

**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)/Execution Date(s): Arlon, Inc. Execution Date(s) <u>October 15, 2010</u> Additional names of conveying parties attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2. Name and address of receiving party(ies) Name: <u>Wells Fargo Bank, National Association, as Agent</u> Internal Address: _____ Street Address: <u>12 East 49th Street</u> City: <u>New York</u> State: <u>NY</u> Country: <u>USA</u> Zip: <u>10017</u> Additional names, addresses, or citizenship attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Government Interest <input type="checkbox"/> Executive Order 9424, confirmatory License <input type="checkbox"/> Other _____		4. Application or patent number(s) <input type="checkbox"/> This document is being filed together with a new application. A. Patent Application No. (s) <u>See Attached Exhibit A</u> B. Patent No.(s) <u>See Attached Exhibit A</u>	
Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
5. Name address of party to whom correspondence concerning document should be mailed: Name: <u>Susan O'Brien</u> Internal Address: <u>CT Lien Solutions</u> Street Address: <u>187 Wolf Road, Suite 101</u> City: <u>Albany</u> State: <u>New York</u> Zip: <u>12205</u> Phone Number: <u>800-342-3676</u> Fax Number: <u>800-962-7049</u> Email Address: <u>cls-udsalbany@wolterskluwers.com</u>		6. Total number of applications and registrations involved: <u>4</u> 7. Total fee (37 CFR 1.21(h) & 3.41) <u>\$160 --</u> <input checked="" type="checkbox"/> Authorized to be charged by credit card <input type="checkbox"/> Authorized to be charged to deposit account <input type="checkbox"/> Enclosed <input type="checkbox"/> None required (government interest not affecting title)	
9. Signature: <u>Mercedes Farinas</u> Signature Mercedes Farinas Name of Person Signing		8. Payment Information: a. Credit Card Last 4 Numbers <u>5683</u> Expiration Date <u>10/12</u> b. Deposit Account Number _____ Authorized User Name: _____ Total number of pages including cover sheet, attachments, and document. <u>12</u>	

Documents to be recorded (including cover sheet) should be faxed to (703) 306-8995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

OP \$120.00 6703114

EXHIBIT A

PATENTS AND PATENT APPLICATIONS

Patent	Federal Registration Number	Registration Date	Owner of Patent
Laminate structures, methods for production thereof and uses therefore	6,703,114	3/9/2004	Arlon, Inc.
Multi-dielectric laminates	5,604,017	2/18/1997	Arlon, Inc.
Method of making multi-dielectric laminates	5,569,488	10/29/1996	Arlon, Inc.
Patent Application	Federal Serial Number	Application Date	Owner of Patent
Low loss prepregs, compositions useful for the preparation thereof and uses therefore	20060118766/11006211	6/8/2006	Arlon, Inc.

[Execution]

PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

This Patent Collateral Assignment and Security Agreement (this "Agreement"), dated October 15, 2010, is by and between ARLON, INC., a Delaware corporation ("Borrower"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, successor by merger to Wachovia Bank, National Association, successor by merger to Congress Financial Corporation (together with its successors and assigns, "Lender").

WITNESSETH:

WHEREAS, Borrower has adopted, has used and is using, and is the owner of the entire right, title, and interest in and to the patents and applications therefor described in Exhibit A attached hereto and made a part hereof; and

WHEREAS, Borrower has entered into financing arrangements with Lender pursuant to which Lender may make loans and advances and provide other financial accommodations to Borrower as set forth in the Amended and Restated Loan and Security Agreement, dated of even date herewith, by and between Borrower and Lender (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and the other Financing Agreements (as defined in the Loan Agreement); and

WHEREAS, in order to induce Lender to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Borrower pursuant thereto, Borrower has agreed to grant to Lender certain collateral security as set forth herein;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby agrees as follows:

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations, Borrower hereby grants to Lender a continuing security interest in and a general lien upon, and hereby collaterally assigns and transfers to Lender: (a) all of Borrower's now existing or hereafter acquired right, title and interest in and to all of Borrower's interest in any patents; all applications, registrations and recordings relating to such patents in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including, without limitation, those patents, applications, registrations and recordings described on Exhibit A hereto (the "Patents"), and (b) any and all proceeds of any of the foregoing, including, without limitation, any claims by Borrower against third parties for infringement of the Patents or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Lender pursuant to this Agreement shall secure the prompt performance and payment in full of all of the Obligations.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Borrower hereby represents, warrants and covenants with and to Lender that (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) All of the Collateral is valid and subsisting in full force and effect, and Borrower owns the sole, full, and clear title thereto, and the right and power to grant the security interests granted hereunder. Borrower will, at its expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral as valid, subsisting and registered patents including, without limitation, the filing of any renewal affidavits and applications.

