

08-03-1999

FORM PTO 1595
(Rev. 6-93)

RECORDATION
PATENT

DEPARTMENT OF COMMERCE
Patent and Trademark Office

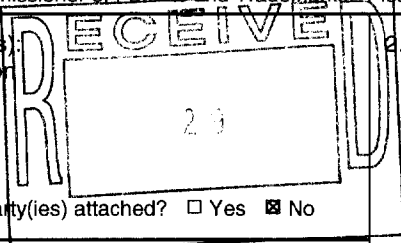


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OMB No. 0651-0011 (exp. 4/94)

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

1. Name of conveying party(ies):
Wagner Spray Tech Corporation
1770 Fernbrook Lane
Plymouth, Minnesota 55447



2. Name and address of receiving party(ies)

Name: U.S. Bank National Association

Internal Address: MPFP2805

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

3. Nature of conveyance: 7-29-99
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Street Address: U.S. Bank Place

601 Second Avenue South

City: Minneapolis State: MN ZIP: 55402

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

Execution Date: April 30, 1999

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: _____

A. Patent Application No.(s)
09/165,965

B. Patent No.(s)

Additional numbers attached? Yes No

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

Name: Elizabeth C. Buckingham

Internal Address: Dorsey & Whitney LLP

Street Address: 220 South Sixth Street

City: Minneapolis State: MN ZIP: 55402

6. Total Number of applications and patents involved:

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

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

08/02/1999 MTH011 00000134 09165965

DO NOT USE THIS SPACE

YDE

01 FC 581 Statement and signature. 40.00 DP

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.

Elizabeth C. Buckingham
Name of person Signing

Elizabeth C. Buckingham
Signature

7/29/99
Date

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

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

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

EXPRESS MAIL #EL303048717
PATENT
REEL: 010131 FRAME: 0021

PATENT SECURITY AGREEMENT

WHEREAS, WAGNER SPRAY TECH CORPORATION, a Minnesota corporation ("Grantor"), owns the Patents and/or the Patent Application listed on Schedule 1 annexed hereto (collectively referred to as the "Patent Collateral");

WHEREAS, Grantor has entered into a Security Agreement (Patents) dated as of April 30, 1999 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), with U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent (in such capacity, and together any successors in such capacity, with "Grantee") for the benefit of Banks (as defined in the Security Agreement). Except as otherwise defined herein, capitalized terms used in this Agreement shall have the meanings given to them in the Security Agreement; and

WHEREAS, pursuant to the terms of the Security Agreement, Grantor has granted to Grantee for the benefit of the Banks a Security Interest in all right, title and interest of Grantor in, to and under all now owned and hereafter acquired patents and patent applications to secure the payment of the Obligations;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged the parties hereto hereby agree and acknowledge as follows:

1. As collateral security for the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Obligations, in the Security Agreement, the Grantor granted to Grantee a Security Interest, in, among other things, all of Grantor's right, title and interest in:

(a) the "Patent Collateral" referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and

(b) all products and proceeds of the foregoing Patent Collateral, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any patent and any patent application constituting Patent Collateral.

2. This security interest is granted in conjunction with the Security Interests granted by Grantor to Grantee pursuant to the Security Agreement and is cumulative of, and in addition to, the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security

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Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its duly authorized officer on this 30th day of April, 1999

GRANTOR,
a Minnesota corporation

By: [Signature]
Its: CEO

Acknowledged:

U.S. BANK NATIONAL ASSOCIATION
a national banking association, as Collateral Agent

By: [Signature]
Name: Sam S. Pepper, Jr.
Title: Vice President

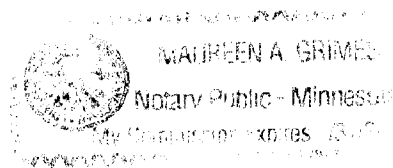
ACKNOWLEDGMENT

STATE OF Minnesota)
) SS.
COUNTY OF Hennepin)

On the 29th day of April, 1999, before me personally appeared Sam C. James, to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument, who being by me duly sworn, did depose and say that he/she is CEO of Wagner Spray Tech Corporation, a Minnesota corporation described in and which executed the foregoing instrument; that the said instrument was signed on behalf of said corporation by order of its Board of Directors; and that he/she acknowledged said instrument to be the free act and deed of said corporation.

Maureen A. Grimes
Notary Public

{Seal}



My commission expires:

Wagner Spray Tech Corporation

**UNITED STATES
Patent Application**

Application No.	Filing Date	Title
09/165,965	10/2/98	FAUX FINISH APPLICATOR AND METHOD

M2:20238302.02