

12-04-2002



Form PTO-1595 (Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings

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

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

1. Name of conveying party(ies):

PTI Acquisition Ltd.

11.75.02

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

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

Execution Date: November 8, 2002

2. Name and address of receiving party(ies)

Name: LaSalle Bank National Association

Internal Address: _____

Street Address: 135 South LaSalle Street

City: Chicago State: IL Zip: 60603

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)

See attached

B. Patent No.(s)

See attached

Additional numbers attached? Yes No

07379112

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

Name: Rebecca C. Ambriz, Paralegal

Internal Address: Sonnenschein Nath

& Rosenthal

8000 Sears Tower

Street Address: 233 South Wacker Drive

City: Chicago State: IL Zip: 60606

6. Total number of applications and patents involved: 12

7. Total fee (37 CFR 3.41).....\$480.00

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.

Rebecca C. Ambriz

Name of Person Signing

Rebecca C. Ambriz
Signature

11/21/02
Date

Total number of pages including cover sheet, attachments, and documents: 13

12/03/2002 LMUELLER 00000150 07379112

01 FC:8021

480.00 DP

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

PATENT
REEL: 013532 FRAME: 0305

ATTACHMENT TO RECORDATION FORM COVER SHEET

<u>Invention</u>	<u>Application No.</u> <u>Filing Date</u>	<u>Patent No.</u> <u>Issue Date</u>
Engine Block Heater	07/379112 8/22/1989	5021633 6/4/1991
Method For Engine Block Heater Installation	626191 12/12/1990	5117556 6/2/1992
Portable Heater	562168 12/16/1983	D288958 3/24/1987
Diesel Fuel Temperature Controlling Apparatus	224917 1/14/1981	4393851 7/19/1983
Electric Engine Block Heater With Flanged Screw	08/249635 5/26/1994	5567337 10/22/1996
Engine Block Heater And Electrical Connector Thereto	08/246612 5/20/1994	5538439 7/23/1996
Modular High Density Electric Heating Element Arrangement For An Air Flow Heater	846873 3/6/1992	5334818 8/2/1994
Cord Set Receptacle	08/928296 9/12/1997	5885098 3/23/1999
Bumper Mounted Cord Set	09/092527 6/5/1998	6039602 3/21/2000
Bumper Mounted Cord Set	09/470476 12/22/1999	6179654 1/30/2001
Cord Plug With Protector Cap	09/274735 3/23/1999	6171118 1/9/2001
Surface Mounted Receptacle Assembly	10/010385 12/6/2001	

PATENT AND LICENSE SECURITY AGREEMENT

PATENT AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of November 8, 2002, made by PTI Acquisition Ltd. ("Grantor"), a Nova Scotia corporation, in favor of LASALLE BANK NATIONAL ASSOCIATION, a national banking association, as agent (the "Agent") for the lenders ("Lenders") who are parties with others to that certain Credit Agreement of even date herewith (as the same may hereafter be amended or otherwise modified from time to time, the "Credit Agreement") by and among Grantor, Lenders, Agent and others.

WITNESSETH:

WHEREAS, Lenders, Agent, Grantor and others have entered into the Credit Agreement pursuant to which Lenders have, subject to certain conditions precedent, agreed to make loans, advances and other financial accommodations (collectively, the "Loans") to Grantor; and

WHEREAS, Lenders have required as a condition, among others, to the making of the Loans, in order to secure the prompt and complete payment, observance and performance of all of Grantor's obligations and liabilities hereunder, under the Credit Agreement, and under all of the other instruments, documents and agreements executed and delivered by Grantor to Agent in connection with the Credit Agreement (all such obligations and liabilities being hereinafter referred to collectively as the "Obligations"), that Grantor execute and deliver this Agreement to Agent for its benefit and the ratable benefit of Lenders;

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Defined Terms.

(i) Unless otherwise defined herein, the capitalized terms used herein which are defined in the Credit Agreement shall have the meanings specified in the Credit Agreement.

(ii) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and schedule references are to this Agreement unless otherwise specified.

(iii) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Security Interest in Patents. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Grantor hereby grants to Agent for its benefit and the ratable benefit of Lenders, a first priority security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of Grantor's now owned or existing and filed and hereafter acquired or arising and filed:

(i) patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents and patent

applications listed on Schedule A attached hereto, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in the foregoing clauses (a)-(d) in this Section 2(i), being sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(ii) license agreements with any other party in connection with any Patents or such other party's patents or patent applications, whether Grantor is licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule A attached hereto, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Agent's rights under the Credit Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 2(ii), the Licenses shall not include any license agreement which by its terms prohibits the grant of the security interest contemplated by this Agreement.