(b) Borrower authorizes Lender to have this or any other similar security agreement filed with the United States Patent and Trademark Office or other appropriate federal, state or government office with respect to the Collateral.

(c) As of the date hereof, Borrower does 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, any State thereof, any political subdivision thereof or in any other countries, other than those described on Exhibit A attached hereto and has not granted any licenses with respect thereto other than as set forth on Exhibit B hereto.

(d) Borrower will, concurrently with the execution and delivery of this Agreement, execute and deliver to Lender five (5) originals of a Special Power of Attorney in the form of Exhibit C attached hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Lender's exercise of the rights and remedies granted to Lender hereunder.

(e) Borrower shall provide Lender with thirty (30) days written notice prior to filing any application for the registration of a Patent made with the United States Patent and Trademark Office or any similar office or agency in the United States, any state therein, or any other country. Upon the request of Lender, Borrower shall execute and deliver to Lender any and all assignments, agreements, instruments, documents, and such other papers as may be requested by Lender to evidence the security interests of Lender in any Patent.

(f) Borrower will render any assistance to Lender as Lender shall determine is necessary in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Patents as Borrower's exclusive property and to protect Lender's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(g) Borrower will promptly notify Lender if Borrower (or any affiliate or subsidiary thereof) learns of any use by any person of any other process or product which infringes upon any Patent. If requested by Lender, Borrower, at Borrower's expense, shall join with Lender in such action as Lender, in its discretion, may deem advisable for the protection of Lender's interest in and to the Patents.

(h) Borrower assumes all responsibility and liability arising from the use of the Patents and Borrower hereby indemnifies and holds Lender harmless from and against any claim, suit, loss, damage, or expense (including legal expenses and reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Borrower (or any affiliate or subsidiary thereof) in

connection with any Patent or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Borrower (or any affiliate or subsidiary thereof).

4. RIGHTS AND REMEDIES

Upon the occurrence of any Event of Default, and during the continuance thereof, in addition to all other rights and remedies of Lender, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, Lender shall have the following rights and remedies which may be exercised without notice to, or consent by, Borrower, except as such notice or consent is expressly provided for hereunder:

(a) Lender may require that neither Borrower nor any affiliate or subsidiary of Borrower make any use of the Patents for any purpose whatsoever.

(b) Lender may make use of any Patents for the sale of goods, completion of work-in-process or rendering of services or otherwise in connection with enforcing any other security interest granted to Lender by Borrower or any subsidiary or affiliate of Borrower.

(c) Lender may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Lender shall in its discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(d) Lender may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Borrower of intended disposition of Collateral is required by law, the giving of ten (10) business days notice to Borrower in the manner set forth in the Loan Agreement of any proposed disposition shall be deemed reasonable notice thereof and Borrower waives any other notice with respect thereto. Lender shall have the power to buy the Collateral or any part thereof, and Lender shall also have the power to execute assurances and perform all other acts which Lender may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Borrower shall be liable for any deficiency.

(e) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to Section 4(d) hereof, Lender may at any time execute and deliver on behalf of Borrower, pursuant to the authority granted in the Power of Attorney described in Section 3(d) hereof, one or more instruments of assignment of the Patents (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Borrower agrees to pay Lender on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, legal expenses and reasonable attorneys' fees.

(f) Borrower shall supply to Lender (or its designee) Borrower's knowledge and expertise relating to the manufacture and sale of the products and rendition of services to which the Patents relate and Borrower's customer lists and other records relating to the Patents and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Lender to take any such action at any time. All of Lender's rights and remedies, whether provided under law, this Agreement, the Loan Agreement, the other Financing Agreements, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

5. GOVERNING LAW; CHOICE OF FORUM; JURY TRIAL WAIVER

(a) The validity, interpretation and enforcement of this Agreement and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York without regard to any principles of conflicts of laws or other rule of law that would result in the application of the law of any jurisdiction other than the State of New York except to the extent that the provisions of the Bankruptcy Code are applicable and specifically conflict with the foregoing..

(b) Borrower and Lender irrevocably consent and submit to the non-exclusive jurisdiction of the Bankruptcy Court, the Supreme Court of the State of New York, New York County and the United States District Court for the Southern District of New York, whichever Lender may elect, and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or in any way connected with or related or incidental to the dealings of the parties hereto in respect of this Agreement or the transactions related hereto or thereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Lender shall have the right to bring any action or proceeding against Borrower or its property in the courts of any other jurisdiction which Lender deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Borrower or its property).

(c) BORROWER AND LENDER EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR THE TRANSACTIONS RELATED HERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. BORROWER AND LENDER EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT BORROWER OR LENDER MAY FILE AN ORIGINAL, COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

6. MISCELLANEOUS

(a) Construction. Capitalized terms used herein and not defined herein shall have the meanings specified in the Loan Agreement, unless otherwise defined herein. All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to "Borrower" or "Lender" pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(b) Successors and Assigns. This Agreement shall be binding upon Borrower and its successors and assigns and inure to the benefit of and be enforceable by Lender and its successors and assigns.

(c) Partial Invalidity. If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or

unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(d) Amendments and Waivers. Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Borrower and Lender. Lender shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Lender. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Lender of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Lender would otherwise have on any future occasion, whether similar in kind or otherwise.


(e) Entire Agreement. This Agreement and the documents executed concurrently herewith contain the entire understanding between Borrower and Lender and supersedes all prior agreements and understandings, if any, relating to the subject matter hereof. Any promises, representations, warranties or guarantees not herein contained and hereinafter made shall have no force and effect unless in writing, signed by Borrower's and Lender's respective officers. Neither this Agreement nor any portion or provisions hereof may be changed, modified, amended, waived, supplemented, discharged, cancelled or terminated orally or by any course of dealing, or in any manner other than by an agreement in writing, signed by the party to be charged. Borrower acknowledges that it has been advised by counsel in connection with the execution of this Agreement and the other Financing Agreements and is not relying upon oral representations or statements inconsistent with the terms and provisions of this Agreement.

(f) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall have the same force and effect as the delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Borrower and Lender have executed this Agreement as of the day and year first above written.

ARLON, INC.

By: 
Name: James F. McCabe, Jr.
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Name: Sang Kim
Title: Vice President

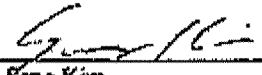
[Patent Security Agreement (Arlon)]

IN WITNESS WHEREOF, Borrower and Lender have executed this Agreement as of the day and year first above written.

ARLON, INC.

By: _____
Name: James F. McCabe, Jr.
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By:  _____
Name: Sang Kim
Title: Vice President

[Patent Security Agreement (Arlon)]

EXHIBIT C

Form of Special Power of Attorney

SPECIAL POWER OF ATTORNEY

STATE OF _____)
) ss.:
COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS, that ARLON, INC., a Delaware corporation ("Borrower"), having an office at 1133 Westchester Avenue, Suite N222, White Plains, New York 10604, hereby appoints and constitutes WELLS FARGO BANK, NATIONAL ASSOCIATION, successor by merger to Wachovia Bank, National Association, successor by merger to Congress Financial Corporation (together with its successors and assigns, "Lender"), and each of Lender's officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Borrower at any time after the occurrence and during the continuance of an Event of Default under the Security Agreement (as hereinafter defined):

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Lender, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Borrower in and to any patents and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Lender, in its discretion, deems necessary or advisable to further the purposes described in Section 1 hereof.

This Power of Attorney, being a power coupled with an interest, is made pursuant to the Patent Collateral Assignment and Security Agreement, dated of even date herewith, between Borrower and Lender (the "Security Agreement") and may not be revoked until the termination of all "Financing Agreements" and indefeasible payment in full of all of the "Obligations", as each such term is defined in the Security Agreement.

_____, 2010

ARLON, INC.

By: _____
Name: James F. McCabe, Jr.
Title: Senior Vice President

STATE OF _____)
) ss.:
COUNTY OF _____)

As of this ____ day of _____, 2010, before me personally came James F. McCabe, Jr., to me known, who being duly sworn, did depose and say, that he is the Senior Vice President of ARLON, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the board of directors of said corporation.

Notary Public

EXHIBIT B

LICENSES

None.

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