

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
Emabond Solutions, LLC	10/06/2006

RECEIVING PARTY DATA

Name:	Commerce Bank/North
Street Address:	1100 Lake Street
City:	Ramsey
State/Country:	NEW JERSEY
Postal Code:	07446

PROPERTY NUMBERS Total: 13

Property Type	Number
Application Number:	09562188
Application Number:	11070539
Application Number:	10432278
Patent Number:	4878978
Patent Number:	4880580
Patent Number:	4941584
Patent Number:	5453149
Patent Number:	5639427
Patent Number:	5810958
Patent Number:	5968304
Patent Number:	6173657
PCT Number:	US0114079
PCT Number:	US0220681

CORRESPONDENCE DATA

PATENT

500187245

REEL: 018573 FRAME: 0165

CH \$520.00 09562188

Fax Number: (973)530-2286

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Correspondent Name: Klaus P. Stoffel

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Address Line 2: Wolff & Samson PC

Address Line 4: West Orange, NEW JERSEY 07052

ATTORNEY DOCKET NUMBER:

11661-1

NAME OF SUBMITTER:

Klaus P. Stoffel

Total Attachments: 10

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PATENT SECURITY AGREEMENT

This Patent Security Agreement ("Agreement") is made this 6th day of October, 2006, by **EMABOND SOLUTIONS, LLC**, a New Jersey limited liability company, having an address at 49 Walnut Street, Norwood, New Jersey 07648 ("Borrower") and delivered to **COMMERCE BANK/NORTH** having a mailing address of 1100 Lake Street, Ramsey, New Jersey 07446 ("Lender").

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith between Borrower and Lender (as it may be supplemented, restated, superseded, amended or replaced from time to time, the "Loan Agreement"); under which Borrower is granting Lender a lien on and security interest in certain assets of Borrower associated with or relating to services or products sold under Borrower's Patent Collateral (as defined herein), and under which Lender is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. As of the date hereof, Borrower has rights with respect to: (i) the United States Letters Patents and the inventions described and claimed therein set forth on Schedule A hereto (hereinafter referred to collectively as the "Patents"); (ii) the application for Letters Patent and the inventions described and claimed therein set forth on Schedule A hereto and any United States Letters Patents which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"); (iii) any reissues, extension, division or continuation of the Patents or Applications (such reissues, extension, divisions and continuations being herein referred to collectively as the "Reissued Patents"); and (iv) all future royalties or other fees paid or payments made to Borrower in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (the Patents, Applications and the Reissued Patents and the Royalties being herein referred to collectively as the "Patent Rights").

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, security interest in and a license to use the Patent Collateral and the registration thereof, as security for all of Borrower's Obligations (as defined in the Loan Agreement), and Lender desires to have its security interest in such Patent Collateral 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 Borrower's Obligations, Borrower grants to Lender a lien on and security interest in all of the Patent Rights and all proceeds thereof and all Borrower's right, title, interest, claims and demands that Borrower has or may have in profits and damages for past and future infringements of the Patent Rights (such rights, interest, claims and demand being herein called the "Claims") (the Patent Rights and Claims are collectively referred to as the "Patent Collateral").

2. Borrower hereby covenants and agrees to maintain the Patent Collateral as permitted under applicable law in full force and effect until all of Borrower's Obligations are indefeasibly paid and satisfied in full. Notwithstanding the foregoing, Borrower shall have the right to abandon any Patent Rights that relate to a product or line which Borrower has discontinued in the ordinary course of business.

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

(a) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral as set forth on Schedule "A".

- (b) The Patent Collateral is subsisting and has not been adjudged invalid or unenforceable;
- (c) All of the Patent Rights are registered, valid and enforceable;
- (d) All of the Patent Collateral is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Borrower and Lender hereunder) and covenants by Borrower not to sue third persons;
- (e) Borrower has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Patent Collateral;
- (f) Borrower has the unqualified right, power and authority to enter into this Agreement and perform its terms;
- (g) Borrower has complied with, and will continue for the duration of this Agreement to comply with the requirements set forth in 35 U.S.C. §1 et seq. and any other applicable statutes, rules and regulations in connection with its use of the Patent Collateral except where failure to comply would not have a Material Adverse Effect on Borrower or its Property; and
- (h) Borrower has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Patent Collateral and, subject to and in accordance with the terms, limitations and conditions set forth in Section 6.11 of the Loan Agreement, hereby grants to Lender and its employees and agents the right (with no obligation of any kind upon Lender to do so) to visit Borrower's affiliates, franchises or management locations and to inspect the use of the Patent Collateral and quality control records relating thereto at reasonable times during regular business hours to ensure Borrower's compliance with this paragraph 3(h).

