

03-30-2004

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To the Honorable Commissioner c

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e attached original documents or copy thereof.

1. Name of conveying party(ies):

UNIVERSAL AVIONICS SYSTEMS CORPORATION
3260 East Universal Way
Tucson, AZ 85706

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

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

2. Name and address of receiving party(ies)

Name: Wells Fargo Business Credit, Inc.

Internal Address: MAC S4101-076

Street Address: 100 West Washington Street, 7th Floor

City: Phoenix State: AZ ZIP: 85003

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Minnesota
- 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

3. Nature of conveyance:

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

Execution Date: December 30, 2003

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

A. Trademark Application No.(s)

B. Trademark registration No.(s)

1241010, 1262273, 1765635, 1713306, 2213196 and 2336428

Additional numbers attached? Yes No

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

Name: Mary E. Pischner

Internal Address: _____

Street Address: 201 East Washington, Suite 800

City: Phoenix State: AZ ZIP: 85004-2327

6. Total number of applications and registrations involved: _____

6

7. Total fee (37 CFR 3.41).....\$ \$165.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

03/30/2004 ECOOPER 00000227 1241010

DO NOT USE THIS SPACE

01 FC:8521
02 FC:8522

40.00 OP
125.00 OP

9. Statement and signature.

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 document.

Mary E. Pischner
Name of Person Signing

Mary E. Pischner
Signature

3-29-04
Date

Total number of pages comprising cover sheet: 14

PATENT AND TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of December 30, 2003, is made by and between UNIVERSAL AVIONICS SYSTEMS CORPORATION, an Arizona corporation, whose address and place of business is 3260 East Universal Way, Tucson, Arizona 85706 (the "Debtor"), and WELLS FARGO BUSINESS CREDIT, INC., a Minnesota corporation, whose address and principal place of business is 100 West Washington Street, Phoenix, Arizona 85003 (the "Secured Party").

Recitals

The Debtor and FMS Navigation Data, Inc., an Arizona corporation (jointly, severally and collectively with the Debtor, the "Borrower"), and the Secured Party have entered into a Credit and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter make certain loans or other financial accommodations to or for the account of the Borrower.

As a further condition to making any loan or other financial accommodation under the Credit Agreement or otherwise, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Credit Agreement and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Credit Agreement) which the Borrower may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Credit Agreement).

"Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

"Trademarks" means all of the Debtor's right, title and interest in and to trademarks, service marks, collective membership marks, the respective goodwill

associated with each, and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest, with power of sale to the extent permitted by law (the "Security Interest"), in the Patents and in the Trademarks to secure payment of the Obligations.

3. Representations, Warranties and Agreements. The Debtor hereby represents, warrants and agrees as follows:

(a) **Existence; Authority.** The Debtor is a corporation, having full power to and authority to make and deliver this Agreement. The execution, delivery and performance of this Agreement by the Debtor have been duly authorized by all necessary action of the Debtor's board of directors, and if necessary its stockholders, and do not and will not violate the provisions of, or constitute a default under, any presently applicable law or its articles of incorporation or bylaws or any agreement presently binding on it. This Agreement has been duly executed and delivered by the Debtor and constitutes the Debtor's lawful, binding and legally enforceable obligation. The correct name of the Debtor is UNIVERSAL AVIONICS SYSTEMS CORPORATION. The authorization, execution, delivery and performance of this Agreement do not require notification to, registration with, or consent or approval by, any federal, state or local regulatory body or administrative agency.

(b) **Patents.** Exhibit A accurately lists all Patents owned by the Debtor as of the date hereof, accurately reflects the existence and status of registrations pertaining to the Patents as of the date hereof, and accurately lists all applications for patents pending on the date hereof.

(c) **Trademarks.** Exhibit B accurately lists all registered Trademarks owned by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all registrations pertaining thereto as of the date hereof.

(d) **Title.** The Debtor has absolute title to each Patent and each Trademark listed on Exhibits A and B, free and clear of all security interests, liens and encumbrances, except the Security Interest, the Permitted Liens (as defined in the Credit Agreement) and as otherwise indicated on Exhibits A and B. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all security interests, liens and encumbrances, except the Security Interest, the Permitted Liens and as otherwise indicated on and as otherwise indicated on Exhibits A and B, and (ii) will keep all Patents and Trademarks free and clear of all security interests, liens and encumbrances except the Security Interest, the Permitted Liens and as otherwise indicated on Exhibits A and B.

(e) **No Sale.** The Debtor will not sell or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent; provided, however, that nothing in this Section 3(e) shall be deemed to prohibit or restrict the ability of the Debtor to enter into licensing arrangements with respect to the Patents and

Trademarks so long as no exclusive licensing arrangement would prohibit the Secured Party from disposing of any of the Debtor's Inventory upon the exercise of the Secured Party's remedies upon an Event of Default.

(f) **Defense.** Unless otherwise agreed by Secured Party, the Debtor will at its own expense, and using its best efforts, protect and defend the Patents and Trademarks against all claims or demands of all persons other than the Secured Party.

