

2-050A007

LAMSON & SESSIONS

.. 17708
SECTION OF _____ FILED

FEB 19 1992 -9 55 AM

February 13, 1992 INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
12th Street and Constitution
Avenue, N.W.
Washington, D.C. 20423
Attention: Secretary

EB 19 9 49 AM '92
MOTOR OPERATING UNIT

Dear Secretary:

Enclosed herewith for filing and recording, pursuant to 49 USC §11303, are one (1) original and four (4) conformed copies of the following document:

Security Agreement dated as of February 13, 1992 from The Lamson & Sessions Co. to General Electric Capital Corporation, as Agent.

The names and addresses of the parties to the Security Agreement are as follows:

Debtor:

The Lamson & Sessions Co.
25701 Science Park Drive
Cleveland, Ohio 44122

Secured Party:

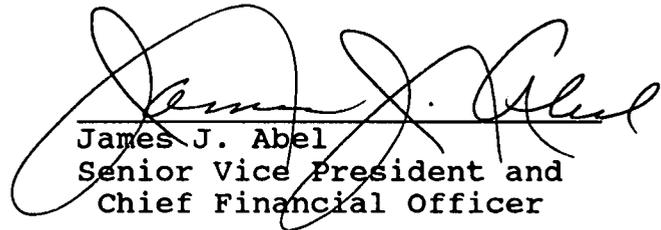
General Electric Capital Corporation,
as Agent
190 S. LaSalle Street
Chicago, Illinois 60603

1 copy - Melinda Castillo

Interstate Commerce Commission
February 13, 1992
Page 2

The Security Agreement is a primary document. The Security Agreement contains a grant of a security interest in fourteen (14) covered hopper cars, Car Nos. CARX45250, 45256, 45262, 45264, 45267, 45272, 45281, 45283, 45286, 45296, 45297, 45304, 45306 and 44651. Enclosed is our check in the amount of \$16.00 in payment of the applicable recording fees. Please return the original and all extra copies (other than copies to be retained by the Interstate Commerce Commission for recording), each bearing recordation data with respect to the filing, to the bearer of this letter.

Very truly yours,



James J. Abel
Senior Vice President and
Chief Financial Officer

Interstate Commerce Commission
Washington, D.C. 20423

2/19/92

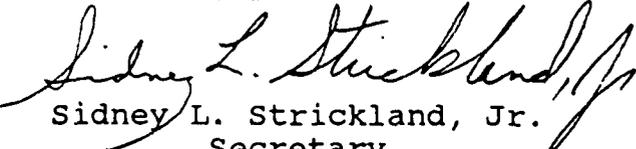
OFFICE OF THE SECRETARY

James J. Abel
Lamson & Sessions
25701 Science Park Drive
Cleveland, Ohio 44122

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/19/92 at 9:55AM, and assigned recordation number(s). 17708.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

REGISTRATION NO. **17708** FILED 1425

EXECUTION COPY

FEB 19 1992 10 55 AM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of February 13, 1992, made by The Lamson & Sessions Co., an Ohio corporation ("Grantor"), in favor of General Electric Capital Corporation, as agent (in such capacity, the "Agent") for itself and the other Lenders (as defined below).

PRELIMINARY STATEMENT. Grantor has entered into a certain Loan Agreement of even date herewith among Grantor, the institutions from time to time party thereto as lenders (the "Lenders") and the Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), providing for the making of loans, advances and other financial accommodations (including, without limitation issuing letters of credit) (all such loans, advances and other financial accommodations being hereinafter referred to collectively as the "Loans") to or for the benefit of Grantor. It is a condition precedent to the making of the Loans under the Loan Agreement that Grantor shall have granted the security interest contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** Unless otherwise defined herein, terms defined in the Loan Agreement are used herein as therein defined, and the following terms shall have the following meanings (such meanings being equally applicable to both the singular and the plural forms of the terms defined):

"Accounts" shall mean any "account" as such term is defined in Section 9-106 of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, the right of Grantor or any of its Subsidiaries to payment for Inventory sold or leased or for services rendered which is not evidenced by an Instrument or Chattel Paper, whether or not such right has been earned by performance, all guaranties and security therefor, all insurance therefor and all interests in the goods the sale or lease of which gave rise thereto, including, without limitation, the right to stop such goods in transit.

"Account Collateral" shall mean (i) Accounts and Chattel Paper and (ii) Instruments which evidence obligations that would be Accounts were they not evidenced by Instruments.

"Account Debtor" shall mean any "account debtor" as such term is defined in Section 9-105(1)(a) of the UCC, and shall include, without limitation, a party (other than Grantor or a Subsidiary of Grantor) which is obligated on or under any Account, Chattel Paper, Instrument or General Intangible.

"Chattel Paper" shall mean any "chattel paper" as such term is defined in Section 9-105(1)(b) of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, a writing or writings owned or held by Grantor or any of its Subsidiaries which evidence both a monetary obligation and a security interest in or a lease of specific goods; when a transaction is evidenced both by a security agreement or a lease and by an Instrument or a series of Instruments, the group of writings taken together constitutes Chattel Paper.

"Collateral" shall mean all property and rights in property now owned or hereafter at any time acquired by Grantor or any of its Subsidiaries in or upon which a Lien is or is purportedly granted in favor of the Agent by Grantor or a Subsidiary of Grantor, whether under this Security Agreement, under any other document or instrument executed by Grantor or a Subsidiary of Grantor or otherwise, including, without limitation, the property described in Section 2.

"Contracts" shall mean all contracts, undertakings, or other agreements (other than rights evidenced by Chattel Paper, Documents or Instruments) in or under which Grantor or any of its Subsidiaries may now or hereafter have any right, title or interest, including, without limitation, with respect to an Account, any agreement relating to the terms of payment or the terms of performance thereof.

"Document" shall mean any "document" as such term is defined in Section 9-105(1)(f) of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, any bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of Inventory owned or held by Grantor or any of its Subsidiaries, together with any other document or receipt 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" shall mean any "equipment" as such term is defined in Section 9-109(2) of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, equipment, furniture, fixtures, trade fixtures, motor vehicles, rail cars, tractors, trailers, tools, machinery and other equipment, together with any and all accessories, accessions, parts and appurtenances thereto.

"General Intangibles" shall mean any "general intangible" as defined in Section 9-106 of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, choses in action, causes of action and all other kinds of intangible personal property of every kind or nature (other than Account Collateral and money) owned by Grantor or any of its Subsidiaries, including, without limitation, contract rights, corporate or other business records, inventions, designs, patents, patent applications, service marks, service mark applications, trademarks, trademark applications, trade names, trade secrets, engineering drawings, good will, registrations, copyrights, copyright applications, licenses, franchises, leasehold interests in personal property, computer software, customer lists, tax refund claims, business interruption insurance and proceeds thereof, property, casualty or any similar type of insurance and any proceeds thereof, royalty, licensing and product rights, rights to the retrieval from third parties of electronically processed and recorded data pertaining to any Collateral and all rights to payment under any judgment.

"Instrument" shall mean any "instrument" as defined in Section 9-105(1)(i) of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, any draft, check, certificate of deposit, note, bill of exchange, security or any other writing owned or held by Grantor or any of its Subsidiaries which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is transferred in the ordinary course of business by delivery with any necessary endorsement or assignment.

"Inventory" shall mean any "inventory" as defined in Section 9-109(4) of the UCC, whether now owned or hereafter acquired or arising, and shall include, without limitation, any and all goods owned or held by or for the account of Grantor or any of its Subsidiaries for sale or lease, or for furnishing under a contract of service, or as raw materials, work in process, materials incorporated in or consumed in the production, packaging, delivery or shipping of any of the foregoing, supplies, and all property the sale, lease or other disposition of which has given rise to Account Collateral and which has been returned to Grantor or a Subsidiary of Grantor or repossessed by Grantor or a Subsidiary of Grantor or stopped in transit.

"Payment Item" and **"Payment Items"** shall have the meaning assigned to such terms in Section 4(a).

"Permitted Liens" shall mean the Permitted Encumbrances and the other Liens permitted under Section 8.8 of the Loan Agreement.

"Secured Obligations" shall mean all of the Obligations, including, without limitation, (i) all of the unpaid principal amount of, and accrued interest on, the Loans, (ii) all

Reimbursement Obligations; (iii) all fees and charges of any kind owing by Grantor under the Loan Agreement to the Agent or the Lenders, and (iv) all the indebtedness, liabilities and other Obligations of Grantor to the Agent or any Lender, whether now existing or hereafter incurred, arising out of or in connection with the Loan Agreement, the Letters of Credit, the Letter of Credit Agreements, this Security Agreement, any of the other Loan Documents or otherwise.

"Security Agreement" shall mean this Security Agreement, as the same may from time to time be amended, modified or supplemented, and shall refer to this Security Agreement as the same may be in effect at the time such reference becomes operative.

