

Form PTO-1594

(Rev. 10/02)

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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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):

Deutsche Bank Trust Company Americas (f/k/a Bankers Trust Company)

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other New York Chartered Bank

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

2. Name and address of receiving party(ies)

Name: Penhall International Corp.

Internal Address: 1801 Penhall Way

Street Address: _____

City: Anaheim State: CA Zip: 92801

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State Arizona
- Other _____

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

3. Nature of conveyance:

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

Execution Date: May 22, 2003

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1521560
1527368
1942840

Additional number(s) attached Yes No

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

Name: Christine F. Benton

Internal Address: Clifford Chance US LLP

Street Address: 200 Park Avenue

City: New York State: New York Zip: 10166-0153

6. Total number of applications and registrations involved:

3

7. Total fee (37 CFR 3.41):\$ 90

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

18-1843

(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.

Christine F. Benton

Name of Person Signing



Signature

5/29/03

Date

10

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

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

Deutsche Bank Trust Company Americas
31 West 52nd Street
New York, New York 10019

May 22, 2003

Penhall International Corp.
1801 Penhall Way
P.O. Box 4609
Anaheim, California 92803

Attn: John Sawyer

Re: Repayment of Existing Credit Facility

Ladies and Gentlemen:

Reference is made to the Credit Agreement, dated as of August 4, 1998 (as amended, restated, supplemented, refinanced or modified through the date hereof, the "Credit Agreement"), among Penhall International Corp., an Arizona corporation ("Holdings"), the lending institutions party thereto (the "Existing Lenders") and Deutsche Bank Trust Company Americas (f/k/a Bankers Trust Company), as agent (the "Agent") pursuant to which the Existing Lenders have extended credit to Holdings and have agreed to extend credit to Holdings, in each case subject to the terms and conditions set forth therein. All capitalized terms used and not otherwise defined in this letter shall have the meanings ascribed to them in the Credit Agreement.

We understand that you desire to terminate the Credit Documents and enter into a new credit facility (the "New Credit Facility") with General Electric Capital Corporation as agent (in such capacity "New Agent") for itself and certain other financial institutions, which New Credit Facility will be secured by liens on and security interests in substantially all of your, and your indirect and direct subsidiaries', real and personal property, including without limitation, substantially all of your, and your indirect and direct subsidiaries', equipment, inventory, accounts, investment property and general intangibles. In connection with such secured refinancing you intend to repay all amounts owed to the Existing Lenders under or in connection with the Credit Documents, on or about May 22, 2003.

We agree that on or prior to the Required Payoff Time (as defined below) and upon (i) your wiring to us of the Payoff Amount (as defined below) in immediately available funds at the account designated on Exhibit A hereto, (ii) the delivery of Backstop L/Cs (as defined below) and (iii) the delivery of an Officer's Certificate from the Credit Parties in the form of Annex A hereto:

1. Any and all liens and mortgages upon, and security interests and pledges in, any Collateral (collectively, the "Liens") securing Holdings' obligations under the Credit Documents will be terminated and released, and further confirm that: (i) we will claim no lien, security interest, mortgage or pledge on or in any of Holdings' or any of its Subsidiary's assets or property to secure the Loans or other amounts owing under the Credit Documents, and (ii) all outstanding principal of, premium, if any, and accrued interest on, all Loans and any and all other indebtedness, liabilities and obligations owed to the Existing Lenders under the Credit Documents will have been paid and satisfied in full except for indemnification and expense reimbursement provisions of such documents and such other provisions thereof as expressly survive the repayment of the Loans and termination of the Total Commitment;
2. The Credit Documents shall have been terminated and will be of no further force or effect except for indemnification and expense reimbursement provisions of such documents and such other provisions thereof as expressly survive the repayment of the Loans and termination of the Total Commitment; provided, that Holdings acknowledges and agrees that its obligations under Section 2 of the Credit Agreement in respect of the Letters of Credit are not discharged (it being understood that such obligations are not secured). Holdings acknowledges that all reimbursement obligations, fees, costs and indemnities payable by it pursuant to the Credit Agreement (including, without limitation, those pursuant to Sections 3.01(b), 3.01(c) and 2.06 of the Credit Agreement) shall continue to accrue and be payable with respect to the Letters of Credit until the Letters of Credit are cancelled. Letter of Credit Issuers shall be entitled to draw on the Backstop L/Cs to satisfy any amounts payable in respect of any drawings on the Letters of Credit or any fees payable to it as referred to above; provided, that if a Letter of Credit Issuer draws on the Backstop L/Cs, such Letter of Credit Issuer shall assign to New Agent, without recourse, representation or warranty, all of such Letter of Credit Issuer's rights to and interest in collecting directly from the Borrowers (as defined in the New Credit Facility) the amount drawn on the Backstop L/Cs;
3. In order to evidence the release of the Liens, we have executed and herewith release to you, and hereby authorize you to file and record, UCC-3 termination statements and releases, mortgage terminations, in appropriate form on our behalf to evidence the matters in number 1. above;
4. Upon satisfaction of the conditions contained in the third paragraph hereof, we will release and deliver to you original promissory notes marked "paid in full" or "canceled", all stock certificates and other instruments pledged to the Existing Lenders as Collateral; and
5. We hereby confirm and agree that, from time to time hereafter, we will, upon the New Agent's reasonable request, and at the Company's expense, execute and

