## PATENT ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	SECOND LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT	

#### **CONVEYING PARTY DATA**

Name	Execution Date
ACUTEX, INC.	07/25/2007

#### RECEIVING PARTY DATA

Name:	BEAR STEARNS CORPORATE LENDING INC., as Collateral Agent	
Street Address:	650 Town Center Drive, 20th Floor	
City:	Costa Mesa	
State/Country:	CALIFORNIA	
Postal Code:	92626	

#### PROPERTY NUMBERS Total: 12

Property Type	Number
Patent Number:	4753263
Patent Number:	4863142
Patent Number:	5000421
Patent Number:	5000420
Patent Number:	5075584
Patent Number:	5051631
Patent Number:	5950984
Patent Number:	6095188
Patent Number:	6276663
Patent Number:	6520044
Patent Number:	6644350
Patent Number:	6860293

#### **CORRESPONDENCE DATA**

Fax Number: (714)755-8290

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

PATENT REEL: 019795 FRAME: 0515

500350124

Phone: 714-540-1235

Email: ipdocket@lw.com, kristin.azcona@lw.com

Correspondent Name: LATHAM & WATKINS LLP

Address Line 1: 650 Town Center Drive, 20th Floor Address Line 4: Costa Mesa, CALIFORNIA 92626

ATTORNEY DOCKET NUMBER:

031935-0308

NAME OF SUBMITTER:

Kristin J. Azcona

Total Attachments: 11

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#### SECOND LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT

This SECOND LIEN INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of July 25, 2007 (as may be amended, supplemented, restated or otherwise modified from time to time, the "Intellectual Property Security Agreement"), is made by each of the signatories hereto (collectively, the "Grantors") in favor of Bear Stearns Corporate Lending Inc., as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined in the Guarantee and Collateral Agreement referred to below).

A. Hilite Germany GmbH & Co. KG (the "Borrower") and Hilite International, Inc. have entered into a Second Lien Credit Agreement, dated as of July 25, 2007 (as may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement"), with the banks, financial institutions and other entities (the "Lenders") from time to time party thereto, Bear Stearns Corporate Lending Inc., as administrative agent, the Collateral Agent and Bear Stearns Corporate Lending Inc., as foreign agent.

- B. It is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrowers under the Credit Agreement that the Grantors shall have executed and delivered that certain Second Lien Guarantee and Collateral Agreement, dated as of July 25, 2007 in favor of the Collateral Agent (as may be amended, supplemented, restated or otherwise modified from time to time, the "Guarantee and Collateral Agreement"). Capitalized terms used and not defined herein have the meanings given such terms in the Credit Agreement or the Guarantee and Collateral Agreement, as applicable.
- C. 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 to the Collateral Agent for the benefit of the Secured Parties, and have agreed as a condition thereof to execute this Intellectual Property Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office, and other applicable Governmental Authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantors agree as follows:

#### **SECTION 1. GRANT OF SECURITY.**

- (A) As security for the payment or performance, as the case may be, in full of the Obligations with respect to every Grantor, each Grantor hereby pledges to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of its right, title or interest in or to any and all of the following (the "Intellectual Property Collateral") now owned or at any time hereafter acquired or created by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest:
- (a) (i) all letters patent of the United States or the equivalent thereof in any other country, union of countries or any political subdivision of any of the foregoing, all issuances and recordings thereof, and all applications for letters patent of the United States or the equivalent thereof in any other country, including issuances, recordings and pending applications

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in the United States Patent and Trademark Office or any similar offices in any other country, union of countries or any political subdivision of any of the foregoing, including those listed on Schedule A attached hereto, (ii) all reissues, continuations, divisions, continuations-in-part, renewals, substitutes or extensions thereof, and the inventions disclosed or claimed therein, including the right to make, use, import, sell and/or offer to sell the inventions and improvements disclosed or claimed therein, and (iii) the right to sue or otherwise recover for past, present and future infringements thereof;