4. Borrower further covenants that:

- (a) Until all the Borrower's Obligations are indefeasibly paid and satisfied in full, Borrower will not 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.
- (b) If Borrower acquires rights to any new Patent Collateral, the provisions of this Agreement shall automatically apply thereto and such Patent Collateral shall be deemed part of the Patent Collateral. 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 under the Loan Agreement and that Lender has not elected to exercise its rights hereunder: (i) Borrower shall continue to have the exclusive right to use the Patent Collateral; and (ii) Lender shall have no right to use the Patent Collateral or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Patent Collateral to anyone else.

6. Except for the grant or license to use any Patent Rights, Borrower agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Patent Collateral to any entity or person other than Lender without the prior written consent of Lender.

7. Anything herein contained to the contrary notwithstanding, if and while 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 the jurisdiction set forth in Section 9.1 of the Loan Agreement, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Patent Collateral covered hereby. For such purposes, while an 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 Patent Collateral or to grant or issue any exclusive or non-exclusive license under the Patent Collateral to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral 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 Borrower's Obligations are indefeasibly paid and satisfied in full.

8. 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.

9. 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.

10. Upon Borrower's performance of all of the obligations under the Loan Documents and after all of Borrower's Obligations are indefeasibly paid and satisfied in full, Lender shall, at Borrower's expense, execute and deliver to Borrower all documents reasonably necessary to terminate Lender's security interest in the Patent Collateral.

11. 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 Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral, 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 Borrower's Obligations to Lender and shall bear interest at the otherwise applicable rate prescribed in the Loan Agreement.

12. 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 Patent Collateral pending as of the date of this Agreement or thereafter, until Borrower's Obligations are indefeasibly paid and satisfied in full shall have been satisfied in full, to preserve and maintain all rights in the Patent Collateral (subject to the terms of this Agreement), and upon reasonable request of Lender, Borrower shall make federal application on registerable but unregistered Patent Collateral belonging to Borrower and licensed to Borrower. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Borrower. Borrower shall not abandon any Patent Collateral without the prior written consent of Lender.

13. Borrower shall have the right to bring suit in its own name to enforce the Patent Collateral, 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.

14. Upon the occurrence of an Event of Default (which has not been cured within any applicable grace or cure periods) under the Loan Agreement, 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.

15. 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 Patent Collateral, 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.

16. 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.

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

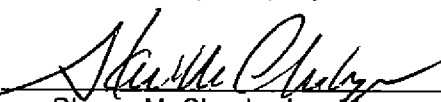
18. This Agreement shall be governed by and construed in conformity with the laws of the jurisdiction set forth in Section 9.1 of the Loan Agreement, without regard to its otherwise applicable principles of conflicts of laws.

19. Borrower irrevocably agrees to consent to the jurisdiction of the state and federal courts of the jurisdiction set forth in Section 9.18 of the Loan Agreement.

20. Borrower (and Lender by its acceptance hereof) hereby waives any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties hereto or under the Loan Documents or with respect to any claims arising out of any discussions, negotiations or communications involving or related to any proposed renewal extension, amendment, modification, restructure, forbearance, workout, or enforcement of the transactions contemplated by the Loan Documents.

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

Borrower:
EMABOND SOLUTIONS, LLC, a New
Jersey limited liability company

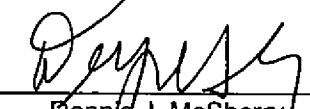
By: 
Steven M. Chookazian, Manager

By: 
Drew P. LaMarca, Manager

Address: 49 Walnut Street
Norwood, New Jersey 07648

Approved and Accepted:


COMMERCE BANK/NORTH

By: 
Dennis J. McSherry
Regional Vice President

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF NEW JERSEY : SS
COUNTY OF UNION :

On this 6th day of October, 2006, before me personally appeared STEVEN M. CHOOKAZIAN and DREW P. LAMARCA, to me known and being duly sworn, depose and say that they are the sole Managers of EMABOND SOLUTIONS, LLC, the limited liability company described in the foregoing Agreement; that they each know the seal of the limited liability company; that the seal so affixed to the Agreement is such corporate seal; that they each signed the Agreement and affixed the seal of the limited liability company thereto as such Managers pursuant to the authority vested in them by law; that the within Agreement is the voluntary act of such limited liability company; and they each desire the same to be recorded as such.


