

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
AXT Acquisition Holdings, Inc.		10/21/2005	CORPORATION:
AXT Acquisition Corporation		10/21/2005	CORPORATION:
AxleTech International IP Holdings, LLC		10/21/2005	LIMITED LIABILITY COMPANY:
AxleTech International Holdings, Inc.		10/21/2005	CORPORATION:

RECEIVING PARTY DATA

Name:	Wilmington Trust Company
Street Address:	1100 North Market Street
Internal Address:	Rodney Square North
City:	Wilmington
State/Country:	DELAWARE
Postal Code:	19890
Entity Type:	Banking Corporation: DELAWARE

PROPERTY NUMBERS Total: 3

Property Type	Number	Word Mark
Registration Number:	2867334	AXLETECH INTERNATIONAL
Registration Number:	1183678	DURA-DISC
Serial Number:	76403300	XTL

CORRESPONDENCE DATA

Fax Number: (212)859-8585
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: (212)859-8226
 Email: lisa.yoon@friedfrank.com
 Correspondent Name: Lisa Yoon
 Address Line 1: Fried Frank

OP \$90.00 2867334

Address Line 2: One New York Plaza
Address Line 4: New York, NEW YORK 10004-1980

ATTORNEY DOCKET NUMBER: CLIENT MATTER #4385-763

NAME OF SUBMITTER: Lisa Yoon

Signature: /Lisa Yoon/

Date: 11/11/2005

Total Attachments: 8

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**Grant of Security Interest
in Patents, Trademarks, and Copyrights**

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, AXLETECH INTERNATIONAL IP HOLDINGS, LLC, AXT ACQUISITION HOLDINGS, INC., AXT ACQUISITION CORPORATION, and AXLETECH INTERNATIONAL HOLDINGS, INC., together with the Granting Subsidiaries identified in the Second Lien Security Agreement (each, a “Grantor,” and collectively, “Grantors”) hereby confirm the grant, and to the extent not already created, grant to WILMINGTON TRUST COMPANY, as Collateral Agent, and all successors and permitted assigns of the Collateral Agent (the “Grantee”), a security interest in all of the Grantors’ right, title, and interest in, to, and under the following owned by each such Grantor (all of the following items or types of property being herein collectively referred to as the “Intellectual Property Collateral”), whether presently existing or hereafter arising or acquired:

(i) each patent and patent application, including each Patent referred to on Schedule A hereto;

(ii) each trademark, trademark registration and trademark application (but excluding in all cases all intent-to-use United States trademark applications for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051(c) or 15 U.S.C. § 1051(d), respectively, or if filed, has not been deemed in conformance with 15 U.S.C. § 1051(a) or examined and accepted, respectively, by the United States Patent and Trademark Office), and all of the goodwill of the business connected with the use of, and symbolized by, each trademark, trademark registration and trademark application, including each Trademark referred to in Schedule B hereto;

(iii) all copyrights, and all registrations, renewals, and applications for registration of any such copyright in the United States or any other country, including registrations, supplemental, derivative, or collective work registrations, and pending applications for registrations in the United States Copyright Office;

(iv) all products and proceeds of the foregoing, including the right to sue for, and collect damages or obtain injunctive relief against, third parties for past, present or future infringement of any Patent or Copyright, or past, present or future infringement or dilution of, or unfair competition with or against, any Trademark, including any Patent or Trademark listed on Schedule A or B hereto, or under any Patent, Trademark, or Copyright licensed under any Patent License, Trademark License, or Copyright License, or for injury to the goodwill associated with any Trademark or Trademark License.

The parties hereto acknowledge and agree that a first priority security interest in the foregoing Intellectual Property Collateral has been granted by each such Grantor to Merrill Lynch Capital Corporation, as grantee, pursuant to and in conjunction with the First Lien

Guarantee and Collateral Agreement, dated October 21, 2005, as such document may be amended, restated, modified, or supplemented from time to time (the "First Lien Security Agreement").

THIS SECURITY INTEREST, which is subordinate to the security interest granted pursuant to the First Lien Security Agreement, has been granted pursuant to and in conjunction with the security interest granted to the Grantee pursuant to the Second Lien Guarantee and Collateral Agreement, dated October 21, 2005, as such document may be amended, restated, modified, or supplemented from time to time (the "Second Lien Security Agreement").

The rights and remedies of the Grantee with respect to the security interest described herein are without prejudice to, and are in addition to those set forth in the Second Lien Security Agreement, all terms (including defined terms) and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant of Security Interest are deemed to conflict with the Second Lien Security Agreement, the provisions of the Second Lien Security Agreement shall govern.

Wilmington Trust Company has been appointed Grantee hereunder pursuant to Article VIII of the Credit Agreement. It is expressly understood and agreed by the parties to this Agreement that any authority conferred upon the Grantee hereunder is subject to the terms of the delegation of authority made by the Lenders to the Grantee pursuant to the Credit Agreement, and that the Grantee has agreed to act (and any successor Grantee shall act) as such hereunder only on the express conditions contained in such Article VIII. Any successor Grantee appointed in accordance with Article VIII of the Credit Agreement shall be entitled to all the rights, interests and benefits of the "Collateral Agent" and "Grantee" thereunder and hereunder.

IN WITNESS WHEREOF, the undersigned have executed this Grant of Security Interest as of the 21 day of October, 2005.

