

NLD 8-7-03

08-08-2003

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings

RECORDS TRAIL



DEPARTMENT OF COMMERCE Patent and Trademark Office

102516536

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Beltronics USA Inc.

- Individual(s) Association General Partnership Limited Partnership Corporation-State Illinois Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 7/24/2003

2. Name and address of receiving party(ies)

Name: The Huntington National Bank

Internal

Address: Attn: Shelly Rizzo

Street Address: 105 E. 4th St., Suite 200A

City: Cincinnati State: OH Zip: 45202

- Individual(s) citizenship Association a national association General Partnership Limited Partnership Corporation-State Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 76/515,362; 76/518,126

B. Trademark Registration No.(s) None

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Carla M. Venhoff

Internal Address: Deters, Benzinger & LaVelle P.S.C.

Street Address: 2701 Turkeyfoot Road

City: Covington State: KY Zip: 41017

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41) \$ 185.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

08/12/2003 DBYRNE 00000125 76516362

DO NOT USE THIS SPACE

01 FC:8531 9. Signature. 40.00 OP 25.00 OP 02 FC:8532 120.00 OP 03 FC:8533

Carla M. Venhoff Name of Person Signing

Signature

8/16/03 Date

Total number of pages including cover sheet, attachments, and documents 14

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002700 FRAME: 0674

MD 8-07-03

08-08-2003

Form PTO-1595 (Rev. 10/02)

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DEPARTMENT OF COMMERCE Patent and Trademark Office

OMB No. 0651-0027 (exp. 6/30/2005)

Tab settings

102520104

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Beltronics USA Inc.

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other \_\_\_\_\_

Execution Date: 7/24/2003

2. Name and address of receiving party(ies)

Name: The Huntington National Bank

Internal Address: Attn: Shelly Rizzo

Street Address: 105 E. 4th St., Suite 200A

City: Cincinnati State: OH Zip: 45202

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: N/A

A. Patent Application No.(s) 10/392,002

B. Patent No.(s) None

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Carla M. Venhoff

Internal Address: Deters, Benzinger &

LaVelle, P.S.C.

Street Address: 2701 Turkeyfoot Road

City: Covington State: KY Zip: 41017

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

08/12/2003 DBYRNE 00000126 10392002

01 FC:8021

40.00 DP

DO NOT USE THIS SPACE

9. Signature.

Carla M. Venhoff

Name of Person Signing

*Carla M. Venhoff*  
Signature

8/6/03

Date

Total number of pages including cover sheet, attachments, and documents: 14

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

TRADEMARK  
REEL: 002700 FRAME: 0675

# SUPPLEMENTAL SECURITY AGREEMENT

## PATENTS AND TRADEMARKS

(Supplementing Security Agreement dated February 25, 2003)

**DEBTOR:**

**BELTRONICS USA INC.,  
an Illinois corporation  
5440 West Chester Road  
West Chester, OH 45069**

**BELTRONICS USA INC.**, a corporation organized under the laws of the State of Illinois (hereinafter referred to as "Debtor"), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants, pledges and assigns to **THE HUNTINGTON NATIONAL BANK** (hereinafter referred to as "Bank"), as Administrative Agent for the ratable benefit of the Lenders, parties to an Amended And Restated Credit Agreement of even date between **ESCORT INC.**, an Illinois corporation, Debtor, Bank and such Lenders (the "Credit Agreement"), a security interest in the following property, whether Debtor's interest therein as owner, co-owner, lessee, consignee, secured party or otherwise be now owned or existing or hereafter arising or acquired, and wherever located, together with all substitutions, replacements, additions and accessions therefor or thereto, all negotiable documents relating thereto, all products thereof and all cash and non-cash proceeds thereof including, but not limited to, notes, drafts, checks, instruments, insurance proceeds, indemnity proceeds, warranty and guaranty proceeds and proceeds arising in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the following property by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority):

- (a) all patents, patent applications and patentable inventions of Grantor, including but not limited to those set forth in **Exhibit 1**, and (a) the invention and improvements described and claimed therein; (b) any continuation, division, renewal, extension, substitute or reissue thereof or any legal equivalent in a foreign country for the full term or terms for which the same may be granted; (c) all rights to income, royalties, profits, awards, damages or other rights relating to said patents, applications or inventions including the right to sue for past, present or future infringement; and (d) any other rights and benefits relating to said patents, applications, or inventions ("Patents");
- (b) all trademarks, trademark registrations and trademark applications and the goodwill underlying those

