

02-14-2000



101267083

UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

PATENTS ONLY

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

Aviall Services, Inc.  
2075 Diplomat Drive  
Dallas, TX 75234

a Delaware corp.

2. Name and address of receiving party:

BankBoston, N.A., as Agent  
100 Federal Street  
Boston, MA 02110

3. Nature of conveyance: Security Agreement

Execution date: December 23, 1999

4. Application numbers and registration numbers:

- A. Patent numbers:

See Schedule A attached hereto.

- B. Patent application numbers:

N/A

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

Ian de Buy Wenniger, Esq.  
Bingham Dana LLP  
150 Federal Street  
Boston, Massachusetts 02110

6. Total number of applications and patents involved: 5

02/14/2000 BNGUYEN 00000083 4735501

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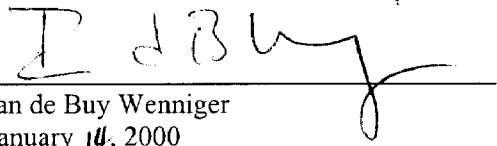
200.00 OP

BUSDOCS:818175.1

PATENT  
REEL: 010539 FRAME: 0295

7. Total fee enclosed: \$200.00
8. Deposit account number: Not applicable
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.

  
\_\_\_\_\_  
Ian de Buy Wenniger  
January 14, 2000

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules): 17

Mail documents to be recorded with required cover sheet information to:

U.S. Patent and Trademark Office  
Office of Public Records  
Crystal Gateway 4, Room 335  
Washington, D.C. 20231

**SCHEDULE A****Intellectual Property**

AVIALL SERVICES, INC.  
U.S. PATENTS OWNED BY AVIALL SERVICES, INC.

<u>PATENT NAME</u>	<u>APPLICATION NO.</u>	<u>FILED</u>	<u>PATENT NO.</u>	<u>ISSUE DATE</u>	<u>EXPIRES</u>
METHOD AND APPARATUS FOR FLUID PROPELLED BORESCOPES	854295	04/21/86	4,735,501	04/05/88	04/05/05
METHOD AND APPARATUS FOR FLUID PROPELLED BORESCOPES	90/001/703	01/30/89	B14735501	11/06/90	04/05/05
METHOD AND APPARATUS FOR SPATIALLY ORIENTING MOVABLE MEMBERS USING SHAPE MEMORY EFFECT ALLOY ACTUATOR	926,357	10/31/86	4,790,624	12/13/88	12/13/05
SHAPE MEMORY EFFECT ALLOY PULL WIRE ARTICULATOR FOR BORESCOPES	36,788	04/10/87	4,846,573	07/11/89	07/11/06
ULTRASONIC CLEANER	942,613	12/15/86	DES. 300,677	04/11/89	04/11/03

**PATENT COLLATERAL ASSIGNMENT**  
**AND SECURITY AGREEMENT**

This PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT dated as of December 23, 1999, is by and between AVIALL SERVICES, INC., a Delaware corporation (the "Assignor"), and BANKBOSTON, N.A., a national banking association, as administrative agent (hereinafter, in such capacity the "Agent") for itself and the other lending institutions party to the Credit Agreement referred to below (hereinafter, collectively, the "Banks").

**WHEREAS**, the Assignor and certain other Subsidiaries of Aviall, Inc. (the "Borrower") have entered into a Guaranty (the "Guaranty"), dated as of the date hereof, in favor of the Banks and the Agent, pursuant to which the Assignor and such other Subsidiaries have, jointly and severally, guaranteed the payment and performance of the Borrower's Obligations under the Credit Agreement and the other Loan Documents to the Banks and the Agent; and

**WHEREAS**, the Borrower and the Agent are parties to a Revolving Credit and Term Loan Agreement dated as of December 23, 1999, (as amended and in effect from time to time, the "Credit Agreement"), between the Borrower, the Banks, Bank of America, N.A., as documentation agent, and the Agent;

**WHEREAS**, it is a condition precedent to the agreement of the Banks to make any loans or otherwise extend credit to the Borrower under the Credit Agreement that the Assignor execute and deliver to the Agent a patent agreement in substantially the form hereof;

**WHEREAS**, the Assignor has executed and delivered to the Agent a Security Agreement of even date herewith (the "Security Agreement"), pursuant to which the Assignor has granted to the Agent a security interest in certain of the Assignor's personal property and fixture assets, including without limitation the patents and patent applications listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations (as defined in the Credit Agreement); and

**WHEREAS**, this Patent Agreement is supplemental to the provisions contained in the Security Agreement;

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

## 1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and, if not defined therein, the Security Agreement. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Patent Agreement referred to below:

Patent Agreement. This Patent Collateral Assignment and Security Agreement, as amended and in effect from time to time.