"UCC" shall mean the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Illinois; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the Agent's and the Lenders' security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Illinois, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all of the Secured Obligations and to induce the Agent and the Lenders to enter into the Loan Agreement and to make Loans to or for the benefit of Grantor in accordance with the terms thereof, Grantor hereby assigns as security, conveys, mortgages, pledges and hypothecates to the Agent, for its benefit and the ratable benefit of the Lenders, and hereby grants to the Agent, for its benefit and the ratable benefit of the Lenders, a security interest in all of Grantor's right, title and interest in, to and under the following, wherever located, whether now or hereafter owned, existing, acquired or arising:

- (a) all Inventory;
- (b) all Accounts;
- (c) all Chattel Paper and Instruments;
- (d) all Documents;
- (e) all Equipment (including, without limitation, the railcars listed on Schedule 4 hereto);
- (f) all General Intangibles;

(g) any and all balances, credits, deposits, accounts or moneys of or in its name in the possession or control of, or in transit to, the Agent or any Lender, bank or other financial institution or any affiliate of any of the foregoing;

(h) all other rights to the payment of money, including, without limitation, amounts due from any Person, amounts due from any shareholder, tax refunds and insurance proceeds;

(i) all other goods and personal property of Grantor whether tangible or intangible and whether now owned or hereafter acquired by or arising in favor of Grantor and wherever located, including, without limitation, all rights and interests of Grantor in respect of any and all (i) drafts, letters of credit, stocks, bonds, contracts, and debt and equity securities, whether or not certificated, and all warrants, options, puts and calls and other rights to acquire the foregoing or otherwise relating to the same, (ii) interest rate and currency exchange agreements, including, without limitation, cap, collar, floor, forward and similar agreements and interest rate protection agreements, (iii) cash and cash equivalents, and (iv) proceeds of loans, advances and other financial accommodations, in each case, to the extent not specifically included in Sections 2(a) through 2(h) above; and

(j) all books, correspondence, credit files, records, invoices, bills of lading and other documents relating to any of the foregoing, including, without limitation, all tapes, cards, computer runs and other papers and documents in the possession or control of Grantor or any computer bureau or processor from time to time acting for Grantor; and

(k) all accessions to, substitutions for, and replacements, proceeds and products of any of the foregoing, including, without limitation, all rights in, to and under all policies of insurance, including, without limitation, claims of rights to payments thereunder and proceeds therefrom.

3. Rights of Agent and Lenders; Limitations on Agent's and Lenders' Obligations.

(a) It is expressly agreed that, anything herein to the contrary notwithstanding, Grantor shall remain liable under each of its Contracts and each of its licenses to observe and perform all the conditions and obligations to be observed and performed by it thereunder and Grantor shall perform all of its duties and obligations thereunder, all in accordance with and pursuant to the terms and provisions of each such Contract or license. Neither the Agent nor any Lender shall have any obligation or liability under any Contract or license by reason of or arising out of this Security Agreement or the granting to the Agent of a security interest therein or the receipt by the

Agent or any Lender of any payment relating to any Contract or license pursuant hereto, nor shall the Agent or any Lender be required or obligated in any manner to perform or fulfill any of the obligations of Grantor under or pursuant to any Contract or license, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any Contract or license, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(b) Grantor assumes all responsibility and liability arising from or relating to the use, sale or other disposition of the Collateral. None of the Agent, the Lenders or any of their respective officers, directors, employees and agents shall be liable or responsible in any way for the safekeeping of any of the Collateral, or for any loss or damage thereto, or for any diminution in the value thereof, or for any act of default of any warehouseman, carrier, forwarding agency or other Person whomsoever, all of which shall be at Grantor's sole risk. The Obligations shall not be affected by any failure of the Agent or any Lender to take any steps to perfect the Agent's Liens or to collect or realize upon the Collateral, nor shall loss of or damage to the Collateral release Grantor from any of the Obligations. The Agent and the Lenders may (but shall not be required to), without notice to or consent from Grantor, sue upon or otherwise collect, extend the time for payment of, modify or amend the terms of, compromise or settle for cash, credit, or otherwise upon any terms, grant other indulgences, extensions, renewals, compositions, or releases, and take or omit to take any other action with respect to the Collateral, any security therefor, any agreement relating thereto, any insurance applicable thereto, or any Person liable directly or indirectly in connection with any of the foregoing, without discharging or otherwise affecting the liability of Grantor for the Obligations.

(c) The Agent may, at any time that an Event of Default has occurred and is continuing, and Grantor shall, at the direction of the Agent, notify all Account Debtors to make payment directly to the Agent or to a "Restricted Account" (as defined below) maintained for the benefit of the Agent, and the Agent may enforce collection of, settle, compromise, extend or renew the obligations of any Account Debtor. If an Event of Default has occurred and is continuing, the Agent shall have the right to exercise all rights and remedies available to Grantor against any Account Debtor, and Grantor is hereby deemed to have assigned to the Agent, as security for the Obligations, all such rights and remedies. Grantor agrees to pay to the Agent any and all reasonable fees, costs, and expenses, including, without limitation, the Agent's customary fees for account services, which the Agent incurs in connection with collecting any Payment Items received by or delivered to the Agent hereunder and Grantor further agrees to reimburse the Agent for any returned or

uncollected Payment Items received by the Agent. All payments received from Account Debtors shall be made and applied in accordance with the terms of the Loan Agreement, net of conversion costs, costs of collection, exchange fees, taxes, duties of any kind or sort whatsoever, all of which shall be for the account of Grantor.

(d) The Agent shall have the right to make test verifications of the Accounts and physical verifications of the Inventory in any manner and through any commercially reasonable medium that it considers advisable, and Grantor agrees to furnish all such assistance and information as the Agent may require in connection therewith. Upon the occurrence and continuance of an Event of Default, Grantor at its expense will cause certified independent public accountants satisfactory to the Agent to prepare and deliver to the Agent, promptly upon the Agent's request, the following reports: (i) a reconciliation of all of its Accounts, (ii) an aging of all of its Accounts, (iii) trial balances, and (iv) a test verification of such Accounts as the Agent may request. Grantor at its expense will cause certified independent public accountants satisfactory to the Agent to prepare and deliver to the Agent the results of the annual physical verification of its Inventory made or observed by such accountants when and if such verification is conducted.

(e) The Agent and/or the Lenders, as applicable, may, in their sole discretion, (i) exchange, waive, or release any of the Collateral, (ii) apply Collateral and direct the order or manner of sale thereof as the Agent may determine and (iii) settle, compromise, collect, or otherwise liquidate any Collateral in any manner, all without affecting the Obligations or the Agent's and/or the Lenders' right to take any other action with respect to any other Collateral.

4. Collateral Accounts; Notices to Collateral Account Banks; Deposit Accounts.

(a) When Grantor or any of its Subsidiaries (or any Affiliates, shareholders, directors, officers, employees, agents or those Persons acting for or in concert with Grantor or a Subsidiary of Grantor) shall receive or come into the possession or control of any monies, checks, notes, drafts or any other payment relating to, or proceeds of, Grantor's Accounts or other property constituting Collateral hereunder (individually, a "Payment Item", and, collectively, "Payment Items"), then, except as otherwise permitted in a writing signed by the Agent, Grantor shall, or shall cause such Subsidiary or such other party to, deposit the same, in kind in precisely the form in which such Payment Item was received (with all Payment Items endorsed if necessary for collection), to the account or accounts maintained for the benefit of the Agent at the financial institutions listed on Schedule 1 attached hereto ("Restricted Account"). Grantor shall immediately deposit or cause its Subsidiary or such other party to immediately deposit any such Payment Item to a

Restricted Account in accordance with the preceding sentence. All Payment Items, both before and after deposit into a Restricted Account, shall be Collateral hereunder and, if held by any Person other than a "Restricted Account Bank" (as defined below), shall be held by such Person in trust for the Agent and shall not be commingled with any other funds or property of such Persons. All such Payment Items received in any Lock Box (as defined below) or Restricted Account shall be the sole property of the Agent and subject to the Agent's sole control and shall be applied to the Obligations in accordance with the terms of the Loan Agreement.

(b) Immediately upon the Closing Date, Grantor shall transfer control over the Restricted Accounts and each "Lock Box" listed on Schedule 2 (each a "Lock Box") to the Agent, and cause all of its Account Debtors to direct payment of all Account Collateral into such Lock Boxes.

(c) With respect to each Restricted Account and Lock Box, on or prior to the Closing Date, the Agent shall receive from each financial institution listed on Schedule 1 (each a "Restricted Account Bank") an executed agreement substantially in the form of Exhibit A attached hereto (the "Restricted Account Agreement"), which Restricted Account Agreement shall contain an executed acknowledgment by Grantor; provided, however, that Grantor shall not be required to deliver a Restricted Account Agreement to the Agent with respect to Grantor's account no. 03851-00739 and Lock Box No. 41494, in each case, as more fully described on Schedules 1 and 2, maintained at or with the Bank of America; and provided, further, that Grantor covenants and agrees to close such account and terminate such Lock Box arrangement within thirty (30) days after the Closing Date. Notwithstanding the foregoing provisos, Grantor hereby covenants and agrees to cause Bank of America to promptly remit all collections in respect of any Payment Items received by it in any such account and/or Lock-Box directly to the Agent at such account as the Agent may from time to time designate.