**TRADEMARK**

**REEL: 002700 FRAME: 0676**

trademarks of Grantor, including but not limited to those set forth in **Exhibit 2** and **(a)** any similar marks or amendments, modifications and renewals thereof and the goodwill represented by those trademarks thereon and any legal equivalent in a foreign country for the full term or terms for which the same may be granted; **(b)** all rights to income, royalties, profits, damages, or other rights relating to said trademarks including the right to sue for past, present or future infringement; and

- (c)** any other rights and benefits relating to said trademarks including any rights as a licensor of said trademark ("Trademarks").

(All of the foregoing, including Patents and Trademarks, hereinafter sometimes called the "Collateral.")

The security interest hereby granted is to secure the prompt and full payment and complete performance of Debtor's Obligations as defined in the Credit Agreement as same may be amended, modified, supplemented, extended, restated or replaced from time to time (herein "Obligations").

It is Debtor's express intention that this agreement and the continuing security interest granted hereby, in addition to covering all present Obligations of Debtor to Bank, shall extend to all future Obligations of Debtor to Bank, whether or not such Obligations are reduced or entirely extinguished and thereafter increased or reincurred. The absence of any reference to this agreement in any documents, instruments or agreements evidencing or relating to any Obligations secured hereby shall not limit or be construed to limit the scope or applicability of this agreement.

**1. GENERAL COVENANTS.** Debtor represents, warrants and covenants as follows:

- (a)** Except for such claims and interest, if any, shown in the schedule set forth at the end of this agreement or in any schedule attached hereto and signed by both the Debtor and Bank and the security interest granted hereby, **(i)** Debtor is, or as to Collateral arising or to be acquired after the date hereof, shall be, the sole owner of the Collateral free from any interests; and **(ii)** no security agreement, financing statement, equivalent security or lien instrument or continuation statement covering any of the Collateral is on file or of record in any public office.
- (b)** Debtor shall not create, permit or suffer to exist, and shall take such action as is necessary to remove, any claim to or interest in or lien or encumbrance upon the Collateral, other than those, if any, shown in the schedule

set forth at the end of this agreement or in any schedule attached hereto and signed by both Debtor and Bank and the security interest granted hereby and being contested by Debtor in accordance with Section 2(h) hereof, and shall defend the right, title and interest of Bank in and to the Collateral against all claims and demands of all persons and entities at any time claiming the same or any interest therein.

- (c) Debtor's principal place of business and chief executive office/residence is located at the address set forth at the beginning of this agreement; Debtor has or has had no other place of business, chief executive office or residence within the prior five (5) years except as shown in the schedule set forth at the end of this agreement or except as shown in any schedule attached hereto and signed by both Debtor and Bank; and, unless Bank consents in writing to a change in the location of Debtor's records concerning the Collateral prior to such a change in location, Debtor's records concerning the Collateral shall be kept at that address or at the locations set forth in such schedules.
- (d) At least thirty (30) days prior to the occurrence of any of the following events, Debtor shall deliver to the loan officer who is handling Debtor's Obligations on behalf of Bank written notice of such impending events: (i) a change in Debtor's principal place of business, chief executive office and/or residence; (ii) the opening or closing of any place of business; or (iii) a change in Debtor's name, identity, corporate structure or state of organization.
- (e) Debtor shall provide Bank written quarterly reports informing Bank of (i) the status of all Patents and Trademarks subject to this Agreement including any new patents, patent applications, trademark registrations, trademark registrations, trademark applications or related licenses; and (ii) any actions taken by Debtor pursuant to this Agreement. Subject to any limitation stated therein or in connection therewith, all information furnished by Debtor concerning the Collateral or otherwise in connection with the Obligations, is or shall be at the time is furnished, accurate, correct and complete in all material respects.
- (f) The Collateral is and shall be used primarily for business purposes.
- (g) Debtor is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio, with all necessary power and authority to own and operate its assets and to conduct its business as is now done.

