



To the Honorable Commissioner

102653962

Send original documents or copy thereof.

1. Name of conveying party(ies): Underwriters Laboratories, Inc. 1.20.04 Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: The CIT Group/Business Credit, Inc. Internal Address: 10 South LaSalle Street Street Address: Chicago IL 60603 City: Chicago State: IL Zip: 60603 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Execution Date: 12/23/2003

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) 5,638,003 5,944,592 Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Tammy S. Settle VEDDER PRICE KAUFMAN & Internal Address: KAMMHOLZ Street Address: 222 North LaSalle Street Suite 2400 City: Chicago State: IL Zip: 60601

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 Charge any deficiencies or credit any overpayment to: 8. Deposit account number: 22-0259 (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. Tammy S. Settle Signature Date Apr 12 2004 Name of Person Signing 00000173 220259 5638003 Total number of pages including cover sheet, attachments, and documents: 13

01/23/2004 DBYRNE 00000173 220259 5638003

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

PATENT AND LICENSE SECURITY AGREEMENT

PATENT AND LICENSE SECURITY AGREEMENT ("Agreement") dated as of December 23, 2003, between UNDERWRITERS LABORATORIES INC., a not for profit Delaware corporation ("UL"; and together with any other Person who may become a party hereto as a grantor, collectively, the "Grantors" and individually, each a "Grantor") and THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation ("CIT"), as agent for the Lenders referred to below (CIT, in such capacity "Agent").

W I T N E S S E T H:

WHEREAS, Agent, certain financial institutions from time to time a party thereto (the "Lenders") and UL have entered into that certain Financing Agreement (the "Financing Agreement"), dated of even date herewith, pursuant to which the Lenders have, subject to the terms and conditions set forth therein, agreed to extend certain credit facilities to UL the Grantors;

WHEREAS, the Agent and the Lenders have required, as a further condition to entering into the Financing Agreement and to secure the Obligations under the Financing Agreement and the other Loan Documents, that Grantors execute this Agreement.

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

1. Defined Terms.

(i) When used herein, (a) capitalized terms which are not otherwise defined herein and defined in the Financing Agreement have the meanings assigned thereto in the Financing Agreement; and (b) the following terms have the following meanings:

Collateral - see Section 2.

Default means the occurrence of any of the following events: (a) any Default; (b) any Event of Default; or (c) any warranty of any of the Grantors herein is untrue or misleading in any material respect on the date such warranty is made and, as a result thereof, the Agent's security interest in any material portion of the Collateral is not perfected or the Agent's rights and remedies with respect to any material portion of the Collateral are materially impaired or otherwise materially adversely affected.

(ii) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision. Any pronoun used shall be deemed to cover all genders. Wherever appropriate in the context, terms used herein in the singular also include the plural and vice versa. All references to statutes and related regulations shall include any amendments of same and any successor statutes and regulations. Unless otherwise provided herein, all references to any

instruments or agreements to which Agent is a party, including, without limitation, references to the Financing Agreement and any of the other Loan Documents, shall include any and all modifications or amendments thereto and any and all extensions or renewals thereof.

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

(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, 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, (d) to the extent any of the foregoing patents or applications are or become subject to a terminal disclaimer, any patent which necessitated said terminal disclaimer, and (e) 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), 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 such Grantor is a licensor or licensee under any such license agreement, including, but not limited to, the license agreements listed on Schedule B, and the right upon the occurrence and during the continuance of Default to use the foregoing in connection with the enforcement of the rights of the Agent and Lenders under the Financing Agreement (all of the foregoing being hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this Section 2, the Licenses shall not include any license agreement which by its terms prohibits (which prohibition is enforceable under applicable law) the grant of, or realization on, the security interest contemplated by this Agreement for so long as such prohibition continues; it being understood that upon request of the Agent, such Grantor will in good faith use reasonable efforts to obtain consent for the creation of a security interest in favor of the Agent in such Grantor's rights under such license agreement.