(g) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable or necessary in its business judgment including, but not limited to, filing all applications to register and all affidavits and renewals possible with respect to issued registrations. Except to the extent not reasonably advisable or necessary in Debtor's business judgment, the Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit in support thereof, without first providing the Secured Party: (i) sufficient written notice, as provided in the Credit Agreement, to allow the Secured Party to timely pay any such maintenance fees or annuity which may become due on any of said Patents or Trademarks, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, should such be necessary or desirable. Except to the extent not reasonably advisable or necessary in Debtor's business judgment, Debtor will diligently pursue all pending applications for patents and will take all reasonable actions to insure issuance thereof.

(h) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure.

(i) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys reasonably expended and all reasonable costs and expenses (including reasonable attorneys' fees) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the highest rate then applicable to any of the Obligations.

(j) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (h) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time during a Default

Period under the Credit Agreement to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations (as defined therein).

(k) *Intent to Use Applications.* Debtor has considered or may in the future consider the adoption of trademarks or service marks for which it has or will file applications for registration with the United States Patent and Trademark Office under Section 1 (b) of the Trademark Act ("intent to use"). The trademarks for which applications are so filed, and the applications filed in connection therewith are not Trademarks and are not subject to the security interest created herein. Debtor agrees that it will be an Event of Default under this Agreement if at any time any other person acquires any interest, including a security interest, in the trademarks or the applications, except for the Permitted Liens. Debtor further agrees that upon issuance by the United States Patent and Trademark Office of any registration of any such marks, the marks so registered at that time shall become Trademarks under this Agreement and shall be subject to the security interest granted hereunder. Debtor shall use its best efforts to notify Secured Party of the issuance of any such registration, and shall, unless otherwise agreed by Secured Party, execute any document required at that time to perfect the security interest in such marks, and failure to do so shall be an Event of Default under this Agreement.

4. Debtor's Use of the Patents and Trademarks. The Debtor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it, and such failure is not cured or waived within thirty days after receipt by the Debtor of notice from the Secured Party of such failure; provided, however, if such failure cannot reasonably be cured within such thirty day period, it shall not be an Event of Default so long as the Debtor has begun to remedy the failure and in good faith continues to attempt to remedy the failure, and thereafter remedies such failure within ninety days after receipt of the original written notice of the failure; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default and at any time while such Event of Default is continuing, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Credit Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful reasonable acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement has been duly and validly authorized by all necessary action, corporate or otherwise. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective permitted participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. This Agreement shall be governed by the internal law of Arizona without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.


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IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

UNIVERSAL AVIONICS SYSTEMS
CORPORATION


By _____
Hubert L. Naimer
Its President

WELLS FARGO BUSINESS CREDIT, INC.


By: Scott O. Schryver
Its: Vice President

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

UNIVERSAL AVIONICS SYSTEMS CORPORATION

By 
Hubert L. Naimer
Its President

WELLS FARGO BUSINESS CREDIT, INC.

By 
Its Vice President

EXHIBIT A

UNITED STATES ISSUED PATENTS

<u>Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
METHOD TO CHANGE THE VIEWING ANGLE IN A FIXED LIQUID CRYSTAL DISPLAY BY CHANGING THE PRE-TILT ANGLE IN THE LIQUID CRYSTAL LAYER WITH A BIAS VOLTAGE	5,835,074*	11/10/1998
METHOD TO CHANGE THE VIEWING ANGLE IN A FIXED LIQUID CRYSTAL DISPLAY BY CHANGING THE PRE-TILT ANGLE IN THE LIQUID CRYSTAL LAYER WITH A BIAS VOLTAGE	6,236,384*	05/22/2001
SOFT START OF LAMP FILAMENT	5,451,841*	09/19/1995
DISPLAY FOR ELECTRONIC INDICATOR	5,476,085*	11/14/1995
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	5,736,922	04/07/1998
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	5,896,098*	04/20/1999
BACKLIGHTING FOR LIQUID CRYSTAL DISPLAY	5,440,324*	08/08/1995
HIGH SPEED GRAPHICS FILL OF LIQUID CRYSTAL DISPLAY	5,872,553*	02/16/1999
HIGH SPEED GRAPHICS FILL OF LIQUID CRYSTAL DISPLAY	6,137,471*	10/24/2000
HIGH SPEED GRAPHICS FILL OF LIQUID CRYSTAL DISPLAY	6,356,266*	03/12/2002
NIGHT VISION INCLINOMETER	5,467,533*	11/21/1995
METHOD FOR COOLING A LAMP BACKLIGHTING MODULE OF A LIQUID CRYSTAL DISPLAY	6,181,070*	01/30/2001

* Denotes that Universal Avionics Systems Corporation owns an equal, undivided co-ownership interest in the patent. L-3 Communications Corporation owns the remaining interest pursuant to that certain Co-ownership Agreement, dated as of December 22, 1999, by and between Universal Avionics Systems Corporation (as successor by merger to Universal Avionics Systems Corporation – Instrument Division, formerly named Advanced Displays Corporation) and L-3 Communications Corporation.