(d) Schedule 3 attached hereto is a list of the banks at which Grantor maintain disbursement accounts and the account numbers of such accounts. No Payment Items or any other proceeds of any of the Collateral shall, at any time, be deposited in any of said accounts whether now or hereafter at any time established. With respect to each such disbursement account, the Agent, on or prior to the Closing Date, shall receive from each of the banks listed on Schedule 3 an executed agreement substantially in the form of Exhibit B (a "Springing Restricted Account Agreement"), which agreement shall have been acknowledged by Grantor; provided, however, that Grantor shall not be required to deliver Springing Restricted Account Agreements to the Agent with respect to those disbursement accounts identified on Schedule 3, or in any notice to the Agent in accordance with the following sentence, as being (i) petty cash accounts, provided the aggregate balance of all such accounts does not exceed

\$30,000 at any time, (ii) currency hedging or other similar accounts, provided that the aggregate daily average balance of all such accounts does not exceed \$5,000, (iii) minimum imprest balance accounts maintained to provide benefit payments to employees of Grantor and/or its Subsidiaries under Grantor's benefit plans, and zero balance accounts which, in each case, are funded solely from the Master Disbursement Account described on Schedule 3, and (iv) maintained solely for the purpose of funding Grantor's payment obligations under the Bowling Green IRB and funded solely out of the aforementioned Master Disbursement Account. Prior to the establishment by Grantor of any lock box, depository account or disbursement account not listed on the schedules hereto, Grantor shall notify the Agent and shall deliver or cause to be delivered to the Agent a properly executed Restricted Account Agreement or Springing Restricted Account Agreement, as applicable, with respect to such lock box or account.

5. Representations and Warranties. Grantor hereby represents and warrants that, as of the date of this Security Agreement and as of each date hereafter (except for changes permitted or contemplated by this Security Agreement) until termination of this Security Agreement pursuant to Section 16:

(a) Except for Permitted Liens, Grantor is the sole owner of each item of Collateral in which it purports to grant a security interest hereunder, having good and indefeasible title thereto, free and clear of any and all Liens. Grantor has given the Agent prompt notice of its taking or accepting any Instrument evidencing any amount in excess of \$50,000 payable under or in connection with any Accounts or Contracts, and Grantor shall deliver any such Instrument to the Agent promptly upon the Agent's request therefor.

(b) No effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as relate to Permitted Liens.

(c) Appropriate financing statements having been filed in all jurisdictions in which the Collateral is located, this Security Agreement and the other Collateral Documents are effective to create a valid and continuing first priority lien on and first priority perfected security interest in the Collateral in which a security interest may be perfected by filing pursuant to the UCC in favor of the Agent, for its benefit and the ratable benefit of the Lenders, prior to all other Liens except Permitted Liens (excluding such Permitted Liens constituting National City Bank Subordinated Liens), and this Security Agreement and the other Collateral Documents are enforceable as such as against creditors of and purchasers from Grantor and its Subsidiaries (other than purchasers of Inventory in the ordinary course of business) and as against any purchaser of real property where ar

of the Equipment is located and any present or future creditor obtaining a Lien on such real property. All action necessary or desirable to protect and perfect such security interest in each item of Collateral has been duly taken.

(d) The correct corporate name of Grantor on the date hereof is THE LAMSON & SESSIONS CO. and, except as set forth on Schedule 7.1 to the Loan Agreement, Grantor has no other corporate or fictitious name and has not, during the immediately preceding five (5) years, been known by or used any other corporate or fictitious name.

(e) Grantor's chief executive office, principal place of business and the place where its records concerning the Collateral are kept is located at the address of Grantor set forth on Schedule 5.2 of the Loan Agreement, and Grantor will not change such location unless, prior to such change, Grantor has taken such action as is necessary to cause the security interest of the Agent in the Collateral to continue to be perfected. Grantor will not change its principal place of business or the place where its records concerning the Collateral is kept without giving at least thirty (30) days' prior written notice thereof to the Agent.

(f) No consent of any other Person and no authorization, approval or other action by, and no notice to or filing with, any Public Authority is or may be required (i) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this Security Agreement by Grantor, (ii) for the perfection and priority of the security interest granted hereunder, except for the filing of (1) the UCC financing statements referred to in Section 5(c) above, (2) with respect to Grantor's patents, trademarks, service marks and related applications and licenses, the Patent Agreement and the Trademark Agreement with Patent and Trademark Office in Washington, D.C., and (3) with respect to Grantor's rail cars, this Security Agreement with the Interstate Commerce Commission, (iii) for the maintenance of the security interest granted hereunder (including the maintenance of the first priority nature of such security interest), except for the filing of appropriate continuation statements, or (iv) for the exercise by the Agent of its rights and remedies hereunder.

(g) With respect to Grantor's Accounts, the Agent may rely on all statements or representations made by Grantor on or with respect to any schedule of such Accounts furnished to the Agent by Grantor and, unless otherwise indicated by Grantor in a writing delivered to the Agent:

(i) such Accounts are genuine, are in all respects what they purport to be, are not evidenced by a judgment and are evidenced by only one, if any, executed original Instrument, which has been delivered to the Agent as

required under Sections 5(a) and 6(b) of this Security Agreement;

(ii) such Accounts represent undisputed, bona fide transactions completed in accordance with the terms and provisions contained in any documents related thereto and have been fully earned by performance;

(iii) the face amounts shown on any such schedule of Accounts provided to the Agent and all invoices and statements delivered to the Agent with respect to any Account are actually and absolutely owing to Grantor and are not contingent for any reason;

(iv) to the best of Grantor's knowledge, there are no material setoffs, counterclaims or disputes existing or asserted with respect to such Accounts and Grantor has not made any agreement with any Account Debtor thereunder for any deduction therefrom, except discounts or allowances allowed by Grantor in the ordinary course of its respective business for prompt payment, all of which discounts or allowances are reflected in the calculation of the face amount of the invoices to which such discounts or allowances relate;

(v) to the best of Grantor's knowledge, there are no facts, events or occurrences which in any way impair the validity or enforcement of such Accounts or tend to reduce the amount payable thereunder from the invoice face amount shown on any such schedule of Accounts furnished to the Agent and on all contracts, invoices and statements delivered to the Agent with respect thereto;

(vi) to the best of Grantor's knowledge, all Account Debtors in respect of such Accounts (A) had the capacity to contract at the time any contract or other document giving rise to such Accounts were executed and (B) are solvent;

(vii) such Accounts are not subject to any Lien except Permitted Liens;

(viii) the goods giving rise to such Accounts are not, and were not at the time of the sale thereof, subject to any Lien, except those removed or terminated prior to the date hereof and Permitted Liens;

(ix) Grantor has no knowledge of any fact or circumstance which would impair the validity or collectibility thereof; and

(x) to the best of Grantor's knowledge, there are no proceedings or actions which are threatened or pending against any Account Debtor in respect of such Accounts which might involve or result in any substantial risk of

collection of such Account Debtor's obligations to Grantor in respect of any such Accounts.

(h) With respect to Grantor's Inventory, the Agent may rely on all statements or representations made by Grantor on or with respect to any schedule of such Inventory furnished to the Agent by Grantor and, unless otherwise indicated by Grantor in a writing delivered to the Agent:

(i) all such Inventory is located on premises listed on Schedule 5.2 of the Loan Agreement, is in transit or is in the possession of those Third Parties (as hereinafter defined) at those locations specified, in each case, on Schedule 5 attached hereto and made a part hereof (or on any such revised Schedule 5 delivered to the Agent in accordance with Section 6(k) below), and, except as otherwise permitted pursuant to Section 6(k) below, Grantor has taken all action with respect to such Inventory in the possession of Third Parties required by this Section 5(h) and/or Section 6(k) hereof to protect and perfect the Agent's Liens thereon;

(ii) no Inventory is now, or shall at any time or times hereafter be, stored with a bailee, warehouseman, processor or similar party without the Agent's prior written consent unless Grantor causes any such bailee, warehouseman, processor or similar party to issue and deliver to the Agent, in form and substance acceptable to the Agent, warehouse receipts therefor in the Agent's name and/or bailee letters acknowledging the Agent's Lien;

(iii) except as notified to the Agent in writing prior to the entry by Grantor or any of its Subsidiaries into any such arrangement, no Inventory is under consignment from any Person;

(iv) all such Inventory is and will be held for sale or lease, or to be furnished in connection with the rendition of services, in the ordinary course of Grantor's and its Subsidiaries' business, and is and will be fit for such purposes;

(v) except as permitted pursuant to clause (iii) above, no Inventory will be sold on a bill-and-hold, guaranteed sale, sale and return, sale on approval, consignment, or other repurchase or return basis; and

(vi) all Inventory manufactured by Grantor and its Subsidiaries has been manufactured or produced in compliance with the Federal Labor Standards Act of 1938, as amended, and in material compliance with all other regulations applicable to the manufacture thereof.

