

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

ASSIGNMENT

CONVEYING PARTY DATA

Name	Execution Date
HYDRAFORCE, INC.	08/30/2007

RECEIVING PARTY DATA

Name:	US BANK, N.A.
Street Address:	209 South LaSalle Street, Suite 410
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60604

PROPERTY NUMBERS Total: 10

Property Type	Number
Patent Number:	6116263
Patent Number:	6789570
Patent Number:	6966329
Patent Number:	6267350
Patent Number:	7137406
Patent Number:	7063100
Patent Number:	6805155
Patent Number:	7069945
Patent Number:	6554014
Patent Number:	6167906

CORRESPONDENCE DATA

Fax Number: (312)551-1101

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

Phone: 3125518300

Email: ssmilie@pfs-law.com

PATENT

500347152

REEL: 019773 FRAME: 0768

CH \$400.00 6116263

Correspondent Name: Scott W. Smilie
Address Line 1: 150 South Wacker Drive, Suite 1500
Address Line 2: Patzik, Frank & Samotny Ltd.
Address Line 4: Chicago, ILLINOIS 60606

ATTORNEY DOCKET NUMBER:

1139-028

NAME OF SUBMITTER:

Scott W. Smilie

Total Attachments: 11

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PATENT, TRADEMARK AND LICENSE ASSIGNMENT

THIS PATENT, TRADEMARK AND LICENSE ASSIGNMENT ("Assignment") is made as of the 31st day of August, 2007, by and between US BANK, N.A. ("Assignee"), a state banking association with an office located at 209 South LaSalle Street, Suite 410, Chicago, Illinois 60604, and HYDRAFORCE, INC., an Illinois corporation, with its principal place of business located at 500 Barclay Boulevard, Lincolnshire, Illinois 60069 ("Assignor").

W I T N E S S E T H:

WHEREAS, Assignor and Assignee are parties to the First Amended and Restated Loan and Security Agreement of even date herewith ("Loan Agreement"), which Loan Agreement provides (i) for Assignee to, from time to time, extend credit to or for the account of Assignor and (ii) for the grant by Assignor to Assignee of a security interest in all of Assignor's assets, including without limitation, its patents, patent applications, trademarks, trademark applications, tradenames, goodwill, copyrights, and licenses;

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

1. Incorporation of Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

2. Assignment of Patents, Technical Information, Licenses and Trademarks. To secure the complete and timely satisfaction of all of the "Liabilities" (as defined in the Loan Agreement):

A. Assignor hereby grants, assigns and conveys to Assignee the entire right, title and interest of Assignor in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed and all goodwill associated therewith:

(i) Assignor's patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Schedule A, attached hereto and made a part hereof, 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, damages and payments for past and future infringements thereof, (c) subject to the provisions of paragraph 11, the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the "Patents");

(ii) Assignor's technical information and know-how relating to processes, procedures, inventions, machines or trade secrets used in connection with the Patents;

(iii) Assignor's license agreements relating to or involving any of the Patents or technical information described in clauses (A)(i) or (A)(ii) with any other party, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale, all "Inventory" (as defined in the Loan Agreement) now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Patent Licenses"); and

B. Assignor hereby grants, assigns and conveys to Assignee a security interest in the following property:

(i) Assignor's trademarks, trademark registrations, service marks, service mark registrations, tradenames, trademark and service mark applications, including, without limitation, the trademarks, service marks and applications listed on Schedule C attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, (d) all rights corresponding thereto throughout the world, and (e) all of the goodwill of Assignor's business connected with and symbolized by the trademarks, service marks, tradenames or other items described in clauses (a)-(d) (all of the foregoing trademarks, trademark registrations, service marks, service mark registrations, tradenames and applications, together with the items described in clauses (a)-(e) are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(ii) Assignor's license agreements relating to or involving any of the trademarks, service marks, tradenames or other items described in clause (B)(i) with any other party, whether Assignor is a licensor or licensee under any such license agreement, including without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale, all "Inventory" (as defined in the Loan Agreement) now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

3. Restrictions on Future Agreements. Assignor agrees that until the Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated, Assignor will not, without Assignee's prior written consent, enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Assignment, and Assignor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Assignee under this Assignment.

4. New Patents, Trademarks, and Licenses. Assignor represents and warrants that the Patents, Trademarks, Patent Licenses, and Trademark Licenses, listed on Schedules A, B and C, respectively, constitute all of the issued patents, registered trademarks, registered service marks, applications and licenses now owned by Assignor. If, before the Liabilities shall have

been satisfied in full, Assignor shall (i) obtain rights to any new patent, registered trademark, registered service mark, registered tradenames or licenses, or (ii) become entitled to the benefit of any patent, trademark or service mark application, trademark or service mark registration, license renewal, or patent for any reissue, division, continuation renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of paragraph 2 above shall automatically apply thereto and Assignor shall give to Assignee prompt written notice thereof. Assignor hereby authorizes Assignee to modify this Assignment by amending Schedule A, B and/or C, as applicable, to include any future patents, patent applications, registered trademarks, registered service marks, trademark applications, service mark applications, registered tradenames and licenses which are Patents, Trademarks, Patent Licenses or Trademark Licenses, as applicable, under paragraph 2 above or under this paragraph 4. Assignor agrees to execute all documents necessary to record or preserve Assignee's interest in all Patents, Trademarks, Patent Licenses or Trademark Licenses added to Schedules A, B or C pursuant to this paragraph 4.

