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**PATENT AND TRADEMARK SECURITY AGREEMENT**

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of August 12, 2005, by PHILLIPS & TEMRO INDUSTRIES LTD., a Nova Scotia limited liability company (the "Grantor"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as collateral agent for the Administrative Agents and the Lenders (in such capacity, the "Collateral Agent").

**RECITALS**

A. The Grantor and/or its affiliates have entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with various financial institutions, the Administrative Agents and the Collateral Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of, Grantor and/or its affiliates.

B. The Grantor has entered into a general security agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time the "General Security Agreement") with the Collateral Agent pursuant to which certain obligations owed to the Agents and the Lenders are secured.

C. Pursuant to the terms of the General Security Agreement, the Grantor has granted to the Collateral Agent, for the benefit of the Agents and the Lenders, a security interest in substantially all of its assets, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantor under the Loan Documents.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, the Grantor does hereby grant to the Collateral Agent, for the benefit of the Lenders, as security for the Secured Obligations (as defined in the General Security Agreement), a continuing security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

- (1) each trademark and trademark application, including, without limitation, each trademark and trademark application referred to in Schedule I annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule I annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule I and any trademark licensed under any trademark license listed on

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Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");

- (4) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;
- (5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;
- (6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Collateral Agent pursuant to the General Security Agreement and subject to limitations set forth therein. The Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and General Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Credit Agreement.

{signature page follows}

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PHILLIPS & TEMRO INDUSTRIES LTD.

By: *J.D. Sibley*  
Title: Jason D. Sibley  
Assistant Secretary

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,  
as Collateral Agent

By: \_\_\_\_\_  
Title: \_\_\_\_\_

[Signature page to Patent and Trademark Security Agreement]

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

PHILLIPS & TEMRO INDUSTRIES LTD.

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,  
as Collateral Agent

By: *Patrick J. O'Boyle*  
Title: \_\_\_\_\_

[Signature page to Patent and Trademark Security Agreement]

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## SCHEDULE 1

to

## PATENT AND TRADEMARK SECURITY AGREEMENT

## U.S. Trademarks

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
COWL (stylized)	1,357,626 9/3/85	Phillips & Temro Industries Ltd.

## European Community Trademarks

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
COWL (stylized)	000435545 10/19/98	Phillips & Temro Industries Ltd.

## Canadian Trademarks

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
ARCTIC THAW	TMA412133 5/7/93	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
COWL (stylized)	TMA296662 11/2/84	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.

## Norwegian Trademarks

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
COWL (stylized)	194,636 12/3/98	Phillips & Temro Industries Ltd.

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## United States Patents

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
Method for Engine Block Heater Installation	5,117,556 6/2/92	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Electric Engine Block Heater with Flanged Screw	5,567,337 12/22/96	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Engine Block Heater and Electrical Connector Thereto	5,538,439 7/23/96	Phillips & Temro Industries Ltd.
Modular High Density Electric Heating Element Arrangement for an Air Flow Heater	5,334,818 8/2/94	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Cord Set Receptacle	5,885,098 3/23/99	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Bumper Mounted Cord Set	6,039,602 3/21/00	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Bumper Mounted Cord Set	6,179,654 1/30/01	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Cord Plug with Protector Cap	6,171,118 1/9/01	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.
Surface Mounted Receptacle Assembly	6,644,987 11/11/03	Phillips & Temro Industries Ltd. f/k/a PTI Acquisition Ltd.

## Swedish Patent

<u>Trademark</u>	<u>Reg. No./Date</u>	<u>Owner of Record</u>
Bumper Mounted Cord Set	0 963 013 12/8/99	Phillips & Temro Industries Ltd.

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