3. Restrictions on Future Agreements. After the date hereof, Grantor will not, without Agent's prior written consent (such consent not to be unreasonably withheld), enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and will use its commercially reasonable efforts not to permit any action to be taken by licensees or others subject to its control, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to Agent under this Agreement or the rights associated with those Patents which are necessary or desirable in the operation of Grantor's business.

4. New Patents. Grantor represents and warrants that the Patents and Licenses listed on Schedule A, respectively, include all of the patents, patent applications and license agreements in connection with patents or patent applications now owned or held by Grantor. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new patentable inventions or license agreements in connection with patents or patent applications or (ii) become entitled to the benefit of any patent, patent application or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Section 2 shall automatically apply thereto and Grantor shall give to Agent prompt written notice thereof. Grantor hereby authorizes Agent to modify this Agreement by (a) amending Schedule A, as the case may be, to include any future patents, patent applications and license agreements in connection with patents and patent applications that are Patents or Licenses under Section 2 or under this Section 4, and (b) filing, in addition to and not in substitution for, this Agreement, a duplicate original of this Agreement containing on Schedule A thereto, as the case may be, such future patents, patent applications and license agreements which are Patents or Licenses, as the case may be, under Section 2 or this Section 4.

5. Royalties. Grantor hereby agrees that the use by Agent of the Patents and Licenses as authorized pursuant to Section 11 shall, to the extent permitted by applicable law, be coextensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Agent to Grantor.

6. Nature and Continuation of Agent's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and the Licenses and shall remain in full force and effect until the Obligations have been paid in full and the Credit Agreement terminated in accordance with its terms. At such time, the rights granted to Agent hereunder shall also terminate and Agent shall deliver to Grantor all such documents and instruments as may reasonably be necessary to terminate the Liens created pursuant to this Agreement and to evidence such termination, including, without limitation, the rights granted under Section 21.

7. Further Assignments and Security Interests. Grantor agrees not to sell or assign its interests in, or grant any license under, the Patents or the Licenses without the prior written consent of Agent (such consent not to be unreasonably withheld).

8. Duties of Grantor. Grantor shall have the duty to the extent desirable in the normal conduct of Grantor's business and consistent with Grantor's current business practices: (i) to use reasonable efforts to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or thereafter until the termination of this Agreement; (ii) to make application on such unpatented but patentable inventions as Grantor deems appropriate; and (iii) to take reasonable steps to preserve and maintain all of Grantor's rights in the patent applications and patents that are part of the Patents. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Grantor shall not abandon any right to file a patent application or any pending patent application or patent which is or shall be necessary or economically desirable, in the Grantor's reasonable judgment, in the operation of Grantor's business. Grantor agrees to retain an experienced patent attorney for the filing and prosecution of all such applications and other proceedings. Agent shall not have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, Agent shall not be under obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but may do so at its option during the continuance of an Event of Default, and all reasonable expenses incurred in connection therewith shall be for the sole account of Grantor and added to the Obligations secured hereby.

9. Agent's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, and subject to the terms of the Credit Agreement, Agent shall have the right, but shall not be obligated, to bring suit to enforce the Patents and the Licenses, and, if Agent shall commence any such suit, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents reasonably required by Agent in aid of such enforcement. Grantor shall, upon demand, promptly reimburse and indemnify Agent for all reasonable costs and expenses incurred by Agent in the exercise of its rights under this Section 9 (including, without limitation, all reasonable attorneys' and paralegals' fees). If, for any reason whatsoever, Agent is not reimbursed with respect to the costs and expenses referred to in the preceding sentence, such costs and expenses shall be added to the Obligations secured hereby.

10. Waivers. No course of dealing between Grantor and Agent, and no failure to exercise or delay in exercising on the part of Agent any right, power or privilege hereunder or under the Credit Agreement shall operate as a waiver of any of Agent's rights, powers or privileges. No single or partial exercise of any right, power or privilege hereunder or under the Credit Agreement shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. Agent's Exercise of Rights and Remedies Upon Event of Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, Agent may exercise any of the rights and remedies provided in this Agreement, the Credit Agreement, or any other agreement executed in connection therewith. Without limiting the generality of the foregoing, Grantor acknowledges and agrees that (i) the Patents and the Licenses comprise a portion of the Collateral and Agent shall have the right to exercise its rights under the Credit Agreement with respect to the Patents and the Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the occurrence and during the continuation of an Event of Default, Agent or its nominee may use the Patents and the Licenses in connection with the conduct of Grantor's business.

