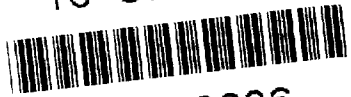


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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings



101890286

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): MTD Products, Inc. 10-12-01
Individual(s) Association General Partnership Limited Partnership
[X] Corporation-State Ohio
Other
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Bank One, N.A.
Internal Address:
Street Address: 611 Woodward Avenue
City: Detroit State: MI Zip: 48226
Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other National Banking Association

3. Nature of conveyance:
Assignment Merger
[X] Security Agreement Change of Name
Other
Execution Date: June 14, 2001

10-12-2001 U.S. Patent & TMO/TM Mail Rpt Dt. #40
TRADEMARK OFFICE RECEIVED TRADEMARK PROCESS.
If assignee is not domiciled in the United States, a domestic representative designation is attached Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached Yes No

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) See Attached List
Additional number(s) attached Yes No

B. Trademark Registration No.(s) See Attached List

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: David R. Haarz
Internal Address: Suite 800
Street Address: 1901 L Street, N.W.
City: Washington State: D.C. Zip: 20036

6. Total number of applications and registrations involved: 66
7. Total fee (37 CFR 3.41) \$1,665.00
[X] Enclosed
Authorized to be charged to deposit account
8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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 copy of the original document.
David R. Haarz Signature Date: October 10, 2001
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 32
Mail documents to be recorded with required cover sheet information to Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

10/29/2001 TDIAZI 00000101 75878124
01 FC:481 40.00 OP
02 FC:482 1625.00 OP

TRADEMARK REEL: 002385 FRAME: 0279

SCHEDULE A

<u>Serial #</u>	<u>Registration #</u>	<u>MARK</u>	<u>STATUS</u>
75-878124		GARDEN WAY BY TROY-BILT	Allowed
75-611088		GARDEN WAY BY TROY-BILT	Allowed
75-611089		TROY-BILT BRONCO	Pending
74-138113	1,672,544	(Design only)	Registered
74-075490	1,647,208	(Design only)	Registered
73-435476	1,342,652	(Design only)	Registered
73-400451	1,278,680	(Design only)	Registered
73-296380	1,205,536	(Design only)	Registered
73-253927	1,168,274	(Design only)	Registered
74-694224	1,988,402	BLUE RIBBON TROY-BILT PARTS & ACCESSORIES (and Design)	Registered
74-153499	1,682,667	BOLENS	Registered
73-339505	1,253,347	COONGRATULATIONS ON MOVINGUP TO THE JOY OF TROY-BILT TILLING...	Registered
73-746042	1,550,883	DURATRAC	Registered
73-629162	1,456,151	E-Z SPIN	Registered
73-562017	1,392,979	GARDEN WAY	Registered
73-355442	1,254,338	GARDEN WAY	Registered
73-352381	1,229,336	GARDEN WAY	Registered
73-483194	1,347,891	GARDEN WAY	Registered
73-718315	1,505,614	GARDEN WAY	Registered
74-500819	1,896,115	GARDEN WAY	Registered
73-711169	1,503,609	GARDEN WAY	Registered
75-848882	2,402,001	GARDEN WAY BY TROY-BILT	Registered
73-353157	1,245,055	GARDEN WAY IN-ROW WEEDER (and Design)	Registered
73-664654	1,471,208	GARDEN WAY SPEEDY HOE	Registered
73-581302	1,455,829	GARDEN WAY'S TROY-BILT FACTORY STORE (and Design)	Registered
73-368079	1,254,349	JUNIOR	Registered
74-179024	1,689,856	JUST ONE HAND	Registered

