

RECORDATION FORM COVER SHEET  
**PATENTS ONLY**

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies)**

Pioneer Metal Finishing Corporation  
Pioneer Metal Finishing

**2. Name and address of receiving party(ies)**

Name: Johnson Bank

Internal Address: \_\_\_\_\_

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

**3. Nature of conveyance/Execution Date(s):**

Execution Date(s) August 15, 2007

☐ Assignment

☐ Merger

☒ Security Agreement

☐ Change of Name

☐ Joint Research Agreement

☐ Government Interest Assignment

☐ Executive Order 9424, Confirmatory License

☐ Other \_\_\_\_\_

Street Address: 318 South Washington Street

City: Green Bay

State: WI

Country: USA Zip: 54301

Additional name(s) & address(es) attached? ☐ Yes ☒ No

**4. Application or patent number(s):**

☐ This document is being filed together with a new application.

A. Patent Application No.(s)

20060113193  
11/287664

B. Patent No.(s)

6,113,770                      6,254,759  
6,126,808                      6,562,223  
7,060,176

Additional numbers attached? ☐ Yes ☒ No

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

Name: Attorney David P. Dewick

Internal Address: \_\_\_\_\_

Street Address: 200 South Washington Street,  
Suite 401

City: Green Bay

State: WI Zip: 54301

Phone Number: (920) 430-1900

Fax Number: (920) 430-1909

Email Address: ddewick@hdz-law.com

**6. Total number of applications and patents involved:** six (6)

**7. Total fee (37 CFR 1.21(h) & 3.41)** \$240.00

☒ Authorized to be charged by credit card

☐ Authorized to be charged to deposit account

☐ Enclosed

☐ None required (government interest not affecting title)

**8. Payment Information**

a. Credit Card Last 4 Numbers 0521  
Expiration Date 09/09

b. Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

**9. Signature:**

David P. Dewick  
Signature

August 16, 2007  
Date

David P. Dewick

Name of Person Signing

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

12

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement"), dated the 15<sup>th</sup> day of August, 2007, by and among JOHNSON BANK, 318 South Washington Street, Green Bay, Wisconsin, 54301 ("Bank"), and PIONEER METAL FINISHING, LLC, a Wisconsin limited liability company, with its principal place of business located at 486 Globe Avenue, P.O. Box 28440, Green Bay, Wisconsin, 54324-0440, PMFC HOLDING, LLC, a Delaware limited liability company, with its principal place of business located at 486 Globe Avenue, P.O. Box 28440, Green Bay, Wisconsin, 54324-0440, PMF TRANSPORTATION, LLC, a Wisconsin limited liability company, with its principal place of business located at 486 Globe Avenue, P.O. Box 28440, Green Bay, Wisconsin, 54324-0440, PIONEER TECHNOLOGIES, LLC, a Wisconsin limited liability company, with its principal place of business located at 486 Globe Avenue, P.O. Box 28440, Green Bay, Wisconsin, 54324-0440, and PIONEER METAL FINISHING (MICHIGAN), LLC, a Delaware limited liability company, with its principal place of business located at 525 Ternes Drive, Monroe, Michigan, 48162 (collectively "Borrower").

1. Collateral. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of any financial accommodation at any time granted by Bank to Borrower, each of the undersigned (collectively "Debtor") grants, mortgages, conveys, pledges and assigns to Bank a security interest in the following patents and patent applications and all other patents, patent applications and other patentable inventions of Debtor, whether now existing or hereafter acquired (collectively the "Assigned Patents"):

<u>Application or Patent Number</u>	<u>Country</u>	<u>Issue or Filing Date</u>	<u>Expiration Date</u>	<u>Title</u>	<u>Serial Number</u>
(1) 6,113,770	United States	Filed: 9/18/97 Issued: 9/5/00		Method for anodizing using single polarity pulses	
(2) 6,126,808	United States	Filed: 3/23/98 Issued: 10/3/00		Method and apparatus for anodizing objects	
(3) 6,254,759	United States	Filed: 12/30/99 Issued: 7/3/01		Method and apparatus for anodizing objects	
(4) 6,562,223	United States	Filed: 4/23/01 Issued: 5/13/03		Method and apparatus for anodizing objects	

(5) 7,060,176	United States	Filed: 12/27/02 Issued: 6/13/06	Method and apparatus for anodizing objects	
(6) Application No. 20060113193	United States	Filed: 11/28/05	Method and apparatus for anodizing objects	287664

and in all inventions and improvements described in the Assigned Patents, all continuations, continuations-in-part, divisions, renewals, extensions, substitutions, reissuances and their legal equivalents of the Assigned Patents in the United States or in any foreign country for the full term or terms for which the same may be granted, in all rights to income, royalties, profits, awards, damages, licenses or other rights relating to the Assigned Patents, including the right to sue for past, present or future infringement, in all other rights and goodwill relating to the Assigned Patents, and in all products, supporting obligations and proceeds of the foregoing, whether now existing or hereafter acquired or existing, and wherever located ("Collateral").

