

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT2578133

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
ARCTIC FOX, LLC	10/15/2013
RECEIVING PARTY DATA	
Name:	GENERAL ELECTRIC CAPITAL CORPORATION, AS AGENT
Street Address:	201 MERRITT 7
City:	NORWALK
State/Country:	CONNECTICUT
Postal Code:	06851
PROPERTY NUMBERS Total: 2	
Property Type	Number
Patent Number:	5423373
Patent Number:	7114736
CORRESPONDENCE DATA	
Fax Number:	(312)993-9767
Phone:	3129932647
Email:	zeynep.gieseke@lw.com
<i>Correspondence will be sent via US Mail when the email attempt is unsuccessful.</i>	
Correspondent Name:	ZEYNEP GIESEKE
Address Line 1:	233 S. WACKER DRIVE, SUITE 5800
Address Line 2:	C/O LATHAM & WATKINS LLP
Address Line 4:	CHICAGO, ILLINOIS 60606
ATTORNEY DOCKET NUMBER:	025646-0619
NAME OF SUBMITTER:	ZEYNEP GIESEKE
Signature:	/zg/
Date:	10/15/2013

CH \$80.00 5423373

Total Attachments: 6

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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT, dated as of October 15, 2013, is made by each of the entities listed on the signature pages hereof (each a "Grantor" and, collectively, the "Grantors"), in favor of General Electric Capital Corporation ("GE Capital"), as administrative agent (in such capacity, together with its successors and permitted assigns, the "Agent") for the Lenders and the L/C Issuers (as defined in the Credit Agreement referred to below) and the other Secured Parties.

WITNESSETH:

WHEREAS, pursuant to the 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 and the L/C Issuers from time to time party thereto and GE Capital, as Agent for the Lenders and the L/C Issuers, the Lenders and the L/C Issuers 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 a 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, the L/C Issuers and the Agent to enter into the Credit Agreement and to induce the Lenders and the L/C Issuers 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, but excluding all Excluded Property, including any "intent to use" Trademark application for which a statement of use has not been filed and accepted with the U.S. Patent and Trademark Office (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 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) and cash collateralization of Letters of Credit. 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 New York.

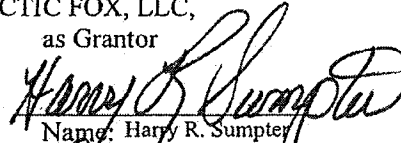
[SIGNATURE PAGES FOLLOW]

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,

ARCTIC FOX, LLC,
as Grantor

By:

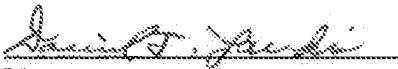


Name: Harry R. Sumpter
Title: Chief Executive Officer

[Signature Page to Patent Security Agreement]

ACCEPTED AND AGREED
as of the date first above written:

GENERAL ELECTRIC CAPITAL CORPORATION,
as Agent

By: 
Name: Daniel J. Landis
Title: Duly Authorized Signatory

[Signature Page to Patent Security Agreement]

PATENT
REEL: 031410 FRAME: 0678

SCHEDULE I
TO
PATENT SECURITY AGREEMENT

Patent Registrations

See attached

Patent Number	Country	Issue Date	Expiration Date	Grantor
5423373	US	6/13/95	6/13/2015	Arctic Fox, LLC
7114736	US	10/3/2006	10/3/2026	Arctic Fox, LLC