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06-14-2000



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Patent and Trademark Office  
**PATENT**

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**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)

Data Technology, Inc.

Execution Date  
Month Day Year

04 26 2000

Name (line 2)

**Second Party**

Name (line 1)

Execution Date  
Month Day Year

Name (line 2)

**Receiving Party**

☐

Mark if additional names of receiving parties attached

Name (line 1)

Citizens Bank of Massachusetts

Name (line 2)

Address (line 1)

28 State Street

Address (line 2)

Address (line 3)

Boston

MA

City

State/Country

02109

Zip Code

☐ 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.)

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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

**PATENT**

**REEL: 010832 FRAME: 0940**

**Correspondent Name and Address**

Area Code and Telephone Number

617 742 4200

Name Margaret E. Watson

Address (line 1) Shapiro, Israel & Weiner, P.C.

Address (line 2)

Address (line 3) 100 North Washington Street

Address (line 4) Boston, MA 02114

**Pages**

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

# 6

**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)

5493095

6031200

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.

# 2

**Fee Amount**

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

80.00

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.

Margaret E. Watson  
Name of Person Signing

Margaret E. Watson  
Signature

5/18/00  
Date

## PATENT SECURITY AGREEMENT

THIS SECURITY AGREEMENT is entered into as of April 26, 2000, by and between Data Technology, Inc., a New York corporation having its principal place of business at 260A Fordham Road, Wilmington, Massachusetts ("**Borrower**"), and Citizens Bank of Massachusetts, a Massachusetts stock savings bank with a principal place of business at 28 State Street, Boston, Massachusetts 02109 ("**Bank**").

NOW THEREFORE, in consideration of the premises, Borrower hereby agrees with Bank as follows:

1. **Grant of Security Interest.** Borrower hereby grants to Bank a first priority security interest in, and conditionally assigns, but does not transfer title to Bank, all of Borrower's right, title and interest in and to the following (collectively, the "**Collateral**") to secure payment and performance of all obligations of Borrower to Bank whether such obligations are direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including, without limitation, those liabilities of Borrower to Bank pursuant to a Loan Agreement dated April 26, 2000, between Bank and Borrower (the "**Loan Agreement**") (collectively, the "**Obligations**").

The Collateral shall consist of the following:

(a) Each of the patents and patent applications which are presently, or in the future may be, owned, issued, acquired or used (whether pursuant to a license or otherwise) by Borrower, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights and rights to extend such patents and patent rights;

(b) All of Borrower's right, title and interest, in and to the patents and patent applications listed on Schedule A attached hereto, as the same may be updated hereafter from time to time;

(c) All of Borrower's right, title and interest in all patentable inventions, and to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Borrower or in the name of Bank for past, present and future infringements of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(d) All general intangibles relating to the Collateral; and

(e) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

**2. Warranties and Representations.** Borrower hereby warrants and represents to Bank the following:

(a) A true and complete schedule setting forth all patents and patent applications owned or controlled by Borrower or licensed to Borrower, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(b) Each of the patents is valid and enforceable, and Borrower is not presently aware of any past, present or prospective claim by any third party that any of the patents are invalid or unenforceable, or that the use of any patents violates the rights of any third person, or of any basis for any such claims;

(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 patent applications, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, shop rights and covenants by Borrower not to sue third persons;

(d) Borrower has used and will continue to use proper statutory notice in connection with its use of each of the patents;

(e) Except for the filing of financing statements with the Secretary of State of the Commonwealth of Massachusetts and the Town Clerk of Wilmington, Massachusetts under the Uniform Commercial Code and filings with the United States Patent and Trademark Office necessary to perfect the security interests created hereunder, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Borrower of the security interest hereunder or for the execution, delivery or performance of this Agreement by Borrower or for the perfection of or the exercise by Bank of its rights hereunder to the Collateral in the United States.

**3. After-Acquired Patent Rights.** If Borrower shall obtain rights to any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, divisional or continuation, of any patent, the provisions of this Agreement shall automatically apply thereto. Borrower shall give prompt notice in writing to Bank with respect to any such new patents. Borrower shall bear any expenses incurred in connection with future applications for patent.

