Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Bristol Compressors International, Inc., a Delaware corporation	03/02/2007

RECEIVING PARTY DATA

Name:	KPS Special Situations Fund, II, L.P., a Delaware limited partnership	
Street Address:	200 Park Avenue - 58th Floor	
City:	New York	
State/Country:	NEW YORK	
Postal Code:	10166	

Name:	KPS Special Situations Fund, II (A), L.P., a Delaware limited partnership
Street Address:	200 Park Avenue - 58th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10166

PROPERTY NUMBERS Total: 67

Property Type	Number
Application Number:	11428942
Application Number:	11460400
Application Number:	11464586
Application Number:	10617329
Application Number:	10764399
Application Number:	10764400
Application Number:	10967431
Application Number:	11021802
Application Number:	11153184
Application Number:	11189527

PATENT

REEL: 018989 FRAME: 0869

500237863

Application Number:	11240976
Application Number:	11196182
Patent Number:	4995791
Patent Number:	5123816
Patent Number:	5164552
Patent Number:	5174540
Patent Number:	5196654
Patent Number:	5238370
Patent Number:	5326231
Patent Number:	5538404
Patent Number:	5542341
Patent Number:	5551851
Patent Number:	5588810
Patent Number:	5588820
Patent Number:	5593295
Patent Number:	5997258
Patent Number:	6030192
Patent Number:	6037725
Patent Number:	6040679
Patent Number:	6092993
Patent Number:	6099259
Patent Number:	6132177
Patent Number:	6172476
Patent Number:	6217287
Patent Number:	6276154
Patent Number:	6331925
Patent Number:	6354092
Patent Number:	6389823
Patent Number:	6422346
Patent Number:	6446451
Patent Number:	6457561
Patent Number:	6499971
Patent Number:	6551069
Patent Number: Patent Number:	6551069 6579076

Patent Number:	6591621
Patent Number:	6609896
Patent Number:	6616416
Patent Number:	6637216
Patent Number:	6663358
Patent Number:	6684755
Patent Number:	6708519
Patent Number:	6781342
Patent Number:	6807821
Patent Number:	6823686
Patent Number:	6840746
Patent Number:	6848495
Patent Number:	6896495
Patent Number:	6900573
Patent Number:	6901675
Patent Number:	6935221
Patent Number:	6935848
Patent Number:	6953324
Patent Number:	6971860
Patent Number:	7037091
Patent Number:	7070397
Patent Number:	7074022

CORRESPONDENCE DATA

Fax Number: (617)439-4170

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

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ATTORNEY DOCKET NUMBER:	301132.0001
NAME OF SUBMITTER:	George N. Chaclas

Total Attachments: 9

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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Agreement"), dated as of March 2, 2007, between the undersigned ("Grantor"), and KPS SPECIAL SITUATIONS FUND II, L.P., a Delaware limited partnership and KPS SPECIAL SITUATIONS FUND II (A), L.P., a Delaware limited partnership (collectively, the "Lenders" and each individually, a "Lender").

WITNESSETH:

WHEREAS pursuant to the terms of that certain Secured Promissory Note, dated as of March 2, 2007 (as it may be amended, supplemented or otherwise modified from time to time, the "Note"), by and among BRISTOL COMPRESSORS INTERNATIONAL, INC., a Delaware corporation (the "Borrower") and the Lenders, the Lenders have agreed to extend credit and make certain financial accommodations to the Borrower:

WHEREAS pursuant to the Guarantee and Collateral Agreement, dated as of March 2, 2007 (as it may be amended, supplemented or otherwise modified from time to time, the "Collateral Agreement"), among the Grantors and the Lenders, the Grantor granted to the Lenders a security interest and continuing lien on all of the Grantor's right, title and interest in, to and under all Collateral, including the Patent Collateral (as defined below), and all Collateral in each case whether now owned or existing or hereafter acquired or arising and wherever located to secure the prompt and complete payment and performance of all Obligations (as defined in the Collateral Agreement), including the obligations of the Borrower under the Note; and

WHEREAS pursuant to the Collateral Agreement, the Grantor is required to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Grantor agrees as follows:

Section 1. Defined Terms

Unless otherwise defined herein, terms defined in the Collateral Agreement and used herein have the meaning given to them in the Collateral Agreement.

Section 2. Grant of Security Interest in Patents

The Grantor hereby grants to the Lenders a security interest in and continuing lien on all of such Grantor's right, title and interest in, to and under the Patents, including the Patents listed in <u>Schedule A</u>, in each case whether owned or existing or hereafter acquired or arising and wherever located (collectively, the "<u>Patent Collateral</u>").