(i) All Documents, Instruments and Chattel Paper describing, evidencing, or constituting Collateral, and all

signatures and endorsements thereon, are and will be complete, valid and genuine, all goods evidenced by such Documents, Instruments and Chattel Paper are and will be owned by Grantor and its Subsidiaries free and clear of all Liens other than Permitted Liens and the value, quantities, sound condition, grades and qualities of the goods related thereto are as described therein.

(j) All of the railcars and other railroad rolling stock in which Grantor has an ownership interest on the date hereof are listed on Schedule 4.

(k) All of Grantor's Equipment is located on the premises listed on Schedule 5.2 of the Loan Agreement;

6. Covenants. Grantor covenants and agrees with the Agent that from and after the date of this Security Agreement and until termination of this Security Agreement pursuant to Section 16:

(a) Financing Statements and Further Documentation. Grantor will join with the Agent in the execution and filing of such financing statement or statements as may be required by the Agent, and will cause each of its Subsidiaries to do the same. Grantor will pay all costs of filing any financing, continuation or termination statements with respect to the security interest created by this Security Agreement and the other Collateral Documents, together with all costs and expenses of any lien searches required by the Agent, in each case, during the term hereof either as a condition precedent to the extension of the Loans or as a condition precedent to any advance or other financial accommodation made by the Lenders to Grantor. At any time and from time to time, upon the written request of the Agent, and at the sole expense of Grantor, Grantor will promptly and duly execute and deliver, and will cause each of its Subsidiaries to execute and deliver, any and all such further instruments and documents, and shall take or cause to be taken all such further action, as the Agent or its counsel may reasonably determine to be desirable to obtain the full benefits of this Security Agreement and the other Collateral Documents and of the rights and powers herein and therein granted, including, without limitation, using its best efforts to secure all consents and approvals necessary or appropriate for the assignment to the Agent, for its benefit and the ratable benefit of the Lenders, of any license or Contract held by Grantor or any of its Subsidiaries or in which Grantor or any of its Subsidiaries has any rights not heretofore assigned, the filing of any financing or continuation statements under the UCC or under any federal filing system (including, without limitation, the filing of a copy of this Security Agreement with the Interstate Commerce Commission) with respect to the Liens granted hereby or by the other Collateral Documents, transferring Collateral to the Agent's possession (if a security interest in such Collateral can be perfected by possession), placing the interest of the Agent as

lienholder on the certificate of title of any vehicle and using its best efforts to obtain waivers of Liens from landlords and mortgagees. Grantor also hereby authorizes the Agent to file any such financing or continuation statement without the signature of Grantor to the extent permitted by applicable law. Grantor hereby agrees that a photocopy or other reproduction of this Security Agreement or any financing statement covering all or any part of the Collateral shall be sufficient as a financing statement to the extent permitted by applicable law. Without limiting the foregoing, if, prior to the termination hereof, Grantor shall acquire an interest in any railcar not listed on Schedule 4, Grantor shall give to the Agent written notice containing such information as the Agent shall require promptly upon its acquiring such interest. Grantor hereby authorizes the Agent to modify this Agreement unilaterally (i) by amending Schedule 4 to include any such railcars, and (ii) by filing with the Interstate Commerce Commission, in addition to and not in substitution for this Security Agreement, a duplicate original of this Agreement containing on Schedule 4 thereto, as the case may be, such railcars.

(b) Special Collateral. Immediately upon receipt by Grantor or any of its Subsidiaries of that portion of the Collateral which consists of letters of credit or which is or becomes evidenced by an instrument and/or document, including, without limitation, promissory notes, trade acceptances, documents of title and warehouse receipts (the "Special Collateral"), Grantor shall promptly notify the Agent of its receipt of any such Collateral in an individual amount in excess of \$50,000 and, upon the Agent's request therefor, or at any other time during the continuance of an Event of Default, promptly deliver or cause to be delivered the originals thereof to the Agent, together with appropriate endorsements or other specific evidence (in form and substance acceptable to the Agent) of assignment thereof to the Agent, for the ratable benefit of the Lenders.

(c) Maintenance of Records. Grantor will keep and maintain at its own cost and expense, and will cause each of its Subsidiaries to maintain, satisfactory and complete records of the Collateral, including, without limitation, a record of all payments received and all credits granted with respect to the Collateral and all other dealings with the Collateral. Promptly upon the request of the Agent, Grantor will mark, or will permit the Agent to mark, its books and records pertaining to the Collateral to evidence this Security Agreement and the security interests granted hereby, and will cause each of its Subsidiaries to do the same. All Chattel Paper will be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of General Electric Capital Corporation, or any successor Agent, as Agent".

(d) Indemnification. In any suit, proceeding or action brought by the Agent or any Lender relating to any

Account, Chattel Paper, Contract, General Intangible or Instrument for any sum owing thereunder, or to enforce any provision of any Account, Chattel Paper, Contract, General Intangible or Instrument, Grantor will save, indemnify and keep the Agent and the Lenders harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the obligor thereunder, arising out of a breach by Grantor or any of its Subsidiaries of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to, or in favor of, such obligor or its successors from Grantor or any Subsidiary of Grantor, and all such obligations of Grantor shall be and remain enforceable against and only against Grantor (or such Subsidiary) and shall not be enforceable against the Agent or any Lender.

(e) Compliance with Laws, etc. Grantor will comply, and will cause each of its Subsidiaries to comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Public Authority, applicable to the Collateral or any part thereof or to the operation of the business of Grantor and its Subsidiaries; provided, however, that Grantor and its Subsidiaries may contest any act, regulation, order, decree or direction in any reasonable manner as permitted under Section 7.2 of the Loan Agreement.

(f) Payment of Obligations. Grantor will pay, and will cause each of its Subsidiaries to pay, promptly when due, all Charges imposed upon the Collateral or in respect of its income or profits therefrom and all claims of any kind (including, without limitation, claims for labor, material and supplies) except as otherwise provided in the Loan Agreement.

(g) Compliance with Terms of Accounts, etc. Except to the extent expressly otherwise provided in the Loan Agreement, Grantor will perform and comply, and will cause each of its Subsidiaries to perform and comply, in all material respects with all obligations in respect of Accounts, Chattel Paper, Contracts and licenses and all other agreements to which it is a party or by which it is bound.

(h) Limitation on Liens and Collateral. Grantor will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral other than Permitted Liens, and will defend the right, title and interest of the Agent and the Lenders in and to any of Grantor's rights under or with respect to the Collateral, and in and to the proceeds thereof, against the claims and demands of all Persons whomsoever.

(i) Limitations on Modifications of Accounts. Grantor will not, and will not permit its Subsidiaries to, without the Agent's prior written consent, grant any extension of the time of payment of any of the Accounts, Chattel Paper or Instruments,

compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof, or allow any credit or discount whatsoever thereon, other than, in each case, in the ordinary course of business of Grantor and its Subsidiaries as currently conducted.

(j) Returns of Inventory. Grantor shall notify the Agent of any return or attempted return or rebated series of returns or related returns, of Inventory generating aggregate credit memoranda against outstanding Accounts in excess of \$100,000, which notice shall specify the reason for such return and the location and condition of the returned Inventory.

(k) Inventory Held by Third Parties. No Inventory shall be placed on consignment with any Person ("Consignee") or with a bailee, warehouseman or other third party for processing or finishing (such Consignee, bailee, warehouseman or other third party are collectively referred to herein as "Third Parties" and individually as a "Third Party") unless, on or prior to the date hereof, in the case of Inventory in the possession of a Third Party on the date hereof, or prior to the delivery of any such Inventory, Grantor or a Subsidiary of Grantor, as applicable, shall:

(i) provide the Agent with all consignment agreements and other instruments and documentation to be used in connection with such placement, all of which agreements, instruments and documentation shall be acceptable in form and substance to the Agent;

(ii) execute or cause such Third Party to execute such documents and agreements as the Agent may reasonably request;

(iii) prepare, execute (and cause such Third Party to execute) and file appropriate financing statements with respect to any such Inventory showing the Third Party as debtor, Grantor or such Subsidiary, as applicable, as secured party and the Agent as assignee of secured party;

(iv) prepare, execute and file appropriate financing statements with respect to any consigned Inventory showing Grantor or such Subsidiary, as applicable, as debtor and the Agent as secured party;

(v) after all financing statements referred to in clauses (iii) and (iv) immediately above shall have been filed, conduct a search of all filings made against the Third Party in all jurisdictions in which the Inventory is to be located and deliver to the Agent copies of the results of all such searches;

(vi) notify, in writing, all creditors of the Third Party which are or may be holders of security interests in

the Inventory that Grantor or such Subsidiary, as applicable, expects to deliver certain Inventory to the Third Party, all of which Inventory shall be described in such notice by item or type; and

(vii) take any and all other action required to protect the interest of Grantor or such Subsidiary, as applicable, and the Agent and the Lender in such Inventory, including the actions required by Sections 2-326 and 9-114 of the UCC.