3. Restrictions on Future Agreements. Each Grantor will not, without Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, but excluding the renewal of any agreements currently in effect and licenses of third party software commonly known as "shrink wrap" or "click wrap" licenses, which is inconsistent with this Agreement, and such Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would in any material respect adversely 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 such Grantor's business.

4. New Patents. Each of the Grantors represents and warrants that the Patents and Licenses listed on Schedules A and B, respectively, include all of the patents, patent applications and license agreements in connection with patents or patent applications owned or held by such Grantor on the Closing Date. If, prior to the termination of this Agreement, any Grantor shall (i) obtain rights to any new material patentable inventions or license agreements or any patents or patent applications in connection therewith or (ii) become entitled to the benefit of any patent, patent application or any reissue, division, continuation, renewal, extension or continuation-in-part related to any Patent or any improvement on any Patent, the provisions of Section 2 shall automatically apply thereto and such Grantor shall give to Agent prompt written notice thereof. Each of the Grantors hereby authorizes Agent to modify this Agreement by (a) amending Schedules A or B, 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 Schedules A or B 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. Additional Parties. To the extent permitted by the Financing Agreement, at any time after the date of this Agreement, one or more additional Persons may become parties hereto by executing and delivering to the Agent a counterpart signature page to this Agreement together with supplements to the Schedules hereto setting forth all relevant information with respect to such party as of the date of such delivery. Immediately upon such execution and delivery (and without any further action), each such additional Person will become a party to, and will be bound by all the terms of, this Agreement. Without limiting the generality of the foregoing, upon such additional Person's execution of such counterpart, each reference to "Grantor" herein shall include such additional Person and such Person shall be deemed to have thereupon granted to Agent for its benefit and the ratable benefit of the Lenders a first priority security interest in all of its Collateral, as provided herein.

6. Royalties. Each of the Grantors hereby agrees that the use by Agent of the Patents and Licenses as authorized hereunder shall be coextensive with such Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Agent to such Grantor.

7. 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 Financing Agreement terminated. At such time the rights granted to Agent hereunder shall also terminate.

8. Right to Inspect; Further Assignments and Security Interests. Agent shall have the right, at any reasonable time and from time to time which is consistent with, and subject to the limitations contained in, the Financing Agreement, to inspect the premises of each of the Grantors and to examine the books, records and operations of each of the Grantors relating to the

patents; provided, that in conducting such inspections and examinations, Agent shall use reasonable efforts not to disturb unnecessarily the conduct of such Grantor's ordinary business operations. Each of the Grantors agrees not to sell or assign its respective interests in, or grant any license under, the Patents without the prior written consent of Agent, except to the extent permitted by the Financing Agreement.

9. Duties of Grantors. Each of the Grantors shall have the duty to the extent necessary or desirable in the exercise of Grantor's reasonable business judgment and consistent in all material respects with such Grantor's current business practices: (i) 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 material patentable inventions as such Grantor deems appropriate; and (iii) to take reasonable steps to preserve and maintain all of such 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 such Grantor. Each of the Grantors shall not abandon any right to file a patent application or any pending patent application or patent which is or shall be necessary or desirable in the exercise of Grantor's reasonable business judgment. Grantor agrees to retain any experienced patent attorney reasonably acceptable to Agent for the filing and prosecution of all such applications and other proceedings. Neither Agent nor any Lender shall have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, neither Agent nor any Lender shall 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 a Default, and all expenses incurred in connection therewith shall be for the sole account of such Grantor and added to the Obligations secured thereby.

10. Agent's Right to Sue. From and after the occurrence and during the continuance of a Default, 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, each of the Grantors shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement. Each of the Grantors shall, upon demand, promptly reimburse and indemnify Agent for all costs and reasonable expenses incurred by Agent in the exercise of its rights under this Section 10 (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.

