

## PATENT ASSIGNMENT

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT																												
NATURE OF CONVEYANCE:	SECURITY AGREEMENT																												
CONVEYING PARTY DATA																													
<table border="1"> <thead> <tr> <th>Name</th> <th>Execution Date</th> </tr> </thead> <tbody> <tr> <td>PHILLIPS &amp; TEMRO INDUSTRIES INC.</td> <td>02/09/2012</td> </tr> <tr> <td>PHILTEM HOLDINGS, INC.</td> <td>02/09/2012</td> </tr> </tbody> </table>		Name	Execution Date	PHILLIPS & TEMRO INDUSTRIES INC.	02/09/2012	PHILTEM HOLDINGS, INC.	02/09/2012																						
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Patent Number:	7406957
Patent Number:	7438589
Patent Number:	7439851
Patent Number:	7472695
Patent Number:	7614388
Patent Number:	7666028
Patent Number:	7882825
Patent Number:	7921548
Patent Number:	8003922
Application Number:	12739119
Application Number:	13109441
Application Number:	13109376
Application Number:	11486884

#### CORRESPONDENCE DATA

Fax Number: (312)863-7806  
 Phone: 312-863-7198  
 Email: nancy.brougher@goldbergkohn.com  
*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.*  
 Correspondent Name: Nancy Brougher  
 Address Line 1: Goldberg Kohn Ltd.  
 Address Line 2: 55 East Monroe Street, Suite 3300  
 Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:	6923.008
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NAME OF SUBMITTER:	Nancy Brougher
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Total Attachments: 7  
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This Patent Security Agreement and the rights and obligations evidenced hereby and any security interests or other liens securing such obligations are subordinate in the manner and to the extent set forth in that certain Subordination and Intercreditor Agreement dated as of February 9, 2012 (as amended, restated, supplemented or otherwise modified from time to time, the "Subordination Agreement") among General Electric Capital Corporation, as Senior Agent ("Senior Agent"), to the indebtedness (including interest) owed by the Credit Parties, and the security interests and liens securing such indebtedness, pursuant to that certain Credit Agreement dated as of February 9, 2012 among the Credit Parties, Senior Agent and the lenders from time to time party thereto, as such Credit Agreement may be amended, supplemented or otherwise modified from time to time and to indebtedness refinancing the indebtedness under that agreement as contemplated by the Subordination Agreement; and each holder of this instrument, by its acceptance hereof, irrevocably agrees to be bound by the provisions of the Subordination Agreement.

### AMENDED AND RESTATED PATENT SECURITY AGREEMENT

THIS AMENDED AND RESTATED PATENT SECURITY AGREEMENT, dated as of February 9, 2012, is made by each of the entities listed on the signature pages hereof (each a "Grantor" and, collectively, the "Grantors"), in favor of Chase Capital Corporation ("Chase Capital"), as administrative agent (in such capacity, together with its successors and permitted assigns, the "Agent") for the Lenders (as defined in the Credit Agreement referred to below) and the other Secured Parties (this "Patent Security Agreement").

### WITNESSETH:

WHEREAS, the parties hereto are each party to the Original Patent Security Agreement (as defined below) and the parties hereto desire to amend and restate the Original Patent Security Agreement with this Patent Security Agreement;

WHEREAS, pursuant to the Amended and Restated Credit Agreement, dated as of February 9, 2012 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Phillips & Temro Industries Inc., a North Dakota corporation (the "Borrower"), the other Credit Parties, the Lenders from time to time party thereto and Chase Capital, as Agent for the Lenders, the Lenders have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor (other than the Borrower) has agreed, pursuant to the Amended and Restated Guaranty and Security Agreement of even date with Credit Agreement in favor of the Agent (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Guaranty and Security Agreement"), to guarantee the Obligations (as defined in the Credit Agreement) of the 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 Lenders and the Agent to enter into the Credit Agreement and to induce the Lenders to make their respective

extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the 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 Obligations of such Grantor, hereby pledges to the Agent for the benefit of the Secured Parties, and grants to the Agent for the benefit of the 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"):