- (i) all trademarks, service marks, trade names, corporate names, company (b) names, business names, fictitious business names, domain names, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or union of countries or any political subdivision thereof (except for any "intent to use" applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, unless and until an "Amendment to Allege Use" or a "Statement of Use" under Section 1(c) or Section 1(d) of the Lanham Act has been filed, solely to the extent that such a grant of a security interest therein prior to such filing would impair the validity or enforceability of any registration that issues from such "intent-to-use" application), and all extensions or renewals thereof, including those listed on Schedule B attached hereto, (ii) all renewals and extensions thereof, (iii) all goodwill of the business connected with the use thereof or symbolized thereby, and (iv) the right to sue or otherwise recover for past, present and future infringements or dilution of any of the foregoing or for any injury to such goodwill;
- (c) (i) all copyrights arising under the laws of the United States or any other country, or union of countries, or any political subdivision of any of the foregoing, whether registered or unregistered and whether published or unpublished, (ii) all registrations and recordings and applications for registration of any such copyright in the United States or any other country, or union of countries, or any political subdivision of any of the foregoing, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, including those listed on Schedule C attached hereto, (iii) all extensions and renewals thereof, and (iv) the right to sue or otherwise recover for past, present and future infringements of any of the foregoing; and
  - (d) all Proceeds with respect to any of the foregoing.
- (B) Notwithstanding anything herein to the contrary, it is the understanding of the parties that the security interest in the Intellectual Property Collateral granted pursuant to this Intellectual Property Security Agreement shall, prior to the Discharge of First Lien Obligations (as defined in the Intercreditor Agreement), be subject and subordinated to the Liens granted to the First Lien Collateral Agent for the benefit of the holders of the First Lien Obligations to secure the First Lien Obligations pursuant to the First Lien Guarantee and Collateral Agreement. Notwithstanding anything herein to the contrary the security interest in the Intellectual Property Collateral granted pursuant to this Intellectual Property Security Agreement and the exercise of any right or remedy by the Collateral Agent hereunder are subject to the provisions of the

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Intercreditor Agreement. In the event of any conflict between the provisions of the Intercreditor Agreement and this Agreement, the provisions of the Intercreditor Agreement shall govern and control.

**SECTION 2. RECORDATION.** Each Grantor authorizes and requests that the United States Commissioner of Patents and Trademarks, the United States Register of Copyrights or any other applicable government officer record this Intellectual Property Security Agreement.

**SECTION 3. EXECUTION IN COUNTERPARTS.** This Intellectual Property Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

#### **SECTION 4. GOVERNING LAW.**

This Intellectual Property Security Agreement shall be construed in accordance with and governed by the law of the State of New York.

SECTION 5. CONFLICT PROVISION. This Intellectual Property Security Agreement has been entered into in conjunction with the Guarantee and Collateral Agreement and the Credit Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Intellectual Property Collateral are more fully set forth in the Guarantee and Collateral Agreement and the Credit Agreement, all terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provisions of this Intellectual Property Security Agreement are in conflict with the Guarantee and Collateral Agreement or the Credit Agreement, the provisions of the Guarantee and Collateral Agreement or the Credit Agreement, as applicable, shall govern.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Intellectual Property Security Agreement as of the day and year first above written.

HILITE INTERNATIONAL, INC.

Name: Title:

Michael T. Kestner

**Executive Vice President** 

HILITE INTERNATIONAL GROUP HOLDING COMPANY, INC.

By

Name: Title:

Michael T. Kestner Vice President

HILITE INDUSTRIES, INC.

Name: Title:

Michael T. Kestner

Vice President

HILITE INDUSTRIES GROUP HOLDING COMPANY

Title:

Michael T. Kestner Vice President

HILITE SERVICES, INC.

Name:

Michael T. Kestner

Title:

Vice President

[SECOND LIEN IP SECURITY AGREEMENT]

# HILITE INDUSTRIES - TEXAS, INC. By . Name: Joseph W. Carreras Title: Chief Executive Officer ACUTEX, INC. By Name: Title: Chief Executive Officer HILITE INDUSTRIES - DELAWARE, INC. Ву Name: Joseph W. Carreras Title: Chief Executive Officer HILITE INTERNATIONAL SALES GROUP, INC. By Name: Joseph W. Carreras Title: Chief Executive Officer HILITE MANAGEMENT OVERSEAS, LLC By. Name: Joseph W. Carreras Title: Chief Executive Officer HILITE JAPAN HOLDCO, LLC Name:

Joseph W. Carreras

Chief Executive Officer

[SECOND LIEN IP SECURITY AGREEMENT]

Title:

NORTH AMERICAN SPRING & STAMPING CORP.

