

11-05-1998



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

1. Name of conveying party(ies):

Acrodyne Industries, Inc.
513 Township Line Road
Blue Bell, Pennsylvania 19422Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Name: Sovereign Bank

Internal Address: _____

Street Address: 1130 Berkshire BoulevardCity: Wyomissing State: PA ZIP: 19610Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Other _____Execution Date: October 23, 1998

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)

B. Patent No.(s)

11/04/1998 SBURNS 00000174 5724002

01 FC:581

280.00 OP

See Attachment "A"

Additional numbers attached? ☒ Yes ☐ No

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

Name: Paula T. Bradley

Internal Address: _____

c/o McCausland, Keen & Buckman
Street Address: Radnor Court, Suite 160259 North Radnor-Chester RoadCity: Radnor State: PA ZIP: 190876. Total number of applications and patents involved: 77. Total fee (37 CFR 3.41).....\$ 280.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

N/A

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

DO NOT USE THIS SPACE

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.*Paula T. Bradley

Name of Person Signing

Paula T. Bradley

Signature

10/28/98

Date

Total number of pages including cover sheet, attachments, and document: 9

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

PATENT

REEL: 9547 FRAME: 0722

ATTACHMENT "A"
TO RECORDATION FORM COVER SHEET

Conveying Party: Acrodyne Industries, Inc.
Receiving Party: Sovereign Bank

Registered Patents

<u>PATENT NUMBER</u>	<u>DATE OF PATENT</u>
5,724,002	Mar. 3, 1998
5,469,127	Nov. 21, 1995
5,450,044	Sept. 12, 1995
5,367,272	Nov. 22, 1994
5,281,925	Jan. 25, 1994
5,260,674	Nov. 9, 1993
4,804,931	Feb. 14, 1989

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement"), dated October 23, 1998, is made and entered into by ACRODYNE INDUSTRIES, INC., a Pennsylvania corporation ("Borrower"), and delivered to SOVEREIGN BANK ("Lender").

BACKGROUND

A. This Agreement is being executed effective contemporaneously with that certain Amended and Restated Line of Credit Loan and Security Agreement of even date herewith among Borrower, Acrodyne Communications, Inc., a Delaware corporation, and Lender (the "Loan Agreement"), and certain related agreements, instruments and documents providing for certain loans and advances to be made from time to time by Lender to Borrower (all such other agreements, instruments and documents as they may hereafter be amended, supplemented or replaced, are hereinafter referred to as the "Loan Documents"). Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Borrower is the owner of the patents identified on Schedule "A" attached hereto and made a part hereof (all such patents and pending applications are hereinafter referred to as the "Patents").

C. As security for all of Borrowers' Liabilities (as defined in the Loan Agreement), Borrower is granting and Lender is acquiring a lien on, security interest in and a license to use all of the Patents, and Lender is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth in the Loan Agreement.

D. Borrower and Lender desire to have Lender's security interest in such Patents confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW, THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrowers' Liabilities, Borrower grants to Lender a lien on and security interest in all of Borrower's present and future right, title and interest in and to the Patents, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Borrower hereby covenants and agrees to maintain the Patents in full force and effect until all of Borrowers' Liabilities are satisfied in full.

3. Borrower represents, warrants and covenants to Lender that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable;

(b) All of the Patents are registered, valid and enforceable;

(c) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, and each of the Patents is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Lender hereunder and under the Loan Agreement) and covenants by Borrower not to sue third persons; and

(d) Borrower has the unqualified right, power and authority to enter into this Agreement and perform its terms;

4. Borrower further covenants that:

(a) Until all of the Borrowers' Liabilities have been satisfied in full, Borrower will not (i) sell or assign its rights and interests in the Patents to any entity or person other than Lender or (ii) enter into any agreement, including, without limitation, license agreements or options, which are inconsistent with Borrower's obligations under this Agreement, Borrower's obligations under the Loan Agreement or which restrict or impair Lender's rights hereunder, without written prior consent of Lender.

(b) If Borrower acquires rights to any new Patents, the provisions of this Agreement shall automatically apply thereto and such patents shall be deemed part of the Patents. Borrower shall give Lender prompt written notice thereof along with an amended Schedule "A".

5. So long as this Agreement is in effect and so long as Borrower has not received notice from Lender that an Event of Default has occurred and is continuing under the Loan Agreement and that Lender has elected to exercise its rights hereunder (i) Borrower shall continue to have the exclusive right to use the Patents; and (ii) Lender shall have no right to use the Patents or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Patents to anyone else.

