

10-04-2002

10-402

Form PTO-1595 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

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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(ies): DRS Power & Control Technologies, Inc. Additional name(s) of conveying party(ies) attached? Yes No

10-4-02

2. Name and address of receiving party(ies) Name: Wachovia Bank, National Association as Collateral Agent Internal Address:

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Execution Date: September 24, 2002

Street Address: One Wachovia Center, 5th Floor City: Charlotte State: NC Zip: 28288 Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: A. Patent Application No.(s) B. Patent No.(s)

09/686,156 09/607,238 09/929,971 09/561,321

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Rene LeBlanc-Allman Internal Address: Kennedy Covington Lobdell & Hickman, LLP Street Address: 214 N. Tryon Street, 47th Floor City: Charlotte State: NC Zip: 28202

6. Total number of applications and patents involved: 4 7. Total fee (37 CFR 3.41): \$ 160.00 Enclosed Authorized to be charged to deposit account

8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Betty G. Smith Name of Person Signing Betty G. Smith Signature 9/30/2002 Date

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

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

10/04/2002 6TON11 00000101 09686156 01 FC:581 160.00 OP

PATENT REEL: 013344 FRAME: 0792

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement") is entered into as of this 24th day of September, 2002 by DRS POWER & CONTROL TECHNOLOGIES, INC., a corporation organized under the laws of Delaware (the "Grantor"), in favor of WACHOVIA BANK, NATIONAL ASSOCIATION (formerly known as First Union National Bank), as Collateral Agent (the "Collateral Agent") under the Credit Agreement (as defined below).

STATEMENT OF PURPOSE

WHEREAS, the Grantor owns the Patents listed on Schedule 1 annexed hereto; and

WHEREAS, pursuant to the terms of the Collateral Agreement dated September 28th, 2001 (as supplemented by that Joinder Agreement dated as of July 22, 2002, and as may be further amended, restated, supplemented or otherwise modified from time to time, the "Collateral Agreement"), between the Grantor and the Collateral Agent, the Grantor has granted to the Collateral Agent a security interest in certain assets of the Grantor, including all right, title and interest of the Grantor in, to and under all Patent Collateral (as hereinafter defined) to secure the payment of all Obligations owing by DRS Technologies, Inc., as Borrower (the "Borrower") under the Credit Agreement, dated September 28th, 2001, by and among the Borrower, the Lenders party thereto and the Collateral Agent, and the other Loan Documents. All capitalized terms defined in the Credit Agreement or the Collateral Agreement and not otherwise defined herein have the respective meanings provided for in the Credit Agreement or the Collateral Agreement, as applicable.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. **Grant of Security Interest.** Grantor does hereby grant to the Collateral Agent a continuing security interest in all of Grantor's right, title and interest in the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now or hereafter acquired, in order to secure the Obligations referred to herein:

(a) each Patent, including, without limitation, each Patent referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof;

(b) all patent licenses and other agreements providing the Grantor with the right to use, or pursuant to which the Grantor provides the right to use, any of the items described in Section 1(a) (together, the "Patent Licenses"), including each Patent license referred to in Schedule 1 annexed hereto; and

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(c) all products and proceeds of, and the rights associated with, the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement of any Patent, including, without limitation, the Patents referred to in Schedule 1 annexed hereto, the Patents issued with respect to the Patent applications referred to in Schedule 1 and, to the extent applicable, the patents licensed under any Patent License, or (ii) breach or enforcement of any Patent License.

2. **Other Security Interests.** This security interest is granted in conjunction with the security interests granted to the Collateral Agent pursuant to the Collateral Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest granted herein are without prejudice to, and are in addition to, those set forth in the Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provisions of this Agreement are deemed to conflict with the Collateral Agreement, the provisions of the Collateral Agreement shall govern.

