

11-14-2002

133,020-71

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 ⇌ ⇌ ⇌ ▼ ▼ ▼ ▼ ▼

102279825

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

1. Name of conveying party(ies):  
PEI Electronics, Inc.

11-6-02

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☒ Other Grant of Patent Security Interest

Execution Date: October 31, 2002

2. Name and address of receiving party(ies)

Name: Canadian Imperial Bank of Commerce, acting  
through one or more of its agencies, branches or  
affiliates, as Administrative Agent

Internal Address: \_\_\_\_\_

Street Address: 425 Lexington Avenue

City: New York State: NY Zip: 10017

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):

60/388,539 10/085,506

B. Patent No.(s):

Additional numbers attached? ☐ Yes ☒ No

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

Name Edward Friedler, Esq.

Internal Address: \_\_\_\_\_

Street Address: O'MELVENY & MYERS LLP

400 South Hope Street

City: Los Angeles State: CA Zip: 90071-2899

6. Total number of applications and patents involved: 2

7. Total fee (37 CFR 3.41).....\$ 80.00

☒ 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.*

Edward Friedler, Esq.

Name of Person Signing

Signature

November 6, 2002

Date

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

11/13/2002 LNUELLER 00000293 60388539

01 FC:0021

80.00 OP

LA1:986800.1

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

PATENT  
REEL: 013471 FRAME: 0050

## GRANT OF PATENT SECURITY INTEREST

**WHEREAS, PEI Electronics, Inc.**, a Delaware 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, Integrated Defense Technologies, Inc. ("Borrower")**, has entered into an Amended and Restated Credit Agreement dated as of October 31, 2002 (said Amended and Restated Credit Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented, restated 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**") and Canadian Imperial Bank of Commerce, acting through one or more of its agencies, branches or affiliates ("**CIBC**") as administrative agent, 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 Borrower; and

**WHEREAS, Borrower** may from time to time enter, or may from time to time have entered, into one or more Hedge Agreements (collectively, the "**Lender Hedge Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Hedge Agreements are entered into (in such capacity, collectively, "**Hedge Providers**"); and

**WHEREAS, Grantor** has executed and delivered that certain Subsidiary Guaranty dated as of March 4, 2002 (said Subsidiary Guaranty, as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Guaranty**") in favor of Secured Party for the benefit of Lenders and any Hedge Providers, pursuant to which Grantor has guarantied the prompt payment and performance when due of all obligations of Borrower under the Credit Agreement and the other Loan Documents and all obligations of Borrower under the Lender Hedge Agreements, including without limitation the obligation of Borrower to make payments thereunder in the event of early termination thereof; and

**WHEREAS, pursuant to the terms of a Security Agreement** dated as of March 4, 2002 (as amended, supplemented, restated or otherwise modified from time to time, the "**Security Agreement**"), among Grantor, CIBC as secured party ("**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, as security for the Secured Obligations;

**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 (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406 or 9-408 of the UCC or any other applicable law (including the Bankruptcy Code) or principles of equity); 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 31<sup>st</sup> day of October, 2002.

**PEI ELECTRONICS, INC.**

By:   
Its Authorized Signatory

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

**Patents Pending:**

<u>Applicant</u>	<u>Serial No.</u>	<u>Date Filed</u>
PEI Electronics, Inc.	60/388,539	01/24/2002
PEI Electronics, Inc.	10/085,506	02/28/2002

Schedule A

Grant of Patent  
Security Interest

LA1:985840.3

**RECORDED: 11/06/2002**

**PATENT**  
**REEL: 013471 FRAME: 0054**