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Form PTQ-1595

(Rev. 10/02)

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

OMB No. 0651-0027 (exp. 6/30/2005)

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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):  
HERSEY METERS COMPANY2. Name and address of receiving party(ies)  
Name: LAW DEBENTURE TRUST COMPANY OF  
Internal Address: NEW YORK, AS COLLATERAL AGENTAdditional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Other \_\_\_\_\_

Street Address: 767 THIRD AVENUE, 31ST FLOOR

City: NEW YORK State: NY Zip: 10017

Execution Date: 06/22/2004

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) \_\_\_\_\_

SEE SCHEDULE A ATTACHED

Additional numbers attached? ☒ Yes ☐ No

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

Name: J. LEE

Internal Address: ACCESS INFORMATION

SERVICES, INC.

Street Address: 1773 Western Avenue

City: ALBANY State: NY Zip: 12203

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:

DO NOT USE THIS SPACE

9. Signature.

JACKIE LEE

Name of Person Signing

Signature

06/23/2004

Date

Total number of pages including cover sheet, attachments, and documents: 10

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

06/25/2004 ECOOPER 00000020 5947152

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PATENT  
REEL: 015478 FRAME: 0890

# Schedule A

## Item A. Patents

### Issued Patents

<u>Patent No.</u>	<u>Title</u>	<u>Issue Date</u>	<u>Inventor(s)</u>
5947152	Check Valve and Backflow Preventer	09/07/1999	Hersey
6674371	Utility Meter Remote Reader	01/06/2004	Hersey
Des. 348017	Water Meter Register and Housing	06/21/1994	Hersey
Des. 348018	Water Meter Register and Housing	06/21/1994	Hersey

### Pending Patent Applications

<u>Serial No.</u>	<u>Title</u>	<u>Filing Date</u>	<u>Inventor(s)</u>
None			

### Patent Applications in Preparation

<u>Docket No.</u>	<u>Title</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>
None			

Item B. Patent Licenses

<u>Matter</u>	<u>Subject Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
None				

## PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Agreement"), dated as of June 22, 2004, is made between HERSEY METERS COMPANY, a Delaware corporation (a "Grantor"), and LAW DEBENTURE TRUST COMPANY OF NEW YORK, as Collateral Agent (together with its successor(s) thereto in such capacity, the "Collateral Agent") for itself, the Trustee and each of the Noteholders.

### WITNESSETH:

WHEREAS, Mueller Group, Inc. a Delaware corporation (the "Issuer"), the Grantor and certain other subsidiaries of the Issuer (collective, the "Guarantors") have entered into an Indenture dated as of April 23, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Secured Note Indenture"), with Law Debenture Trust Company of New York, as Trustee (the "Trustee"), pursuant to which the Grantor is issuing Second Priority Senior Secured Floating Rate Notes due 2011 (the "Secured Notes");

WHEREAS, in connection with the Secured Note Indenture, the Grantor and the other Guarantors have executed and delivered a Subsidiary Pledge and Security Agreement, dated as of April 23, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement");

WHEREAS, the Issuer may from time to time incur, and the Guarantors may from time to time guarantee, Permitted Senior Secured Debt that will, or guarantees by the Grantor of which will, subject to the terms and conditions of the Secured Note Indenture and the Credit Agreement, be secured by the Common Collateral and constitute Noteholder Claims hereunder;

WHEREAS, pursuant to clause (e) of Section 4.6 of the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Collateral Agent a continuing security interest in all of the Patent Collateral (as defined below) to secure all the Noteholder Claims;

WHEREAS, the Issuer, the Administrative Agent (as defined in the Second Amended and Restated Credit Agreement, dated as of April 23, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among the Issuer, the various financial institutions from time to time parties thereto as Lenders (collectively, the "Lenders"), Credit Suisse First Boston, acting through its Cayman Islands Branch, as Administrative Agent (the "Administrative Agent"), and JPMorganChase Bank and Deutsche Bank Securities Inc., as Syndication Agents), the Collateral Agent, the Administrative Agent and each Guarantor have agreed to enter into an Intercreditor Agreement, dated as of the date hereof (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Intercreditor Agreement"); and

