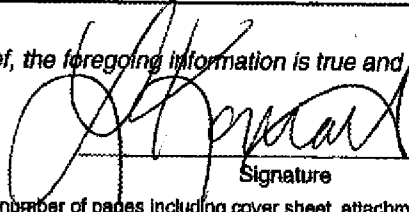


| FORM PTO-1595 (Rev. 6-93) OMB No. 0651-0011 (exp. 4/94) | | RECORDATION FORM COVER SHEET PATENTS ONLY | | U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office | |
|---|--|--|--|--|--|
| To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof. | | | | | |
| 1. Name of conveying party(ies): Phillips & Temro Industries Inc. Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | 2. Name and address of receiving party(ies) Name: <u>LaSalle Bank National Association, as agent</u> Internal Address: _____ Street Address: <u>135 S. LaSalle</u> City: <u>Chicago</u> State: <u>IL</u> ZIP: <u>60603</u> Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| 3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>August 12, 2005</u> | | | | | |
| 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) _____ Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | | |
| 5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Laura Konrath</u> Internal Address: <u>Winston & Strawn LLP</u> <u>33rd Floor</u> Street Address: <u>35 W. Wacker Dr.</u> City: <u>Chicago</u> State: <u>IL</u> ZIP: <u>60601</u> | | 6. Total number of applications and patents involved: <u>21</u> 7. Total fee (37 CFR 3.41).....\$ <u>840</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: <u>232428</u> (Attach duplicate copy of this page if paying by deposit account) | | | |
| DO NOT USE THIS SPACE | | | | | |
| 9. Statement and signature. <i>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.</i> <u>Laura Konrath</u>  Name of Person Signing Signature Total number of pages including cover sheet, attachments, and document: <u>9/6/05</u> Date | | | | | |

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

700246860

PATENT
REEL: 017297 FRAME: 0001

SCHEDULE 2

to

PATENT AND TRADEMARK SECURITY AGREEMENTPatents, Patent Applications and Patent Licenses

United States Patents

| Title | Serial No./Date | Pat. No./ Issued | Owner of Record |
|--|------------------------|-----------------------|----------------------------------|
| 1 Frost Plug Heater | 07/120,233 11/13/87 | 4,851,640 7/25/89 | Phillips Temro Industries Inc. |
| 2 Measured Shot Ether System | 07/013,575 2/11/87 | 4,774,916 10/4/88 | Phillips Temro Industries Inc. |
| 3 Low Profile Intake Manifold Heater | 08/493,486 1/22/95 | 5,595,164 1/21/97 | Phillips & Temro Industries Inc. |
| 4 Air Intake Heater with Connector Posts | 08/582,747 1/4/96 | 5,743,242 4/28/98 | Phillips & Temro Industries Inc. |
| Air Intake Heater with Vertically Oriented Heating Elements | 08/927,003 9/10/97 | 5,887,575 3/30/99 | Phillips & Temro Industries Inc. |
| PCV Heater and Method for Manufacturing Same | 09/044,723 3/19/98 | 5,970,962 10/26/99 | Phillips & Temro Industries Inc. |
| PCV Heater and Method for Manufacturing Same | 09/127,060 7/31/98 | 6,062,206 5/16/00 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/060,808 4/15/98 | 5,988,146 11/23/99 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/109,586 7/2/98 | 6,119,665 9/19/00 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/189,822 11/10/98 | 5,992,399 11/30/99 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/371,727 8/10/99 | 6,073,615 6/13/00 | Phillips & Temro Industries Inc. |
| Drop-in Air Heater for an Engine with Heater Support Frame Having Prongs | 09/209,388 12/10/98 | 6,031,204 2/29/00 | Phillips & Temro Industries Inc. |
| Drop-in Air Heater for an Engine with Heater Support Frame Having Prongs | 09/248,510 2/10/99 | 6,040,557 3/21/00 | Phillips & Temro Industries Inc. |
| Air Intake Heater with Integrated Power and Ground Connector | 09/167,271 10/7/98 | 6,152,117 11/28/00 | Phillips & Temro Industries Inc. |
| Air Heater with Perforated Resistance Element | 09/309,680 5/11/99 | 6,242,712 6/5/01 | Phillips & Temro Industries Inc. |
| 16 Grounding/Sealing Gasket | 09/492,257 1/27/90 | 6,259,060 7/10/01 | Phillips & Temro Industries Inc. |

