

9-9-98



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09-17-1998

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

1. Name of conveying party:

Avtech Corporation
3400 Wallingford Avenue N.
Seattle, WA 98103-9095

2. Name and address of receiving party:

The First National Bank of
Chicago,
as Administrative Agent
One First National Plaza
15th Floor
Chicago, IL 60670

3. Nature of conveyance:

Grant of Patent Security Interest

Execution Date: September 2, 1998

4. Application numbers and patent numbers:

A. Patent Application Nos.

B. Patent Nos.

4,958,108

4,870,327

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

Regina O'Flaherty
Legal Assistant
O'Melveny & Myers LLP
555 13th Street, N.W.
Washington, D.C. 20004

6. Total number of applications and
registrations involved:

2

7. Total fee:

\$80 (Enclosed)

8. Deposit Account Number: N/A

9. Statement and Signature

To the best of my knowledge and belief, the foregoing information is
true and correct and any attached copy is a true copy of the
original document.

Priscilla E. Castillo

Priscilla E. Castillo

9/9/98

Name of Person Signing

Signature

Date

TOTAL NUMBER OF PAGES COMPRISING COVER SHEET: 1

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9/17/1998 JMW/KMS 00000072 4956106
FC:561

PATENT

REEL: 9445 FRAME: 0610

GRANT OF PATENT SECURITY INTEREST

WHEREAS, AVTECH CORPORATION, a Washington corporation (**"Grantor"**), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Patent Collateral (as defined below); and

WHEREAS, DeCrane Aircraft Holdings, Inc., a Delaware corporation (**"Company"**), as successor by merger to DeCrane Finance Co., a Delaware corporation, has entered into a Credit Agreement dated as of August 28, 1998 (said Credit Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented or otherwise modified from time to time, being the **"Credit Agreement"**) with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the **"Lenders"**), DLJ Capital Funding, Inc., as Syndication Agent, and The First National Bank of Chicago, as Administrative Agent for the Lenders (in such capacity, **"Secured Party"**) and as syndication agent and arranger, pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Company; and

WHEREAS, Company may from time to time enter, or may from time to time have entered, into one or more Interest Rate Agreements (collectively, the **"Lender Interest Rate Agreements"**) with one or more Lenders (in such capacity, collectively, **"Lender Counterparties"**); and

WHEREAS, Grantor has executed and delivered that certain Subsidiary Guaranty dated as of September 2, 1998 (said Subsidiary Guaranty, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the **"Guaranty"**) in favor of Secured Party for the benefit of Lenders and any Lender Counterparties, pursuant to which Grantor has guaranteed the prompt payment and performance when due of all obligations of Company under the Credit Agreement and the other Loan Documents and all obligations of Company under the Lender Interest Rate Agreements, including without limitation the obligation of Company to make payments thereunder in the event of early termination thereof; and

WHEREAS, pursuant to the terms of a Security Agreement dated as of September 2, 1998 (as amended, supplemented or otherwise modified from time to time, the **"Security Agreement"**), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Patent Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter

existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Patent Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all patents and patent applications and rights and interests in patents and patent applications under any domestic or foreign law that are presently, or in the future may be, owned or held by such Grantor and all patents and patent applications and rights, title and interests in patents and patent applications under any domestic or foreign law that are presently, or in the future may be, owned by such Grantor in whole or in part (including, without limitation, the patents and patent applications listed in Schedule A), all rights (but not obligations) corresponding thereto to sue for past, present and future infringements and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof (all of the foregoing being collectively referred to as the "**Patents**"); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Patent Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Patent Collateral. For purposes of this Grant of Patent Security Interest, the term "**proceeds**" includes whatever is receivable or received when Patent Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Notwithstanding anything herein to the contrary, in no event shall the Patent Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor's rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Patent Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Patent Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 2nd day of September, 1998.

AVTECH CORPORATION,
a Washington corporation

By: *R. Jack DeCrane*
Name: R. Jack DeCrane
Title: Chief Executive Officer

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**SCHEDULE A
TO
GRANT OF PATENT SECURITY INTEREST**

U.S. Patents Issued:

<u>Patent No.</u>	<u>Issue Date</u>	<u>Invention</u>	<u>Inventor</u>
4,958,108	Sept. 19, 1990	Universal Fluorescent Lamp Ballast	Jeffrey A. Jorgensen (Assigned to Avtech Corporation)
4,870,327	Sept. 26, 1989	High Frequency Electronic Fluorescent Lamp Ballast	Jeffrey A. Jorgensen (Assigned to Avtech Corporation)

Patents Pending:

<u>Applicant's Name</u>	<u>Date Filed</u>	<u>Application Number</u>	<u>Invention</u>	<u>Inventor</u>
None.				