Notwithstanding the foregoing and provided that no Event of Default is outstanding, (1) Inventory in an aggregate amount not exceeding \$4,000,000 may be maintained with any Consignee with respect to which the foregoing actions have not been taken for a period not to exceed ninety (90) days after the Closing Date, after which time no Inventory shall be permitted to be maintained with any such Consignees, and (2) Inventory in an aggregate amount not exceeding \$1,000,000 at any time may be maintained at or with processors with respect to which none of the foregoing actions have been taken.

On the Closing Date and not later than the 15th day of each month thereafter, Grantor shall furnish to the Agent a schedule (each such schedule then being "Schedule 5" to be attached hereto and made a part hereof) showing all Inventory which was placed with Third Parties as of the end of the previous month (or, in the case of such schedule to be delivered on the Closing Date, showing all Inventory at such locations and with such Third Parties as of such date), the respective locations of all such Inventory and the Persons to whom such Inventory has been consigned. No Inventory in the possession of a Third Party shall be evidenced by a negotiable instrument or document. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, in no event shall the aggregate fair market value of Inventory in the possession of Third Parties at any time exceed \$8,000,000.

(1) Inventory Reporting. Grantor will maintain and will cause its Subsidiaries to maintain a perpetual inventory reporting system at all times. Grantor will conduct and will cause its Subsidiaries to conduct a physical cycle count of all of the Inventory at least once each Fiscal Year, or more frequently as the Agent may request, and shall promptly supply the Agent with a copy of each such count accompanied by a report of the value of such Inventory (determined on a first-in-first-out basis and valued at the lower of cost or market value).

(m) Limitations on Disposition. Grantor will not, and will not permit any of its Subsidiaries to, sell, lease, transfer or otherwise dispose of any of the Collateral or attempt or contract to do so, except as otherwise expressly permitted by Section 8.10 of the Loan Agreement.

(n) Further Identification of Collateral. Grantor will, and will cause its Subsidiaries to, if so requested by the Agent, furnish to the Agent, as often as the Agent reasonably requests, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all in reasonable detail.

(o) Notices. Grantor will advise the Agent promptly, in reasonable detail, (i) of any material Lien or claim made or asserted against any of the Collateral, (ii) of any material change in the composition of the Collateral, and (iii) of the occurrence of any other event which could have a material adverse effect on the aggregate value of the Collateral or on the security interests created hereunder. Without limiting the generality of the foregoing, in the event any amounts due and owing in excess of \$100,000 are in dispute between any Account Debtor and Grantor or any Subsidiary of Grantor, Grantor shall provide the Agent with written notice thereof within ten (10) days after Grantor becomes aware of such dispute, explaining in detail the reason for the dispute, all claims related thereto and the amount in controversy.

(p) Right of Inspection. During regular business hours (unless an Event of Default has occurred and is continuing, in which case at all times), the Agent shall have full and free access to all the books and records and correspondence of Grantor, and the Agent or its representatives may examine the same, take extracts therefrom and make photocopies thereof, and Grantor agrees to render to the Agent, at Grantor's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto. The Agent and its representatives shall also have the right to enter into and upon any premises where any of Grantor's Equipment or Inventory is located for the purpose of inspecting the same, observing its use or otherwise protecting its interests therein.

(q) Maintenance of Equipment and Inventory. Grantor will keep and maintain, and will cause each of its Subsidiaries to keep and maintain, the Equipment in good operating condition sufficient for the continuation of the business conducted by Grantor and its Subsidiaries on a basis consistent with industry practices, and Grantor will provide and will cause its Subsidiaries to provide all maintenance and service and all repairs and replacements of the Equipment necessary for such purpose. Grantor will promptly notify the Agent of any material additions to or deletions of Equipment. Grantor will not permit any Equipment to become a fixture unless the Agent would have a prior perfected Lien on such fixture. Grantor will keep and maintain, and will cause each of its Subsidiaries to keep and maintain, the Inventory in good and marketable condition, at its or such Subsidiary's own expense.

(r) Continuous Perfection. Grantor will not (i) change its name, identity or corporate structure in any manner which might make any financing or continuation statement filed in connection herewith seriously misleading within the meaning of Section 9-402(7) of the UCC (or any other applicable provision of the UCC) or (ii) establish any other location (or maintain with any Third Party) other than those listed on Schedules 5.7(a) and 5.7(b) of the Loan Agreement or on Schedule 5 of this Agreement, where it expects to maintain Inventory and/or Equipment, unless Grantor shall have given the Agent at least thirty (30) days' prior written notice thereof and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by the Agent to amend such financing statement or continuation statement so that it is not seriously misleading or otherwise to maintain perfection of the Agent's security interest in the Collateral.

7. Agent's Appointment as Attorney-in-Fact.

(a) Grantor hereby irrevocably constitutes and appoints the Agent and any officer, agent or other representative of the Agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Grantor and in the name of Grantor or in its own name, from time to time in the Agent's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, and, without limiting the generality of the foregoing, hereby gives the Agent the power and right, on behalf of Grantor, without notice to or assent by Grantor to do the following:

(i) to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any Collateral and, in the name of Grantor or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other Instruments for the payment of moneys due under any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Agent for the purpose of collecting any and all such moneys due under any Collateral whenever payable;

(ii) to pay or discharge taxes, Liens, or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of the Loan Agreement or this Security Agreement and to pay all or any part of the premiums therefor and the costs thereof;

(iii) to notify the post office authorities to change the address for delivery of Grantor's mail to an address designated by the Agent and to receive, open and dispose of all mail addressed to Grantor; and

(iv) (A) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due, and to become due thereunder, directly to the Agent or as the Agent shall direct; (b) to receive payment of and receipt for any and all moneys, claims and other amounts due, and to become due at any time, in respect of or arising out of any Collateral; (C) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts and other Documents constituting or relating to the Collateral; (D) to settle and adjust any claims under all policies of insurance covering the Collateral; (E) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (F) to defend any suit, action or proceeding brought against Grantor with respect to any Collateral; (G) to settle, compromise or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as the Agent may deem appropriate; (H) to license or, to the extent permitted by an applicable license, sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any patent or trademark, throughout the world for such term or terms, on such conditions, and in such manner, as the Agent shall in its sole discretion determine; and (I) generally to sell, transfer, pledge, make any agreement with respect or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option and Grantor's expense, at any time, or from time to time, all acts and things which the Agent reasonably deems necessary to protect, preserve or realize upon the Collateral and the Agent's Lien therein, in order to effect the intent of this Security Agreement, all as fully and effectively as Grantor might do.

(b) The Agent agrees that, except to exercise rights which are otherwise expressly authorized hereunder, it will not exercise the power of attorney or any rights granted to the Agent pursuant to this Section 7 unless an Event of Default has occurred and is continuing. Grantor hereby ratifies, to the extent permitted by law, all that said attorneys shall lawfully do or cause to be done by virtue hereof. The power of attorney granted pursuant to this Section 7 is a power coupled with an interest and shall be irrevocable until the Secured Obligations are indefeasibly paid in full.

(c) The powers conferred on the Agent hereunder are solely to protect the Agent's and the Lenders' interests in the Collateral and shall not impose any duty upon the Agent to exercise any such powers. The Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Grantor for any act or failure to act, except for its own recklessness or willful misconduct.

(d) Grantor also authorizes the Agent, at any time and from time to time upon the occurrence and during the continuation of any Default or Event of Default, (i) to communicate in its own name with any party to any Contract with regard to the assignment of the right, title and interest of Grantor in and under the Contracts hereunder and other matters relating thereto and (ii) to execute, in connection with the sale provided for in Section 9 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

8. Performance by Agent of Grantor's Obligation. If Grantor fails to perform or comply with any of its agreements contained herein and the Agent, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable expenses of the Agent incurred in connection with such performance or compliance, together with interest thereon at the rate then in effect in respect of the Revolving Credit Loans, shall be payable by Grantor to the Agent on demand and shall constitute Secured Obligations secured hereby.

9. Remedies, Rights Upon Default or Event of Default. If any Event of Default shall occur and be continuing:

(a) The Agent may exercise, in addition to all other rights and remedies granted to it in this Security Agreement, the Loan Agreement or any other Loan Document, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Grantor expressly agrees that in any such event the Agent may, without demand of performance or other demand, advertisement, legal process or notice of any kind (except as may be required by law or permitted herein) to or upon Grantor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), (i) at any time or times enter Grantor's premises and take physical possession of the Collateral and maintain such possession on Grantor's premises, without any obligation to pay rent or other compensation to Grantor, (ii) remove the Collateral or any part thereof, to such other places as the Agent may desire, (iii) forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or (iv) forthwith

sell, lease, assign, give an option or options to purchase, or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of the Agent's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Any such purchaser (including, without limitation, the Agent and any other Lender) of Collateral sold pursuant to this Section 9 shall purchase the same absolutely free from any claim or right on the part of Grantor and Grantor does hereby waive (to the maximum extent permitted by the UCC and other applicable law) all rights of reinstatement, redemption, stay, and appraisal which Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Grantor further agrees, at the Agent's request to assemble the Collateral and make it available to the Agent at places which the Agent shall reasonably select, whether at Grantor's premises or elsewhere. The Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale in accordance with the Loan Agreement, Grantor remaining liable for any deficiency remaining unpaid after such application, and only after so paying over such net proceeds and after the payment by the Agent of any other amount required by any provision of law, including Section 9-504(1)(d) of the UCC, need the Agent account for the surplus, if any, to Grantor. To the maximum extent permitted by applicable law, Grantor waives all claims, damages, and demands against the Agent arising out of the repossession, retention or sale of the Collateral except such as arise out of the recklessness or willful misconduct of the Agent. Grantor agrees that the Agent need not give more than three (3) days' notice (which notification shall be deemed given when mailed or delivered on an overnight basis, postage prepaid, addressed to Grantor at its address referred to in Section 12.13 of the Loan Agreement) of the time and place of any public sale or of the time after which a private sale may take place and that such notice shall constitute reasonable notification within the meaning of Section 9-504(3) of the UCC. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which the Agent and the Lenders are entitled, Grantor also being liable for the fees of any attorneys employed by the Agent to collect such deficiency.