Continuation
Item 4

| Title | Serial No./Date | Pat. No./Issued | Owner of Record |
|---|-----------------------|-----------------------|----------------------------------|
| 17) Dual Media Connector for a Vehicle | 09/497,605 2/3/00 | 6,257,923 7/10/01 | Phillips & Temro Industries Inc. |
| 18) Air Intake Heater Retention Mechanism | 10/055,615 1/23/02 | 6,651,632 11/25/03 | Phillips & Temro Industries Inc. |

U.S. Pending Applications

| Title | Ser.No./File Date | Pat. No./Issued | Owner of Record |
|-------------------------|-----------------------|-----------------|----------------------------------|
| 19) Thermostatic Cord | 10/931,603 9/1/04 | Not Applicable | Phillips & Temro Industries Inc. |
| 20) Breakable Connector | 10/952,566 9/28/04 | Not Applicable | Phillips & Temro Industries Inc. |

PCT Applications

| Title | Ser.No./File Date | Pat. No./Issued | Owner of Record |
|--------------------------------------|----------------------------------|-----------------|----------------------------------|
| 21) Controller for Air Intake Heater | US04424079 7/27/04 | Not Applicable | Phillips & Temro Industries Inc. |

us 64024079

European Patent Applications

| Title | Ser. No./Filed | Pat. No./Issued | Owner of Record |
|---|----------------------|-----------------|----------------------------------|
| Air Intake Heater with Connector Posts | 961197233 12/9/96 | Not Applicable | Phillips & Temro Industries Inc. |
| Air Intake Heater with Vertically Oriented Heating Elements | 989448329 9/10/98 | Not Applicable | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 999185085 4/12/99 | Not Applicable | Phillips & Temro Industries Inc. |

Patent Licenses:

None

RightFax

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RightFax

11/8/06 8:23 PAGE 003/018 Fax Server

09/10/2005
700208874

| FORM PTO-1005 (Rev. 6-05) OMB No. 504-0011 (pg. 404) Tab markings 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 | | RECORDATION FORM COVER SHEET PATENTS ONLY 1740 160 | | U.S. DEPARTMENT OF COMMERCE Bureau of Patent and Trademark Office | |
|---|--|---|---|--|--|
| To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereon. | | | | | |
| 1. Name of conveying party(ies): <u>Phillips & Drew Industries Inc.</u> Assigned name(s) of conveying party(ies) checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | 2. Name and address of receiving party(ies) Name: <u>Intellectual Property Association, an agent</u> Internal Address: _____ _____ Street Address: <u>135 E. LaSalle</u> _____ City: <u>Chicago</u> State: <u>IL</u> ZIP: <u>60602</u> Assigned name(s) & address(es) checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| B. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Mortgage <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>August 12, 2005</u> | | | | | |
| 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) _____ Assigned number checked? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | | |
| 3. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>James Strawn</u> Internal Address: <u>Winston & Strawn LLP</u> <u>31st Floor</u> _____ Street Address: <u>35 E. Wacker Dr.</u> _____ City: <u>Chicago</u> State: <u>IL</u> ZIP: <u>60601</u> | | | 5. Total number of applications and patents involved: <u>21</u> 7. Total fee (PTO Form 341) _____ \$ _____ <input type="checkbox"/> Checkered 8. Authorized to be charged to deposit account 9. Deposit account number: <u>220025</u> (Must duplicate copy of this page if paying by deposit account) | | |
| DO NOT USE THIS SPACE | | | | | |
| 8. 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. <u>James Strawn</u> Name of Person Signing <u>[Signature]</u> Signature Total number of pages including cover sheet, statements, and drawings: <u>1</u> Date: <u>9/6/05</u> | | | | | |

This document is recorded with regularity of the information for
Comprehension of the Patent and Trademark Office
Washington, D.C. 20531

