SECURITY AGREEMENT

THIS AGREEMENT made this 26th day of May, 1969, between HERBERT J. MILLER, ARTHUR H. MILLER, ELIZABETH L. MILLER and HERBERT M. MILLER, d/b/a Miller Paint & Supply Co., (hereinafter referred to as the "Debtor") with business address at 2362 Genesee Street, Cheektowaga, New York, 14225, and NATIONAL LEAD COMPANY (hereinafter called the "Secured Party"), a New Jersey corporation having its principal office at 111 Broadway, New York City, N. Y., and also having an office at 1776 Columbus Road, Cleveland, Ohio, 44113,

WITNESSETH

WHEREAS the Debtor is presently indebted to the Secured Party; and

WHEREAS the Debtor desires to furnish the Secured Party with security for all amounts presently due to the Secured Party, and for such additional amounts as may subsequently become due; and

WHEREAS the Secured Party desires to accept the security provided by this Agreement, and to cause the requisite financing statements to be filed in pursuance of the Uniform Commercial Code.

NOW, THEREFORE, it is mutually agreed as follows:

(1) As security for all amounts presently due and such as may subsequently become due to the Secured Party, together with any interest thereon, the Debtor does hereby give and grant to the Secured Party a security interest in any and all National Lead Company products or inventory including any products or inventory bearing the Dutch Boy label now or hereafter situated at the premises of Debtor at 2362 Genesee Street, Cheektowaga, New York, or at any other address.

(2) In the event that the Debtor should sell, transfer or exchange all or any portion of the collateral, the proceeds, or whatever nature they may be, including accounts receivable, shall become collateral.

(3) Any property of the same nature as the collateral described above and subsequently acquired or produced by the Debtor, whether as a product or result of the presently existing collateral or not, shall become collateral.

(4) In the event that the Debtor shall store or maintain any collateral at any other address than those hereinabove set forth, it shall promptly be given written notice of such place or places to the Secured Party.

(5) The Debtor shall keep the collateral insured against loss by fire, casualty and other risks in a form and amount satisfactory to the Secured Party, and Debtor shall have such insurance policies endorsed showing the interest of the Secured Party in said collateral.

(6) Debtor will pay when due, all taxes, assessments and other charges lawfully levied or assessed upon the collateral, and if such taxes or

assessments remain unpaid after the date fixed for their payment, or if any lien shall subsequently be claimed which, in the opinion of Secured Party might constitute or create a valid obligation having priority over the rights granted herein, Secured Party may, without any notice to Debtor, pay such taxes, assessments, charges or claims, and the amount thereof shall be added to the debts hereby secured.

(7) Any one of the following shall constitute a default of this Agreement:

(a) Breach by Debtor of any of the terms or provisions of this Agreement;

(b) General assignment by Debtor for the benefit of creditors;

(c) Filing by or against Debtor of a petition in bankruptcy or for the appointment of a receiver;

(d) Commencement under any bankruptcy or insolvency law of any proceedings for Debtor's relief or for the composition, extension, arrangement or adjustment of Debtor's obligations;

(e) Debtor's discontinuation of the carrying-on of its present business as a going concern;

(f) Deterioration in the financial condition of Debtor as causes Secured Party reasonably to deem itself insecure; and

(g) Failure of Debtor to pay when due any indebtedness now or hereafter owing to the Secured Party.

(8) Upon default of this Agreement by the Debtor, Secured Party shall at its option, exercise in a commercially reasonable manner, any of the following rights or remedies upon the assets which serve as security for this Agreement:

(a) Foreclose the lien and security interest created herein by any available and proper judicial process;

(b) Take possession of the collateral with or without the aid of judicial process;

(c) Require the Debtor to assemble the collateral and make it available to Secured Party at a place designated by the Secured Party which is reasonably convenient to both parties;

(d) Enter Debtor's premises for purpose of taking possession, removing or there causing to be sold any collateral;

(e) Sell, lease or otherwise dispose of collateral either at public or pricate sale in its then condition or following any commercially reasonable preparation or processing and upon such terms as it, in its sole discretion, may deem advisable;

(f) Apply according to law the proceeds of any sale, lease or other disposition of the collateral.

(9) Nothing herein contained is intended to nor shall it any way effect, alter or amend any other Agreements now in existence or as shall hereafter be made between the Secured Party and the Debtor with regard to any present or subsequent amounts due the Secured Party from the Debtor. The Secured Party expressly retains the right to establish the terms, conditions and permissible amount of any credit or open account it shall extend or permit the Debtor to maintain and may require subsequent additional security for any such amounts if in its judgment additional security is reasonably necessary or desirable.

(10) The Secured Party is hereby authorized to file a Financing Statement.