(b) Grantor also agrees to pay all costs of the Agent, including, without limitation, reasonable attorneys' fees, incurred in connection with the enforcement of any of its rights and remedies hereunder.

(c) Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral. GRANTOR HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO NOTICE AND HEARING PRIOR TO THE EXERCISE BY THE AGENT OF ITS

RIGHT TO REPOSSESS THE COLLATERAL WITHOUT JUDICIAL PROCESS OR TO REPLEVY, ATTACH OR LEVY UPON SUCH COLLATERAL.

10. Grant of License to Use Patent and Trademark Collateral. For the purpose of enabling the Agent to exercise rights and remedies under Section 9 hereof at such time as the Agent shall be entitled to exercise such rights and remedies, Grantor hereby grants to the Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to Grantor) to use, license or sublicense any patent or trademark, now owned or hereafter acquired by Grantor, and wherever the same may be located, and including, without limitation, reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer and automatic machinery software and programs used for the compilation or printout thereof.

11. Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, avoided, revoked, rescinded or reduced in amount, or must otherwise be restored or returned by an obligee of the Secured Obligations, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is avoided, revoked, rescinded, reduced in amount, or returned, then to the extent of such payment, the Secured Obligations, or part thereof intended to be paid, shall be reinstated and continue in full force and effect.

12. Notices. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give or serve upon any other communication with respect to this Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be delivered in the manner set forth in Section 12.13 of the Loan Agreement.

13. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14. No Waiver; Cumulative Remedies; Amendment.

Neither the Agent nor any Lender shall by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver shall be valid unless in writing, signed by the Agent and then only to the extent therein set forth. A waiver by the Agent of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Agent would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Agent, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Agent and, where applicable, by Grantor.

15. Marshalling of Assets; Recourse to Security.

The Agent shall have no duty or obligation to marshal any assets in favor of Grantor or any other party or against or in payment of any or all of the Secured Obligations. Recourse to security or to any guarantor or any other Person who might be liable with respect to the Obligations shall not be required at any time.

16. Termination.

Subject to the effect of Section 11, this Security Agreement shall terminate when the Loan Agreement and all Revolving Credit Loan Commitments shall have expired or shall have been terminated and all Secured Obligations shall have been paid in full. Upon such termination, the Agent shall, at Grantor's expense, reassign, release and/or deliver to Grantor the Collateral owned by Grantor and proceeds thereof in which the Agent shall have an interest hereunder. Upon request of Grantor, the Agent shall, at Grantor's expense, execute and deliver termination statements to Grantor for filing in each office in which a financing statement has been filed by the Agent and shall take other action which Grantor reasonably requests to reflect the termination of this Agreement, all without recourse upon or warranty by the Agent and at the cost and expense of Grantor.

17. Successors and Assigns.

This Security Agreement and all obligations of Grantor hereunder shall be binding upon the successors and assigns of Grantor, and shall, together with the rights and remedies of the Agent hereunder, inure to the benefit of the Agent and the Lenders, all future holders of instruments evidencing the Secured Obligations, and their respective successors and assigns, in each case, as security for the Obligations. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession thereof or therefor. No sales of participation, other sales,

assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the security interest granted to the Agent hereunder.

18. GOVERNING LAW. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN ANY OF THE LOAN DOCUMENTS. IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS AND DECISIONS OF THE STATE OF ILLINOIS APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE, WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICT OF LAWS, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA.

19. Construction.

(a) The Preamble and Preliminary Statement to this Security Agreement are incorporated herein by this reference thereto.

(b) The parties acknowledge that each party and its counsel have reviewed and revised this Security Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Security Agreement or any amendments hereto.

(c) The words "hereof", "herein" and "hereunder" and words of like import when used in this Security Agreement shall refer to this Security Agreement as a whole and not to any particular provision of this Security Agreement and references to sections, schedules and exhibits are to sections, schedules and exhibits of or to this Agreement unless otherwise specified.

20. Conflict of Terms. Except as otherwise explicitly provided in this Security Agreement, a conflict or inconsistency, if any, between the terms and provisions of this Security Agreement and the terms and provisions of the Loan Agreement, shall be controlled by the terms and provisions of the Loan Agreement to the extent of such conflict or inconsistency.

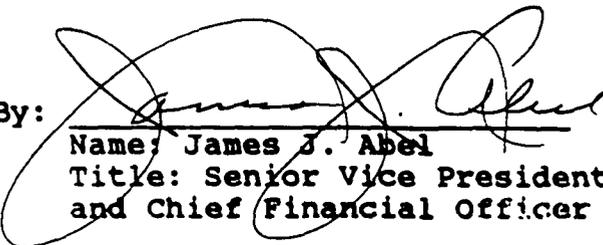
21. Further Indemnification. Grantor agrees to pay, and to save the Agent and the Lenders harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all excise, sales or other similar taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Security Agreement.

22. Headings. Section headings in this Security Agreement are included herein for convenience of reference only and shall not constitute a part of this Security Agreement for any other purpose.

23. Execution in Counterparts. This Security Agreement and any amendments, waivers, consents, or supplements hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be executed and delivered by its duly authorized officer on the date first set forth above.

THE LAMSON & SESSIONS CO.

By: 
Name: James J. Abel
Title: Senior Vice President
and Chief Financial Officer

(CORPORATE SEAL)

Accepted and acknowledged by:

GENERAL ELECTRIC CAPITAL
CORPORATION, as Agent

By: 
Name: John A. Hatherly
Title: Region Manager

EXHIBIT A
to
SECURITY AGREEMENT
Dated as of February 13, 1992

FORM OF RESTRICTED ACCOUNT AGREEMENT

See Attached.

RESTRICTED ACCOUNT AGREEMENT

TO: General Electric Capital Corporation,
as agent (the "Agent") under that
certain Loan Agreement, dated as of
February 13, 1992 (the "Loan Agreement"),
among The Lamson & Sessions Co., an
Ohio corporation (the "Borrower"),
the Agent and those financial institutions
listed on the signature pages thereof
(the "Lenders").

Gentlemen:

You have advised us that the Borrower has entered or will enter into the Loan Agreement and that in connection therewith the Borrower has granted to the Agent, for its benefit and the benefit of the Lenders, a lien on and security interest in substantially all of the assets of the Borrower.

This will confirm that the Borrower and the undersigned collection bank (the "Bank") have agreed as follows with respect to (i) the account[s] identified on Schedule 1 attached hereto (the "Account[s]") and (ii) the lock box[es] identified on Schedule 2 attached hereto, to which the Borrower's customers and other persons and entities obligated to the Borrower deliver checks and other items of payment (said [lock box is] [lock boxes are] hereinafter referred to [collectively] as the "Lock Box[es]"):

1. The Borrower and the Bank acknowledge and confirm that although the Account[s] and Lock Box[es] shall remain in the name of the Borrower, all funds now or at any time hereafter deposited to the Account[s] and Lock Box[es] and all of the Borrower's rights regarding such Account[s] and Lock Box[es] constitute part of the collateral in which the Borrower has granted a security interest to the Agent, to secure the Borrower's obligations under the Loan Agreement and the other instruments, documents and agreements executed in connection therewith, and that from the date this Restricted Account Agreement becomes effective until the Agent notifies the Bank that all financing arrangements with the Borrower have been terminated, the Bank shall not be permitted to follow the Borrower's directions as to disbursements and deposits with respect thereto. The Bank's authorized representatives will have access to the Lock Box[es], under the authority given by the Borrower to the appropriate Post Office, and will make regular pick-ups from the Lock Box[es] timed to gain the maximum benefit of early presentation and availability of funds. Checks and other items of payment so received will be processed and, where possible, started on their way through the regular channels for payment upon receipt by the Bank. Subject to final collection, credit for such items will be given in total on the Bank's books

relating to the [appropriate] Account. The Bank will supply the Borrower's endorsement on checks received by it by endorsing them "Credited to the account of the within payee" and will present them for payment through the customary collection procedures and subject to the terms of the Bank's by-laws covering the handling of items deposited with it.