5. Royalties. Assignor hereby agrees that the use by Assignee of each Patent and Patent License as described above shall be as extensive as the rights of Assignor to use such Patent or Patent License and without any liability for royalties or other related charges from Assignee to Assignor.

6. Terms. The term of the assignment of the various interests granted herein shall extend until the earlier of (i) the expiration, abandonment or disclaimer, as the case may be, of each of the respective Patents, Patent Licenses, Trademarks and Trademark Licenses assigned hereunder, or (ii) the Liabilities have been paid in full and the Loan Agreement has been terminated.

7. Grant of License to Assignor. Unless and until an "Event of Default" (as defined in the Loan Agreement) shall have occurred and be continuing, Assignee hereby grants to Assignor the exclusive, nontransferable right and license to exercise Assignee's rights under the Patent Licenses, and to make, have made, use and sell the inventions disclosed and claimed in the Patents for Assignor's own benefit and account and for none other. So long as such right and license shall exist, Assignee shall not exercise any right under or with respect to any Patent or Patent License except as provided in paragraph 11 hereof. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 7, without the prior written consent of Assignee, which consent shall not be unreasonably withheld. From and after the occurrence of an Event of Default, Assignor's license with respect to the Patents and Patent Licenses as set forth in this paragraph 7 shall terminate forthwith, to be reinstated only if and when such event is cured, and Assignee shall have, in addition to all other rights and remedies given it by this Assignment, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which Assignor's records concerning the Patents or Patent Licenses may be located.

8. Assignor's Right to Use Trademarks and Trademark Licenses. Unless and until an "Event of Default" (as defined in the Loan Agreement) shall have occurred and be continuing, Assignor reserves the exclusive right subject to Assignee's security interest to own and use the Trademarks and to exercise all rights derived from the Trademark Licenses for Assignor's own benefit and account and for none other. Assignor agrees to undertake all necessary acts to maintain and preserve the Trademarks and the rights under the Trademark Licenses including, but not limited to, filing of affidavits of use and, incontestability, where applicable, under 8 and

15 of the Lanham Act (15 U.S.C. §§ 1058, 1065) and renewals and initiating opposition or cancellation proceedings or litigation against users of the same or confusingly similar marks who seriously threaten the validity or rights of Assignor in its Trademarks. Assignor agrees not to sell or assign any interest in, or grant any licenses under, the Trademarks or Trademark Licenses without the prior written consent of Assignee, which consent shall not be unreasonably withheld. From and after the occurrence of an Event of Default, Assignor's exclusive rights to own and use the Trademarks and Trademark Licenses as set forth in this paragraph 8 shall terminate forthwith, to be reinstated only if and when such event is cured, and Assignee shall have, in addition to all other rights and remedies given it by this Assignment, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which Assignor's records concerning the Trademarks or Trademark Licenses may be located.

9. Reassignment to Assignor. Upon termination of the Loan Agreement and the irrevocable payment in full of the Liabilities, Assignee shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to reinvest in Assignor full title to the Patents, Patent Licenses, Trademarks and Trademark Licenses, subject to any disposition thereof, after an Event of Default, which may have been made by Assignee pursuant hereto or pursuant to the Loan Agreement.

10. Duties of Assignor. Assignor shall have the duty, consistent with good business practice, (a) to prosecute diligently any patent application of the Patents and any trademark or service mark application of the Trademarks pending as of the date hereof or thereafter until termination of the Loan Agreement, (b) to make application on the Assignor's unpatented but patentable inventions and on the Assignor's trademarks and service marks, as is appropriate in the Assignor's good faith judgment, and (c) to use its best efforts to preserve and maintain all rights in patent applications of the Patents and in trademark and service mark applications and trademark and service mark registrations of the Trademarks. Any expenses incurred in connection with such applications shall be borne by the Assignor. In any suit to enforce any Patent License, Trademark License, Patent or Trademark, Assignee shall, at the expense and reasonable request of Assignor, do any and all lawful acts and execute any and all proper documents reasonably required by Assignor in connection with such suit.

11. Assignee's Right to Sue. At any time after the occurrence of an "Event of Default" (as defined in the Loan Agreement), Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patent Licenses, Trademark Licenses, Trademarks and Patents and, if Assignee shall commence any such suit, Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents reasonably required by Assignee in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this paragraph 11.

12. Waivers. No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Assignment are severable, and if any clause or provision 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 Assignment in any jurisdiction.

