PATENT ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	First Lien Patent Security Agreement	

CONVEYING PARTY DATA

Name	Execution Date
Hunter Manufacturing Company	08/22/2007

RECEIVING PARTY DATA

Name:	Bear Stearns Corporate Lending Inc., as First Lien Administrative Agent		
Street Address:	383 Madison Avenue		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10179		

PROPERTY NUMBERS Total: 13

Property Type	Number
Patent Number:	4850853
Patent Number:	4865637
Application Number:	11064462
Patent Number:	7115152
Patent Number:	5816430
Patent Number:	7201036
Patent Number:	4898602
Application Number:	60850441
Application Number:	11156511
Application Number:	11156941
Application Number:	11385564
Application Number:	11385462
Application Number:	11156512

CORRESPONDENCE DATA

PATENT REEL: 019733 FRAME: 0720

500340921

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Correspondent Name: Latham & Watkins LLP

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ATTORNEY DOCKET NUMBER: 031935-0315

NAME OF SUBMITTER: Rhonda DeLeon

Total Attachments: 6 source=FirstPSA#page1.tif

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FIRST LIEN PATENT SECURITY AGREEMENT

This FIRST LIEN PATENT SECURITY AGREEMENT, dated as of August 22, 2007 (as may be amended, restated, supplemented or otherwise modified from time to time, this "Patent Security Agreement"), is entered into by each of Hunter Defense Technologies, Inc. and Hunter Manufacturing Company (each, a "Grantor" and collectively, the "Grantors"), in favor of BEAR STEARNS CORPORATE LENDING INC., in its capacity as Administrative Agent (in such capacity, and together with its successors in such capacity, the "Administrative Agent") for the benefit of the lenders from time to time parties to the Credit Agreement referred to below.

WITNESSETH:

WHEREAS, HDT Holdings, Inc., a Delaware corporation, and HDT Acquisition, Inc., a Delaware corporation (which on the Closing Date shall be merged with and into Hunter Defense Technologies, Inc., a Delaware corporation ("HDT"), with HDT surviving such merger as the borrower) (the "Borrower"), have entered into that certain First Lien Credit Agreement, dated as of August 22, 2007 (the "Credit Agreement"), with the several banks and other financial institutions or entities from time to time parties thereto as lenders (the "Lenders"), Bear, Stearns & Co. Inc. and Banc of America Securities LLC, as joint lead arrangers and joint bookrunners, Bank of America, N.A., as syndication agent, and the Administrative Agent.

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that each Grantor shall have executed and delivered that certain First Lien Guarantee and Collateral Agreement, dated as of August 22, 2007 (as amended, restated, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), in favor of the Administrative Agent for the ratable benefit of the Secured Parties (as defined in the Guarantee and Collateral Agreement).

WHEREAS, under the terms of the Guarantee and Collateral Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Intellectual Property of the Grantors, including all successors and assigns, to the Administrative Agent for the ratable benefit of the Secured Parties, and have agreed as a condition thereof to execute this Patent Security Agreement for recording with the United States Patent and Trademark Office and other applicable Governmental Authorities.

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees with the Administrative Agent as follows:

SECTION 1. <u>Defined Terms</u>. Unless otherwise defined herein, all capitalized terms used but not otherwise defined herein have the meanings given to them in the Guarantee and Collateral Agreement and, if not therein defined, in the Credit Agreement.

SECTION 2. Grant of Security Interest in Patent Collateral. Each Grantor hereby grants to the Administrative Agent for the ratable benefit of the Secured Parties a security interest in all of the following now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (the "Patent Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations pursuant to the Guarantee and Collateral Agreement:

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- (a) (i) all domestic and foreign patents, patent applications and patentable inventions, including, without limitation, each issued patent and patent application identified in Schedule I, (ii) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, (iii) all inventions and improvements claimed therein, (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all patent licenses entered into in connection therewith, payments arising out of any other sale, lease, license or other disposition thereof and damages and payments for past, present or future infringement thereof), and (iv) all other rights of any kind whatsoever accruing thereunder or pertaining thereto;
- (b) all rights to sue at law or in equity for any past, present, or future infringement, misappropriation, dilution, or other violation thereof, including the right to receive all proceeds and damages therefrom; and
- (c) to the extent not otherwise included, all Proceeds, Supporting Obligations and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing.
- SECTION 3. Guarantee and Collateral Agreement. The security interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interests granted to the Administrative Agent, for the ratable benefit of the Secured Parties, pursuant to the Guarantee and Collateral Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Guarantee and Collateral Agreement, the provisions of the Guarantee and Collateral Agreement shall control unless the Administrative Agent shall otherwise determine.
- SECTION 4. Release of Patent Collateral. The release of the Administrative Agent's security interest in the Patent Collateral created pursuant to the Guarantee and Collateral Agreement or any other Loan Document shall be effected in accordance with Section 8.16 of the Guarantee and Collateral Agreement.
- SECTION 5. <u>Applicable Law</u>. This Patent Security Agreement and the rights and obligations of the parties under this Patent Security Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.
- SECTION 6. <u>Counterparts</u>. This Patent Security Agreement may be executed by one or more of the parties hereto on any number of separate counterparts (including by telecopy, facsimile or other electronic transmission (i.e., a "pdf" or "tif")), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[signature pages follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Patent Security Agreement to be duly executed and delivered as of the date first above written.

HUNTER MANUFACTURING COMPANY

Nan

HUNTER DEFENSE TECHNOLOGIES, INC.

By:

Marne

Title

BEAR STEARNS CORPORATE LENDING INC., as

Administrative Agent

Name:

Title: VICTOR BULZACCHELLI VICE PRESIDENT

[Signature Page to First Lien Patent Security Agreement]

$\begin{array}{c} \text{SCHEDULE I} \\ \text{TO} \\ \text{PATENT SECURITY AGREEMENT} \end{array}$

Grantor	Jurisdiction	Patent	App. No./ Patent No.	Filing Date/ Grant Date	Record Owner	Status
Hunter Manufacturing Company	U.S.	Air Control System for a Burner	4,850,853	7/25/1989	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	U.S.	Filter Cartridge	4,865,637	9/12/1989	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	U.S.	Filter Integrity Tester	11/064,462	2/23/2005	Hunter Manufacturing Company	Published
Hunter Manufacturing Company	U.S.	Four Bed Regenerable Filter System	7,115,152	10/3/2006	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	PCT	Four Bed Regenerable Filter System	PCT/US2004/036654	11/4/2004	Hunter Manufacturing Company	Published
Hunter Manufacturing Company	ЕР	Four Bed Regenerable Filter System	2004810286	10/25/2006	Hunter Manufacturing Company	Published
Hunter Manufacturing Company	U.S.	Fuel Tank Vent Valve for Heaters	5,816,430	10/6/1998	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	PCT	Residual Life Indicating System	PCT/US2005/05941	2/25/2005	Hunter Manufacturing Company	Published
Hunter Manufacturing Company	U.S.	Residual Life Indicating System	7,201,036	4/10/2007	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	U.S.	Selectively Open Air Filter	4,898,602	2/6/1990	Hunter Manufacturing Company	Granted
Hunter Manufacturing Company	U.S.	Vehicle Heating & Cooling System	60/850,441	10/10/2006	Hunter Manufacturing Company	Pending
Hunter Defense Technologies, Inc.	U.S.	Air Filtration Media Comprising Metal- Doped Silicon Based Gel Materials	11/156,511	6/20/2005	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Published
Hunter Defense Technologies, Inc.	U.S.	Air Filtration Media Comprising Metal- Doped Silicon Based Gel Materials	11/156,941	6/20/2005	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Published

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Grantor	Jurisdiction	Patent	App. No./ Patent No.	Filing Date/ Grant Date	Record Owner	Status
Hunter Defense Technologies, Inc.	U.S.		11/385,564	3/21/2006	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Pending; not yet published
Hunter Defense Technologies, Inc.	U.S.		11/385,462	3/21/2006	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Pending; not yet published
Hunter Defense Technologies, Inc.	PCT	Air Filtration Media Comprising Metal- Doped Silicon Based Gel and Zeolite Materials	2006US23810	1/4/2007	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Published
Hunter Defense Technologies, Inc.	PCT	Air Filtration Media Comprising Metal- Doped Silicon Based Gel and Zeolite Materials	2006US24235	1/4/2007	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Published
Hunter Defense Technologies, Inc.	U.S.	Methods of producing Air Filtration Media Comprising Metal- Doped Silicon Based Gel and Zeolite Materials	11/156,512	6/20/2005	Hunter Manufacturing Company of Ohio; J.M. Huber Corporation	Published

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RECORDED: 08/23/2007