<u>Serial #</u>	<u>Registration #</u>	<u>MARK</u>	<u>STATUS</u>
73-285556	1,217,971	JUST ONE HAND	Registered
74-322744	1,786,486	LAZY BOY	Registered
73-746089	1,669,143	POWERPACKER (Stylized)	Registered
75-679132	2,332,409	PRO LINE	Registered
73-506181	1,338,813	QUALITY TO ELIMINATE THE HARD WORK FROM YARD WORK	Registered
73-687960	1,489,045	RENEGADE	Registered
73-585219	1,411,083	ROTO-ETTE	Registered
73-368080	1,254,350	ROTO-ETTE	Registered
73-255773	1,195,681	THE GARDEN WAY MARKETPLACE	Registered
73-576765	1,406,482	TRAIL BLAZER (Stylized)	Registered
73-428520	1,286,866	TROY-BILT	Registered
73-240919	1,175,295	TROY-BILT	Registered
73-368078	1,258,484	TROY-BILT	Registered
73-424385	1,289,838	TROY-BILT	Registered
73-772371	1,547,276	TROY-BILT	Registered
73-562016	1,392,978	TROY-BILT	Registered
73-240920	1,173,920	TROY-BILT	Registered
73-240863	1,172,869	TROY-BILT	Registered
74-598669	1,935,384	TROY-BILT	Registered
73-712497	1,503,610	TROY-BILT	Registered
74-478669	1,893,326	TROY-BILT	Registered
74-138358	1,675,798	TROY-BILT (and Design)	Registered
74-614315	1,937,284	TROY-BILT (and Design)	Registered
74-075532	1,649,292	TROY-BILT (and Design)	Registered
74-075531	1,645,805	TROY-BILT (Stylized)	Registered
74-137980	1,672,543	TROY-BILT (Stylized)	Registered
74-478745	1,893,327	TROY-BILT EASY PAY PLAN	Registered
73-580923	1,409,945	TROY-BILT FACTORY STORE (and Design)	Registered
73-355443	1,229,319	TROY-BILT JUNIOR	Registered
73-562020	1,392,147	TUFF-CUT	Registered
73-721021	1,507,854	TUFFY	Registered
73-657411	1,466,988	VACU-CUT	Registered
75-400329	2,271,613	VERSATILLER	Registered

STATUS
 Registered
 Registered
 Registered
 Renewed
 Renewed
 Renewed
 Renewed
 Renewed
 Renewed

<u>Serial #</u>	<u>Registration #</u>	<u>MARK</u>
<i>WAW</i> 73-281054	1,185,474	W-W
<i>WAW</i> 73-281055	1,183,500	WAW GRINDER-ING.
<i>WAW</i> 73-281053	1,181,866	W-W GRINDER-ING. (and Design)
72-302886	902,078	BOLENS (Stylized)
71-547437	558,597	LAZY BOY (and Design)
73-163871	1,104,556	PONY
73-048423	1,034,653	TROY BILT (and Design)
72-281734	850,181	TROY-BILT
73-048425	1,038,947	TROY-BILT

ALL PERSONAL PROPERTY AND FIXTURES
(MTD PRODUCTS INC)

**AMENDED AND RESTATED
SECURITY AGREEMENT**

THIS AMENDED AND RESTATED SECURITY AGREEMENT is entered into as of June 14, 2000 by and between MTD Products Inc, an Ohio corporation (the "Borrower"), and Bank One, NA, formerly known as The First National Bank of Chicago, a national banking association, in its capacity as agent (the "Agent") for the benefit of itself and the lenders (the "Lenders") now or hereafter parties to the Loan Agreement described below.

RECITALS

A. The Borrower entered into a Security Agreement dated as of December 23, 1997 in favor of the Agent for the benefit of the Agent and the Prior Lenders (as defined below) (as amended, the "Existing Security Agreement"), in connection with that certain Loan Agreement among the Borrower, certain foreign borrowing subsidiaries of the Borrower (the "Foreign Borrowers"), the lenders party thereto (the "Prior Lenders") and the Agent dated as of December 23, 1997 (as amended, 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 Borrowers, the Lenders and the Agent, which Loan Agreement amends and restates the Existing Loan Agreement.

C. Under the terms of the Loan Agreement, the Borrower has agreed to enter into this Security Agreement amending and restating in its entirety the Existing Security Agreement.

D. 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, the Borrower 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:

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

"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 Borrower 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 Borrower 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.

SECURITY AGREEMENT

- 2 -

TRADEMARK
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"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.

"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 Borrower'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 Borrower, and all such goods released to the Borrower 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 Borrower, 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

SECURITY AGREEMENT

institution, it being intended that the Collateral include all property of the Borrower other than real estate.

"Pledged Deposits" means all time deposits of money, whether or not evidenced by certificates, which the Borrower 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.

"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 Borrower 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 Borrower 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 Borrower 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.