See attached

SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Trademarks, Trademark Applications and Trademark Licenses

| Trademark | Application No./Date | Reg. No./ Date | Owner of Record |
|------------------|-----------------------------|-----------------------|----------------------------------|
| SMARTSHOT | 75/010,121 10/13/95 | 2,060,577 05/13/97 | Phillips & Temro Industries Inc. |
| PHILLIPS & TEMRO | 75/010,120 10/13/95 | 2,115,082 11/25/97 | Phillips & Temro Industries Inc. |
| VIBRA | 75/010,116 10/13/95 | 2,105,341 11/12/96 | Phillips & Temro Industries Inc. |
| ARCTIC THAW | 75/010,118 10/13/95 | 2,015,342 11/12/96 | Phillips & Temro Industries Inc. |
| ZERO-START | 72/043,339 1/2/58 | 670,862 12/9/58 | Phillips & Temro Industries Inc. |
| ZERO-START | 72/209,725 1/11/65 | 819,039 11/22/66 | Phillips & Temro Industries Inc. |
| HEAT-MAGNET | 73/414,553 2/22/83 | 1,321,505 2/19/85 | Phillips Temro, Inc. |
| EM Design | 75/546,231 9/1/98 | 2,361,419 6/27/00 | Phillips & Temro Industries Inc. |
| EM PRODUCTS | 75/626,647 1/19/99 | 2,361,707 6/27/00 | Phillips & Temro Industries Inc. |
| CAB POWER | 75/808,868 9/23/99 | 2,392,455 10/3/00 | Phillips & Temro Industries Inc. |

European Community Trademarks

| Trademark | Application No./Date | Reg. No./ Date | Owner of Record |
|------------------|-----------------------------|-----------------------|----------------------------------|
| PHILLIPS & TEMRO | 000417550 9/12/96 | 000417550 11/22/00 | Phillips & Temro Industries Inc. |
| TEMRO | 000658567 10/20/97 | 000658567 2/3/00 | Phillips & Temro Industries Inc. |
| CAB POWER | 001572007 3/23/00 | 001572007 5/23/01 | Phillips & Temro Industries Inc. |

| Title | Serial No./Date | Pat. No./ Issued | Owner of Record |
|---------------------------------------|-----------------------|-----------------------|----------------------------------|
| Dual Media Connector for a Vehicle | 09/497,605 2/3/00 | 6,257,923 7/10/01 | Phillips & Temro Industries Inc. |
| Air Intake Heater Retention Mechanism | 10/055,615 1/23/02 | 6,651,632 11/25/03 | Phillips & Temro Industries Inc. |

U.S. Pending Applications

| Title | Ser.No./ File Date | Pat. No./ Issued | Owner of Record |
|---------------------|-----------------------|------------------|----------------------------------|
| Thermostatic Cord | 10/931,603 9/1/04 | Not Applicable | Phillips & Temro Industries Inc. |
| Breakable Connector | 10/952,566 9/28/04 | Not Applicable | Phillips & Temro Industries Inc. |

PCT Applications

| Title | Ser.No./ File Date | Pat. No./ Issued | Owner of Record |
|----------------------------------|----------------------------------|------------------|----------------------------------|
| Controller for Air Intake Heater | US04424079 7/27/04 | Not Applicable | Phillips & Temro Industries Inc. |

US 0402 4079

European Patent Applications

| Title | Ser. No./ Filed | Pat. No./ Issued | Owner of Record |
|---|----------------------|------------------|----------------------------------|
| Air Intake Heater with Connector Posts | 961197233 12/9/96 | Not Applicable | Phillips & Temro Industries Inc. |
| Air Intake Heater with Vertically Oriented Heating Elements | 989448329 9/10/98 | Not Applicable | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 999185085 4/12/99 | Not Applicable | Phillips & Temro Industries Inc. |

Patent Licenses:

None

TH 8 PM

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of August 12, 2005, by PHILLIPS & TEMRO INDUSTRIES INC., a North Dakota corporation (the "Grantor"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as collateral agent for the Administrative Agents and the Lenders (in such capacity, the "Collateral Agent").

RECITALS

A. The Grantor and/or its affiliates have entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with various financial institutions, the Administrative Agents and the Collateral Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of, Grantor and/or its affiliates.

B. The Grantor has entered into a Guaranty and Collateral Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Collateral Agreement") with the Collateral Agent pursuant to which certain obligations owed to the Agents and the Lenders are secured.

C. Pursuant to the Guaranty and Collateral Agreement, the Grantor is required to execute and deliver to the Collateral Agent, for the ratable benefit of the Agents and the Lenders, this Agreement.