IN WITNESS WHEREOF, the parties hereto/except Herbert J. Miller have duly executed this AGREEMENT the 26th day of May, 1969.

Arthur H. Miller as attorney
Herbert J. Miller

Arthur H. Miller
Arthur H. Miller

Elizabeth L. Miller
Elizabeth L. Miller

Herbert M. Miller
Herbert M. Miller

d/b/a Miller Paint & Supply Co.

NATIONAL LEAD COMPANY Cleveland Area

By: [signature]

Controller
title

ATTEST:

William E. [signature]

IN WITNESS WHEREOF, Arthur H. Miller as attorney for Herbert J. Miller, has duly executed this agreement the 17th day of June, 1969.

ATTEST:

William E. [signature]

NL 000041808

GUARANTY

In consideration of the extension of time granted by National Lead Company to Herbert J. Miller, Arthur H. Miller, Elizabeth L. Miller and Herbert M. Miller, d/b/a Miller Paint & Supply Co., hereinafter referred to as "Partnership", covering payment of their past due indebtedness to said National Lead Company, in the amount of $46,008.74, and other valuable considerations, the receipt of which is hereby acknowledged, the undersigned Rose A. Miller, does hereby unconditionally guarantee the payment to National Lead Company, its successors and assigns, of any and all indebtedness now owing by "Partnership" to National Lead Company, and for the same considerations as aforesaid, the undersigned has executed on this date as co-maker with Herbert J. Miller, Arthur H. Miller, Elizabeth L. Miller and Herbert M. Miller, a note payable to said National Lead Company in the principal amount of $46,008.74, payable with interest in installments as set forth therein.

Demand and notice of nonpayment of all debts, obligations and liabilities covered by this guarantee, as well as demand and notice of nonpayment of any installment of the aforesaid note signed by me as co-maker, are hereby waived, and it is agreed that the liability of the undersigned hereto shall be absolute and unconditional and not dependent upon the exercise of diligence by National Lead Company or upon the pursuit of any remedy or remedies against"Partnership" by National Lead Company, and National Lead Company may grant extensions and renewals of any notes or other evidence of indebtedness without notice to me and without affectingmy liability hereunder.

IN WITNESS WHEREOF I have hereunto set my hand at Buffalo, New York, this day of May, 1969.

Rose A. Miller

STATE OF NEW YORK)
COUNTY OF ERIE) ss
CITY OF BUFFALO)

On this day of May, 1969, before me, the subscriber, personally appeared ROSE A. MILLER, to me personally known and known to me to be the same person described in and who executed the foregoing Guaranty and she duly acknowledged to me that she executed the same.

Notary Public, Erie County, N.Y.

NL 000041809

N 27445.01

Buffalo, N. Y.
May 26th, 1969

For value received, we, the undersigned, HERBERT J. MILLER, ARTHUR H. MILLER, ELIZABETH L. MILLER and HERBERT M. MILLER, d/b/a Miller Paint & Supply Co., with business address at 2362 Genesee Street, Cheektowaga, New York, 14225, and ROSE A. MILLER, residing at 2362 Genesee Street, Cheektowaga, New York, 14225, promise to pay to the order of NATIONAL LEAD COMPANY, the sum of $46,008.74, with interest at six percent per annum on all unpaid balances from May 5, 1969, payable as follows: At least $500.00 on May 25, 1969, and at least $500.00 on the 25th day of each month thereafter until the full principal amount and interest has been paid. All of the aforesaid payments shall be applied first on interest with the balance to be applied on principal.

All payments are to be made at the office of National Lead Company, 1776 Columbus Road, Cleveland, Ohio, or at any other address hereafter designated by said National Lead Company. In the event of default in making any of the aforesaid payments, the entire balance is to become due and payable.

Herbert J. Miller

Arthur H. Miller
Arthur H. Miller

Elizabeth L. Miller
Elizabeth L. Miller

Herbert M. Miller
Herbert M. Miller

d/b/a Miller Paint & Supply Co.

Rose A. Miller
Rose A. Miller

STATE OF NEW YORK)
COUNTY OF ERIE) ss
CITY OF BUFFALO)

On this 26th day of May, 1969, before me, the subscriber, personally appeared ~~HERBERT J. MILLER~~, ARTHUR H. MILLER, ELIZABETH L. MILLER, HERBERT M. MILLER and ROSE A. MILLER, to me personally known and known to me to be the same persons described in and who executed the foregoing Instrument, and they duly severally acknowledged to me that they executed the same.

William E. Lawson
Notary Public, Erie County, N. Y.

WILLIAM E. LAWSON
Notary Public State of New York
Qualified in Erie County
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Bgw # 5-37

N 27445.02

NL 000041810