2. Secured Obligations. The Collateral shall secure all debts, obligations and liabilities to Bank set forth in the Revolving Credit and Term Loan Agreement, of even date herewith ("Loan Agreement"), between Debtor and Bank and all other debts, obligations and liabilities to Bank arising out of credit previously granted, credit contemporaneously granted and credit granted in the future by Bank to any Debtor, or any Borrower, to any of them and another, or to another guaranteed or endorsed by any of them ("Obligations").

3. Debtor's Warranties. Debtor warrants that, while any of the Obligations are unpaid:

A. Ownership and Enforceability. The Collateral is genuine, valid and enforceable, and is subsisting and has not been adjudged invalid in whole or in part, the Collateral is free from all liens, encumbrances, mortgages, assignments, licenses or security interests (other than Bank's security interest), the Collateral is not the subject of any infringement actions filed or threatened alleging that the Collateral infringes any patent or other rights held by third parties, Debtor owns the Collateral, and, acting alone, Debtor may grant a security interest in the Collateral to Bank.

B. Valid Organization. Debtor is duly organized, validly existing and in good standing under the laws of the State of Wisconsin or Delaware, as the case may be, and is authorized to do business in the States of Wisconsin, Delaware, Michigan, Minnesota and Oregon and any other states in which Debtor transacts

business except where such failure to obtain such authorization will not have a material adverse effect on Debtor's ability to conduct business.

C. Other Agreements. Debtor is not in default under any agreement for the payment of money.

D. Authority to Contract. The execution and delivery of this Agreement and any instruments evidencing Obligations will not violate or constitute a breach of Debtor's Articles of Organization or Certificate of Formation, as applicable, Operating or Member's Agreement or any other agreement or restriction to which Debtor is a party or is subject.

E. Accuracy of Information. The list of all existing patents, patent applications and patentable inventions set forth in Paragraph 1 above is true and complete. All other information, certificates or statements given to Bank pursuant to this Agreement shall be true and complete when given.

F. Name and Address. Debtor's exact legal name and chief executive office are as follows:

Pioneer Metal Finishing, LLC  
PMFC Holding, LLC  
PMF Transportation, LLC  
Pioneer Technologies, LLC  
486 Globe Avenue  
P.O. Box 28440  
Green Bay, WI 54324-0440

Pioneer Metal Finishing (Michigan), LLC  
525 Ternes Drive  
Monroe, MI 48162

4. Covenants of Debtor. Debtor covenants and agrees as follows:

A. Debtor shall keep the Collateral free from all liens, encumbrances, mortgages, assignments, licenses and security interests (other than those created or expressly permitted by this Agreement);

B. Debtor shall pay and discharge, when due, all taxes, levies and other charges on the Collateral;

C. Debtor shall, at Debtor's own cost, unless otherwise consented to in writing by Bank:

(1) Take all actions necessary to properly prosecute, maintain, preserve, defend and renew the Collateral and any licenses issued under the Collateral for the full term or terms allowed by law, including, but not limited to, the appropriate and timely payment of any required fees and the appropriate and timely filing of any documents or declarations necessary to prosecute, maintain, preserve, defend and renew the Collateral, and any licenses issued under the Collateral, which may be necessary or appropriate under applicable law;

(2) File new applications to register and protect under applicable law all patentable inventions acquired by Debtor for which applications have not previously been filed or take all other actions necessary to cause such patents to be issued as a result of such applications; and

(3) Protect the Collateral from infringement, unfair competition or dilution or damage by all appropriate actions, including any commencement of legal action to prevent and recover damages for such infringement, and defend the Collateral from claims of infringement, unfair competition or damages, including the defense of any legal actions making such claims;

D. Debtor shall promptly advise Bank of any new patents and patent applications;

E. Debtor shall not change Debtor's legal name or address without prior written consent of Bank, which consent shall not unreasonably be withheld; and

F Debtor shall not change its type of organization or state under whose law it is organized and shall preserve its organizational existence, and Debtor shall not, in one transaction or in a series of related transactions, merge into or consolidate with any other organization, change Debtor's legal structure or sell or transfer all or substantially all of Debtor's assets.