2. The Bank will not exercise, and hereby releases, any banker's lien upon and any right of set off against checks or other items of payment remitted to the Lock Box[es] or deposited in the Account[s], except with respect to the Bank's normal fees and charges for operating the Account[s]. Checks returned unpaid because of uncollected or insufficient funds shall be deposited without advice. Checks returned a second time shall be mailed under appropriate advice to the Agent, and the Borrower shall reimburse the Bank for the face amount thereof.

3. From and after the effective date hereof, unless the Agent otherwise instructs the Bank in writing:

A. The Bank will not honor drafts, demands, withdrawal requests or remittance instructions by the Borrower.

B. The Bank will hold solely for account of the Agent all funds which may be on deposit in the Account[s] and the Agent shall have the exclusive right to direct the Bank as to the disposition of all checks, other items of payment and amounts remitted to the Lock Box[es].

C. The Bank will remit all such funds directly to the Agent, as soon as the funds are collected, by electronic transfers to [insert specific account information] or to such other account at such address as the Agent shall from time to time thereafter instruct the Bank in writing.

D. The Bank shall be entitled to rely upon any notice or other writing received from the Agent and the Borrower waives any claim of, and releases the Bank from any liability for, complying with the terms of this Restricted Account Agreement.

4. The Borrower will receive a receipted copy of the activity relating to the Lock Box[es] for its records. The Bank will not close the Account[s] without giving the Agent at least thirty (30) days' prior written notice at the address set forth below or such other address as the Agent may from time to time indicate by written notice to the Bank, the Bank will send to the Agent at such address a copy of each periodic statement for the Account, as and when the statement is sent to the Borrower.

5. Any notice (including, without limitation, any Notice) required or desired to be served, given or delivered hereunder shall be in writing and shall be deemed to have been validly served, given or delivered (i) three (3) business days after deposit in the United States mails, with proper postage

prepaid, (ii) when sent after receipt of confirmation of answer back if sent by telecopy, (iii) one (1) business day after deposit with a reputable overnight courier with all charges prepaid, or (iv) when delivered, if hand delivered by messenger.

6. The Bank shall not be liable for, and the Borrower agrees to indemnify the Bank against, any liability or claims including court costs, reasonable attorney's fees and other expenses, which the Bank may incur in connection with or pursuant to this Restricted Account Agreement, unless arising from the Bank's own gross negligence or willful misconduct.

7. This Restricted Account Agreement shall be binding upon the Bank and the Borrower and their respective successors and assigns and shall inure to the benefit of the Agent, each of the Lenders and their respective successors and assigns. This Restricted Account Agreement may not be modified without the Agent's prior written consent, but may be terminated by the Agent or the Bank upon thirty (30) days' prior written notice to the other parties hereto. This Restricted Account Agreement shall be deemed effective as of February 13, 1992 upon execution hereof by the Bank.

[BANK]:

By: _____
Name: _____
Title: _____

Address:

Attn: _____
Telecopy: _____
Confirm: _____

Acknowledged and agreed to this
____ day of _____, 1992:

THE LAMSON & SESSIONS CO.

By: _____
Name: _____
Title: _____

Address:

Attn: _____
Telecopy: _____
Confirm: _____

Acknowledged and agreed to this
____ day of _____, 1992:

GENERAL ELECTRIC CAPITAL
CORPORATION, as Agent

By: _____
Name:
Title:

Address:

190 South LaSalle Street
Suite 2740
Chicago, Illinois 60603
Attn: _____
Telecopy: 312-368-5076
Confirm: 312-368-1672

**SCHEDULE 1
to
RESTRICTED ACCOUNT AGREEMENT**

Accounts:

SCHEDULE 2
to
RESTRICTED ACCOUNT AGREEMENT

Lock Boxes:

EXHIBIT B
to
SECURITY AGREEMENT
Dated as of February 13, 1992

FORM OF SPRINGING RESTRICTED ACCOUNT AGREEMENT

See Attached.

RESTRICTED ACCOUNT AGREEMENT

TO: General Electric Capital Corporation,
as agent (the "Agent") under that
certain Loan Agreement, dated as of
February 13, 1992 (the "Loan Agreement"),
among The Lamson & Sessions Co., an
Ohio corporation (the "Borrower"),
the Agent and those financial institutions
listed on the signature pages thereof
(the "Lenders").

Gentlemen:

You have advised us that the Borrower has entered or will enter into the Loan Agreement and that in connection therewith the Borrower has granted to the Agent, for its benefit and the benefit of the Lenders, a lien on and security interest in substantially all of the assets of the Borrower.

This will confirm that the Borrower and the undersigned bank (the "Bank") have agreed as follows with respect to the account[s] identified on Schedule 1 attached hereto (the "Account[s]"):

1. The Borrower and the Bank acknowledge and confirm that although the Account[s] shall remain in the name of the Borrower, all funds now or at any time hereafter deposited to the Account[s] and all of the Borrower's rights regarding such Account[s] constitute part of the collateral in which the Borrower has granted a security interest to the Agent, to secure the Borrower's obligations under the Loan Agreement and the other instruments, documents and agreements executed in connection therewith, and that during a "Notification Period" (as defined below), the Bank shall not be permitted to follow the Borrower's directions as to disbursements and deposits with respect thereto.

2. The Bank will not exercise, and hereby releases, any banker's lien upon and any right of set off against checks or other items of payment deposited in the Account[s], except with respect to the Bank's normal fees and charges for operating the Account[s].

3. From and after the date on which the Agent notifies the Bank, in writing, that it is exercising its rights under this Restricted Account Agreement (the "Notice") until the date on which the Agent notifies the Bank that it is withdrawing such Notice (such period being referred to herein as a "Notification Period"), the Bank, the Borrower and the Agent agree that, unless the Agent otherwise instructs the Bank in writing:

A. The Bank will cease honoring all drafts, demands, withdrawal requests or remittance instructions by the Borrower, whether made before and as of yet unhonored or after receipt of the Notice.

B. The Bank will hold solely for account of the Agent all funds which may be on deposit in the Account[s] at the time of receipt of the Notice and all funds thereafter deposited to the Account[s].

C. The Bank will remit all such funds directly to the Agent, as soon as the funds are collected, by electronic transfers to such account at such address as the Agent shall in the Notice indicate, or in such other manner as the Agent may from time to time thereafter instruct the Bank in writing.

D. The Bank shall be entitled to rely upon any notice or other writing received from the Agent and the Borrower waives any claim of, and releases the Bank from any liability for, complying with the terms of this Restricted Account Agreement.

4. The Bank will not close the Account[s] without giving the Agent at least thirty (30) days' prior written notice at the address set forth below or such other address as the Agent may from time to time indicate by written notice to the Bank, the Bank will send to the Agent at such address a copy of each periodic statement for the Account, as and when the statement is sent to the Borrower.

5. Any notice (including, without limitation, any Notice) required or desired to be served, given or delivered hereunder shall be in writing and shall be deemed to have been validly served, given or delivered (i) three (3) business days after deposit in the United States mails, with proper postage prepaid, (ii) when sent after receipt of confirmation of answer back if sent by telecopy, (iii) one (1) business day after deposit with a reputable overnight courier with all charges prepaid, or (iv) when delivered, if hand delivered by messenger.

6. The Bank shall not be liable for, and the Borrower agrees to indemnify the Bank against, any liability or claims including court costs, reasonable attorney's fees and other expenses, which the Bank may incur in connection with or pursuant to this Restricted Account Agreement, unless arising from the Bank's own gross negligence or willful misconduct.

7. This Restricted Account Agreement shall be binding upon the Bank and the Borrower and their respective successors and assigns and shall inure to the benefit of the Agent, each of the Lenders and their respective successors and assigns. This Restricted Account Agreement may not be modified without the Agent's prior written consent, but may be terminated by the Agent or the Bank upon thirty (30) days' prior written notice to the other parties hereto. This Restricted Account Agreement shall be deemed effective as of February 13, 1992 upon execution hereof by the Bank.

[BANK]:

By: _____
Name: _____
Title: _____

Address:

Attn: _____
Telecopy: _____
Confirm: _____

Acknowledged and agreed to this
____ day of _____, 1992:

THE LAMSON & SESSIONS CO.