6. Anything herein contained to the contrary notwithstanding, if and while Borrower shall be in default hereunder or an Event of Default exists under the Loan Agreement, Borrower hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in Pennsylvania, may take such action permitted hereunder, under the Loan Documents, or permitted by law, in its exclusive discretion, to foreclose upon the Patents covered hereby. For such purposes, and in the event of Borrower's default hereunder or an Event of Default under the Loan Agreement and while such default or Event of Default exists, Borrower hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Patents or to grant or issue any exclusive or non-exclusive license under the Patents to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to anyone else

including, without limitation, the power to execute a patent assignment in the form attached hereto as Exhibit 1. Borrower hereby ratifies all that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or agent. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Borrowers' Liabilities are indefeasibly paid and satisfied in full.

7. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

8. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted to Lender under the Loan Documents. In the event of an inconsistency between this Agreement and Loan Agreement, the language of this Agreement shall control.

9. Upon Borrower's performance of all of the obligations under the Loan Documents and full and unconditional satisfaction of all of the Borrowers' Liabilities, Lender shall execute and deliver to Borrower all documents reasonably necessary to terminate Lender's security interest in the Patents.

10. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, in each case in accordance with the terms of this Agreement, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the principal amount of Borrowers' Liabilities to Lender and shall bear interest at the rate prescribed in the Loan Agreement for the Line of Credit.

11. Subject to the terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any application and/or registration with respect to the Patents pending as of the date of this Agreement or thereafter, until Borrowers' Liabilities shall have been satisfied in full, to preserve and maintain all rights in the Patents. Borrower shall not abandon any Patents without the prior written consent of the Lender, which consent shall not be unreasonably withheld or delayed.

12. Borrower shall have the right to bring suit in its own name to enforce the Patents, in which event Lender may, if Borrower reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Lender in the fulfillment of the provisions of this paragraph.

13. Upon the occurrence of an Event of Default under the Loan Agreement or hereunder, Lender may, without any obligation to do so, complete any obligation of Borrower hereunder, in Borrower's name or in Lender's name, but at the expense of Borrower, and Borrower hereby agrees

to reimburse Lender in full for all expenses, including, without limitation, all reasonable attorneys' fees incurred by Lender in protecting, defending and maintaining the Patents.

14. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Patents, whether established hereby or by the Loan Documents, or by any other future agreements between Borrower and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

15. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

16. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.


17. This Agreement shall be governed by and construed in conformity with the laws of the Commonwealth of Pennsylvania, without regard to its otherwise applicable principles of conflicts of laws.

18. Borrower agrees to the jurisdiction of the State and Federal Courts located in Philadelphia, Pennsylvania and to service by certified mail, return receipt requested at the address of the Borrower.

19. BORROWER AND LENDER EACH WAIVE ANY AND ALL RIGHTS EITHER MAY HAVE TO A JURY TRIAL ARISING IN CONNECTION WITH ANY PROCEEDING OR CONTROVERSY RELATING TO THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN BORROWER AND LENDER.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement, under seal, effective the day and year first above written.

ACRODYNE INDUSTRIES, INC.

By: 
Ronald R. Lanchoney

Title: Chief Financial Officer

Approved and Accepted:

SOVEREIGN BANK
By: 
David F. Ciccanti

Title: Vice President

SCHEDULE "A"
TO PATENT SECURITY AGREEMENT

Registered Patents

<u>PATENT NUMBER</u>	<u>DATE OF PATENT</u>
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5,260,674	Nov. 9, 1993
4,804,931	Feb. 14, 1989

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF Montgomery :

On this 23rd day of October, 1998, before me personally appeared Ronald R. Lanchoney, known to me and being duly sworn, deposes and says that he is the Chief Financial Officer of ACRODYNE INDUSTRIES, INC., the corporation described in the foregoing Patent Security Agreement; that he signed the Patent Security Agreement as such officer pursuant to the authority vested in him by law; that the within Patent Security Agreement is the voluntary act of such corporation; and that he desires the same to be recorded as such.

Eve R. Brozyno
Notary Public

My Commission Expires:

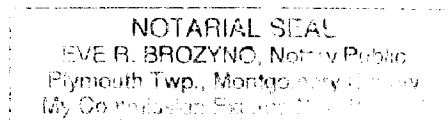


EXHIBIT 1

PATENT ASSIGNMENT

WHEREAS, ACRODYNE INDUSTRIES, INC., a Pennsylvania corporation ("Grantor"), is the registered owner of the United States patents listed on Schedule "A" attached hereto and made a part hereof (the "Patents"), which are registered and/or filed in the United States Patent and Trademark Office; and

WHEREAS, _____ ("Grantee") having a place of business at _____
_____ is desirous of acquiring said Patents;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Patents and all proceeds thereof and all goodwill associated therewith.

No rights or duties of any kind are intended to be granted or conferred upon Grantee unless and until this Patent Assignment is recorded with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, the undersigned has caused this Patent Assignment to be executed as of this _____ day of _____.

ACRODYNE INDUSTRIES, INC.

WITNESS: _____

By: _____
As Attorney-in-fact