u>REG. NO.</u>	<u>REGISTRATION DATE</u>
Reading Alloys Inc. and Design	779,210	10/27/64
Reading Alloys Inc. and Design	1,367,307	10/29/85
Reading Alloys Inc. and Design	908,424	02/23/71

FOREIGN TRADEMARK REGISTRATIONS

<u>MARK</u>	<u>REG. NO.</u>	<u>REGISTRATION DATE</u>
Reading Alloys Inc. and Design	Austrian Trademark Registration No. 108.679	03/26/85
Reading Alloys Inc. and Design	Canadian Trademark Registration No. 324,925	03/20/87
Reading Alloys Inc. and Design	French Trademark Registration No. 1,291,935	12/05/84
Reading Alloys Inc. and Design	German Trademark Registration No. 1,111,391	05/25/87
Reading Alloys Inc. and Design	Japanese Trademark Registration No. 1908499	11/27/86

TRADEMARK APPLICATIONS

None

TRADEMARK LICENSES

None