Patent Collateral. All of the Assignor's right, title and interest in and to all of the Patents, the Patent License Rights, and all other Patent Rights, and all additions, improvements, and accessions to, all substitutions for and replacements of, and all products and Proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records and technical information and data describing or used in connection with any and all such rights, interests, assets or property.

Patent License Rights. Any and all past, present or future rights and interests of the Assignor pursuant to any and all past, present and future licensing agreements in favor of the Assignor, or to which the Assignor is a party, pertaining to any Patents, or Patent Rights, owned or used by third parties in the past, present or future, including the right in the name of the Assignor or, during the continuance of an Event of Default, the Agent to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement.

Patent Rights. Any and all past, present or future rights in, to and associated with the Patents throughout the world, whether arising under federal law, state law, common law, foreign law, or otherwise, including but not limited to the following: all such rights arising out of or associated with the Patents; the right (but not the obligation) to register claims under any federal, state or foreign patent law or regulation; the right (but not the obligation) to sue or bring opposition or bring cancellation proceedings in the name of the Assignor or, during the continuance of an Event of Default, the Agent for any and all past, present and future infringements of or any other damages or injury to the Patents or the Patent Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and the Patent License Rights.

Patents. All patents and patent applications, whether United States or foreign, that are owned by the Assignor or in which the Assignor has any right, title or interest, now or in the future, including but not limited to:

- (a) the patents and patent applications listed on Schedule A hereto (as the same may be amended pursuant hereto from time to time);

(b) all letters patent of the United States or any other country, and all applications for letters patent of the United States or any other country;

(c) all re-issues, continuations, divisions, continuations-in-part, renewals or extensions thereof;

(d) the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein; and

(e) the right (but not the obligation) to make and prosecute applications for such Patents.

Proceeds. Any consideration received from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property which constitutes all or any part of the Patent Collateral, any value received as a consequence of the ownership, possession, use or practice of any Patent Collateral, and any payment received from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes all or any part of the Patent Collateral.

PTO. The United States Patent and Trademark Office.

## **2. GRANT OF SECURITY INTEREST.**

To secure the payment and performance in full of all of the Obligations, the Assignor hereby grants to the Agent a security interest in, and assigns, transfers and conveys to the Agent, BY WAY OF COLLATERAL SECURITY, all of the Patent Collateral. THE AGENT ASSUMES NO LIABILITY ARISING IN ANY WAY BY REASON OF ITS HOLDING SUCH COLLATERAL SECURITY.

## **3. REPRESENTATIONS, WARRANTIES AND COVENANTS.**

The Assignor represents, warrants and covenants that: (i) Schedule A attached hereto sets forth a true and complete list of all the patents, rights to patents and patent applications that are either registered in the name of the Assignor or for which the Assignor has made applications for registration thereof; (ii) the issued Patents are subsisting and to the best of the knowledge of the Assignor have not been adjudged invalid or unenforceable, in whole or in part, and to the best of the knowledge of the Assignor there is no litigation or proceeding pending concerning the validity or enforceability of the issued Patents, which could reasonably be expected to have a material adverse effect on the business, financial condition or assets of the Borrower and in Subsidiaries, taken as a whole; (iii) to the best of the Assignor's knowledge, each of the issued Patents is valid and enforceable; (iv) to the best of the Assignor's knowledge, there is no infringement by

