

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Martin-Logan, Ltd.	08/30/2010
RECEIVING PARTY DATA	
Name:	GE Business Financial Services Inc., as Canada Collateral Agent
Street Address:	500 W Monroe
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60661
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	D503702
Patent Number:	D503397
Patent Number:	D517051
CORRESPONDENCE DATA	
Fax Number:	(312)577-4565
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	3125778265
Email:	kristin.brozovic@kattenlaw.com
Correspondent Name:	Kristin Brozovic c/o Katten Muchin
Address Line 1:	525 W Monroe
Address Line 4:	Chicago, ILLINOIS 60661
ATTORNEY DOCKET NUMBER:	332659-21
NAME OF SUBMITTER:	Kristin Brozovic
Total Attachments: 5 source=18. Patent Sec Agmt (ML - Canada)#page1.tif source=18. Patent Sec Agmt (ML - Canada)#page2.tif	

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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT, dated as of August 30, 2010, is made by each of the entities listed on the signature pages hereof (each a "Grantor" and, collectively, the "Grantors"), in favor of GE Business Financial Services Inc. ("GEBFS"), as collateral agent (in such capacity, together with its successors and permitted assigns, the "Canada Collateral Agent") for the Canada Lenders and the L/C Issuers in respect of Canada Letters of Credit (as defined in the Credit Agreement referred to below) and the other Canada Secured Parties.

WITNESSETH:

WHEREAS, pursuant to the Amended and Restated Credit Agreement, dated as of August 30, 2010 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Paradigm Electronics Inc., as the Canada Borrower, Martin-Logan, Ltd., as the US Borrower, SVI Holdings (US), Inc., Paradigm Holdings N.B. Ltd., the other Credit Parties from time to time party thereto, the other financial institutions from time to time party thereto, General Electric Capital Corporation, as a Lender, Canada Swingline Lender and US Swingline Lender and as Agent for all Lenders and L/C Issuers, GEBFS, as Canada Collateral Agent for the Canada Secured Parties and as US Collateral Agent for the US Secured Parties, and GE Capital Markets, Inc., as sole lead arranger and bookrunner (which Credit Agreement amends and restates, amongst other agreements, the Original Paradigm Credit Agreement), the Canada Lenders and the L/C Issuers in respect of Canada Letters of Credit have severally agreed to make extensions of credit to the Canada Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor has agreed, pursuant to an Amended and Restated Guaranty and Security Agreement (Canada Obligations) dated as of August 30, 2010 in favor of the Canada Collateral Agent (the "Guaranty and Security Agreement"), to guarantee the Canada Obligations (as defined in the Credit Agreement) of the Canada Borrower; and

WHEREAS, all of the Grantors are party to the Guaranty and Security Agreement pursuant to which the Grantors are required to execute and deliver this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Canada Lenders, the L/C Issuers in respect of the Canada Letters of Credit, the Canada Collateral Agent and the Agent to enter into the Credit Agreement and to induce the Canada Lenders and the L/C Issuers in respect of Canada Letters of Credit to make their respective extensions of credit to the Canada Borrower thereunder, each Grantor hereby agrees with the Canada Collateral Agent as follows:

Section 1. Defined Terms. Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

Section 2. Grant of Security Interest in Patent Collateral. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Canada Obligations of such Grantor, hereby mortgages and pledges to the Canada Collateral Agent for the benefit of the Canada Secured Parties, and grants to the Canada Collateral Agent for the benefit of the Canada Secured Parties a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "Patent Collateral"):

- (a) all of its Patents, including, without limitation, those referred to on Schedule 1 hereto;
- (b) all reissues, reexaminations, continuations, continuations-in-part, divisionals, renewals and extensions of the foregoing; and
- (c) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

Section 3. Guaranty and Security Agreement. The security interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Canada Collateral Agent pursuant to the Guaranty and Security Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of the Canada Collateral Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

Section 4. Grantor Remains Liable. Each Grantor hereby agrees that, anything herein to the contrary notwithstanding, such Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with their Patents subject to a security interest hereunder.

Section 5. Counterparts. This Patent Security Agreement may be executed in any number of counterparts and by different parties in separate 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. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.


Section 6. Governing Law. This Patent Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

[SIGNATURE PAGES FOLLOW]

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

Very truly yours,

MARTIN-LOGAN, LTD.,
as Grantor

By: 
Name: Robert Cinapri
Title: Chief Financial Officer

ACCEPTED AND AGREED
as of the date first above written:

GE BUSINESS FINANCIAL SERVICES INC.,
as Canada Collateral Agent

By: _____
Name: Devasena Vallabhaneni
Title: Duly Authorized Signatory

[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

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


Very truly yours,

MARTIN-LOGAN, LTD.,
as Grantor

By: _____
Name: Robert Cinapri
Title: Chief Financial Officer

ACCEPTED AND AGREED
as of the date first above written:

GE BUSINESS FINANCIAL SERVICES INC.,
as Canada Collateral Agent

By: 
Name: Devasena Vallabhaneni
Title: Duly Authorized Signatory

[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

SCHEDULE I
TO
PATENT SECURITY AGREEMENT

Patent Registrations

1. REGISTERED PATENTS

PATENTS	Registration Number	Registration Date	Jurisdiction Registered
Loudspeaker (the ornamental design for a loudspeaker, as shown and described)	D503,702 S	April 5, 2005	United States
Loudspeaker cabinet (the ornamental design for a loudspeaker cabinet, as shown and described)	D503,397 S	March 29, 2005	United States
Natural Ambience Compensator (NAC) Design Patent	US D517,051 S	March 14, 2006	United States

2. PATENT APPLICATIONS

None.