

PATENT ASSIGNMENT

Electronic Version v1.1

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Viking Plastics, Inc.	08/03/2006
RECEIVING PARTY DATA	
Name:	Heller Financial, Inc.
Street Address:	500 W. Monroe Street
Internal Address:	16th Floor
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60661
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7014225
CORRESPONDENCE DATA	
Fax Number:	(312)840-7884
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(312) 840-7860
Email:	mmurphy@jenner.com
Correspondent Name:	Mariann R. Murphy
Address Line 1:	One IBM Plaza
Address Line 2:	Jenner & Block LLP
Address Line 4:	Chicago, ILLINOIS 60611
ATTORNEY DOCKET NUMBER:	42205-10036
NAME OF SUBMITTER:	Mariann R. Murphy
Total Attachments: 8 source=Patent Collateral Agreement#page1.tif source=Patent Collateral Agreement#page2.tif	

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PATENT COLLATERAL ASSIGNMENT

This PATENT COLLATERAL ASSIGNMENT (this "**Assignment**") is made as of the 3rd day of August, 2006, between VIKING PLASTICS, INC., a Pennsylvania corporation with an address of 1 Viking Street, Corry, PA 16407 ("**Assignor**") and HELLER FINANCIAL, INC., a Delaware corporation, with an address of 500 W. Monroe Street, 16th Floor, Chicago, IL 60661 ("**Assignee**").

PREAMBLE

WHEREAS, Assignor and Assignee have entered into that certain Amended and Restated Credit Agreement and Reaffirmation Agreement dated as of May 28, 1998 (the "**Credit Agreement**") pursuant to which Assignee is extending Loans (as defined in the Credit Agreement) to Assignee as more specifically described therein; and

WHEREAS, Assignor and Assignee have entered into that certain Security Agreement dated as of February 2, 1995 (the "Security Agreement"), pursuant to which the Assignor shall have assigned to the Assignee for collateral purposes only all of Assignee's rights in the Patents (defined below) as collateral security for Assignee's obligations under the Loan Documents (as defined in the Credit Agreement) by entering into this Assignment.

NOW, THEREFORE, in order to induce Assignee to extend the Loans to Assignee under the Loan Documents, and for other good and valuable consideration, Assignor, intending to be legally bound, hereby covenants in favor of Assignee and agrees as follows:

AGREEMENT

1. To secure the complete and timely satisfaction of all Obligations of Assignor to Assignee (as defined in the Credit Agreement), Assignor hereby grants, assigns and conveys to Assignee for collateral purposes the Assignor's entire right, title and interest in and to the patent applications and patents listed in Schedule A which is attached hereto and incorporated herein by this reference, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (collectively called the "**Patents**").

2. Assignor covenants and warrants that:

(a) As of the date hereof, Assignee or any of its subsidiaries do not have any Patents registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedule A annexed hereto.

(b) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(c) To the best of Assignor's knowledge, each of the Patents is valid and enforceable and Assignor has notified Assignee in writing of all prior art (including public uses and sales) of which it is aware;

(d) Assignor is the sole and exclusive owner of the entire and 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, shop rights and covenants by Assignor not to sue third persons; and

(e) Assignor has the unqualified right to enter into this Assignment and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

3. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Assignment, without Assignee's prior written consent.

4. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new patentable inventions, or before entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extensions, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of paragraph 1, shall automatically apply thereto and Assignor shall give to Assignee prompt notice thereof in writing hereof.

5. Assignor authorizes Assignee to modify this Assignment by amending Schedule A to include any future patents and patent applications which are Patents under paragraph 4 hereof.

6. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Credit Agreement), Assignee hereby grants to Assignor the exclusive, nontransferable right and license under the Patents to make, have made for it, use and sell the inventions disclosed and claimed in the Patents for Assignor's own benefit and account and for none other. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 6, without the prior written consent of Assignee.