3. **Restrictions on Future Agreements.** The Grantor agrees that until all Obligations shall have been satisfied in full and the Credit Agreement shall have been terminated, the Grantor will not, without the Collateral Agent's prior written consent, enter into any agreement including, without limitation, any license agreement, which is inconsistent with the Grantor's obligations under this Agreement if such action would reasonably be expected to materially adversely affect the fair market value of the Patent Collateral or the benefits of this Agreement to the Collateral Agent, and the Grantor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would materially adversely affect the validity or enforcement of the rights transferred to the Collateral Agent under this Agreement.

4. **New Patents.** The Grantor represents and warrants to the Collateral Agent that the Patents listed on Schedule 1 annexed hereto and the license agreements listed on Schedule 1 annexed hereto constitute all of the Patents now owned by or licensed to the Grantor which have been issued or applied for in the United States Patent and Trademark Office. If, before the Obligations have been satisfied in full and the Credit Agreement terminated, the Grantor shall obtain rights to any new patents or patent applications granted or filed in the United States or in any foreign country, the provisions of Section 1 above shall automatically apply thereto and the Grantor shall give to the Collateral Agent prompt written notice thereof. The Grantor hereby authorizes the Collateral Agent to modify this Agreement upon such written notice by amending Schedule 1 annexed hereto to include any future patents, patent applications and license agreements which are Patents, as applicable, under Section 1 above or under this Section 4.

5. **Lenders Not Liable.** Neither the Collateral Agent nor any Lender by virtue of this Agreement assumes any obligations whatsoever in respect of the Patent Collateral including, without limitations, any obligation to renew registrations of or defend the validity or enforceability of the Patent Collateral.

6. **Counterparts.** This Agreement may be executed by one or more of the parties to this

Agreement on any number of separate counterparts (including by telecopy) and all of said counterparts, taken together, shall be deemed to constitute one and the same instrument.

7. **Successors and Assigns.** This Agreement shall be binding upon the successors and assigns of the Grantor and shall inure to the benefit of the Grantor, the Administrative Agent and the Lenders and their successors and assigns; provided that the Grantor may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.


[Signature Pages Follow]

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PATENT
REEL: 013344 FRAME: 0795

IN WITNESS WHEREOF, Grantor has caused this Agreement to be duly executed by its duly authorized officer thereunto, all as of the date first set forth above.

DRS POWER & CONTROL TECHNOLOGIES,
INC., as Grantor

By:  _____

Name: Nina Laserson Dunn

Title: Secretary

[Signature Pages Continue]

ACKNOWLEDGMENT

STATE OF NEW JERSEY

COUNTY OF MORRIS

I, Andrea J. Hayward, a Notary Public for said County and State, do hereby certify that Nina Laserson Dunn personally appeared before me this day and stated that she is Secretary of DRS POWER & CONTROL TECHNOLOGIES, INC.

Witness my hand and official seal, this 24th day of September, 2002.

Andrea J. Hayward
Notary Public

My commission expires:

October 20, 2005

Agreed and Accepted as of the
24th day of September, 2002.

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Collateral Agent

By: Barbara Van Meerten

Name: Barbara Van Meerten

Title: Director

[Acknowledgment Follows]

[Patent Security Agreement – DRS Power & Control Technologies, Inc.]

PATENT
REEL: 013344 FRAME: 0798

Schedule 1
to Patent
Security Agreement

Patents

<u>Patent</u>	<u>Patent Number</u>	<u>Issue Date</u>
None.		

Patent Applications

<u>Patent</u>	<u>Application Number</u>	<u>Filing Date</u>
Method and System of Harmonic Regulation	09/686,156	February 1, 2001
High Speed Rotor	09/929,971	August 15, 2001
Network Bridge Card	09/607,238	June 30, 2000
LCD Driver and Method	09/561,321	April 28, 2000

Licenses

None.

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[Assignment of Security Interest in US Patents and Trademarks]

RECORDED: 10/04/2002

**PATENT
REEL: 013344 FRAME: 0799**