Section 3. Security for Obligations

This Agreement secures, and the Patent Collateral is collateral security for, the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. §362(a) (and any successor provision thereof)), of all

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Obligations. Each Grantor authorizes and requests that the Commissioner of Patents and Trademarks and any other applicable United States government officer record this Agreement

Section 4. Collateral Agreement

The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to the Lenders pursuant to the Collateral Agreement and each Grantor hereby acknowledges and affirms that the rights and remedies of the Lenders with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event of any irreconcilable conflict between the terms of this Agreement and the terms of the Collateral Agreement, the terms of the Collateral Agreement shall control.

Section 5. Miscellaneous

- (a) This Agreement shall be governed by, and construed in accordance with the laws of The State of New York
- (b) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single agreement.

[SIGNATURE PAGE FOLLOWS]

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In WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be duly executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

BRISTOL COMPRESSORS INTERNATIONAL, INC., as Grantor

Name: Rick Izor

Title: President

[Signature page to Patent Security Agreement]

ACCEPTED AND AGREED as of the date first above written:

KPS SPECIAL SITUATIONS FUND II, L.P.

By: KPS Investors II L.P., its general partner

By: KPS Investors II GP, LLC, its general partner

By:

Name: David Shapiro

Title: Managing Principal

KPS SPECIAL SITUATIONS FUND II (A), L.P.

By: KPS Investors II L.P., its general partner

By: KPS Investors II GP, LLC, its general partner

By: \(\sqrt{0} \sqrt{0} \)

Name: David Shapiro

Title: Managing Principal

SCHEDULE I

TO

PATENT SECURITY AGREEMENT

See Attached.

BOS111 12130885.1

Bristol Compressors - Granted US Patents

Patent No.	Issue Date	Title	Filing Date	Expiration Date
4,995,791	26-Feb-1991	REFRIGERANT GAS COMPRESSOR UNIT	25-Nov-1988	25-Nov-2008
5,123,816	23-Jun-1992	COMPRESSOR SUCTION NOISE ATTENUATOR AND ASSEMBLY	2-Apr-1991	2-Apr-2011
<u>5,</u> 164,552	17-Nov-1992	COMPRESSOR SUCTION NOISE ATTENUATOR AND ASSEMBLY METHOD	27-Dec-1990	27-Dec-2010
5,174,540	29-Dec-1992	VIBRATION ISOLATING MOUNTING GROMMET	5-Aug-1991	29-Dec-2012
5,196,654	23-Mar-1993	COMPRESSOR DISCHARGE MUFFLER CONSTRUCTION	19-Mar-1991	19-Mar-2011
5,238,370	24-Aug-1993	COMPRESSOR SUCTION GAS FEED AND NOISE ATTENUATOR ASSEMBLY	19-Mar-1991	19-Mar-2011
5,326,231	5-Jul-1994	GAS COMPRESSOR CONSTRUCTION AND ASSEMBLY	12-Feb-1993	12-Feb-2013
5,53 8,4 04	23-Jul-1996	COMPRESSOR UNIT SHELL CONSTRUCTION	17-Mar-1995	17-Mar-2015
5,542,341	6-Aug-1996	WRIST PIN CONSTRUCTION	24-Aug-1994	24-Aug-2014
5,551,851	3-Sep-1996	SCROLL COMPRESSOR CONSTRUCTION AND METHOD OF ASSEMBLY	3-Feb-1995	3-Feb-2015
5,588,810	31-Dec-1996	LOW NOISE REFRIGERANT COMPRESSOR	1-Sep-1995	1-Sep-2015
5,588,820	31-Dec-1996	SCROLL COMPRESSOR HAVING AN AXIAL COMPLIANCE PRESSURE CHAMBER	21-Feb-1995	21-Feb-2015
5,593,295	14-Jan-1997	SCROLL COMPRESSOR CONSTRUCTION HAVING AN AXIL COMPLIANCE MECHANISM	19-Apr-1995	19-Apr-2015
5,997,258	7-Dec-1999	LOW NOISE REFRIGERANT COMPRESSOR HAVING CLOSED SHELLS AND ABSORBING SPACERS	20-May-1996	20-May-2016
6,030,192	29-Feb-2000	SCROLL COMPRESSOR HAVING BEARING STRUCTURE IN THE ORBITING	06 27 1007	22 D 2014
C 005 70 5	1434 0000	SCROLL TO ELIMINATE TIPPING FORCES	26-Nov-1997 28-Nov-1997	23-Dec-2014 28-Jan-2018
6,037,725	14-Mar-2000	TWO STEP POWER OUTPUT MOTOR VARIABLE CAPACITY COMPRESSOR HAVING TWO-STEP MOTOR STRENGTH	28-NOV-1997	20-Jan-2018
6,040,679	21-Mar-2000	ADJUSTABILITY	6-Feb-1998	6-Feb-2018
6,092,993	25-Jul-2000	ADJUSTABLE CRANKPIN THROW STRUCTURE HAVING IMPROVED THROW STABILIZING MEANS	14-Aug-1997	14-Aug-2017
6,099,259	8-Aug-2000	VARIABLE CAPACITY COMPRESSOR	26-Jan-1998	26-Jan-2018
6,132,177	17-Oct-2000	TWO STAGE RECIPROCATING COMPRESSORS AND ASSOCIATED HVAC SYSTEMS AND METHODS	13-Aug-1998	13-Aug-2018
6,172,476	9-Jan-2001	TWO STEP POWER OUTPUT MOTOR AND ASSOCIATED HVAC SYSTEMS AND METHODS	13-Aug-1998	13-Aug-2018
6,217,287	17-Apr-2001	VARIABLE CAPACITY COMPRESSOR HAVING ADJUSTABLE CRANKPIN THROW STRUCTURE	22-Jan-1999	26-Jan-2018
6,276,154	21-Aug-2001	TWO STEP METERING DEVICE	4-Feb-2000	4-Feb-2020
6,331,925	18-Dec-2001	TWO STAGE RECIPROCATING COMPRESSORS AND ASSOCIATED HVAC SYSTEMS AND METHODS	29 - Jun-2000	13-Aug-2018
6,354,092	12-Mar-2002	METHOD AND VALVE FOR ARRESTING LIQUID AT INTAKE OF REFRIGERATION COMPRESSOR	21-Aug-2000	20 - Aug-2020