By: _____
Name: _____
Title: _____

Address:

Attn: _____
Telecopy: _____
Confirm: _____

Acknowledged and agreed to this
____ day of _____, 1992:

GENERAL ELECTRIC CAPITAL
CORPORATION, as Agent

By: _____
Name:
Title:

Address:

190 South LaSalle Street
Suite 2740
Chicago, Illinois 60603
Attn: _____
Telecopy: 312-368-5076
Confirm: 312-368-1672

Schedule 1
to
Restricted Account Agreement

Accounts:

SCHEDULE 1
TO
SECURITY AGREEMENT
RESTRICTED ACCOUNTS

None, except:

<u>Bank</u>	<u>Description</u>	<u>Account No.</u>
The Boatmen's National Bank of St. Louis One Boatmen's Plaza 800 Market Street, Box 236 St. Louis, Missouri 63166-0236	Lock Box Deposit	100101212910
First Union National Bank of North Carolina One First Union Center 301 South College Street Charlotte, North Carolina 28288	Lock Box Deposit Lock Box Deposit	7989125461 7989125472
National City Bank National City Center P.O. Box 5756 Cleveland, Ohio 44101-0756	Deposit	2530101
Security Pacific 12683 Glen Oaks Blvd. Sylmar, California 91342	Deposit	100 039120
<u>To Be Closed:</u>		
Bank of America North America Division Corporate Services 1233 1850 Gateway Blvd. P.O. Box 27128 Concord, California 94520	Lock Box Deposit	12339-13525

SCHEDULE 2
TO
SECURITY AGREEMENT

LOCK BOXES

None, except:

Bank

Number

The Boatmen's National
Bank of St. Louis
One Boatmen's Plaza
800 Market Street, Box 236
St. Louis, Missouri
63166-0236

Box 500708
St. Louis, MO
63150-0708

First Union National
Bank of North Carolina
One First Union Center
301 South College Street
Charlotte, North Carolina
28288

P.O. Box 60030
Charlotte, NC
28260

P.O. Box 60024
Charlotte, NC
28260

To Be Closed:

Bank of America
North America Division
Corporate Services 1233
1850 Gateway Blvd. P.O. Box 27128
Concord, California 94520

File No. 41494
Los Angeles, CA
90074

SCHEDULE 3
TO
SECURITY AGREEMENT
DISBURSEMENT ACCOUNTS

None, except:

<u>Bank</u>	<u>Description</u>	<u>Account No.</u>
<u>Master Disbursement Account</u>		
National City Bank National City Center P.O. Box 5756 Cleveland, Ohio 44114		4-00-394-6
<u>Petty Cash Accounts</u>		
First Interstate Bank of Texas Deer Park, Texas 77538		1600-186-043
Bank of Woodland 120 West Court Street Woodland, California 95695		001-100187
Bank One of Akron 1115 South Main Street Akron, Ohio 44301		100023026
Barnett Bank P.O. Box 1229 Gainesville, Florida 32602		3500000461
Clinton National Bank P.O. Box 151 235 Sixth Avenue South Clinton, Iowa 52732-0151		01-1153-8
Farmers & Merchants Bank Artesia Blvd. Office 3290 East Artesia Blvd. Long Beach, California 90805		05-05295508
Lincoln National Bank 4200 S. Sunny Lane Box 15510 Del City, Oklahoma 73155		1006320

Schedule 3 cont'd

<u>Bank</u>	<u>Description</u>	<u>Account No.</u>
Nazareth National Bank & Trust Broad Street Nazareth, Pennsylvania 18064	Petty Cash	901-091-0
<u>Currency Hedging Accounts</u>		
Bank One, Cleveland, N.A. P.O. Box 91308 1255 Euclid Avenue Cleveland, Ohio 44101-3308		926895289
<u>Zero Balance Accounts</u>		
First National Bank of Ashland c/o National City Bank National City Center P.O. Box 5756 Cleveland, Ohio 44101-0756	Disbursement	0101 0082771
	Payroll	0102 0082771
	Disbursement	0501 0082771
	Payroll	0502 0082771
	Disbursement	0301 0082771
	Salary Payroll	0302 0082771
	Hourly Payroll	0303 0082771
	Disbursement	0201 0082771
	Payroll	0202 0082771
Bank of America #0385 P.O. Box 923713 13935 Foothill Blvd. Sylmar, California 91342	Payroll	03851-00739 (to be closed)

IRB Account

Ameritrust Company 900 Euclid Avenue P.O. Box 5937 Cleveland, Ohio 44101	Operating	00015-2665
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Benefit Accounts

National City Bank National City Center P.O. Box 5756 1900 East Ninth Street Cleveland, Ohio 44114	Supp. Unemp. Benefit Trust	2524035
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Schedule 3 cont'd

Citibank N.A.
Citibank Delaware
Sims-Implementation Unit
One Penn's Way
New Castle, Delaware 19720

Benefit Plan	39071869
Benefit Plan-CA	40053983

SCHEDULE 4
TO
SECURITY AGREEMENT

RAILCARS

None, except:

<u>Railcar Number</u>	
CARX	45250
CARX	45256
CARX	45262
CARX	45264
CARX	45267
CARX	45272
CARX	45281
CARX	45283
CARX	45286
CARX	45296
CARX	45297
CARX	45304
CARX	45306
CARX	44651

**SCHEDULE 5
TO
SECURITY AGREEMENT**

THIRD PERSONS

None, except:

BAILEE(S)

**Clausen Supply Company
1219 South Second Street
Clinton, Iowa 52732**

CONSIGNEES

**Paolicelli & Associates, Inc.
Gregg and Hammond Street
Carnegie Industrial Park
Carnegie, PA 15106**

**Yusen Associates, Inc.
P. O. Box 2067
16 Everberg Road
Woburn, MA 01888**

**Lee Butter & Associates, Inc.
1125 West Lunt Avenue
Elk Grove Village, Illinois 60007**

**Associated Products, Inc.
147 Neil Street
Memphis, TN 38182**

**Johnson Electric Sales Co.
13711 W. 107th Street
Lenexa, Kansas 66215**

**Brazill Bros. & Assoc., Inc.
250-260 Forrest Street
Metuchen, New Jersey 08840**

**Joseph E. Biben Sales Corporation
23rd & Washington Avenue
Philadelphia, PA 19146**

**The Zucco Company, Inc.
388 Danbury Road (Rte. 7)
Wilton, CT 06897**

**Atlantech, Inc.
5 Great Valley Parkway, #333
Malvern, PA 19355**

Distributor Sales, Inc.
1540 Champion Drive, Suite 100
Carrollton, Texas 75006

Gunn Creel & Associates, Inc.
8416 Laurel Fair Circle #110
Tampa, Florida 33610

EMMCO & Associates
3485 West 12th Street
P. O. Box 924492 (77292)
Houston, Texas 77008

McDonough & Associates, Inc.
8640 Ronda Drive
Canton, MI 48187

Electrical Sales
1318 Lewis Street
Nashville, TN 37210

Bixler & Associates, Inc.
3215 Nebraska Avenue
Council Bluffs, IA 51501

Hasselbach & Associates, Inc.
431 West Seymour Avenue
Cincinnati, OH 45216

Electrical Products Co.
7810 Rockville Road
Indianapolis, Indiana 46214

I. Arnold Hoge Associates, Inc.
1418 Beaver Ruin Road
Norcross, GA 30093

R & K
435 Seguin Street
San Antonio, Texas 78208

G.S. & G. Sales, Inc.
Greenway Industrial Park
1146 Worms Street
Jackson, MS 39208-6298

Electri-Products Group, Inc.
P. O. Box 18009
119 South Walnut Circle
Greensboro, North Carolina 27419

G.T. Sales, Inc.
34 W. Guest Avenue (3525 South)
Salt Lake City, UT 84115

Electrical Development Group, Ltd.
4026 E. Broadway, #901
Phoenix, AZ 85040

Maddox Sales Co. of
Southern California
5751 Palmer Way, Suite G
Carlsbad, CA 92008

F.M. Nicholas
30958 San Antonio Street
Hayward, CA 94544

Keraden Sales
7023 S. 193rd Street
Kent, WA 98032

Hoyt-Northwest, Inc.
1624 S.E. Grand Avenue
Portland, Oregon 97214

PROCESSORS

Shiloh Corporation
402 Ninth Avenue
Mansfield, Ohio 44905

YSD Industries, Inc.
3710 Henricks Road
Youngstown, Ohio 44515

American Tank & Fabricating
Company
12314 Elmwood Avenue, N.W.
Cleveland, Ohio 44111

Best Grind, Inc.
1850 Sunnyside Court
Bakersfield, CA 93308

American Precision Tech.
9790 Glenbaks Blvd. #5
Sun Valley, CA 91352

American Drilling
15229 Grevillea Ave.
Lawndale, CA 90260

Monterey Machine Products
2033 Merced
S. El Monte, CA 91733

M. C. Grinding Specialists
9710 Owensmouth Ave.
Chatsworth, CA 91311

Specialty Surface Grinding
345 W. 131st St.
Los Angeles, CA 90061

Union Carbide Corp
1245 Main St.
Indianapolis, IN 90088

Metals Technology, Inc.
8955 Quartz Ave
Northridge, CA 91324

Mutual Metal Stamping, Inc.
16072 Gothard St.
Huntington Beach, CA 92647

Mikrex Centerless Grinding
801 Fifth St.
Fillmore, CA 93015

Lindberg Heat Treating
2900 S. Sunol
Los Angeles, CA 90023

Industrial Steel Treating
3370 Benedict Way
Huntington Park, CA 90255

DeKalb Molded Plastics
U. S. Route 6 West
Butler, Indiana 46721

United Fiberglass of America, Inc.
3300 N. State Rt. 54
South Vienna, Ohio 45369