12. Authority of Agent. Grantor acknowledges that the rights and responsibilities of Agent under this Agreement with respect to any action taken by Agent or the exercise or nonexercise by Agent of any right or remedy provided for herein or resulting or arising out of this Agreement shall, as between Agent and Lenders, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between Agent and Grantor, Agent shall be conclusively presumed to be acting as agent for Lenders with full and valid authority so to act or refrain from acting, and Grantor shall be under no obligation, or entitlement, to make any inquiry respecting such authority.

13. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 4 hereof or by a writing signed by all the parties hereto.

15. Cumulative Remedies; Power of Attorney. All of Agent's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Grantor hereby irrevocably appoints Agent as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise to carry out the acts described below. Subject to the terms of the Credit Agreement, upon the occurrence and during the continuance of an Event of Default and the giving by Agent of written notice to Grantor of Agent's intention to enforce its rights and claims against Grantor, Grantor hereby authorizes Agent to, in its sole discretion, (i) endorse Grantor's name on all applications, documents, papers

and instruments necessary or desirable for Agent in the use of the Patents and the Licenses, (ii) take any other actions with respect to the Patents and the Licenses as Agent deems is in the best interest of Agent and the Lenders, (iii) grant or issue any exclusive or non-exclusive license with respect to the Patents to anyone on commercially reasonable terms, and (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents and the Licenses to anyone on commercially reasonable terms. Grantor hereby ratifies all actions that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement shall have been terminated pursuant to Section 6. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Credit Agreement, but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Personal Property Security Act as enacted in any jurisdiction in which the Patents may be located or deemed located.

16. Binding Effect; Benefits. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of Agent, and its nominees, successors and assigns as permitted by the Credit Agreement. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Grantor; provided, however, that Grantor shall not voluntarily assign its obligations hereunder without the prior written consent of Agent.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws (as distinguished from the conflicts of law provisions) and decisions of the Province of Manitoba and the federal laws of Canada applicable therein.

18. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Credit Agreement.

19. Section Headings. The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

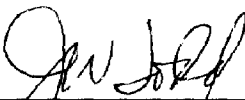
21. Right to Record Security Interest. Agent shall have the right, but not the obligation, at the expense of Grantor, to record this Agreement in the Canadian Intellectual Property Office and with such other recording authorities deemed reasonable and proper by Agent, and Agent shall advise Grantor of such recordings. Upon satisfaction in full of the Obligations and termination of the Credit Agreement in accordance with its terms, Grantor shall have the right to effect the recording of such satisfaction or termination, at the expense of Grantor, in the Canadian Intellectual Property Office and with such other recording authorities deemed reasonable and proper by Grantor. Agent and Grantor shall promptly cooperate to effect all such recordings hereunder.

22. Copy of Agreement and Financing Statement. The Borrower acknowledges receiving a copy of this Agreement and waives all rights to receive from the Lender a copy of any financing statement, financing change statement or verification statement filed, issued, or obtained at any time in respect of this Agreement.

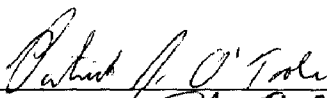
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year first above written.

PTI ACQUISITION LTD.

By: 
Name: JAMES W. TODD
Title: PRESIDENT + CEO

**LASALLE BANK NATIONAL ASSOCIATION,
a national banking, as Agent for the Lenders**

By: 
Name: PATRICK J. O'TOOLE
Title: AVP

SCHEDULE A
to Patent and License Security Agreement

PATENTS

See Attached



Harness, Dickey & Pierce

The Budd Company Patent Portfolio by Owner/Assignee U.S. and Foreign -- Active Cases

HDP Case ID	Country	Appln. No.	Patent No.	Publication No.	Next Tax Date	Status/Substatus
Client Ref. No.	Case Type--Relationship--Filing Type	Filing Date	Issue Date	Publication Date	Expiration Date	

2872P-000182JUS	United States	07/379112	5021633		12/4/2002	Granted
	Regular--Original Filing--Patent Cooperation Treaty	8/22/1989	6/4/1991		8/22/2009	

Title: Engine Block Heater

Inventors: SCHAEFER, Ronald H.

History: Claims priority to CA PCT SN 585890, filed 12/14/88.

2872P-000182JUS/DVA	United States	626191	5117556		12/2/2003	Granted
	Regular--Division--National	12/12/1990	6/2/1992		8/22/2009	

Title: Method For Engine Block Heater Installation

Inventors: SCHAEFER, Ronald H.

History: DIV of 397112, Filed 08/22/89; Based on CA SN 585890, Filed 12/14/88.