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Bristol Compressors - Granted US Patents

Patent No.	Issue Date	Title	Filing Date	Expiration Date
6,389,823	21 May 2002	TWO STAGE RECIPROCATING COMPRESSORS AND ASSOCIATED HVAC		
0,369,623	21-May-2002	SYSTEM AND METHODS	29-Jun-2000	13-Aug-2018
6,422,346	23-Jul-2002	LUBRICATING OIL PUMPING SYSTEM	3-Dec-1999	3-Dec-2019
6,446,451	10-Sep-2002	VARIABLE CAPACITY COMPRESSOR HAVING ADJUSTABLE CRANKPIN		
0,440,431	10-3ep-2002	THROW STRUCTURE	30-Mar-2001	30-Mar-2021
6,457,561	12-Sep-2002	VISCOUS PUMPING SYSTEM	25-May-2000	25-May-2020
6,499,971	31-Dec-2002	COMPRESSOR UTILIZING SHELL WITH LOW PRESSURE SIDE MOTOR AND		
0,499,971	31-1000-2002	HIGH PRESSURE SIDE OIL SUMP	1-Dec-2000	1-Dec-2020
6,551,069	22-Apr-2003	COMPRESSOR WITH A CAPACITY MODULATION SYSTEM UTILIZING A RE-		
0,331,009	22-Apr-2003	EXPANSION CHAMBER	11-Jun-2001	11-Jun-2021
6,579,076	17-Jun-2003	SHAFT LOAD BALANCING SYSTEM	23-Dec-2001	23-Dec-2021
6,584,791	1-Jul-2003	PRESSURE EQUALIZATION SYSTEM AND METHOD	5-Apr-2001	5-Apr-2021
6,591,621	15-Jul-2003	TWO STAGE RECIPROCATING COMPRESSORS AND ASSOCIATED HVAC		
0,391,021	13-341-2003	SYSTEMS AND METHODS	9-May-2002	13-Aug-2018
6,609,896	26-Aug-2003	DEVICE AND METHOD FOR REDUCING FORCES IN MECHANISMS	28-Jan-2002	28-Jan-2022
6,616,416	9-Sep-2003	METHODS AND SYSTEM FOR MOTOR OPTIMIZATION USING CAPACITANCE		
0,010,416	9-Sep-2003	AND/OR VOLTAGE ADJUSTMENTS	19-Feb-2002	19-Feb-2022
6,637,216	28-Oct-2003	COMPRESSOR WITH INTERNAL ACCUMULATOR FOR USE IN SPLIT		
0,037,210	28-001-2003	COMPRESSOR	22-Jan-2003	22-Jan-2023
6,663,358	16-Dec-2003	COMPRESSORS FOR PROVIDING AUTOMATIC CAPACITY MODULATION AND		
0,003,336	10-10-2005	HEAT EXCHANGING SYSTEM INCLUDING THE SAME	24-Jan-2002	24-Jan-2022
6,684,755	3-Feb-2004	CRANKSHAFT, COMPRESSOR USING CRANKSHAFT, AND METHOD FOR		
0,084,733	3-160-2004	ASSEMBLING A COMPRESSOR INCLUDING INSTALLING CRANKSHAFT	28-Jan-2002	28-Jan-2022
6,708,519	23-Mar-2004	ACCUMULATOR WITH INTERNAL DESSICANT	30-Dec-2002	30-Dec-2022
6,781,342	24-Aug-2004	SYSTEM AND METHOD FOR SOFT STARTING A THREE PHASE MOTOR	23-May-2003	23-May-202
6,807,821	26-Oct-2004	COMPRESSOR WITH INTERNAL ACCUMULATOR FOR USE IN SPLIT		
0,607,621	26-001-2004	COMPRESSOR	20-Aug-2003	20-Aug-202
6,823,686	30-Nov-2004	PRESSURE EQUALIZATION SYSTEM AND METHOD	12-Jul-2002	12-Jul-2022
6,840,746	11-Jan-2005	RESISTIVE SUCTION MUFFLER FOR REFRIGERANT COMPRESSORS	2-Jul-2002	2-Jul-202
6,848,495	1-Feb-2005	METHOD OF MANUFACTURING A LAMINATED ROTOR	19-May-2003	19-May-202
6 906 405	24 May 2005	CYLINDER HEAD AND VALVE PLATE ASSEMBLY FOR RECIPROCATING		
6,896,495	24-May-2005	COMPRESSOR	22-May-2003	22-May-202
6,900,573	31-May-2005	ROTOR CORE LAMINATION FOR A LAMINATED ROTOR	30-Sep-2004	19-May-202
6.001.675	7 1 2005	SYSTEM AND METHOD FOR SIZING A CENTER BORE OF A LAMINATED		
6,901,675	7-Jun-2005	ROTOR	22-May-2003	22-May-202