- (h) (i) the execution and delivery of this agreement and the granting of the security interests hereunder is in good faith and without any actual intent by Debtor to hinder, delay or defraud any creditors of Debtor; (ii) Debtor and the beneficiaries of Debtor have each received more than reasonably equivalent value and fair consideration in exchange for the obligations of Debtor under this agreement and the security interests granted hereunder by virtue of Bank's extension of the Obligations; and (iii) Debtor is not, as of the date of the execution and delivery of this agreement, insolvent on a balance sheet basis (i.e., that the sum of its assets exceeds the sum of its liabilities), and Debtor is currently paying his debts as the same become due and payable.
- (i) Debtor has the full right and authority to make and enter into this agreement and to grant the security interests herein free of any lien or encumbrance without the consent of any other person, and the execution, delivery and performance of this agreement will not constitute a default, nor a condition or state of facts that with the passage of time or giving of notice or both would constitute a default, under any agreement, indenture or other instrument to which Debtor is a party or by which Debtor or its respective properties or assets are bound.

## 2. PRESERVATION AND DISPOSITION OF COLLATERAL.

(a) Except for such claims and interests, if any, shown in the schedule set forth at the end of this agreement or in any schedule attached hereto and signed by both Debtor and Bank and the security interest granted hereby, Debtor shall keep the collateral free from any and all liens, security interests, encumbrances, claims and interests. Debtor shall advise Bank promptly, in writing and in reasonable detail, (i) of any material encumbrance upon or claim asserted against any of the Collateral; (ii) of any material change in the composition of the Collateral; and (iii) of the occurrence of any other event that would have a material effect upon the aggregate value of the Collateral or upon the security interest of Bank.

(b) Debtor shall not cease the use of any Patent or Trademark or take any action or fail to take any action which will result in the cancellation or expiration of any of the Patents or Trademark registrations covered by this Security Agreement without the prior written agreement of the Bank.

(c) Debtor shall not sell or otherwise dispose of the Collateral; provided, however, that until default, Debtor may use the Collateral subject to the terms or conditions of any policy of insurance thereon.

(d) Debtor shall take all actions necessary to properly maintain and renew all Patents and registrations for Trademarks which are or may become subject to this Agreement for the full term or terms allowed by law including but not limited to the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to maintain and renew said Patents or registrations for Trademarks (including the filing of a declaration of incontestability under §15 of the United States Trademark Act where possible) which may be necessary or appropriate under applicable law.

(e) Debtor shall file new applications to register and protect under applicable law all patentable inventions or Trademarks acquired by Debtor but for which applications have not previously been filed or to take all other actions necessary to cause Patents and registrations for Trademarks to be issued as a result of said applications.

(f) Debtor shall protect all Patents and Trademarks from infringement, unfair competition or dilution or damage by all appropriate actions including the commencement of legal action to prevent and recover damages for said infringement and to defend such Patents and Trademarks from claims of infringement, unfair competition or damage including the defense or any legal actions making such claims.

(g) Debtor shall not use the Collateral in violation of any statute, ordinance, regulation, rule, decree or order.

(h) Debtor shall pay promptly when due all taxes, assessments, charges or levies upon the Collateral or in respect to the income or profits therefrom, except that no such charge need be paid if (i) the validity thereof is being contested in good faith by appropriate proceedings; (ii) such proceedings do not involve any danger of sale, forfeiture or loss of any Collateral or any interest therein; and (iii) such charge is adequately reserved against in accordance with generally accepted accounting principles.

(i) At its option subject to the provisions of Section 2(h) hereof, Bank may discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the Collateral.

Debtor agrees to reimburse Bank upon demand for any payment made or any expense incurred (including reasonable attorneys' fees) by Bank pursuant to the foregoing authorization. Should Debtor fail to pay said sum to Bank upon demand, interest shall accrue thereon from the date of demand until paid in full, at the highest rate set forth in any document or instrument evidencing any of the Obligations.

(j) Upon Bank's request at any time or times, Debtor shall assign and deliver to Bank any Collateral and shall furnish to Bank additional collateral of value and character satisfactory to Bank as security for the Obligations.