11. Waivers. No course of dealing between any 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 Financing Agreement or other Loan Documents 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 Financing Agreement or other Loan Documents shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. Agent's Exercise of Rights and Remedies Upon Default. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of a Default, Agent may exercise any of the rights and remedies provided in this Agreement or any of the other Loan Documents. Without limiting the generality

of the foregoing, each Grantor acknowledges and agrees that (i) the Patents and Licenses comprise a portion of the Collateral and Agent shall have the right to exercise its rights under the Financing Agreement with respect to the Patents and Licenses to the same extent as with respect to all other items of Collateral described therein, and (ii) from and after the occurrence of a Default, Agent or its nominee may use the Patents and Licenses in connection with the conduct of such Grantor's business. Any proceeds of any of the Collateral may be applied by the Agent to the payment of expenses in connection with the enforcement of Agent's rights and remedies hereunder and in connection with the Collateral, including, without limitation, reasonable attorneys' fees and legal expenses, and any balance of such proceeds may be applied by the Agent toward the payment of such of the Obligations, and in such order of application, as the Agent may from time to time elect (and, after payment in full of all Obligations, any excess shall be delivered to the Grantors or as a court of competent jurisdiction shall direct).

13. Severability. The provisions of this Agreement are severable, and if any clause provisions shall be held invalid and 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 Sections 2, 4 and 5 hereof or by a writing signed by 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. Each Grantor hereby irrevocably appoints Agent as such Grantor's attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise to carry out the acts described below during the existence of an Event of Default. Upon the occurrence and during the continuance of a Default, such Grantor hereby authorizes Agent to, in its sole discretion, (i) endorse such 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 its best interest, (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. Each of the Grantors hereby ratifies all 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 7 hereof. Each of the Grantors acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent or Lenders under the Financing Agreement or other Loan Documents, but rather is intended to facilitate the exercise of such rights and remedies. Agent and each of the Lenders 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 Uniform Commercial Code 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 each of the Grantors and its successors and assigns, and shall inure to the benefit of Agent and the Lenders, and their nominees, successors and assigns. The successors and assigns of a Grantor shall include, without limitation, a receiver, trustee or debtor-in-possession of or for such Grantor; provided, however, that no Grantor shall voluntarily assign its obligations hereunder without the prior written consent of Agent.

17. Governing Law/Forum Selection. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS APPLIED TO CONTRACTS TO BE PERFORMED WHOLLY WITHIN THE STATE OF ILLINOIS. ANY JUDICIAL PROCEEDING BROUGHT BY OR AGAINST ANY GRANTOR WITH RESPECT TO THIS AGREEMENT OR ANY RELATED AGREEMENT MAY BE BROUGHT IN ANY COURT OF COMPETENT JURISDICTION IN THE STATE OF ILLINOIS, UNITED STATES OF AMERICA, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, SUCH GRANTOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. EACH GRANTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO SUCH GRANTOR AT THE ADDRESS SET FORTH BELOW ITS SIGNATURE ON THE SIGNATURE PAGE TO THIS AGREEMENT AND SERVICE SO MADE SHALL BE DEEMED COMPLETED FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE MAILED OF THE UNITED STATES OF AMERICA. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION. EACH GRANTOR WAIVES ANY OBJECTION TO JURISDICTION AND VENUE OF ANY ACTION INSTITUTED HEREUNDER AND SHALL NOT ASSERT ANY DEFENSE BASED ON LACK OF JURISDICTION OR VENUE OR BASED UPON FORUM NON CONVENIENS. ANY JUDICIAL PROCEEDING BY ANY GRANTOR AGAINST AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER OR CLAIM IN ANY WAY ARISING OUT OF, RELATED TO OR CONNECTED WITH THIS AGREEMENT OR ANY RELATED AGREEMENT, SHALL BE BROUGHT ONLY IN A FEDERAL OR STATE COURT LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS.

18. Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW

EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND EACH PARTY HEREBY CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENTS OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

19. Notices. Any written notice, consent or other communication provided for in this Agreement shall be delivered personally (effective upon delivery), via facsimile (effective upon confirmation of transmission), via overnight courier (effective the next Business Day after dispatch if instructed to deliver on next Business Day) or via U.S. Mail (effective three (3) days after mailing, postage prepaid, first class) to each party at its address(es) and/or facsimile number(s) set forth below its signature, or to such other address as either party shall specify to the other in writing from time to time.

20. 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.

21. 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. Delivery of an executed counterpart of this Agreement by telefacsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile shall also deliver a manually executed counterpart of this Agreement, but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.

22. Right of Recordal of Security Interest. Agent shall have the right, but not the obligation, at the expense of the Grantors, to record this Agreement in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by Agent, and Agent shall advise Grantors of such recordals. Upon satisfaction in full of the Obligations and termination of the Financing Agreement, the Grantors shall have the right to effect recordal of such satisfaction or termination at the expense of the Grantors in the United States Patent and Trademark Office and with such other recording authorities deemed reasonable and proper by the Grantors. Agent and the Grantors shall cooperate to effect all such recordals hereunder.


[SIGNATURE PAGES FOLLOW]

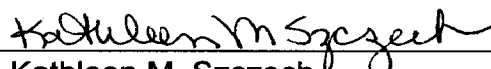
Signature Page to Patent and License Security Agreement

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

GRANTORS:

UNDERWRITERS LABORATORIES INC., as a
Grantor

By: 
Name: Michael A. Saltzman
Title: Exec. Vice President & CFO

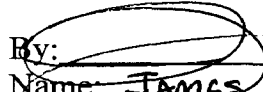
By: 
Name: Kathleen M. Szczech
Title: Treasurer

Address: 333 Pfingsten Road
Northbrook, IL 60062
Facsimile: 847-509-6221

Signature Page to Patent and License Security Agreement

AGENT:

THE CIT GROUP/BUSINESS CREDIT, INC.,
as Agent

By: 
Name: JAMES D ANDERSON
Title: VICE PRESIDENT

Address: 10 South LaSalle Street, 22nd Floor
Chicago, Illinois 60603
Facsimile: (312) 424-9740

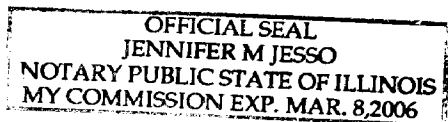
Signature Page to Patent and License Security Agreement

STATE OF Illinois)
)
COUNTY OF COOK) SS

The foregoing Patent and License Security Agreement was executed and acknowledged before me this 21st day of December, 2003, by Michael A. Saltzman, personally known to me to be the Exec. VP + CFO of Underwriters Laboratories Inc. on behalf of such entity.

(SEAL)

Notary Public Jennifer M. Jesso
My Commission Expires March 8, 2006

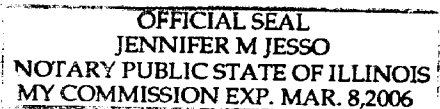


STATE OF Illinois)
)
COUNTY OF COOK) SS

The foregoing Patent and License Security Agreement was executed and acknowledged before me this 23rd day of December, 2003, by Kathleen M. Szczech, personally known to me to be the Treasurer of Underwriters Laboratories Inc. on behalf of such entity.

(SEAL)

Notary Public Jennifer M. Jesso
My Commission Expires March 8, 2006



**SCHEDULE A
to Patent and License Security Agreement**

PATENTS

Owner Name	Patent Name	Registration Numbers	Registration Date
Underwriters Laboratories Inc.	Method & Apparatus for Testing Surface Breakdown of Dielectric Materials Caused by Electrical Tracking	5,638,003	June 10, 1997
Underwriters Laboratories Inc.	Sharpener Apparatus	5,944,592	August 31, 1999

**SCHEDULE B
to Patent and License Security Agreement**

LICENSES

None.