2872P-000275JUS	United States	562168	D288958		3/24/2001	Granted
	Design--Original Filing--National	12/16/1983	3/24/1987			

Title: Portable Heater

Inventors: SMITH, Edward L.

History: File in Storage per Audit.

2872P-000280JUS	United States	224817	4393851		1/19/1995	Granted
	Regular--Original Filing--National	1/14/1981	7/19/1983		1/14/2001	

Title: Diesel Fuel Temperature Controlling Apparatus

Inventors: GORANS, Mark S.

2872P-000283JUS	United States	08249635	5567337		4/22/2004	Granted
	Regular--Original Filing--National	5/26/1994	10/22/1986		5/26/2014	

Title: Electric Engine Block Heater With Flanged Screw

Inventors: EDWARDS, Gary C.; ROSE, William; SCHAEFER, Ronald H.



Harness, Dickey & Pierce

The Budd Company Patent Portfolio by Owner/Assignee U.S. and Foreign -- Active Cases

HDP Case ID Client Ref. No.	Country Case Type--Relationship--Filing Type	Appn. No. Filing Date	Patent No. Issue Date	Publication No. Publication Date	Next Tax Date Expiration Date	Status/Substatus
2872P-000284/US	United States Regular--Original Filing--National	08/246612 5/20/1994	5538439 7/23/1996		1/23/2004 5/20/2014	Granted
Title: Engine Block Heater And Electrical Connector Thereof Inventors: FELL, Michael; LLOYD, Mark; EDWARDS, Gary C.						
2872P-000288/US	United States Regular--Original Filing--National	846873 3/6/1992	5334818 8/2/1994		2/2/2006 3/6/2012	Granted
Title: Modular High Density Electric Heating Element Arrangement For An Air Flow Heater Inventors: EDWARDS, Gary C.; SCHAEFER, Ronald H.						
2872P-100288/CA	Canada Regular--Original Filing--National	2088656 2/2/1993	2088658 10/6/1998		2/2/2003 2/2/2013	Granted
Title: Heating Element For An Air Flow Heater Inventors: EDWARDS, Gary C.; SCHAEFER, Ronald H. History: Based on USSN 846873, filed 03/06/92. Formerly listed as case 2872P-100288/CA. Agent: Ade & Company						
2872P-000396/US 500451	United States Regular--Original Filing--National	08928296 9/12/1997	5885098 3/23/1999		8/23/2006 9/12/2017	Granted
Title: Cord Set Receptacle Inventors: WITKOWSKI, Ireneusz						
2872P-000417/US 500487	United States Regular--Original Filing--National	09/092527 6/5/1988	6039602 3/21/2000		8/21/2003 6/5/2018	Granted
Title: Bumper Mounted Cord Set Inventors: WITKOWSKI, Ireneusz; ZUBIN, Claudio						



Harness, Dickey & Pierce

The Budd Company Patent Portfolio by Owner/Assignee U.S. and Foreign -- Active Cases

HDP Case ID	Country	Appln. No.	Patent No.	Publication No.	Next Tax Date
Client Ref. No.	Case Type-Relationship-Filing Type	Filing Date	Issue Date	Publication Date	Expiration Date
					Status/Substatus

2872P-000417AUS/COA 500487	United States Regular-Continuation-National	09/470476 12/22/1999	6179654 1/30/2001		7/30/2004 6/9/2018	Granted
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Title: **Bumper Mounted Cord Set**
 Inventors: WITKOWSKI, Ireneusz; ZUBIN, Claudio
 History: CON of USSN 09/092527, filed 08/05/98.

2872P-100417EP	European Patent Convention Regular-Original Filing-European Patent Case	99110662.6 6/2/1999		0963013 12/8/1999	6/30/2003	Filed-Pending
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Title: **Bumper Mounted Cord Set**
 Inventors: WITKOWSKI, Ireneusz; ZUBIN, Claudio
 History: Based on USSN 09/092527, filed 08/05/98.
 Agent: Schaumburg, Thoenes

2872P-000432JUS 500522	United States Regular-Original Filing-National	09/274735 3/23/1999	6171118 1/9/2001		7/9/2004 3/23/2019	Granted
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Title: **Cord Plug With Protector Cap**
 Inventors: WITKOWSKI, Ireneusz; ZUBIN, Claudio

2872P-000472JUS 500658	United States Regular-Original Filing-National	10/010385 12/8/2001		2002-0070534 6/13/2002		Filed-Pending
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Title: **Surface Mounted Receptacle Assembly**
 Inventors: MELECK, Michael
 History: Based on PRO USSN 60/255545, filed 12/13/2000.