**3. EXTENSIONS AND COMPROMISES.** With respect to any Collateral held by Bank as security for the Obligations, Debtor assents to all extensions or postponements of the time of payment thereof or any other indulgence in connection therewith, to each substitution, exchange or release of Collateral, to the addition or release of any party primarily or secondarily liable, to the acceptance of partial payments thereon and to the settlement, compromise or adjustment thereof, all in such manner and at such time or times as Bank may deem advisable. Bank shall have no duty as to the collection or protection of Collateral or any income therefrom, nor as to the preservation of rights against prior parties, nor as to the preservation of any right pertaining thereto, beyond the safe custody of Collateral in the possession of Bank.

**4. FINANCING STATEMENTS.** At the request of Bank, Debtor shall join with Bank in executing one or more financing statements in a form satisfactory to Bank and shall pay the cost of filing the same in all public offices wherever filing is deemed by Bank to be necessary or desirable. A carbon, photographic or other reproduction of this agreement or of a financing statement shall be sufficient as a financing statement.

**5. BANK'S APPOINTMENT AS ATTORNEY-IN-FACT.** Debtor hereby irrevocably constitutes and appoints Bank and any officer or agent thereof, with full power of substitution, as Debtor's true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Debtor and in the name of Debtor or in Bank's own name, from time to time in Bank's discretion, for the purpose of carrying out the terms of this agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this agreement and, without limiting the generality of the foregoing, hereby grants to Bank the power and right, on behalf of Debtor, without notice to or assent by Debtor:

- (a) To execute, file and record all such financing statements, certificates of title and other certificates of registration and operation and similar documents and instruments, as Bank may deem necessary or desirable to protect, perfect or validate Bank's security interest in the Collateral.
- (b) Upon the occurrence and continuance of any event of default under paragraph 6 hereof, (i) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to protect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (ii) to defend any suit, action or proceeding brought against Debtor with respect to any Collateral; (iii) to settle, compromise or adjust any suit,



action or proceeding described above and, in connection therewith, to give such discharges or releases as Bank may deem appropriate, and generally to sell, transfer, pledge make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Bank were the absolute owner thereof for all purposes, and to do, at Bank's option and Debtor's expense, at any time or from time to time, all acts and things which Bank deems necessary to protect, preserve or realize upon the Collateral and Bank's security interest therein, in order to effect the intent of this agreement, all as fully and effectively as Debtor might do.

Debtor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

The powers conferred upon Bank hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon Bank to exercise such powers. Bank shall be accountable only for amounts that Bank actually receives as a result of the exercise of such powers and neither Bank nor any of its officers, directors, employees, or agents, shall be responsible to Debtor for any act or failure to act, except for Bank's own gross negligence or willful misconduct.

**6. DEFAULT.** If there is a Default with respect to the Obligations or there is a default in the performance of any covenant contained herein beyond ten (10) days following written notice to Debtor; or if any warranty, representation or statement made or furnished to Bank by Debtor proves to have been false in any material respect when made or furnished:

- (a) Bank may, at its option and without notice, declare the unpaid balance of any or all of the Obligations immediately due and payable and this agreement and any or all of the Obligations in default.
- (b) All payments received by Debtor under or in connection with any of the Collateral shall be held by Debtor in trust for Bank, shall be segregated from other funds of Debtor and shall forthwith upon receipt by Debtor be turned over to Bank in the same form as received by Debtor (duly endorsed by Debtor to Bank, if required). Any and all such payments so received by Bank (whether from Debtor or otherwise) may, in the sole discretion of Bank, be held by Bank as collateral security for, and/or then or at any time thereafter be applied in whole or part by Bank against, all or any part of the Obligations in such order as Bank may elect. Any balance of such payments held by Bank and remaining after payment in full of all the Obligations shall be paid over to Debtor or to whomsoever may be lawfully entitled to receive same. Nothing set forth in

this subparagraph (b) shall authorize or be construed to authorize Debtor to sell or otherwise dispose of any Collateral.