5. Persons Bound and Other Provisions. Each entity signing this Agreement is a Debtor. All Debtors are jointly and severally liable under this Agreement. This Agreement benefits Bank, its successors and assigns, and binds Debtor(s) and their respective successors and assigns and shall bind all persons and entities who become bound

as a debtor to this Agreement. Debtor acknowledges receipt of a completed copy of this Agreement.

6. Maintenance of Security Interest. Debtor shall pay all expenses and, upon request, take any action reasonably deemed advisable by Bank to preserve the Collateral or to establish, evidence, determine and maintain priority of, perfect, continue perfected, terminate and/or enforce Bank's interest in the Collateral or rights under this Agreement, including, without limitation, filing of any documents with the United States Patent and Trademarks Office ("USPTO"). Debtor authorizes Bank to (a) record this Agreement, an abstract thereof or any other document describing Bank's interest in the Collateral with the USPTO, at the expense of Debtor, and (b) file Uniform Commercial Code financing statements describing the Collateral and amendments to such financing statements and ratifies any such financing statement or amendment filed prior to the date of this Agreement. Debtor will cooperate with Bank in obtaining control of Collateral and other security for the Obligations for which control may be required to perfect Bank's security interest under applicable law.

7. Authority of Bank to Perform for Debtor. If Debtor fails to perform any of Debtor's duties set forth in this Agreement or in any evidence of or document relating to the Obligations, Bank may, after written notice to Debtor and a reasonable opportunity for Debtor to perform, perform or cause to be performed any of such duties, including, without limitation, signing or endorsing Debtor's name or paying any amount so required or otherwise protecting, maintaining or preserving the Collateral, or any licenses issued under the Collateral, or defending or prosecuting any actions or proceedings arising out of or related to the Collateral, including any licenses issued pursuant to the Collateral, and the cost shall be one of the Obligations secured by this Agreement and shall be payable by Debtor upon demand, with interest from the date of payment by Bank at the highest rate stated in the Loan Agreement, but not in excess of the maximum rate permitted by law.

8. Debtor's Right to Use Collateral. Until an Event of Default occurs, Debtor shall retain the legal and equitable title to the Collateral and shall have the right to use the Collateral in the ordinary course of its business, but shall not be permitted to sell, assign, license, transfer or otherwise encumber or dispose of the Collateral or any part thereof.

9. Acts Not Affecting Obligations. None of the following shall affect the liabilities of any Debtor or Borrower under this Agreement, or the Obligations, or the rights of Bank with respect to the Collateral:

A. acceptance or retention by Bank of other property or interests as security for the Obligations, or for the liability of any person other than a Debtor with respect to the Obligations;

B. the release of all or any of the Collateral or other security for any of the Obligations;

C. any release, extension, renewal, modification or compromise of any of the Obligations or the liability of any obligor thereon; or

D. failure by Bank to resort to other security or any person liable for any of the Obligations before resorting to the Collateral.

10. Default. Upon the occurrence of one or more of the following Events of Default:

A. Nonperformance. Any of the Obligations are not paid when due, and such default continues uncured for a period of ten (10) days, or Borrower or Debtor, as applicable, fails to perform, or rectify breach of, any warranty or covenant or other undertaking in this Agreement or in any evidence of or document relating to the Obligations, including the Security Documents (as defined in the Loan Agreement), or an Event of Default occurs under any evidence of or document relating to any other obligation secured by the Collateral, and such failure of Event of Default, as applicable, remains uncured for a period of thirty (30) days after the first to occur of (1) written or telephonic (promptly confirmed in writing) notice thereof has been given to the Borrower or Debtor; or (2) the Borrower or Debtor know or should have known of such failure or Event of Default; provided, however, that if such default is of a nature which may not be cured within such 30-day period, Borrower or Debtor shall be granted such reasonable additional amount of time to cure such default, provided that steps to cure such default have commenced during such 30-day period;

B. Inability to Perform. Borrower, Debtor or a guarantor or surety of any of the Obligations dies, ceases to exist, becomes insolvent or the subject of bankruptcy or insolvency proceedings or any guaranty of the Obligations is revoked or becomes unenforceable for any reason;