others of the issued Patents or Patent Rights; (v) no claim has been made that the use of any of the Patents does or may violate the rights of any third person, and to the best of the Assignor's knowledge there is no infringement by the Assignor of the patent rights of others, which could reasonably be expected to have a material adverse effect on the business, financial condition or assets of the Borrower and in Subsidiaries, taken as a whole; (vi) the Assignor is the registered owner of the entire and unencumbered right, title and interest in and to each of the Patents (other than ownership and other rights reserved by third party owners with respect to Patents which the Assignor is licensed to practice or use), free and clear of any liens, charges, encumbrances and adverse claims, including without limitation pledges, assignments, licenses, shop rights and covenants by the Assignor not to sue third persons, other than the security agreement and mortgage created by the Security Agreement and this Patent Agreement and other than Permitted Liens under the Credit Agreement; (vii) the Assignor has the corporate power and right to enter into this Patent Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees which will enable it to comply with the covenants herein contained; (viii) this Patent Agreement, together with the Security Agreement, will create in favor of the Agent a valid and perfected first priority security interest in the Patent Collateral upon making the filings referred to in clause (ix) of this §3; and (ix) except for the filing of financing statements with Secretary of State of the State of Texas under the Uniform Commercial Code, the filing of certain releases of security agreements with the PTO, and the filing of this Patent Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (1) for the grant by the Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Patent Agreement by the Assignor, or (2) for the perfection of or the exercise by the Agent of any of its rights and remedies hereunder.

#### **4. NO TRANSFER OR INCONSISTENT AGREEMENTS.**

Without the Agent's prior written consent and except for licenses of the Patent Collateral in the ordinary course of the Assignor's business consistent with its past practices, the Assignor will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Patent Collateral, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Assignor's obligations under this Patent Agreement or the Security Agreement.

#### **5. AFTER-ACQUIRED PATENTS, ETC.**

**5.1. After-acquired Patents.** If, before the Obligations shall have been finally paid and satisfied in full, the Assignor shall obtain any right, title or interest in or to any other or new patents, patent applications or patentable inventions, or

become entitled to the benefit of any patent application or patent or any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent Collateral or any improvement on any of the Patent Collateral, the provisions of this Patent Agreement shall automatically apply thereto and the Assignor shall promptly give to the Agent notice thereof in writing and execute and deliver to the Agent such documents or instruments as the Agent may reasonably request further to grant a security interest therein to the Agent.

**5.2. Amendment to Schedule.** The Assignor authorizes the Agent to modify this Patent Agreement, without the necessity of the Assignor's further approval or signature, by amending Schedule A hereto to include any future or other Patents or Patent Rights under §2 or §5 hereof.

## **6. PATENT PROSECUTION.**

**6.1. Assignor Responsible.** The Assignor shall assume full and complete responsibility for the prosecution, grant, enforcement or any other necessary or reasonably desirable actions in connection with the Patent Collateral, and shall hold the Agent harmless from any and all costs, damages, liabilities and expenses which may be incurred by the Agent in connection with the Agent's security interest in any of the Patent Collateral or any other action or failure to act in connection with this Patent Agreement or the transactions contemplated hereby, other than a result of the Agent's gross negligence or willful misconduct. In respect of such responsibility, the Assignor shall retain patent counsel reasonably acceptable to the Agent, it being agreed that Jones, Day, Reavis & Pogue is patent counsel acceptable to the Agent.

**6.2. Assignor's Duties, Etc.** The Assignor shall have the duty, through patent counsel acceptable to the Agent, to prosecute diligently any patent applications of the Patents pending as of the date of this Patent Agreement or thereafter, to make application for unpatented but reasonably patentable inventions and to preserve and maintain all rights in the Patents, including without limitation the payment when due of all maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Patents, except to the extent the failure to do so could not reasonably be expected to have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole. Any expenses incurred in connection with such applications and actions shall be borne by the Assignor. The Assignor shall not abandon any filed patent application, or any pending patent application or patent, without the consent of the Agent, which consent shall not be unreasonably withheld unless such abandonment could not reasonably be expected to have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.



**6.3. Assignor's Enforcement Rights.** The Assignor shall have the right (and during the continuance of an Event of Default with the consent of the Agent, which shall not be unreasonably withheld) to bring suit or other action in the Assignor's own name to enforce the Patents and the Patent Rights. The Agent shall be required to join in such suit or action as may be necessary to assure the Assignor's ability to bring and maintain any such suit or action in any proper forum so long as the Agent is completely satisfied that such joinder will not subject the Agent to any risk of liability. The Assignor shall promptly, upon demand, reimburse and indemnify the Agent for all damages, costs and expenses, including reasonable legal fees, incurred by the Agent pursuant to this §6.

**6.4. Protection of Patents, Etc.** In general, the Assignor shall take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Patent Collateral, except where the failure to do so could not reasonably be expected to have a material adverse effect on the business, financial condition and assets of the Borrower and its Subsidiaries, taken as a whole. The Assignor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, which would affect the validity, grant or enforcement of any of the Patent Collateral, except where the failure to do so could not reasonably be expected to have a material adverse effect on the business, financial condition and assets of the Borrower and its Subsidiaries, taken as a whole.

