

02-04-2000

U.S. Department of Commerce
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RECORDATION FORM COVER SHEET
PATENTS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- ☒ **New**
- ☐ **Resubmission (Non-Recordation)**
Document ID#
- ☐ **Correction of PTO Error**
Reel # Frame #
- ☐ **Corrective Document**
Reel # Frame #

Conveyance Type

- ☒ **Assignment** ☐ **Security Agreement**
- ☐ **License** ☐ **Change of Name**
- ☐ **Merger** ☐ **Other**
- U.S. Government**
(For Use ONLY by U.S. Government Agencies)
- ☐ **Departmental File** ☐ **Secret File**

Conveying Party(ies)

☐ Mark if additional names of conveying parties attached

Name (line 1) Execution Date Month Day Year

Name (line 2)

Second Party

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Name (line 2)

Receiving Party

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Name (line 1) ☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Name (line 2)

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Address (line 3)
City State/Country Zip Code

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Address (line 1)

Address (line 2)

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40.00 DP

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Mall documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

PATENT
REEL: 010519 FRAME: 0369

Correspondent Name and Address

Area Code and Telephone Number (410) 484-9000

Name RONALD J. DRESCHER

Address (line 1) 4 RESERVOIR CIRCLE

Address (line 2) SUITE 107

Address (line 3) BALTIMORE, MD 21208

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

5

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

09232029

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number
only if a U.S. Application Number
has not been assigned.

PCT PCT PCT
PCT PCT PCT

Number of Properties

Enter the total number of properties involved.

1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ 40.00

Method of Payment:
Deposit Account

Enclosed ☒ Deposit Account ☐

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

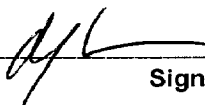
Authorization to charge additional fees:

Yes ☐ No ☐

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. Charges to deposit account are authorized, as indicated herein.

Ronald J. Drescher
Name of Person Signing


Signature

1/7/00
Date

**ASSIGNMENT OF PATENTS
AS COLLATERAL SECURITY**

THIS ASSIGNMENT OF PATENTS AS COLLATERAL SECURITY (hereafter, this "ASSIGNMENT") is made as of January 27, 2000, by and between Adcor Industries, Inc. ("Adcor"), and Zycor Manufacturing Technologies, LLC ("Zycor LLC") (Adcor and Zycor LLC are hereinafter collectively from time to time referred to as the "BORROWER"), with its mailing address at, 234 S. Haven Street, Baltimore, Maryland 21224, and KEY BANK AND TRUST, a Maryland banking association (hereafter, the "LENDER"), with its mailing address at 7F Gwynns Mill Court, Owings Mills, Maryland 21117.

RECITALS

The BORROWER has applied to the LENDER for certain credit accommodations. The LENDER has agreed to extend the credit accommodations to the BORROWER, under the terms and conditions set forth in a Loan and Security Agreement dated September 16, 1999, as subsequently modified and amended by an Amendment to Loan And Security Agreement dated as of January 27, 2000 (hereafter, the "AGREEMENT") by and between the BORROWER and the LENDER, and various other documents, instruments and agreements executed by or on behalf of the BORROWER in connection with the above-described credit accommodation (hereafter, together with the AGREEMENT, collectively, the "LOAN DOCUMENTS").

In order to induce the LENDER to enter into the above-described credit accommodations, the BORROWER, pursuant to the terms and conditions of the AGREEMENT, has agreed to assign to the LENDER certain patents and patent applications, and has granted to the LENDER a lien on and security interest in all of the BORROWER'S assets, including but not limited to those assets relating to products manufactured pursuant to the patents, whereby the LENDER, upon the occurrence of an EVENT OF DEFAULT (as such term is defined in the AGREEMENT), shall have the right to foreclose on the patents and other assets of the BORROWER, in order that the owner of the patents may continue the manufacturing of products manufactured under the patents.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, the BORROWER agrees with the LENDER as follows:

Section 1. Assignment. The BORROWER, as additional security for the complete and timely payment, performance and satisfaction of all of the OBLIGATIONS (as hereafter defined), hereby assigns, transfers, sets over and conveys unto the LENDER, its successors and assigns, upon the following terms and conditions, all of its right, title and interest existing in, under or by virtue of those certain Patents and Patent Applications registered with the United States Patent and Trademark Office in the name of the BORROWER and described on Exhibit A attached hereto and made a part hereof, together with all reissues and extensions thereof, and all claims for damages by reason of past infringement of the assigned Patents with the right to sue for and collect the same (hereafter, collectively, the "PATENTS") and all license rights in the PATENTS. As used herein, the term "OBLIGATIONS" shall mean all duties of payment and performance, whether direct or indirect, both now existing and arising from time to time, owed by the BORROWER to the LENDER under the AGREEMENT and the other LOAN DOCUMENTS. This ASSIGNMENT is delivered pursuant to and in confirmation of the terms and conditions of the AGREEMENT, which terms and conditions are incorporated by reference into this ASSIGNMENT and made a part hereof as if fully set out herein.

Section 2. Additional Patents. If, before the OBLIGATIONS shall have been satisfied in full, the BORROWER shall obtain rights to any new patentable inventions, or become entitled to the benefit of any Patent Application or Patent or any reissue, division, extension, continuation or renewal of any PATENT, the provisions of Section 1 shall automatically apply thereto and the BORROWER shall give prompt written notice thereof to the LENDER. The BORROWER irrevocably and unconditionally authorizes the LENDER to modify this ASSIGNMENT by amending Exhibit A to include any Patent or Patent Application covered by this ASSIGNMENT without any further assent or signature of the BORROWER.

Section 3. License. Unless and until there shall have occurred and be continuing an EVENT OF DEFAULT, the LENDER hereby grants to the BORROWER the exclusive, nontransferable right and license to use the PATENTS on and in connection with the business of the BORROWER, for the BORROWER'S own benefit and account and for none other. The BORROWER agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to the BORROWER in this Section nor enter into any agreement or take any action that is inconsistent with the BORROWER'S obligations under this ASSIGNMENT without the prior written express consent of the LENDER.

PATENT

! REEL: 010519 FRAME: 0371

Section 4. Representations and Warranties. The BORROWER represents and warrants that:

- (a) The PATENTS are subsisting and have not been adjudged invalid or unenforceable in whole or in part;
- (b) Each of the PATENTS is valid and enforceable;
- (c) No claim has been made that the use of any of the PATENTS does or may violate the rights of any third person;
- (d) The BORROWER is the sole and exclusive owner of the entire unencumbered right, title and interest in and to each of the PATENTS, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by the BORROWER not to sue third persons;
- (e) The BORROWER has the unqualified right to enter into this ASSIGNMENT and to perform its terms; and
- (f) The BORROWER has used, and will continue to use for the duration of this ASSIGNMENT, proper statutory notice in connection with its use of the PATENTS.

Section 5. Maintenance of Patents; Prosecution of Applications and Proceedings. The BORROWER shall maintain the registration of the PATENTS, and shall take all actions necessary to maintain, preserve and continue the validity and enforceability of the PATENTS, including but not limited to the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings, and the payment of any and all application, renewal, extension or other fees. The BORROWER shall have the duty, through counsel acceptable to the LENDER, to prosecute diligently all Patent applications of the PATENTS pending as of the date of this ASSIGNMENT or thereafter until the OBLIGATIONS shall have been paid in full, to make federal application on registrable but unregistered PATENTS, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the PATENTS. Any expenses incurred in connection with the PATENTS shall be borne by the BORROWER. The BORROWER shall not abandon any PATENTS without the express written consent of the LENDER. The BORROWER may not, without the prior express written consent of the LENDER, bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the PATENTS. In the event of any such proceedings, the LENDER may, if necessary, be joined as a nominal party to such suit if the LENDER shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The BORROWER hereby agrees to reimburse and indemnify the LENDER for all damages, costs and expenses, including attorney's fees, incurred by the LENDER in the fulfillment of the provisions of this Section.