C. Loan Agreement. An Event of Default, as described in the Loan Agreement, or as described in any document, agreement or instrument executed in connection with the Loan Agreement, occurs, after giving effect to any applicable grace period;

D. Default in Favor of Third Parties. Should Borrower or any Debtor default under any loan, extension of credit, security agreement, purchase or sales agreement or any other agreement, in favor of any other creditor or person that may materially affect any Borrower or Debtor, any of Borrower's or Debtor's property or any Borrower's or Debtor's ability to repay the Obligations or perform their

respective obligations under this Agreement, the Loan Agreement or any agreements or instruments executed in connection therewith;

E. False Statements. Any warranty, representation or statement made or furnished to Bank by Borrower or Debtor or on Borrower's or Debtor's behalf under this Agreement, the Loan Agreement or any documents or instruments executed in connection therewith is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading in any material respect at any time thereafter and such false representation or warranty remains false for a period of thirty (30) days after the first to occur of: (1) written or telephonic (promptly confirmed in writing) notice thereof has been given to the Borrower or Debtor by the Bank; or (2) the Borrower or Debtor know or should have known of such false representation and warranty;

F. Defective Collateralization. This Agreement, the Loan Agreement or any document or instrument executed in connection therewith ceases to be in full force and effect (including failure of any Security Documents (as defined in the Loan Agreement) or any other collateral document to create a valid and perfected security interest or lien) at any time and for any reason;

G. Insolvency. The dissolution or termination of Borrower's or Debtor's existence as a going business, the insolvency of Borrower or Debtor or the appointment of a receiver for any part of Borrower's or Debtor's property, any assignment for the benefit of creditors, any type of creditor workout or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Debtor, which proceeding shall remain undismissed for a period of sixty (60) days thereafter;

H. Creditor Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Debtor or by any governmental agency against any collateral securing the Obligations; shall proceedings remain undismissed for a period of sixty (60) days. This includes a garnishment of any of Borrower's or Debtor's accounts, including deposit accounts, with Bank. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Debtor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Debtor gives Bank written notice of the creditor or forfeiture proceeding and deposits with Bank monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Bank, in its sole discretion, as being an adequate reserve or bond for the dispute;

I. Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor of any of the Obligations or any guarantor dies or becomes

incompetent or revokes or disputes the validity of, or liability under, any guaranty of the Obligations; or

J. Adverse Change. A material adverse change occurs in Borrower's or Debtor's financial condition;

all of the Obligations shall, at the option of Bank and without notice or demand, become immediately payable; and Bank shall have all rights and remedies for default provided (1) by the Wisconsin Uniform Commercial Code and this Agreement, as well as any other applicable law, and (2) under any evidence of or document relating to any Obligation, including, without limitation, the Security Documents, the Loan Agreement and any documents or instruments executed in connection therewith, and all such rights and remedies are cumulative and may be exercised from time to time. With respect to such rights and remedies:

K. Repossession. Bank may take possession of Collateral without notice or hearing, which Debtor waives;

L. Acceleration. Each Obligation as to which an Event of Default has occurred shall, at the option of Bank and without further notice or demand, become immediately payable;

M. Assembling Collateral. Bank may require each Borrower or Debtor to deliver to Bank any and all certificates and documents constituting Collateral. Bank may require each Borrower or Debtor to assemble the Collateral and make it available to Bank at each of the Borrower's or Debtor's places of business, or at another place to be reasonably designated by Bank. Bank also shall have full power to enter upon the property of each Borrower or Debtor to take possession of and remove the Collateral;

N. Notice of Disposition. Written notice, when required by law, sent to any address of Debtor in this Agreement at least 10 calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral is reasonable notice.

O. Expenses and Application of Proceeds. Debtor shall reimburse Bank for any expense incurred by Bank in protecting or enforcing its rights under this Agreement, before and after judgment, including, without limitation, reasonable attorneys' fees and legal expenses (including those incurred in successful defense or settlement of any counterclaim brought by Debtor or incident to any action or proceeding involving Debtor brought pursuant to the United States Bankruptcy Code) and all expenses of taking possession, holding, preparing for disposition and disposing of the Collateral. After deduction of such expenses, Bank shall apply the

proceeds of disposition, to the extent actually received in cash, to the Obligations in such order and amounts as it elects or as otherwise required by this Agreement. If Bank sells any Collateral on credit, Debtor will be credited only with payments that the purchaser actually makes and that Bank actually receives and applies to the unpaid balance of the purchase price of the Collateral;