SECURITY AGREEMENT

- 4 -

TRADEMARK
REEL: 002385 FRAME: 0286

ARTICLE II

GRANT OF SECURITY INTEREST

The Borrower 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 the Borrower'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

The Borrower represents and warrants to the Agent and the Lenders that:

3.1. Title, Authorization, Validity and Enforceability. The Borrower has good and valid rights in and title to the Collateral with respect to which it has purported to grant a security interest 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 Borrower 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 Borrower and creates a security interest which is enforceable against the Borrower 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 Borrower in the locations listed on Exhibit "F", 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 Borrower 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 Borrower or the Borrower's articles or certificate of incorporation or by-laws, the provisions of any indenture, instrument or agreement to which the Borrower 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 Borrower'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 Borrower has no other places of business except those set forth in Exhibit "A".

SECURITY AGREEMENT

- 5 -

TRADEMARK
REEL: 002385 FRAME: 0287

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 Borrower except for locations (i) which are leased by the Borrower 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 Borrower 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 Borrower 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 Borrower relating thereto and in all invoices and reports with respect thereto furnished to the Agent by the Borrower from time to time. As of the time when each Account or each item of Chattel Paper arises, the Borrower 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" and (ii) patents, trademarks and copyrights held by the Borrower 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 Borrower 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 Borrower's Federal employer identification number is 34-0658691.

3.11. Pledged Securities and Other Investment Property. Exhibit "E" sets forth a complete and accurate list of the Instruments, Securities and other Investment Property delivered to the Agent. The Borrower is the direct and beneficial owner of each Instrument, Security and other type of Investment Property listed on Exhibit "E" 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 Borrower further represents and warrants that (i) all such Instruments, Securities

SECURITY AGREEMENT

- 6 -

TRADEMARK
REEL: 002385 FRAME: 0288

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 Borrower 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 Borrower 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 Borrower relating to the Collateral and (iii) to discuss the Collateral and the related records of the Borrower with, and to be advised as to the same by, the Borrower'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 Borrower's expense.

4.1.2. Taxes. The Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower will take any and all

SECURITY AGREEMENT

- 7 -

TRADEMARK
REEL: 002385 FRAME: 0289

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 Borrower 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 Borrower receives a notice from the Agent instructing the Borrower to cease such transactions, sales or leases of Inventory in the ordinary course of business, and (iii) until such time as the Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower will collect and enforce, at the Borrower's sole expense, all amounts due or hereafter due to the Borrower under the Receivables.

SECURITY AGREEMENT

4.2.3. Delivery of Invoices. The Borrower 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 Borrower, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a Receivable, the Borrower will disclose such fact to the Agent in writing in connection with the inspection by the Agent of any record of the Borrower relating to such Receivable and in connection with any invoice or report furnished by the Borrower to the Agent relating to such Receivable.

4.3. Inventory and Equipment.

4.3.1. Maintenance of Goods. The Borrower 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 Borrower 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 Borrower 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 Borrower 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

SECURITY AGREEMENT

- 9 -

TRADEMARK
REEL: 002385 FRAME: 0291

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 Borrower 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 Borrower 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 Borrower 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 Borrower 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 Borrower.

4.6.3. Registration of Pledged Securities and other Investment Property. The Borrower 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 Borrower 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.

4.6.5. Shiloh Industries, Inc. The covenants and agreements set forth in Sections 4.6.1, 4.6.2, and 4.6.3 shall not apply to the shares of Shiloh Industries, Inc. owned by the Company.

4.7. Pledged Deposits. The Borrower 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.

SECURITY AGREEMENT

- 10 -

TRADEMARK
REEL: 002385 FRAME: 0292

4.8. Deposit Accounts. The Borrower 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 Borrower 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.

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,

SECURITY AGREEMENT

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 Borrower 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 Borrower'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 Borrower's rights under all licenses and all franchise agreements shall inure to the Agent's benefit. In addition, the Borrower hereby irrevocably agrees that the Agent may, following the occurrence and during the continuance of a Default, sell any of the Borrower's Inventory directly to any person, including without limitation persons who have previously purchased the Borrower's Inventory from the Borrower 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 Borrower and any Inventory that is covered by any copyright owned by or licensed to the Borrower and the Agent may finish any work in process and affix any trademark owned by or licensed to the Borrower 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 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.

SECURITY AGREEMENT

- 12 -

TRADEMARK
REEL: 002385 FRAME: 0294

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 Borrower 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 Borrower written notice, elect to require that the Receivables be paid directly to the Agent for the benefit of the Lenders. In such event, the Borrower 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 Borrower 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 Borrower 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 Borrower'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

SECURITY AGREEMENT

- 13 -

TRADEMARK
REEL: 002385 FRAME: 0295

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 Borrower'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 Borrower, 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 Borrower 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 Borrower 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.