Section 6. Rights Upon Default. Upon the occurrence of an EVENT OF DEFAULT, the license to the BORROWER described in Section 3 of this ASSIGNMENT shall terminate immediately and without the necessity of notice or other action by the LENDER, and the LENDER, in addition to all other rights and remedies available under the AGREEMENT or under applicable law, shall have the right, at any time (but shall have no obligation) to take, in its name or in the name of the BORROWER or otherwise, such actions as the LENDER may, at any time or from time to time, deem necessary to sell, transfer and assign the PATENTS. The LENDER shall incur no liability to the BORROWER if any action taken by the LENDER in good faith pursuant to the foregoing sentence shall prove to be, in whole or in part, inadequate or invalid. Upon the occurrence of an EVENT OF DEFAULT, the BORROWER hereby irrevocably and unconditionally authorizes and empowers the LENDER to make, constitute and appoint any officer or agent of the LENDER as the LENDER may select, in its exclusive discretion, as the BORROWER'S true and lawful attorney-in-fact, with the power to endorse the BORROWER'S name on all applications, documents, papers and instruments necessary for the LENDER to use the PATENTS, or to grant or issue any exclusive or nonexclusive licenses under the PATENTS to any other person, or for the LENDER to assign, pledge, convey or otherwise transfer title in or dispose of the PATENTS to any other person. The BORROWER hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this ASSIGNMENT, and constitutes a power of attorney coupled with an interest. All of the LENDER'S rights and remedies with respect to the PATENTS, whether established by this ASSIGNMENT, by the AGREEMENT, by any other LOAN DOCUMENT, or by law shall be cumulative and may be exercised singularly or concurrently.

Section 7. Patent and Trademark Office May Rely Upon This Assignment. If the LENDER shall elect to exercise any of its rights hereunder, the United States Patent and Trademark Office shall have the right to rely upon the LENDER'S written statement of the LENDER'S right to sell, assign and transfer the PATENTS and the BORROWER hereby irrevocably and unconditionally authorizes the United States Patent and Trademark Office to recognize such sale by the LENDER either in the BORROWER'S name or in the LENDER'S name without the necessity or obligation of the United States Patent and Trademark Office to ascertain the existence of any default by the BORROWER under the AGREEMENT.

Section 8. Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by the LENDER in connection with the preparation of this ASSIGNMENT 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, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the PATENTS, or in defending or prosecuting any actions or proceedings arising out of or related to the PATENTS, shall be borne and paid by the BORROWER on demand by the LENDER and until so paid shall be added to the principal amount of the OBLIGATIONS and shall bear interest at the highest rate prescribed in the AGREEMENT.

Section 9. Notices. Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the AGREEMENT, in the manner and within the time specified in the AGREEMENT.

Section 10. No Further Assignment. The BORROWER shall not further assign, transfer or convey its interests in the PATENTS without the prior written consent of the LENDER.

Section 11. Further Assurances. The BORROWER shall execute any further or additional documents considered necessary, appropriate or proper by the LENDER to effectuate the purposes and intent of this ASSIGNMENT.

Section 12. Amendment. The terms and conditions of this ASSIGNMENT may be modified, altered, waived, or amended only by a writing executed by the LENDER consenting to the modification, alteration, waiver, or amendment.

Section 13. Choice of Law. This ASSIGNMENT shall be construed according to the laws of the State of Maryland. All parties hereto consent to the jurisdiction and venue of the courts of the State of Maryland in any action to enforce, construe or interpret this ASSIGNMENT.

Section 14. Severability. If any of the provisions of this ASSIGNMENT are judicially determined to be in conflict with any law of the State of Maryland or otherwise judicially determined to be unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable from and shall not invalidate any other provision of this ASSIGNMENT.

Section 15. Successors and Assigns. The terms, covenants and conditions contained in this ASSIGNMENT shall inure to the benefit of the LENDER and its successors and assigns, and shall be binding upon the BORROWER and its successors and assigns.