P. Waiver. Bank may permit Debtor or Borrower to remedy any default without waiving the default so remedied, and Bank may waive any default without waiving any other subsequent or prior default by Borrower or Debtor. Bank shall continue to have all of its rights and remedies under this Agreement even if it does not fully and properly exercise them on all occasions; and

Q. Transferring Collateral. Bank may direct the sale, transfer or redemption of the Collateral, in whole or in part, without the consent of Debtor or Borrower. Bank may direct the payment of proceeds from any of the same, in order, amounts and manner which Bank may determine in its sole discretion, subject to applicable law. Bank may obtain a judgment against each Borrower or Debtor for any deficiency remaining on the Obligations due to Bank after application of all amounts received from the exercise of the rights provided in this Agreement.

11. Irrevocable Power of Attorney. In addition to Bank's other rights, each Debtor authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its exclusive discretion, as Debtor's true and lawful attorney-in-fact, with the power upon the occurrence of an Event of Default, to endorse Debtor's name on all applications, documents, papers and instruments necessary for Bank to use and sell the invention disclosed and claimed in the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third person, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral from Bank to any third person. Debtor ratifies all that such attorney shall lawfully do or cause to be done by virtue of this power of attorney. This power of attorney shall be irrevocable for the life of this Agreement.

12. Charging Debtor's Credit Balance. Unless a lien would be prohibited by law or render a nontaxable account taxable, any Debtor who is also a Borrower grants Bank, as further security for the Obligations, a security interest and lien in any deposit account Debtor may at any time have with Bank and other money now or hereafter owed Debtor by Bank and, in addition, agrees that Bank may, at any time after the occurrence of an Event of Default, without prior notice or demand, set-off all or any part of the unpaid balance of the Obligations against any deposit balances Debtor may at any time have with Bank or other money now or hereafter owed Debtor by Bank.

13. Interpretation. The validity, construction and enforcement of this Agreement are governed by the internal laws of Wisconsin. All terms not otherwise defined have the

meanings assigned to them by the Wisconsin Uniform Commercial Code, as amended from time to time.

14. Severability. The terms of this Agreement are severable. If any term shall be found to be invalid or unenforceable, it shall not affect the validity or enforceability of the remaining terms.

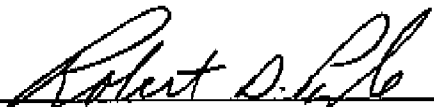
15. Further Actions. Debtor agrees to execute any further documents, and to take any further actions, reasonably requested by Bank to evidence or perfect the security interest granted pursuant to this Agreement, to maintain the first priority of the security interest or to effectuate the terms of this Agreement.

[Signature Page Follows]

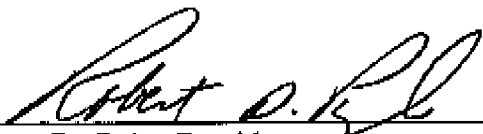
IN WITNESS WHEREOF, the undersigned have caused this Patent Security Agreement to be executed as of the date first set forth above.

DEBTOR:

PIONEER METAL FINISHING, LLC

By:   
Robert D. Pyle, President

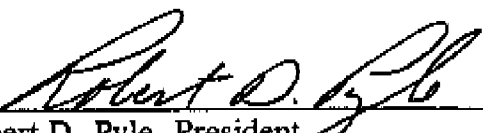
PMFC HOLDING, LLC

By:   
Robert D. Pyle, President

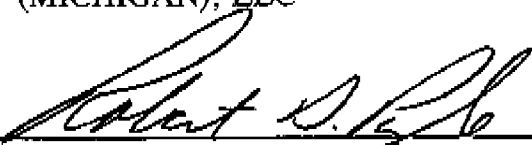
PMF TRANSPORTATION, LLC

By:   
Robert D. Pyle, President

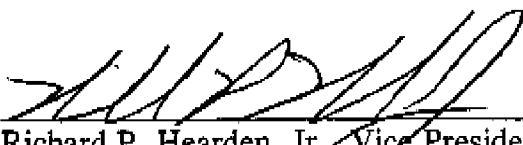
PIONEER TECHNOLOGIES, LLC

By:   
Robert D. Pyle, President

PIONEER METAL FINISHING  
(MICHIGAN), LLC

By:   
Robert D. Pyle, President

BANK:  
JOHNSON BANK

By:   
Richard P. Hearden, Jr., Vice President