**4. Litigation and Proceedings.** Borrower shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings or other actions for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Borrower shall provide to Bank any information with respect thereto requested by Bank. Bank shall provide at Borrower's expense all necessary cooperation in connection with any such suit, proceeding or action, including, without limitation, joining as a necessary party. Following Borrower's becoming aware thereof, Borrower shall notify

Bank of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, or any United States, state or foreign court regarding Borrower's claim of ownership in any of the patents, its right to apply for the same, or its right to keep and maintain such patent rights.

**5. Power of Attorney.** Borrower grants Bank power of attorney, having the full authority, and in the place of Borrower and in the name of Borrower, from time to time in Bank's discretion at any time after the occurrence of an Event of Default hereunder to take any action and to execute any instrument which Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of the Loan Agreement:

(a) To endorse Borrower's name on all applications, documents, papers and instruments necessary for Bank to use or maintain the Collateral;

(b) To ask, demand, collect, sue for, recover, impound, receive and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral;

(c) To file any claims or take any action or institute any proceedings that Bank may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Bank's rights with respect to any of the Collateral and to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any person.

**6. Events of Default.** Any of the following events and the expiration of any applicable grace period shall be an Event of Default:

(a) Borrower fails to make any payment of principal or interest or any other payment on any Obligation when due and payable, by acceleration or otherwise; and

(b) the occurrence of an Event of Default as that term is defined in the Loan Agreement.

**7. Specific Remedies.** Upon the occurrence of any Event of Default:

(a) Bank may cease advancing money or extending credit to or for the benefit of Borrower under the Loan Agreement or under any other agreement between Borrower and Bank.

(b) Bank may declare all Obligations to be due and payable immediately, whereupon they shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Borrower;

(c) Bank may set off against the Obligations all Collateral, balances, credits, deposits, accounts or moneys of Borrower then or thereafter held with Bank, including amounts represented by certificates of deposit;

(d) Bank may notify licensees to make royalty payments on license agreements directly to Bank;

(e) Bank may sell or assign the Collateral at public or private sale for such amounts, and at such time or times as Bank deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Borrower ten (10) days prior to such disposition. Borrower shall be credited with the net proceeds of such sale only when they are actually received by Bank, and Borrower shall continue to be liable for any deficiency remaining after the Collateral is sold or collected;

(f) If the sale is to be a public sale, Bank shall also give notice of the time and place by publishing a notice one time at least ten (10) calendar days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held; and

(g) To the maximum extent permitted by applicable law, Bank may be the purchaser of any or all of the Collateral at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any Collateral payable by Bank at such sale.

**8. Governing Law.** All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Borrower and Bank have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

DATA TECHNOLOGY, INC.

By:   
David Buckley, President

CITIZENS BANK OF MASSACHUSETTS

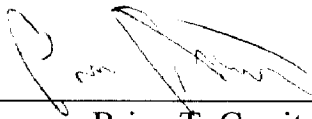
By:   
Michael G. McAuliffe, Vice President

**COMMONWEALTH OF MASSACHUSETTS**

Suffolk, ss.

*April 26*, 2000

Then personally appeared the above-named, David Buckley, President, and acknowledged the foregoing instrument to be the free act and deed of Data Technology, Inc., before me,



Brian T. Garrity, Notary Public

My commission expires: 10/21/2001

**COMMONWEALTH OF MASSACHUSETTS**

Suffolk, ss.

*April 26*, 2000

Then personally appeared the above-named, Michael G. McAuliffe, Vice President, and acknowledged the foregoing instrument to be the free act and deed of Citizens Bank of Massachusetts, before me,



Brian T. Garrity, Notary Public

My commission expires: 10/21/2001

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**SCHEDULE A  
TO A PATENT SECURITY AGREEMENT  
BETWEEN DATA TECHNOLOGY, INC. (Borrower)  
AND  
CITIZENS BANK OF MASSACHUSETTS (Bank)  
DATED: 11/11/00, 2000**

**ISSUED PATENTS (USA)**

<u>Application or Patent No.</u>	<u>Issue Date</u>	<u>Title</u>
5,493,095	February 20, 1996	Laser Beam Divergence Compensation Approvals
6,031,200	February 29, 2000	Kerf Measuring Apparatus

**PENDING PATENT APPLICATIONS (USA)**

<u>Serial No.</u>	<u>Filing Date</u>	<u>Attorney/Agent</u>	<u>Title</u>
None.			