IN WITNESS WHEREOF, the parties have executed this AGREEMENT under seal as of the date first above written. This AGREEMENT may be executed in counterparts.

WITNESS/ATTEST:

THE LENDER:

KEY BANK AND TRUST
a Maryland banking association

By:

 (SEAL)
Name: Thomas Freeze
Title: Vice President

THE BORROWER:

ADCOR INDUSTRIES, INC.,
A Maryland corporation

Robert L. Dresher

By:

Jimmy Stavrakis (SEAL)

Name: Jimmy Stavrakis aka Demetrios Stavrakis
Title: President

ZYCOR MANUFACTURING TECHNOLOGIES, LLC
A Maryland limited liability company

Robert L. Dresher

By:

Jimmy Stavrakis (SEAL)

Name: Jimmy Stavrakis aka Demetrios Stavrakis
Title: Managing Member

ACKNOWLEDGMENTS

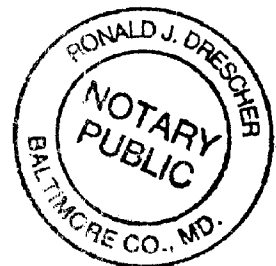
STATE OF Maryland)
CITY/COUNTY OF Baltimore) TO WIT:

I HEREBY CERTIFY that on this 7th day of January, 2000, before me, the undersigned Notary Public of the State of Maryland, in and for the County of Baltimore, personally appeared Jimmy Stavrakis aka Demetrios Stavrakis, and acknowledged himself to be the President of ADCOR INDUSTRIES, INC., a Maryland corporation, and that he as such President of the corporation, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of ADCOR INDUSTRIES, INC., by himself as President.

IN WITNESS WHEREOF, MY Hand and Notarial Seal.

RONALD J. DRESCHER
My Commission Expires October 1, 2002
NOTARY PUBLIC STATE OF MARYLAND

RJ Dresher (SEAL)
NOTARY PUBLIC



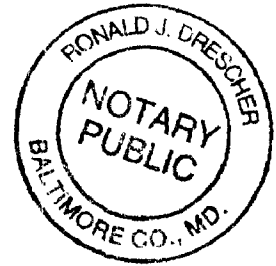
STATE OF Maryland)
CITY/COUNTY OF Baltimore) TO WIT:

I HEREBY CERTIFY that on this 7th day of January, 2000, before me, the undersigned Notary Public of the State of Maryland, in and for the County of Baltimore, personally appeared Jimmy Stavrakis aka Demetrios Stavrakis, and acknowledged himself to be the managing member of ZYCOR MANUFACTURING TECHNOLOGIES, LLC, a Maryland limited liability company, and that he as such member of the limited liability company, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of ZYCOR MANUFACTURING TECHNOLOGIES, LLC, by himself as managing member.

IN WITNESS WHEREOF, MY Hand and Notarial Seal.

[Signature] (SEAL)
NOTARY PUBLIC

My Commission Expires:
RONALD J. DRESCHER
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires October 1, 2002



STATE OF Maryland)
CITY/COUNTY OF Baltimore) TO WIT:

I HEREBY CERTIFY that on this 27th day of January, 2000, before me, the undersigned Notary Public of the State of Maryland, in and for the County of Baltimore, personally appeared Thomas Freeze, and acknowledged himself to be a Vice President of KEY BANK AND TRUST, a Maryland banking association, and that he, as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of KEY BANK AND TRUST, by himself as Vice President.

IN WITNESS WHEREOF, MY Hand and Notarial Seal.

[Signature] (SEAL)
NOTARY PUBLIC

My Commission Expires:

RONALD J. DRESCHER
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires October 1, 2002

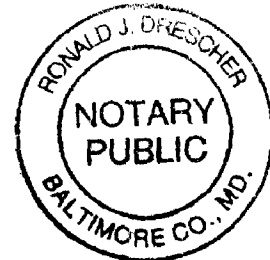


EXHIBIT "A"

Schedule of Patents

Patent No.

Title

Expiration

9,232,029

One-Piece Tipless
Valve Housing