14. Modification. This Assignment cannot be altered, amended or modified in any way, except as specifically provided in paragraph 4 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Effect on Loan Agreement. All of Assignee's rights and remedies with respect to the Patents, Trademarks, Patent Licenses and Trademark Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Assignor acknowledges and agrees that this Assignment is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies.

16. Binding Effect; Benefits. This Assignment shall be binding upon Assignor and its respective successors and assigns, and shall inure to the benefit of Assignee, its nominees and assigns.

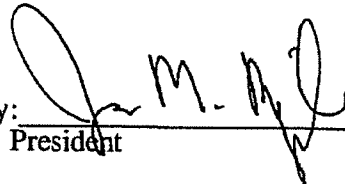
17. Governing Law. THIS ASSIGNMENT HAS BEEN DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE AT CHICAGO, ILLINOIS, AND SHALL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS APPLICABLE TO AGREEMENTS EXECUTED, DELIVERED AND PERFORMED WITHIN SUCH STATE. AS PART OF THE CONSIDERATION FOR THIS DAY RECEIVED, ASSIGNOR HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN COOK COUNTY, ILLINOIS, AND WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON ASSIGNOR, AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO THE ASSIGNOR AT THE ADDRESSES PROVIDED IN THIS ASSIGNMENT AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE (5) BUSINESS DAYS AFTER THE SAME SHALL HAVE BEEN DEPOSITED IN THE UNITED STATES MAILED, POSTAGE PREPAID. ASSIGNOR HEREBY IRREVOCABLY APPOINTS C.T. CORPORATION SYSTEM AS ASSIGNOR'S AGENT FOR THE PURPOSE OF ACCEPTING THE SERVICE OF ANY PROCESS WITHIN THE STATE OF ILLINOIS AND ASSIGNOR AGREES TO FORWARD PROMPTLY, BY REGISTERED MAIL, ANY PROCESS SERVED UPON SAID AGENT OF ASSIGNOR AT THE ADDRESSES PROVIDED HEREIN. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS ASSIGNMENT, OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER

REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS ASSIGNMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. ASSIGNOR WAIVES ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

18. Execution and Delivery. This Assignment 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 contract. Delivery of an executed counterpart of a signature page of this Assignment by facsimile or electronic mail as an Adobe ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

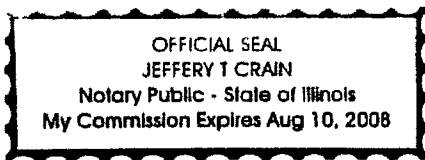
IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment as of the 31st day of August, 2007.

HYDRAFORCE, INC.

By: 
President

STATE OF ILLINOIS)
) ss.
COUNTY OF LAKE _____)

The foregoing Patent, Trademark and License Assignment was executed and acknowledged before me this 30th day of August, 2007, by James M. Brizzolara, personally known to me to be the President of HydraForce, Inc., an Illinois corporation, on behalf of such corporation.



Jeffery T. Crain
Notary Public
Lake County, Illinois
My Commission expires:

Agreed and Accepted as of this
30th day of August, 2007

US BANK, N.A.

By: James M. Brizzolara
Title: President

STATE OF ILLINOIS)
) ss.
COUNTY OF _____)

The foregoing Patent, Trademark and License Assignment was executed and acknowledged before me this 31st day of August, 2007, by James M. Brizzolara, personally known to me to be the President of HydraForce, Inc., an Illinois corporation, on behalf of such corporation.

Notary Public
Cook County, Illinois
My Commission expires:

Agreed and Accepted as of this
_____ day of _____, 2007

US BANK, N.A.

By: Deborah Saffie
Title: Vice President

SCHEDULE A

SCHEDULE OF PATENTS

US Pat. No.	Date Issued	Title
6116263	9/12/2000	Propotional Priority Flow Regulator
6789570	9/14/2004	Hydraulic Valve with Position Sensor
	11/22/200	
6966329	5	Propotional Pilot-Operated Flow Control Valve Having a Mechanism For Controlling Non-Linear Force
6267350	7/21/2001	
	11/21/200	
7137406	6	Self-Cleaning Filter
7063100	6/20/2006	Flow Regulator with Pressure Relief Combination Valve
	10/19/200	
6805155	4	Cartridge Relief Valve with Improved Stability
7069945	7/4/2006	Cartridge Relief Valve with Improved Stability
6554014	4/29/2003	Proportional Pilot-Operated Directional Valve
6167906	1/2/2001	Bi-Directional Flow Control Valve

SCHEDULE B

SCHEDULE OF LICENSES

Verbal license with NWD International, Inc., a Michigan corporation, for special flange design on the bottom of Hex head adaptor. Royalty paid by Assignor is \$0.25 per part using the flange design.

SCHEDULE C

SCHEDULE OF TRADEMARKS

United States trademark application for "HF and Design" (Serial No. 74/512,099) and "HydraForce" (Serial No. 74/515,797).