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Bristol Compressors - Granted US Patents

Patent No.	Issue Date	Title	Filing Date	Expiration Date
6,935,221 30-Aug-200		METHOD FOR MANUFACTURING AN ALUMINUM DIE CAST PISTON FOR		
0,953,221	30-Aug-2003	RECIPROCATING COMPRESSORS	26-Mar-2003	26-Mar-2023
6,935,848	30-Aug-2005	DISCHARGE MUFFLER PLACEMENT IN A COMPRESSOR	19-May-2003	19-May-2023
6,953,324	11-Oct-2005	ADJUSTABLE CRANKPIN THROW STRUCTURE HAVING IMPROVED THROW		
0,923,324	11-001-2003	STABILIZATION MEANS	31-May-2000	14-Aug-2017
6,971,860	6-Dec-2005	COMPRESSOR UNIT HOUSING AND METHODS OF ALIGNMENT	2-May-2003	2-May-2023
7,037,091	2-May-2006	CRANKCASE HEATER MOUNTING FOR A COMPRESSOR	19-May-2003	19-May-2023
7,070,397	4-Jul-2006	COMPRESSOR SUCTION GAS FEED ASSEMBLY	30-Apr-2003	30-Apr-2023
7,074,022	11-Jul-2006	DISCHARGE VALVE ASSEMBLY FOR RECIPROCATING COMPRESSORS	25-Feb-2005	
5,361,900	8-Nov-1994	COMPRESSOR SHIPPING CARTON	10-May-1993	EXPIRED
5,203,857	20-Apr-1993	GAS COMPRESSOR HEAD AND DISCHARGE VALVE CONSTRUCTION	15-Oct-1991	EXPIRED
5,168,960	8-Dec-1992	COMPRESSOR CRANKSHAFT BEARING CAP AND ASSEMBLY	19-Mar-1991	EXPIRED
5,106,278	21-Apr-1992	REFRIGERANT GAS COMPRESSOR CONSTRUCTION	1-Jun-1990	EXPIRED
5,080,130	14-Jan-1992	GAS COMPRESSOR HEAD AND DISCHARGE VALVE CONSTRUCTION	1-Jun-1990	EXPIRED
4,955,796	11-Sep-1990	REFRIGERANT GAS COMPRESSOR CONSTRUCTION	21-Sep-1988	EXPIRED
4,930,406	5-Jun-1990	REFRIGERANT GAS COMPRESSOR CONSTRUCTION	21-Sep-1988	EXPIRED
4,875,580	24-Oct-1989	COMPRESSOR SHIPPING PACKAGE	21-Feb-1989	EXPIRED
4,850,816	25-Jul-1989	REFRIGERANT GASS COMPRESSOR UNIT	30-Jun-1988	EXPIRED