WHEREAS, pursuant to the terms of the Senior Note Indenture and subject to the terms of the Intercreditor Agreement, the Collateral Agent has agreed to accept the pledge and assignment and the grant of a security interest under this Agreement as security for the Noteholder Claims;

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Trustee to enter into the Secured Note Indenture and to induce potential purchasers to purchase the Secured Notes and the other Noteholder Claims, the Grantor agrees with the Collateral Agent, for the benefit of itself, the Trustee and each Noteholder, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided (or incorporated by reference) in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all the Noteholder Claims, the Grantor does hereby mortgage, pledge and hypothecate to the Collateral Agent, and grant to the Collateral Agent a security interest in, for its benefit and the benefit of the Trustee and each Noteholder, all of the following property (the "Patent Collateral"), whether now owned or hereafter acquired or existing by it:

(a) all of its letters patent and applications for letters patent in the United States, including all patent applications in preparation for filing anywhere in the United States and including each patent and each patent application referred to in Item A of Schedule I attached hereto;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all of its patent licenses, including each patent license referred to in Item B of Schedule I attached hereto; and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Collateral Agent in the Patent Collateral with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Collateral Agent for its benefit and the benefit of the Trustee and each Noteholder under the Security Agreement. The Security Agreement (and all rights and remedies of the Collateral Agent, the Trustee and each Noteholder thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. The security interests granted hereunder in any Collateral shall automatically be released in the manner, at the times and to the extent specified in Section 5.1 of the Intercreditor Agreement or as may be permitted or required by the

Secured Note Indenture and any other Noteholder Documents. In addition, upon the payment in full of all Secured Notes and the other Noteholder Claims and the discharge of the Secured Note Indenture and the other Noteholder Documents, the security interests granted hereunder shall automatically terminate. Upon any license of any Patent Collateral in accordance with the Secured Note Indenture and the other Noteholder Documents, the Collateral Agent shall, at the Grantor's request and expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to subordinate the lien on and security interest in the Patent Collateral so licensed which has been granted hereunder.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Collateral Agent 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 (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Relationship with Senior Subsidiary Security Agreement and Intercreditor Agreement. Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Collateral Agent hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

HERSEY METERS COMPANY

By:   
Title: V.P. 600

LAW DEBENTURE TRUST COMPANY OF  
NEW YORK, as Collateral Agent

By: \_\_\_\_\_  
Title: \_\_\_\_\_

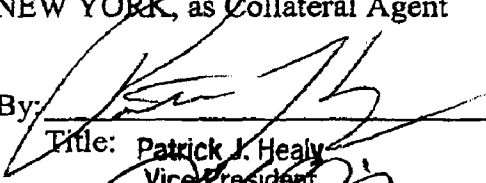
By: \_\_\_\_\_  
Title: \_\_\_\_\_

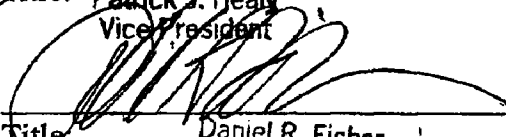
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

HERSEY METERS COMPANY

By: \_\_\_\_\_  
Title: \_\_\_\_\_

LAW DEBENTURE TRUST COMPANY OF  
NEW YORK, as Collateral Agent

By:   
Title: Patrick J. Healy  
Vice President

By:   
Title: Daniel R. Fisher  
Senior Vice President



Item A. Patents

Issued Patents

<u>Patent No.</u> <u>Title</u>	<u>Issue Date</u>	<u>Inventor(s)</u>
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Pending Patent Applications

<u>Serial No.</u> <u>Title</u>	<u>Filing Date</u>	<u>Inventor(s)</u>
None		

Patent Applications in Preparation

<u>Docket No.</u> <u>Title</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>
None		

Item B. Patent Licenses

<u>Matter</u>	<u>Subject Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
None				