deliver such additional lien releases, termination statements, instruments, documents and other agreements, in each case in form and substance reasonably satisfactory to the New Agent as may be necessary to effectively terminate any and all of the Liens on any public record or otherwise effectuate the purposes of this letter.

The term "Payoff Amount" as used herein means the amounts detailed below if paid as of 5:00 p.m. (New York time) on May 22, 2003 (the "Required Payoff Time"):

- (i) \$7,500,000.00 representing the Term Facility,
- (ii) \$10,543,000.00 representing the Revolving Facility,
- (iii) \$55,854.72 in accrued interest on the Loans, and
- (iv) \$9,462.84 in accrued commitment fees on the Loans.

The term "Backstop L/Cs" as used herein means one or more letters of credit in an aggregate amount equal to at least 105% of the aggregate face amount of the Letters of Credit as set forth on Exhibit B hereto issued in form and substance and by a banks or banks reasonably satisfactory to the Agent (it being understood that, as outstanding Letters of Credit expire without unreimbursed drawings thereunder, the New Agent can substitute Backstop L/Cs in substantially the same form as those previously issued but for an amount equal to 105% of the aggregate face amount of the Letters of Credit as reduced by the amount of such expired Letters of Credit).

This letter shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

DEUTSCHE BANK TRUST COMPANY
AMERICAS (f/k/a BANKERS TRUST
COMPANY), individually and in its capacity as
Agent

By: 

Name: ALEXANDER BICI
Title: VICE PRESIDENT

The undersigned hereby acknowledges
its receipt and acceptance of and
agreement to the terms and conditions
of this letter:

PENHALL INTERNATIONAL CORP.

By: _____

Name:
Title:


Very truly yours,

DEUTSCHE BANK TRUST COMPANY
AMERICAS (f/k/a BANKERS TRUST
COMPANY), individually and in its capacity as
Agent

By: _____
Name:
Title:

The undersigned hereby acknowledges
its receipt and acceptance of and
agreement to the terms and conditions
of this letter:

PENHALL INTERNATIONAL CORP.

By:  _____
Name:
Title:

Annex A

RELEASE CERTIFICATE

The undersigned hereby certify that:

1. This Certificate is furnished pursuant to (i) that certain letter agreement (the "Payoff Letter"), dated as of May ___, 2003, between Penhall International Corp. ("Holdings") and Deutsche Bank Trust Company Americas (f/k/a/ Bankers Trust Company), as Agent and Collateral Agent, (ii) Section 18(c) of the Pledge Agreement and (iii) Section 10.9(c) of the Security Agreement. Except as otherwise designated herein, capitalized terms used in this Certificate have the meanings assigned to such terms in the Credit Agreement (as amended, modified and/or supplemented to the date hereof), dated as of August 4, 1998, among Holdings, the banks from time to time party thereto and Deutsche Bank Trust Company Americas, as Agent.

2. The release of the Collateral pursuant to the Payoff Letter is permitted by Section 18(a) of the Pledge Agreement and Section 10.9(a) of the Security Agreement, it being understood that the Letters of Credit will remain outstanding in accordance with the terms of the Payoff Letter.

S WHEREOF, we have hereunto set our hands this ___ day of May, 2003.

PENHALL INTERNATIONAL CORP.

By: [Signature]
Name:
Title:

PENHALL COMPANY

By: [Signature]
Name:
Title:

PENHALL LEASING, L.L.C.

By: Penhall Company, its sole member

By: [Signature]
Name:
Title:

BOB MACK CO., INC.

By: [Signature]
Name:
Title:

PENHALL INVESTMENTS, INC.

By: [Signature]
Name:
Title: