

# PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
<b>CONVEYING PARTY DATA</b>	
Name	Execution Date
CPAC, Inc.	03/31/2010
<b>RECEIVING PARTY DATA</b>	
Name:	Victory Park Management, LLC, as Collateral Agent
Street Address:	227 West Monroe Street
Internal Address:	Suite 3900
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60606
<b>PROPERTY NUMBERS Total: 4</b>	
Property Type	Number
Patent Number:	D275277
Patent Number:	4804452
Patent Number:	D275374
Patent Number:	5873986
<b>CORRESPONDENCE DATA</b>	
Fax Number:	(312)577-8816
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312.577.8034
Email:	oscar.ruiz@kattenlaw.com
Correspondent Name:	Oscar Ruiz c/o Katten Muchin Rosenman
Address Line 1:	525 West Monroe Street
Address Line 4:	Chicago, ILLINOIS 60661
ATTORNEY DOCKET NUMBER:	341307-17
NAME OF SUBMITTER:	Oscar Ruiz

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**501136820**

**PATENT**  
**REEL: 024170 FRAME: 0317**

Total Attachments: 5

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PATENT SECURITY AGREEMENT

This **PATENT SECURITY AGREEMENT** (this “**Agreement**”), dated as of March 31, 2010 by CPAC, Inc., a New York corporation (the “**Grantor**”), in favor of Victory Park Management, LLC, as collateral agent (the “**Collateral Agent**”) for the secured parties referred to below.

WHEREAS:

A. Reference is made to that certain Pledge and Security Agreement, dated as of March 31, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the “**Security Agreement**”), entered into by and among the Grantor, the other “**Obligors**” party thereto and Collateral Agent which secures certain now existing and future arising obligations owing to the Secured Parties under the Transaction Documents as provided in the Security Agreement;

B. Pursuant to the Security Agreement, the Grantor is required to execute and deliver to the Collateral Agent this Agreement.

C. Pursuant to the terms of the Security Agreement, the Grantor has granted to the Collateral Agent, for the benefit of the Secured Parties (as defined in the Security Agreement), a security interest in substantially all the assets of the Grantor, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications and patent licenses, and all products and proceeds thereof, to secure the payment of the Obligations (as defined in the Security Agreement).

**NOW, THEREFORE**, in consideration of the mutual agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor hereby grants to the Collateral Agent, for the benefit of the Secured Parties, to secure the Obligations, a continuing security interest in all of the Grantor’s right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired:

1. each United States and foreign patent and patent application, including, without limitation, each United States patent and patent application referred to in Schedule 1 annexed hereto, together with any reissues, reexaminations, continuations, continuations-in-part, divisionals, renewals and extensions thereof;

2. each patent license, including, without limitation, each patent license listed on Schedule 1 annexed hereto;

3. all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement, misappropriation, dilution, violation or other impairment of any patent, including, without limitation, any patent referred to in Schedule 1 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 1 and any patent licensed under any patent license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the “**Patent Collateral**”).

This security interest is granted in conjunction with the security interests granted to the Collateral Agent, for itself and on behalf of the other Secured Parties, pursuant to the Security Agreement. The Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Security Agreement.

This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Agreement and all disputes arising hereunder shall be governed by, the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The parties hereto (a) agree that any legal action or proceeding with respect to this Agreement or any other agreement, document, or other instrument executed in connection herewith or therewith, shall be brought in any state or federal court located within New York, New York, (b) irrevocably waive any objections which either may now or hereafter have to the venue of any suit, action or proceeding arising out of or relating to this Agreement, or any other agreement, document, or other instrument executed in connection herewith, brought in the aforementioned courts and (c) further irrevocably waive any claim that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

**[Remainder of Page Intentionally Left Blank; Signature Page Follows]**

The Grantor has caused this Patent Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

**CPAC, INC., a New York corporation**

By: 

Name: Thomas J. Weldgen

Title: President and Chief Financial Officer

Acknowledged:

**VICTORY PARK MANAGEMENT, LLC,  
as Collateral Agent**

By: \_\_\_\_\_

Name: Matthew Ray

Title: Manager

Patent Security Agreement

**PATENT**  
**REEL: 024170 FRAME: 0321**

Acknowledged:

VICTORY PARK MANAGEMENT, LLC,  
as Collateral Agent

By: Matthew Ray  
Name: Matthew Ray  
Title: Manager

SCHEDULE 1  
to  
PATENT SECURITY AGREEMENT

Patent Collateral

Patent No.	Application/ Registration #	Date	Title	Owner
D275277	06351166	2/22/82	Control console for ion exchange unit that regenerates photographic developers	CPAC, Inc
4804452	07204307	6/14/88	Electrolytic processor	CPAC, Inc
D275374	06351165	2/22/82	Fluid flow monitor for ion exchange unit that regenerates photographic developers	CPAC, Inc
5873986	08816789	3/19/97	Metal recovery apparatus	CPAC, Inc