By: WILMINGTON TRUST COMPANY, as
Collateral Agent and Grantee

By: 

Name:

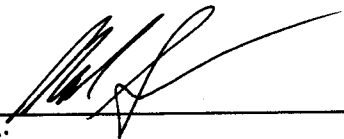
Title:

James A. Hanley
Senior Financial Services Officer

[Second Lien IP Security Agreement]

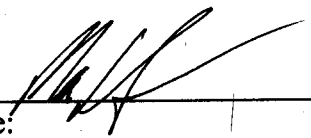
By: AXLETECH INTERNATIONAL IP
HOLDINGS, LLC, as Grantor

By: AXLETECH INTERNATIONAL
HOLDINGS, INC., its Sole Member

By: 

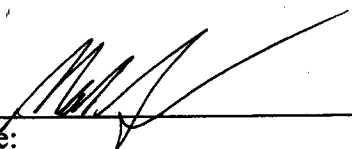
Name:
Title:

By: AXT ACQUISITION HOLDINGS,
INC., as Grantor

By: 

Name:
Title:

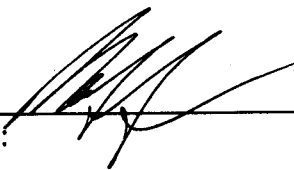
By: AXT ACQUISITION CORPORATION,
as Grantor

By: 

Name:
Title:

[Second Lien IP Security Agreement]

By: AXLETECH INTERNATIONAL
HOLDINGS, INC., as Grantor

By: 
Name: _____
Title:

[Second Lien IP Security Agreement]

**Schedule A to Grant of Security Interest
in Patents, Trademarks, and Copyrights**

PATENTS

Title	Application Filing Date	Application Number	Issue Date	Patent Number
Excessive Wear Indicator for Brake System	11/7/1989	432,817	7/30/1991	5,035,303
Planetary Reduction for Drive Axles	7/2/1993	88,271	7/25/1995	5,435,793
Differential and Drive Pinion Assembly	3/20/2000	09/446,847	3/13/2001	6,200,241
Active Differential	9/3/1999	09/390,162	3/27/2001	6,206,798
Dual Wheel Assembly Differential	6/9/2000	09/590,450	7/3/2001	6,254,193
Drive Assembly for Independently Driving Vehicle Wheels	3/22/2000	09/532,989	7/31/2001	6,267,188
Differential Lock Actuator	3/27/2000	09/536,116	9/4/2001	6,283,884
Wet Disc Brake with Internal Drive/External Cooler	10/27/1999	09/427,814	10/2/2001	6,296,087
Wheel Assembly for a Vehicle	2/4/2000	09/498,404	10/9/2001	6,298,932
Reduced Friction Wet disc Brake	1/27/2000	09/491,743	10/23/2001	6,305,505
Fluid Coupling for Dual Wheels	2/10/2000	09/501,839	2/12/2002	6,345,868
Heavy Vehicle Axle with Separate Load-Bearing Device	2/10/2000	09/502,096	3/19/2002	6,357,834
Hydrostatic Axle Bearing	4/12/2000	09/547,547	6/11/2002	6,402,384
Wheel Bearing Arrangement for a Dual Wheel Assembly	3/26/2000	09/528,386	7/16/2002	6,419,325
Dual Wheel Assembly Differential	11/14/2000	09/711,732	10/29/2002	6,471,301
Reduced Drag Wet Disc Brake Assembly	2/4/2000	09/498,442	1/21/2003	6,508,336
Differential Lock Actuator	7/20/2001	09/910,535	1/21/2003	6,508,734
Dual Wheel Assembly With Variable Wheel Engagement	4/12/2000	09/548,228	3/4/2003	6,527,073
Eccentric Pinion Cage	9/5/2001	09/947,047	5/27/2003	6,569,053
Independently Rotating Wheels With Planetary Drive	8/30/2001	09/943,015	1/6/2004	6,672,985
Reduced Drag Wet Disc Brake	7/19/1999	09/356,431	2/17/2004	6,691,839
Electronic Drive Unit Assembly for Heavy Duty Vehicles	1/23/2002	10/055,159	11/2/2004	6,811,514
Forced Air Cooling System for Vehicle Driveline Components	4/4/2002	10/116,256	2/22/2005	6,857,510
Planetary Wheelend	7/21/2003	10/624,037	3/29/2005	6,872,163
Independently Rotating Wheels	3/6/2002	10/091,630	5/10/2005	6,890,039
System for Controlling the Temperature of a Vehicle Driveline Component Utilizing Forced Air Flow	4/4/2002	10/116,206	5/24/2005	6,896,108

**Schedule A to Grant of Security Interest
in Patents, Trademarks, and Copyrights**

PATENT APPLICATIONS

Title	Application Filing Date	Application Number	Publication Number
Drive Assembly for High Ground Clearance Vehicle	3/14/2003	10/389,192	2004/0178014
Differential Locking Mechanism for a Drive Axle Assembly	2/4/2004	10/771,977	2004/0185983
	10/4/2005	11/243,347	None.
Light Weight Independent Suspension System	11/23/2004	60/630,651	None

**Schedule B to Grant of Security Interest
in Patents, Trademarks, and Copyrights**

TRADEMARKS

Trademark	Application Filing Date	Application Number	Registration Date	Registration Number
AxeTech International	4/17/2002	76/397,467	7/27/2004	2867334
Dura-Disc	9/15/1980	73/278/038	12/29/1981	1,183,678

TRADEMARK APPLICATIONS

Trademark	Status	Application Filing Date	Application Number	Registration Date	Registration Number
XTL	Allowed	5/2/2002	76/403,300		