7. If any Event of Default shall have occurred and be continuing, Assignor's license under the Patents as set forth in paragraph 6 shall terminate forthwith, and the Assignee shall have, in addition to all other rights and remedies given it by this Assignment, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be located and without limiting the generality of the foregoing, the Assignee may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or

otherwise realize upon the whole or from time to time any part of the Patents, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor. Notice of any sale or other disposition of the Patents shall be given to Assignor at least five (5) days before the time of any intended public or private sale or other disposition of the Patents is made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. Any such sale or other disposition, any holder of any of the Notes (as defined in the Credit Agreement) or Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

8. If any Event of Default shall have occurred and be continuing, Assignor hereby authorizes and empowers Assignee to make, constitute and appoint any officer or agent of Assignee, as Assignee may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Assignee to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to any third person, or necessary for Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any third person. Assignor 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.

9. At such time as Assignor shall completely satisfy all of the Obligations, this Assignment shall terminate and Assignee shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patents, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

10. Any and all fees, costs and expenses, of whatsoever kind of nature, including the reasonable attorney's fees and legal expenses incurred by Assignee 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 of 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 Assignor on demand by Assignee 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 Credit Agreement.

11. Assignor shall have the duty, through counsel acceptable to Assignee, to prosecute diligently any 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 application on unpatented but patentable inventions and to preserve and maintain all rights in patent applications and patents of the Patents, including without limitation the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne

by Assignor. The Assignor shall not abandon any right to file a patent application, or any pending patent application or patent without the consent of the Assignee, which consent shall not be unreasonably withheld.

12. Assignor shall have the right, with the consent of Assignee, which shall not be unreasonably withheld, to bring suit to its own name, and to join Assignee, if necessary, as a party to such suit so long as Assignee is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents and any license thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all damages, costs and expenses, including legal fees, incurred by Assignee pursuant to this paragraph 12.

13. No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Credit Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. All of the Assignee's rights and remedies with respect to the Patents, whether established hereby or by the Credit Agreement and the Security Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

15. The provisions of this Assignment are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction and shall not in any manner affect such clause or provision in any other jurisdiction, or any clause or provision of this Assignment in any jurisdiction.

16. This Assignment is subject to modification only by a writing signed by the parties, except as provided in paragraph 15.

17. The benefit and burdens of this Assignment shall inure to the benefit of and be binding upon the respective successor and permitted assigns of the parties.

18. The validity and interpretation of this Assignment and the rights and obligations of the parties shall be governed by the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Patent Collateral Agreement and delivered the same as of the date first above written.

VIKING PLASTICS, INC.

By: 

Title: PRESIDENT

Acknowledged:

HELLER FINANCIAL, INC., as agent for the
lender parties to the Credit Agreement

By: _____

Title: _____

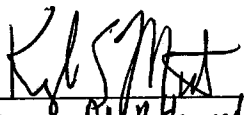
IN WITNESS WHEREOF, the parties have executed this Patent Collateral Agreement and delivered the same as of the date first above written.

VIKING PLASTICS, INC.

By: _____
Title: _____

Acknowledged:

HELLER FINANCIAL, INC., as agent for the
lender parties to the Credit Agreement

By: 
Title: Authorized Signatory

STATE OF Ohio)
COUNTY OF Portage) SS:

On this 2nd day of August, 2006, before me personally appeared Dennis McGerrard being duly sworn, did depose and say that he is the above-indicated officer of Viking Plastics, Inc., the corporation described in and which executed the foregoing instrument and acknowledged to me that he executed the same on behalf of the corporation.

Shelia Major
Notary Public

SHELIA MAJOR
Notary Public-State of Ohio
My Commission Expires 7/9/2010

SCHEDULE A

Viking Plastics, Inc. Patents

<u>Title of Invention</u>	<u>Patent/Serial No.</u>	<u>Issue/File Date</u>
Snap connector for the coupling of pipes	7,014,225	March 21, 2006