Notary Public
My Commission Expires:
PAMELA CHROMARTIE
NOTARY PUBLIC, State of New Jersey
No. 2190450
Qualified in Union County
Commission Expires June 19, 2011

SCHEDULE A

COUNTRY	TITLE	PATENT NUMBER	PATENT ISSUE DATE	APPLICATION NUMBER	APPLICATION FILING DATE
Canada	Temperature Controlled Induction Heating of Polymeric Material			2446140	May 1, 2001
EP	Temperature Controlled Induction Heating of Polymeric Material			01932847.5	May 1, 2001
PCT	Temperature Controlled Induction Heating of Polymeric Material			US01/14079	May 1, 2001
United States	Temperature Controlled Induction Heating of Polymeric Material			09/562188	May 2, 2000
United States	Temperature Controlled Induction Heating of Polymeric Material			11/070539	March 2, 2005
United States	Methods of Induction Heating Using Dual Susceptors			10/432278	June 28, 2002
Canada	Methods of Induction Heating Using Dual Susceptors			2452319	June 28, 2002
China (PRC)	Methods of Induction Heating Using Dual Susceptors			02813572.5	June 28, 2002
EP	Methods of Induction Heating Using Dual Susceptors			02804805.6	June 28, 2002
India	Methods of Induction Heating Using Dual Susceptors			00031/DELNP/2004	June 28, 2002
Japan	Methods of Induction Heating Using Dual Susceptors			2003-563267	June 28, 2002
Republic of Korea	Methods of Induction Heating Using Dual Susceptors			2004-7000014	June 28, 2002

PCT	Methods of Induction Heating Using Dual Susceptors			US02/20681	June 28, 2002
United States	Bonding Method Employing High Performance Induction Curable Two-Component Structural Adhesive with Non-Sagging Behavior	4878978	November 7, 1989		
Canada	Process and Apparatus for Removing a Plastic Fitting from a Head of a Plastic Drum and Fitting Configuration Therefor	1309364	October 27, 1992		
United States	Reusable Plastic Drum Container Assembly and Process for Refitting Such Plastic Drum Container Assembly	4880580	November 14, 1989		
United States	Reusable Plastic Drum Container Assembly	4941584	July 17, 1990		
United States	Improved Process for Effecting Electromagnetic Bonding of Plastic Parts	5453149	September 26, 1995		
United States	Sulfuric Acid Preparation Assembly	5639427	June 17, 1997		
United States	Process for Forming Fluid Flow Conduit Systems and Products Thereof	5810958	September 22, 1998		
United States	Process for Forming Fluid Flow Conduit Systems and Products Thereof	5968304	October 19, 1999		
United States	Plastic Pallet Assembly and Method of Assembling Same	6173657 B1	January 16, 2001		
Taiwan	Plastic Pallet Assembly and Method of Assembling Same	126696	January 11, 2001		

Exhibit 1 to Patent Security Agreement

PATENT ASSIGNMENT

WHEREAS, EMABOND SOLUTIONS, LLC, a New Jersey limited liability company ("Grantor"), is the registered owner, holder or user of: (i) the United States Letter Patents and the inventions which are registered in the United States Patent and Trademark Office and set forth on Schedule A hereto (hereinafter referred to collectively as the "Patents"); (ii) the application for Letters Patents and the inventions described and claimed therein set forth on Schedule A hereto and any United States Letters Patents which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"); (iii) any reissues, extension, division or continuation of the Patents or Applications (such reissues, extension, divisions and continuations being herein referred to collectively as the "Reissued Patents"); and (iv) all future royalties or other fees paid or payments made to Borrower in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (the Patents, Applications and the Reissued Patents and the Royalties being herein referred to collectively as the "Patent Rights").

WHEREAS, _____ ("Grantee"), having a place of business at _____ is desirous of acquiring the Patent Rights;

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 Patent Rights and all proceeds thereof and all Borrower's right, title, interest, claims and demands that Borrower has or may have in profits and damages for past and future infringements of the Patent Rights.

IN WITNESS WHEREOF, the undersigned has caused this Patent Assignment to be executed as of the _____ day of _____, 20____.

WITNESS:

EMABOND SOLUTIONS, LLC, a New Jersey
limited liability company

By: _____
As Attorney-in-fact

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF _____ : SS
COUNTY OF _____ :

On this the ____ day of _____, 200__ before me a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of EMABOND SOLUTIONS, LLC, a New Jersey limited liability company ("Grantor"), and he/she acknowledged to me that he/she executed the foregoing Patent Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(Individual Notary)

My Commission Expires:

SCHEDULE A TO PATENT ASSIGNMENT

<u>PATENTS</u>	<u>APPLICATION/ REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
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