D. Pursuant to the terms of the Guaranty and Collateral Agreement, the Grantor has granted to the Collateral Agent, for the benefit of the Agents and the Lenders, a security interest in substantially all of its assets, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantor under the Credit Agreement and the Guaranty and Collateral Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, the Grantor does hereby grant to the Collateral Agent, for the benefit of the Lenders, as security for the Secured Obligations, a continuing security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;


- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");
- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Collateral Agent pursuant to the Guaranty and Collateral Agreement and subject to limitations set forth therein. The Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and Guaranty and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Guaranty and Collateral Agreement.

[signature page follows]

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PHILLIPS & TEMRO INDUSTRIES INC.

By: 
Title: Jason D. Sibley
Assistant Secretary

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Collateral Agent

By: _____
Title: _____

[Signature page to Patent and Trademark Security Agreement]

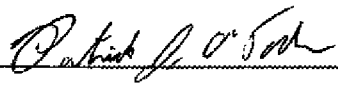
The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PHILLIPS & TEMRO INDUSTRIES INC.

By: _____
Title: _____

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Collateral Agent

By: 
Title: _____

[Signature page to Patent and Trademark Security Agreement]

State of Minnesota Trademarks

| Trademark | Application No./Date | Reg. No./ Date | Owner of Record |
|------------------|---------------------------------|-----------------------|-------------------------------------|
| ZERO-START | Not Available | 6,068 1/25/79 | Phillips & Temro Industries Inc. |
| ZERO-START | Not Available | 6,066 1/25/79 | Phillips & Temro Industries Inc. |
| ZERO-START | Not Available | 6,065 1/25/79 | Phillips & Temro Industries Inc. |
| ZERO-START | Not Available | 6,067 1/25/79 | Phillips & Temro Industries Inc. |

Trademark Licenses:

None

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents, Patent Applications and Patent Licenses

| United States Patents | | | |
|--|------------------------|------------------------|----------------------------------|
| Title | Serial No./Date | Pat. No./Issued | Owner of Record |
| Frost Plug Heater | 07/120,233 11/13/87 | 4,851,640 7/25/89 | Phillips Temro Industries Inc. |
| Measured Shot Ether System | 07/013,575 2/11/87 | 4,774,916 10/4/88 | Phillips Temro Industries Inc. |
| Low Profile Intake Manifold Heater | 08/493,486 1/22/95 | 5,595,164 1/21/97 | Phillips & Temro Industries Inc. |
| Air Intake Heater with Connector Posts | 08/582,747 1/4/96 | 5,743,242 4/28/98 | Phillips & Temro Industries Inc. |
| Air Intake Heater with Vertically Oriented Heating Elements | 08/927,003 9/10/97 | 5,887,575 3/30/99 | Phillips & Temro Industries Inc. |
| PCV Heater and Method for Manufacturing Same | 09/044,723 3/19/98 | 5,970,962 10/26/99 | Phillips & Temro Industries Inc. |
| PCV Heater and Method for Manufacturing Same | 09/127,060 7/31/98 | 6,062,206 5/16/00 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/060,808 4/15/98 | 5,988,146 11/23/99 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/109,586 7/2/98 | 6,119,665 9/19/00 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/189,822 11/10/98 | 5,992,399 11/30/99 | Phillips & Temro Industries Inc. |
| Modular Air Intake Heater | 09/371,727 8/10/99 | 6,073,615 6/13/00 | Phillips & Temro Industries Inc. |
| Drop-in Air Heater for an Engine with Heater Support Frame Having Prongs | 09/209,388 12/10/98 | 6,031,204 2/29/00 | Phillips & Temro Industries Inc. |
| Drop-in Air Heater for an Engine with Heater Support Frame Having Prongs | 09/248,510 2/10/99 | 6,040,557 3/21/00 | Phillips & Temro Industries Inc. |
| Air Intake Heater with Integrated Power and Ground Connector | 09/167,271 10/7/98 | 6,152,117 11/28/00 | Phillips & Temro Industries Inc. |
| Air Heater with Perforated Resistance Element | 09/309,680 5/11/99 | 6,242,712 6/5/01 | Phillips & Temro Industries Inc. |
| Grounding/Sealing Gasket | 09/492,257 1/27/90 | 6,259,060 7/10/01 | Phillips & Temro Industries Inc. |