Nam

Name: Title:

Joseph W. Carreras Chief Executive Officer

NORTHERN STAMPING CO.

Ву \_\_\_\_

Name: Title: Joseph W. Carreras Chief Executive Officer

HILITE INDUSTRIES AUTOMOTIVE, LP

By Hilite Industries - Texas, Inc., General Partner

Ву

Name: Title:

Joseph W. Carreras Chief Executive Officer

[SECOND LIEN IP SECURITY AGREEMENT]

BEAR STEARNS CORPORATE LENDING

INC., as Collateral Agent

Ву \_

Name: Title: VICTOR F. BULZACCHELLI
Vice President

[SECOND LIEN IP SECURITY AGREEMENT]

**PATENT** 

REEL: 019795 FRAME: 0523

#### **SCHEDULE A**

## **PATENTS**

## **Patents**

Grantor/	Patent	Patent	<b>Expiration Date</b>
Registered Owner		Number	
Acutex, Inc.	Electrohydraulic Regulating Valve	4,753,263	August 31, 2007
Acutex, Inc.	Electromagnetic Solenoid Valve with	4,863,142	April 29, 2008
ŕ	Variable Force Motor		
Acutex, Inc.	Electromagnetic Solenoid Valve with	5,000,421	March 19, 2008
	Variable Force Motor		
Acutex, Inc.	Electromagnetic Solenoid Valve with	5,000,420	March 19, 2008
	Variable Force Motor		
Acutex, Inc.	Electromagnetic Solenoid Valve with	5,075,584	December 24, 2008
	Variable Force Motor		
Acutex, Inc.	Electromagnetic Solenoid Valve with	5,051,631	September 24, 2008
	Variable Force Motor		
Acutex, Inc.	Solenoid Valve	5,950,984	September 14, 2019
Acutex, Inc.	Multiple Ball Solenoid	6,095,188	May 27, 2019
Acutex, Inc.	Normally Rising Variable Force	6,276,663	April 25, 2020
	Solenoid		
Acutex, Inc.	Brake Pedal Shock Absorber	6,520,044	June 1, 2020
Acutex, Inc.	Variable Pressure Solenoid Control	6,644,350	May 26, 2020
	Valve		
Acutex, Inc.	Variable Pressure Solenoid Control	6,860,293	March 1, 2025
·	Valve		
Hilite Industries-	Process for increasing torque	5,670,213	March 14, 2015
Texas, Inc.	generated by a clutch		
Hilite Industries-	Inline proportioning valve for brake	4,893,878	September 27, 2008
Texas, Inc.	systems		
Hilite Industries-	Load sensing proportioning valve for	4,986,609	January 1, 2008
Texas, Inc.	brake systems		
Hilite Industries-	Brake Proportioning inline ball valve	6,213,566	April 27, 2019
Texas, Inc.			
Hilite Industries-	Wheel cylinder for actuating a	6,899,017	May 31, 2025
Texas, Inc.	vehicle brake and a method of		
	manufacturing same		

# Patent Applications

Grantor/Applicant	Patent	Application Number	Application Date
Hilite International,	Pressure Regulating Valve	11/585634	10/24/2006
Inc.			

CLI-1535801v3

## **SCHEDULE B**

## **TRADEMARKS**

## **Trademarks**

Owner	Title	Registration Number	Registration Date
Hilite International Inc.	HILITE	76/589785	4/30/2004
Acutex Inc.	ACUTEX	2230388	3/9/1999

## **Trademark Applications**

Owner	Title	Application Number	Application Date
Hilite International Inc.	HILITE UNIVALVE	76/665536	9/1/2006
Hilite International Inc.	THE UNIVALVE SYSTEM	76/665458	9/1/2006

## **SCHEDULE C**

## **COPYRIGHTS**

None.

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**RECORDED: 09/07/2007**