1. all of its Patents, including, without limitation, those referred to on Schedule 1 hereto;

2. all reissues, reexaminations, continuations, continuations-in-part, divisionals, renewals and extensions of the foregoing; and

3. 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 Agent pursuant to the Guaranty and Security Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of the 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, but subject to the terms of the Guaranty and Security Agreement, 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. Termination. This Patent Security Agreement shall terminate and the Lien on the security interest in the Patent Collateral shall be released upon the payment and performance of the Secured Obligations (other than any outstanding indemnification obligations). Upon the termination of this Patent Security Agreement, the Agent shall execute all documents, make all filings, and take all other actions reasonably requested by the Grantors to evidence and record the release of the Lien on and security interests in the Patent Collateral granted herein.

Section 6. 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 7.     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 Illinois.

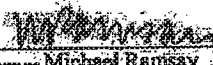
Section 8.     Amendment and Restatement. This Patent Security Agreement amends and restates in its entirety that certain Notice of Grant of Security Interest in Patents dated as of October 13, 2010 by Borrower in favor of the Agent (the "Original Patent Security Agreement"), and shall not act as a termination, release or novation of the Original Patent Security Agreement.

[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,

**PHILLIPS & TEMRO INDUSTRIES  
INC., as Grantor**

By:   
Name: Michael Ramsay  
Title: Chief Financial Officer

**PHIUTEM HOLDINGS, INC.,  
as Grantor**

By:   
Name: Michael Ramsay  
Title: Vice President

ACCEPTED AND AGREED  
as of the date first above written:

CHASE CAPITAL CORPORATION,  
as Agent

By: 

Name: W. Robert Felker

Title: Chief Operating Officer

Signature Page to Amended and Restated Patent Security Agreement

SCHEDULE I  
TO  
PATENT SECURITY AGREEMENT

Patent Registrations

1. REGISTERED PATENTS

Patent Number	Issue Date	Expiration Date	Current Owner
5595164	1/21/1997	6/22/2015	Phillips & Temro Industries Inc.
5970962	10/26/1999	3/19/2018	Phillips & Temro Industries Inc.
5988146	11/23/1999	4/15/2018	Phillips & Temro Industries Inc.
5992399	11/30/1999	4/15/2018	Phillips & Temro Industries Inc.
6031204	2/29/2000	12/10/2018	Phillips & Temro Industries Inc.
6062206	5/16/2000	3/19/2018	Phillips & Temro Industries Inc.
6073615	6/13/2000	4/15/2018	Phillips & Temro Industries Inc.
6119665	9/19/2000	4/15/2018	Phillips & Temro Industries Inc.
6152117	11/28/2000	10/7/2018	Phillips & Temro Industries Inc.
6242712	6/5/2001	5/11/2019	Phillips & Temro Industries Inc.
6651632	11/25/2003	1/23/2022	Phillips & Temro Industries Inc.
7005591	2/28/2006	9/1/2024	Phillips & Temro Industries Inc.
7070417	7/4/2006	9/28/2024	Phillips & Temro Industries Inc.
7406957	8/5/2008	8/19/2026	Phillips & Temro Industries Inc.
7438589	10/21/2008	8/2/2027	Phillips & Temro Industries Inc.
7439851	10/21/2008	11/7/2026	Phillips & Temro Industries Inc.
7472695	1/6/2009	7/27/2024	Phillips & Temro Industries Inc.
7614388	11/10/2009	10/2/2027	Phillips & Temro Industries Inc.
7666028	2/23/2010	3/19/2028	Phillips & Temro Industries Inc.
7882825	2/8/2011	5/2/2026	Phillips & Temro Industries Inc.
7921548	4/12/2011	12/10/2029	Phillips & Temro Industries Inc.
8003922	8/23/2011	6/22/2030	Phillips & Temro Industries Inc.



2. PATENT APPLICATIONS

Patent Application Number	Application Filing Date	Current Owner
12/739119	04/21/2010	Phillips & Temro Industries Inc.
13/109441	05/17/2011	Unpublished
13/109376	05/17/2011	Unpublished
11/486884	07/14/2006	Phillips & Temro Industries Inc.