

MLO 2-2-98

07-02-1998

<input checked="" type="checkbox"/> Patents	To the H	emarks: thereof.
<input type="checkbox"/> Trademarks	Please rec	



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1. Name of Party(ies) conveying an inte Automotive Digital Systems, Inc. 12440 Highway 155 South Tyler, Texas	ess of Party(ies) receiving an interest: Name: <u>FINOVA Capital Corporation</u> Internal Address: <u>Attention: Manager</u> Street Address: <u>355 South Grand Avenue, Suite 2400</u> City: <u>Los Angeles</u> State: <u>California</u> Zip: <u>90071</u>
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Entity: <input type="checkbox"/> Individual(s) <input type="checkbox"/> General Partnership <input checked="" type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____	<input type="checkbox"/> Association <input type="checkbox"/> Limited Partnership	Entity: <input type="checkbox"/> Individual(s) <input type="checkbox"/> General Partnership <input checked="" type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____ Citizenship _____	<input type="checkbox"/> Association <input type="checkbox"/> Limited Partnership
If not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No			

3. Interest Conveyed: <input type="checkbox"/> Assignment <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Other _____ Execution Date: <u>As of January 22, 1998</u>	<input type="checkbox"/> Association <input type="checkbox"/> Limited Partnership
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4. Application number(s), patent numbers, or registration number(s). Additional sheet attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<u>Re</u> 35,321

5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>RETURN TO:</u> Internal Address: <u>Federal Research Corporation</u> Street Address: <u>400 Seventh St., N.W., Suite 101</u> City: <u>Washington, DC 20004</u> State: _____ Zip: _____	6. Number of applications, patents, or registrations involved: 1
7. Amount of fee enclosed or authorized to be charged: \$40 Filing Fee Total \$40	
8. Deposit account number (Attach duplicate copy of this form if paying by deposit account):	

03/31/1998 GHINTON 00000154 035321
01 FC:481 40.00 DP

DO NOT USE THIS SPACE

9. Date of execution of attached document <u>As of January 22, 1997</u>
10. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original documents. January 29, 1998 Date Signature
David W. James Name of Person Signing

TRADEMARK
REEL: 1754 FRAME: 0632

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

PATENTS

Patent	Reg. Date	Reg. Number	Owner
Interactive Connector Unit for a Wiring Harness	05/07/96	<i>Re</i> 35,231	Automotive Digital Systems, Inc.

GRANT OF SECURITY INTEREST

PATENTS

THIS GRANT OF SECURITY INTEREST, dated as of January 22, 1998, is executed by Automotive Digital Systems, Inc., a Texas corporation ("Borrower"), in favor of FINOVA Capital Corporation ("Lender").

A. Pursuant to a Loan and Security Agreement dated as of the date hereof ("Loan Agreement") among Borrower, Lender, and Racer Components, Inc., a Texas corporation, Lender has agreed to extend certain credit facilities to Borrower upon the terms and subject to the conditions set forth therein.

B. Borrower owns the letters patent, and/or applications for letters patent, of the United States, more particularly described on Schedules 1-A and 1-B annexed hereto as part hereof (collectively, the "Patents");

C. Borrower has entered into a Security Agreement (Intellectual Property) dated the date hereof (the "Security Agreement") in favor of Lender; and

D. Pursuant to the Security Agreement, Borrower has granted to Lender a security interest in all right, title and interest of Borrower in and to the Patents, together with any reissue, continuation, continuation-in-part or extension thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof for the full term of the Patents (the "Collateral"), to secure the prompt payment, performance and observance of the Obligations, as defined in the Security Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Borrower does hereby further grant to Lender a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.


Borrower does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Lender's address is:

FINOVA Capital Corporation
355 South Grand Avenue
Suite 2400
Los Angeles, California 90071
Attn: Manager
Telephone No.: (213) 253-1600
Telecopier No.: (213) 625-2746

IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed
as of the day and year first above written.

AUTOMOTIVE DIGITAL SYSTEMS, INC.

By: 
Name: RICHARD HILL
Title: CEO

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF TEXAS)
 COUNTY OF Smith) ss

On September 22, 1998, before me, Richard Hill CEO
(Name and Title of Officer)

personally appeared _____

- personally known to me
- or-
- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Allison Walters
 Signature Of Notary



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

- _____ Title(s)
- Partner(s) Limited
 - Attorney-in-Fact General
 - Trustee(s)
 - Guardian/Conservator
 - Other: _____

Signer is representing:
 Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

_____ Title Or Type Of Document

_____ Number Of Pages

_____ Date Of Document

_____ Signer(s) Other Than Named Above

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST
PATENT APPLICATIONS

None.

I-B-1

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RECORDED: 02/02/1998

TRADEMARK
REEL: 1754 FRAME: 0637