(c) Bank shall have the rights and remedies of a secured party under this agreement, under any other instrument or agreement securing, evidencing or relating to the Obligations and under the laws of the United States or of the State of Ohio. Without limiting the generality of the foregoing, Bank shall have the right to take possession of the Collateral and all books and records relating to the Collateral and for that purpose Bank may enter upon, with or without breaking into, any premises on which the Collateral or books and records relating to the Collateral or any part thereof may be situated and remove the same therefrom. Debtor expressly agrees that Bank, without demand of performance or other demand, advertisement or notice of any kind (except the notices specified below of time and place of public sale or disposition or time after which a private sale or disposition is to occur) to or upon Debtor or any other person or entity (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or sell or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, at public or private sale or sales, at any of Bank's offices or elsewhere at such prices as Bank may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Bank shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole part of the Collateral so sold, free of any right or equity of redemption in Debtor. Debtor further agrees, at Bank's request, to assemble the Collateral and to make it available to Bank at such places as Bank may reasonably select, whether at Debtor's premises or elsewhere.

Debtor further agrees to allow Bank to use or occupy Debtor's premises, without charge, for the purpose of effecting Bank's remedies in respect of the Collateral. Bank shall apply the net proceeds of such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any or all of the Collateral or in any way relating to the rights of Bank hereunder, including reasonable attorneys' fees and legal expenses, to the payment in whole or in part of the Obligations, in such order as Bank may elect, and only after so paying over such net proceeds and after payment by Bank of any other amount required by any provision of law, including the Uniform Commercial Code, need Bank account for the surplus, if any, to Debtor. To the extent permitted by applicable law, Debtor waives all claims, damages and demands against Bank arising out of the repossession, retention, sale or disposition

of the Collateral. Debtor agrees that Bank need not give more than five (5) days' notice (which notification shall be deemed given when mailed, postage prepaid, addressed to Debtor at Debtor's address set forth at the beginning of this agreement, or when telecopied or telegraphed to that address or when telephoned or otherwise communicated orally to Debtor or any agent of Debtor at that address) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. Debtor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Bank is entitled. Debtor shall also be liable for the costs of collecting any of the Obligations or otherwise enforcing the terms thereof or of this agreement including reasonable attorneys' fees.

**7. GENERAL.** Any provision of this agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Bank shall not be deemed to have waived any of its rights hereunder or under any other agreement, instrument or paper signed by Debtor unless such waiver be in writing and signed by Bank. No delay or omission on the part of Bank in exercising any right shall operate as a waiver of such right or any other right. All of Bank's rights and remedies, whether evidenced hereby or by any other agreement, instrument or paper, shall be cumulative and may be exercised singularly or concurrently. Any written demand upon or written notice to Debtor shall be effective three (3) days following the date when deposited in the mails addressed to Debtor as certified mail, postage prepaid, at the address shown at the beginning of this agreement. This agreement and all rights and obligations hereunder including matters of construction, validity and performance, shall be governed by the law of the State of Ohio. The provisions hereof shall, as the case may require, bind or inure to the benefit of, the respective heirs, successors, legal representatives and assigns of Debtor and Bank.

<b>SCHEDULE OF ADDITIONAL PLACES OF BUSINESS*</b>
2422 Dunwin Drive, Mississauga, Ontario, Canada
1500 Klondike Road, Conyers, Rockdale County, Georgia

\*(Include all places of business, residences and locations of Collateral within prior five (5) years.)

**SCHEDULE OF ADDITIONAL CLAIMS AND INTERESTS**

Permitted Liens as defined in the Credit Agreement.

**SUPPLEMENTAL SCHEDULE OF COLLATERAL**

24 IN WITNESS WHEREOF, Debtor has signed this agreement this  
day of July, 2003.

**DEBTOR:**

**BELTRONICS USA INC.,**  
an Illinois corporation

BY: RG Blair  
Print Name: RG BLAIR  
Title: PRESIDENT

**EXHIBIT 1**

**PATENTS AND PATENT APPLICATIONS**

**UNITED STATES PATENT APPLICATIONS**

**PATENT**

**SERIAL**

**FILING DATE**

Mixer Optimization  
for Active Radar  
Warning Receiver

10/392,002

3/18/2003

EXHIBIT 2

TRADEMARKS, TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

UNITED STATES TRADEMARK APPLICATIONS

<u>MARK</u>	<u>SERIAL</u>	<u>FILING DATE</u>
Beltronics	76/515,362	5/20/2003
Vector	76/518,126	5/20/2003