**6.5. Notification by Assignor.** Promptly upon obtaining knowledge thereof, the Assignor will notify the Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Patents or the Assignor's rights, title or interests in and to any of the Patent Collateral, and of any event which does or reasonably could materially adversely affect the value of any of the Patent Collateral, the ability of the Assignor or the Agent to dispose of any of the Patent Collateral or the rights and remedies of the Agent in relation thereto (including but not limited to the levy of any legal process against any of the Patent Collateral).

## **7. REMEDIES.**

If any Event of Default shall have occurred and be continuing, then upon notice by the Agent to the Assignor the Agent shall have, in addition to all other rights and remedies given it by this Patent Agreement, the Credit Agreement, the Security Agreement, and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts and, without limiting the generality of the foregoing, the Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand

whatsoever to the Assignor, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Patent Collateral, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in the Security Agreement. Notice of any sale, license or other disposition of any of the Patent Collateral shall be given to the Assignor at least ten (10) Business Days before the time that any intended public sale or other disposition of such Patent Collateral is to be made or after which any private sale or other disposition of such Patent Collateral may be made, which the Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Patent Collateral or interests therein sold, licensed or otherwise disposed of.

#### **8. COLLATERAL PROTECTION.**

If the Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Assignor shall be breached, the Agent, in its own name or that of the Assignor (in the sole discretion of the Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignor agrees promptly to reimburse the Agent for any cost or expense incurred by the Agent in so doing.

#### **9. POWER OF ATTORNEY.**

If any Event of Default shall have occurred and be continuing, the Assignor does hereby make, constitute and appoint the Agent (and any officer or agent of the Agent as the Agent may select in its exclusive discretion) as the Assignor's true and lawful attorney-in-fact, with the power to endorse the Assignor's name on all applications, documents, papers and instruments necessary for the Agent to use any of the Patent Collateral, to practice, make, use or sell the inventions disclosed or claimed in any of the Patent Collateral, to grant or issue any exclusive or nonexclusive license of any of the Patent Collateral to any third person, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which the Assignor is obligated to execute and do hereunder. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases the Agent from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Agent under this power of attorney (except for the Agent's gross

negligence or willful misconduct). This power of attorney shall be irrevocable for the duration of this Patent Agreement.

#### **10. FURTHER ASSURANCES.**

The Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Agent may reasonably request or as may be necessary or reasonably appropriate in order to implement and effect fully the intentions, purposes and provisions of this Patent Agreement, or to assure and confirm to the Agent the grant, perfection and priority of the Agent's security interest in any of the Patent Collateral.

#### **11. TERMINATION.**

At such time as all of the Obligations have been finally paid and satisfied in full, this Patent Agreement shall terminate and the Agent shall, upon request by and at the expense of the Assignor, execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to terminate this Patent Agreement and release the Patent Collateral from the security interest of the Agent therein, subject to any disposition of all or any part thereof which may have been made by the Agent pursuant hereto or the Security Agreement.

#### **12. COURSE OF DEALING.**

No course of dealing among the Assignor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under the Security Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

#### **13. EXPENSES.**

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Agent in connection with the preparation of this Patent Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving any of the Patent Collateral, or in defending or prosecuting any

actions or proceedings arising out of or related to any of the Patent Collateral, shall be borne and paid by the Assignor as set forth in the Credit Agreement.

**14. OVERDUE AMOUNTS.**

Until paid, all amounts due and payable by the Assignor hereunder shall be a debt secured by the Patent Collateral and the other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in §6.11 of the Credit Agreement.

**15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.**

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE AGENT ASSUMES NO LIABILITIES OF THE ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PATENT COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE, EXCEPT AS MAY ARISE DIRECTLY FROM THE AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE ASSIGNOR, AND THE ASSIGNOR SHALL INDEMNIFY THE AGENT FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING REASONABLE LEGAL FEES, INCURRED BY THE AGENT WITH RESPECT TO SUCH LIABILITIES.

**16. RIGHTS AND REMEDIES CUMULATIVE.**

All of the Agent's rights and remedies with respect to the Patent Collateral, whether established hereby or by the Security Agreement or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Patent Agreement is supplemental to the Security Agreement, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Agent contained therein. Nothing contained in this Patent Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Patent Collateral granted to the Agent under the Security Agreement.