METHOD AND APPARATUS FOR CAPPING AND GROUNDING AN ELECTRICAL CONNECTOR TO PREVENT LEAKAGE OF ELECTROMAGNETIC INTERFERENCE	6,203,371*	03/20/2001
SYNCHRO-TO-DIGITAL CONVERSION WITH WINDOWED PEAK DETERMINATION	6,075,472*	06/13/2000
SYNCHRO-RO-DIGITAL CONVERSION WITH WINDOWED PEAK DETERMINATION	6,222,469*	04/24/2001
GAMMA CORRECTION OF THE VIEWING ANGLE OF A LIQUID CRYSTAL DISPLAY	6,297,790*	10/02/2001
FLIGHT PATH INTENT ALERT SYSTEM AND METHOD	6,643,580	11/04/2003

* Denotes that Universal Avionics Systems Corporation owns an equal, undivided co-ownership interest in the patent. L-3 Communications Corporation owns the remaining interest pursuant to that certain Co-ownership Agreement, dated as of December 22, 1999, by and between Universal Avionics Systems Corporation (as successor by merger to Universal Avionics Systems Corporation – Instrument Division, formerly named Advanced Displays Corporation) and L-3 Communications Corporation.

FOREIGN ISSUED PATENTS

<u>Title</u>	<u>Country</u>	<u>Patent Number</u>	<u>Issue Date</u>
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	European	0679245*	04/07/1999
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	France	0679245*	12/30/1993
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	Italy	0679245*	12/30/1993
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	Germany	0679245*	12/30/1993
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	Great Britain	0679245*	12/30/1993
BACKLIGHTING FOR LIQUID CRYSTAL DISPLAY	Australia	676712*	07/10/1997
SELF-CONTAINED MULTIFUNCTIONAL LCD FLIGHT INDICATOR	Australia	680470*	11/20/1997
SELF-CONTAINED MULTIFUNCTIONAL LCD LIGHT INDICATOR	Canada	2,153,160*	01/19/1999
BACKLIGHTING FOR LIQUID CRYSTAL DISPLAY	Canada	2,153,159*	06/20/1999
FLIGHT PATH INTENT ALERT SYSTEM AND METHOD	Taiwan/ China	NI-150977	

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Senior Patent/Trademark Security Agreement

PATENTS PENDING

<u>Title</u>	<u>Serial Number</u>	<u>Date Filed</u>
HIGH SPEED GRAPHICS FILL OF LIQUID CRYSTAL DISPLAY	08/187,875*	01/28/1994
VISUAL DISPLAY TESTING, OPTIMIZATION, AND HARMONIZATION METHOD AND SYSTEM	10/244,577	09/16/2002
METHOD FOR COOLING A LAMP BACKLIGHTING MODULE OF A LIQUID CRYSTAL DISPLAY	60/075,240*	02/19/1998
METHOD AND APPARATUS FOR CAPPING AND GROUNDING AN ELECTRICAL CONNECTOR TO PREVENT LEAKAGE OF ELECTROMAGNETIC INTERFERENCE	60/076,881*	03/05/1998
METHOD AND APPARATUS FOR CONVERTING ANALOG SYNCHRO SIGNALS TO A SIGNAL REPRESENTATIVE OF THE STATUS OF A MECHANICAL OUTPUT COMPONENT	60/072,377*	01/09/1998
GAMMA CORRECTION OF THE VIEWING ANGLE OF A LIQUID CRYSTAL DISPLAY	60/070,950*	01/09/1998
BACKLIGHTING FOR LIQUID CRYSTAL DISPLAY	94905565.1*	12/30/1993
METHOD AND APPARATUS FOR CONVERTING ANALOG SYNCHRO SIGNALS TO A SIGNAL REPRESENTATIVE OF THE STATUS OF A MECHANICAL OUTPUT COMPONENT	131269*	01/08/1999
VISUAL DISPLAY TESTING, OPTIMIZATION, AND HARMONIZATION METHOD AND SYSTEM	60/322,086	09/14/2001
VISUAL DISPLAY TESTING, OPTIMIZATION, AND HARMONIZATION METHOD AND SYSTEM	10/244,577	09/16/2002
VISUAL DISPLAY TESTING, OPTIMIZATION, AND	PCT/US02/	09/16/2002

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EXHIBIT B

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKS

REGISTRATIONS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
U and design	1241010	06/07/1983
UNIVERSAL	1262273	12/27/1983
UNS 1	1765635	04/20/1993
1 and design	1713306	09/08/1992
UNILINK	2213196	12/22/1998
UNIVISION	2336428	03/28/2000

APPLICATIONS

None

COLLECTIVE MEMBERSHIP MARKS

None

UNREGISTERED MARKS

None

Senior Patent/Trademark Security Agreement

B-1

RECORDED: 03/30/2004

TRADEMARK
REEL: 002937 FRAME: 0867