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Bristol Compressors - Pending US Applications

App. No./Pub No.	File date		US Pat No	Comment
11/428,942	26-Jul-2006	HIGH-FREQUENCY CONTROL OF DEVICES INTERNAL TO A		
		HERMETIC COMPRESSOR		
11/460,400	27-Jul-2006	LOGIC FOR SELF-MODULATING SEQUENCING		
11/464,586	15-Aug-2006	SYSTEM AND METHOD FOR COMPRESSOR CAPACITY		
2002/01/4/511		MODULATION IN A HEAT PUMP		
2002/0144511	5-Apr-2001		6,584,791	'
2002/0170301	9-May-2002	TWO STAGE RECIPROCATING COMPRESSORS AND ASSOCIATED HVAC SYSTEMS AND METHODS	6 701 601	
			6,591,621	
2002/0178741	12-Jul-2002	PRESURE EQUALIZATION SYSTEM AND METHOD	6,823,686	
2002/0187050	11-Jun-2001	COMPRESSOR WITH A CAPACITY MODULATION SYSTEM		
2002/0207000	11 3011 2001		6,551,069	
		CRANKSHAFT, COMPRESSOR USING CRANKSHAFT, AND METHOD		
2003/0140780	28-Jan-2002	FOR ASSEMBLING A COMPRESSOR INCLUDING INSTALLING		
			6,684,755	
2003/0143083	28-Jan-2002		6,609,896	
2003/0222609	23-May-2003	SYSTEM AND METHOD FOR SOFT STARTING A THREE PHASE		
		MOTOR	6,781,342	
2004/0055458	10-Jul-2003	RECIPROCATING COMPRESSOR WITH A LINEAR MOTOR		Linear to rotary motion
2004/0148951	23-Jan-2004	SYSTEM AND METHOD FOR STEPPED CAPACITY MODULATION IN		
2004/0001010		A REFRIGERATION SYSTEM		DUAL TS - 8 Steps of capacity modulation
2004/0231818	25-Nov-2004	METHOD OF MANUFACTURING A LAMINATED ROTOR	6,848,495	
2004/0237322	2-Dec-2004	SYSTEM AND METHOD OF SIZING A CENTER BORE OF A		
		LAMINATED ROTOR	6,901,675	DESTRUCTION OF DAY
2005/0000083	6-Jan-2005	METHOD OF ATTACHING A ROTOR TO A SHAFT		BENCHMARK - rotary heating at
2005/0040727	25-Feb-2005	DOTOR CORRES AND INVESTOR AND A LANGUAGER ROTTOR	ABANDONED	assembly to improve efficiency
2005/0053486		ROTOR CORE LAMINATION FOR A LAMINATED ROTOR	6,900,573	DENOTE (ADV. E. ADI. 1.
2005/0053486		OFFSET MOUNTING FOOT		BENCHMARK - Foot Plate design
2005/0066673		PRESSURE EQUALIZATION SYSTEM AND METHOD MOLDED COMPRESSOR BASE		
2003/0133943	23-1060-2004	CYLINDER HEAD AND VALVE PLATE ASSEMBLY FOR		
2005/0169785	25-Feb-2005	RECIPROCATING COMPRESSOR	7,074,022	
2005/0238520	15-Jun-2005	COMPRESSOR UNIT HOUSING AND METHODS OF ALIGNMENT	7,074,022	
2005/0238320	26-Jul-2005	MUFFLER SYSTEM FOR A COMPRESSOR		
2003/02/0/11		SYSTEM AND METHOD FOR REDUCING NOISE IN MULTI-	 	TS Bleed Port in cylinder bore to prevent
2006/0083647	30-Sep-2005	CAPACITY COMPRESSORS		throwblock chatter
<u> </u>	1	SYSTEM AND METHOD FOR COMPRESSOR CAPACITY		IIIIOWOIOOK CIIRIICI
2007/0032909	3-Aug-2005	MODULATION		
L		MODOPATION	<u> </u>	

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