**17. NOTICES.**

All notices and other communications made or required to be given pursuant to this Patent Agreement shall be in writing and shall be delivered in hand, mailed by United States registered or certified first-class mail, postage prepaid, sent by

overnight courier or sent by telecopy and confirmed by delivery via courier or postal service, addressed as follows:

- (a) if to the Assignor, in the manner set forth in the Guaranty; and
- (b) if to the Agent, in the manner set forth in §21 of the Credit Agreement.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed or by overnight courier to such officer, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, three (3) Business Days after the posting thereof, and (iii) if sent by telecopy, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

#### **18. AMENDMENT AND WAIVER.**

This Patent Agreement is subject to modification only by a writing signed by the Agent and the Assignor, except as provided in §5.2. The Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Agent. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

#### **19. GOVERNING LAW; CONSENT TO JURISDICTION.**

**THIS PATENT AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS (WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OR CHOICE OF LAW).** The Assignor agrees that any suit for the enforcement of this Patent Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the nonexclusive jurisdiction of such court and to service of process in any such suit being made upon the Assignor by mail at the address referred to in §18. The Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

#### **20. WAIVER OF JURY TRIAL.**

**EACH OF THE ASSIGNOR AND THE AGENT WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS PATENT AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE**

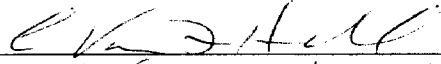
**PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS.** Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Assignor (i) certifies that neither the Agent nor any representative, agent or attorney of the Agent has represented, expressly or otherwise, that the Agent would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Agent is a party, the Agent is relying upon, among other things, the waivers and certifications contained in this §21.

## **21. MISCELLANEOUS.**

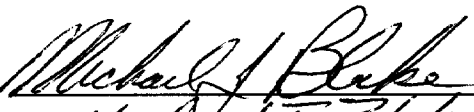
The headings of each section of this Patent Agreement are for convenience only and shall not define or limit the provisions thereof. This Patent Agreement and all rights and obligations hereunder shall be binding upon the Assignor and its successors and assigns, and shall inure to the benefit of the Agent and its successors and assigns. In the event of any irreconcilable conflict between the provisions of this Patent Agreement and the Credit Agreement, or between this Patent Agreement and the Security Agreement, the provisions of the Credit Agreement or the Security Agreement, as the case may be, shall control. If any term of this Patent Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Patent Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Assignor acknowledges receipt of a copy of this Patent Agreement.

IN WITNESS WHEREOF, this Patent Agreement has been executed as of the day and year first above written.

**AVIALL SERVICES, INC.**

By:   
Name: C Van Den Handel  
Title: VP & Treasurer

**BANKBOSTON, N.A., as Agent**

By:   
Name: Michael J. Blake  
Title: Director

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OF Massachusetts )  
COUNTY OF Suffolk ) ss.

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 23rd day of December, 1999 personally appeared C. Van Den Handel to me known personally, and who, being by me duly sworn, deposes and says that he is the Vice President & Treasurer of Aviall Services, Inc., and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said C. Van Den Handel acknowledged said instrument to be the free act and deed of said corporation.

Rosemary B. Sawa  
Notary Public

My commission expires:

My Commission Expires February 22, 2002



**SCHEDULE A****Intellectual Property**

AVIALL SERVICES, INC.  
U.S. PATENTS OWNED BY AVIALL SERVICES, INC.

<u>PATENT NAME</u>	<u>APPLICATION NO.</u>	<u>FILED</u>	<u>PATENT NO.</u>	<u>ISSUE DATE</u>	<u>EXPIRES</u>
METHOD AND APPARATUS FOR FLUID PROPELLED BORESCOPIES	854295	04/21/86	4,735,501	04/05/88	04/05/05
METHOD AND APPARATUS FOR FLUID PROPELLED BORESCOPIES	90/001/703	01/30/89	B14735501	11/06/90	04/05/05
METHOD AND APPARATUS FOR SPATIALLY ORIENTING MOVABLE MEMBERS USING SHAPE MEMORY EFFECT ALLOY ACTUATOR	926,357	10/31/86	4,790,624	12/13/88	12/13/05
SHAPE MEMORY EFFECT ALLOY PULL WIRE ARTICULATOR FOR BORESCOPIES	36,788	04/10/87	4,846,573	07/11/89	07/11/06
ULTRASONIC CLEANER	942,613	12/15/86	DES. 300,677	04/11/89	04/11/03