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 Borrower has agreed to perform or pay in this Security Agreement and the Borrower shall reimburse the Agent for any amounts paid by the Agent pursuant to this Section 8.3. The Borrower'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 Borrower shall irrevocably authorize the Agent and appoint the Agent as its

SECURITY AGREEMENT

attorney in fact (i) to execute on behalf of the Borrower 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 Borrower, (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 Borrower 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 Borrower of any of its obligations under this Security Agreement or under the Loan Agreement.

8.5. Specific Performance of Certain Covenants. The Borrower 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 Borrower contained in this Security Agreement, that the covenants of the Borrower contained in the Sections referred to in this Section 8.5 shall be specifically enforceable against the Borrower.

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 Borrower 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 Borrower for such use and occupancy.

8.7. Dispositions Not Authorized. The Borrower 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 Borrower 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 Borrower, the Agent and the Lenders and their respective successors and assigns, except that the Borrower 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.

SECURITY AGREEMENT

- 15 -

TRADEMARK
REEL: 002385 FRAME: 0297

8.9. Survival of Representations. All representations and warranties of the Borrower 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 Borrower, together with interest and penalties, if any. The Borrower 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 Borrower in the performance of actions required pursuant to the terms hereof shall be borne solely by the Borrower.

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 Borrower and the Agent relating to the Collateral and supersedes all prior agreements and understandings between the Borrower 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 Borrower 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,

SECURITY AGREEMENT

- 16 -

TRADEMARK
REEL: 002385 FRAME: 0298

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 Borrower, 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 Borrower as follows:

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
611 Woodward Avenue
Detroit, MI 48226
Attention: Credit Department
Credit Officer

9.2. Change in Address for Notices. Each of the Borrower, 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

- 17 -

TRADEMARK
REEL: 002385 FRAME: 0299

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

- 18 -

TRADEMARK
REEL: 002385 FRAME: 0300

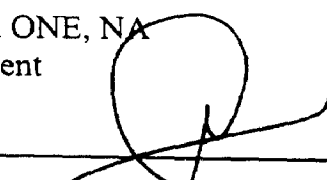
IN WITNESS WHEREOF, the Borrower and the Agent have executed this Security Agreement as of the date first above written.

MTD PRODUCTS INC

By: Ronald C. Houser

Title: C.F.O.

BANK ONE, NA
as Agent

By: 

Title: PAUL R. DeMELO
MANAGING DIRECTOR

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 C.F.O. of MTD Products Inc, on behalf of said corporation.

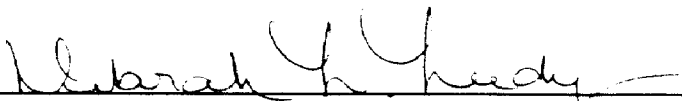
Deborah L. Leedy
Notary Public

My commission expires: 4-9-2002

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

- 20 -

TRADEMARK
REEL: 002385 FRAME: 0302

EXHIBIT "A"

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

Principal Place of Business and Mailing Address:

5965 Grafton Road
Valley City, OH 44280-9711
Attention: Ronald C. Houser, Chief Financial Officer

Assumed Names: None.

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

A. Properties Owned by the Borrower:

1. 5389 West 130th Street, Cleveland, OH 44130-1094
(facility leased to Shiloh Automotive, Inc.)
2. 6009 Plaza Drive, Cleveland, OH 44130
3. 614 Liverpool Drive, Valley City, OH 44280-9717
4. 680 Liverpool Drive, Valley City, OH 44280-9718
5. 5965 Grafton Road, Valley City, OH 44280-9711
6. 5460 Wegman Drive, Valley City, OH 44280
7. 979 S. Conwell Ave., Willard, OH 44890-9302
8. 701 Theo Moll Drive, Willard, OH 44890-9302
9. Highway 431 East, Martin, TN 38237
10. Vacant Land on Second Street, Indianola, MS 38751

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

1. Martin Industrial Park, Highway 431 East, Martin, TN 38237
(ownership shall transfer to Borrower upon expiration of Bond)
2. Building on Second Street, Indianola, MS 38751 (City of Indianola and the
Board of Supervisors of Sunflower County, MS)
3. Highway 45 South, Verona (Tupelo), MS 38879 (Threldkeld Enterprises, LLC)
[non-public warehouse lease]

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

MTD Products Inc
669 South Placentia
Fullerton, CA 92831
(warehouse lease)

The Home Depot

SECURITY AGREEMENT

- 21 -

TRADEMARK
REEL: 002385 FRAME: 0303

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

Madison Warehouse Corp

MTD Products
400 Par Blvd
Reno, NV 89512
(warehouse lease)

Bender Warehouse

MTD Products Inc
4472 Steelway Blvd
Liverpool, NY 13090
(warehouse lease)

GATX Logistics Inc

MTD Products Inc
5180 Phillip Lee Dr
Atlanta, GA 30336
(warehouse lease)

GATX Logistics, Inc

MTD Products Inc
120 South Brandt
Killanning, PA 16201
(warehouse lease)

MHF

MTD Products Inc
Swaim Warehouse
Industrial Parkway
Martin, TN 38237
(warehouse lease)

Swaim & Sawim

MTD Products Inc
1701 Vantage Drive
Carlton, TX 75006
(warehouse lease)

GATX Logistics, Inc

MTD 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 Borrower.)

SECURITY AGREEMENT

- 22 -

TRADEMARK
REEL: 002385 FRAME: 0304

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>
--------------------	----------------------------

None.

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

See Schedule 5.27 to the Loan Agreement.

*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

- 23 -

TRADEMARK
REEL: 002385 FRAME: 0305

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

<u>Street address of property on which Fixtures are located:</u>	<u>Name and Address of Record Owner:</u>
1. 5389 West 130 th Street, Cleveland, OH 44130-1094 (facility leased to Shiloh Automotive, Inc.)	MTD Products Inc
2. 6009 Plaza Drive, Cleveland, OH 44130	MTD Products Inc
3. 614 Liverpool Drive, Valley City, OH 44280-9717	MTD Products Inc
4. 680 Liverpool Drive, Valley City, OH 44280-9718	MTD Products Inc
5. 5965 Grafton Road, Valley City, OH 44280-9711	MTD Products Inc
6. 5460 Wegman Drive, Valley City, OH 44280	MTD Products Inc
7. 979 S. Conwell Ave., Willard, OH 44890-9302	MTD Products Inc
8. 701 Theo Moll Drive, Willard, OH 44890-9302	MTD Products Inc
9. Highway 431 East, Martin, TN 38237	MTD Products Inc
10. Second Street, Indianola, MS 38751	MTD Products Inc

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

- 25 -

EXHIBIT "E"

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

A. STOCKS:

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number of Shares</u>
Aircap Industries Corporation	1	500
Columbia Manufacturing Company Incorporated	22	100
Hartup Tool, Inc.	Unnumbered	87
J & M Engineering Co.	1	100
Modern Tool & Die Sales Corporation	1	250
MTD Acceptance Corporation	R-1	100
MTD Consumer Group, Inc.	1	100
MTD Holdings Inc.	2	65
Modern Acceptance (Canada) Inc.	1C	1
MTD Products Limited	21P 19	1,300 (Preferred) 39,003 (Common)
MTD Products Australia (PTY) Ltd	6	13
MTD Products Australia (PTY) Ltd	8	71,500
MTD Products AG	Shares held in trust by Bayerische Landesbank	
MTD Europe Holding GmbH	Uncertificated	
MTD Motorgerate GmbH	Uncertificated	

SECURITY AGREEMENT

- 26 -

TRADEMARK
REEL: 002385 FRAME: 0308

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>
AF Holding Co. (Agri-Fab)	Stock certificates #C554 (1,281,029 shares) and #199 (68,728 shares)	49%
EPB Holdings Limited (E.P. Barrus – U.K.)	Stock certificate #3 (33,000 shares)	50%
Shiloh Industries, Inc.	Stock certificate #CS0784 (1,428,571 shares)	≅ 10%

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

SECURITY AGREEMENT

- 27 -

TRADEMARK
REEL: 002385 FRAME: 0309

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

OFFICES IN WHICH FINANCING STATEMENTS HAVE BEEN FILED

1. Mississippi Secretary of State
2. Sunflower County, Mississippi
3. Ohio Secretary of State
4. Cuyahoga County, Ohio
5. Huron County, Ohio
6. Medina County, Ohio
7. Richland County, Ohio
8. Tennessee Secretary of State
9. Weakley County, Tennessee

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SECURITY AGREEMENT
- 28 -

RECORDED: 10/12/2001

TRADEMARK
REEL: 002385 FRAME: 0310