

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
APS Technology, Inc.	12/17/2010
APS Oilfield Services, LP	12/17/2010

RECEIVING PARTY DATA

Name:	TD Bank, N.A.
Street Address:	1441 Main Street
Internal Address:	POB 3034
City:	Springfield
State/Country:	MASSACHUSETTS
Postal Code:	01103

PROPERTY NUMBERS Total: 11

Property Type	Number
Patent Number:	5816344
Patent Number:	5927409
Patent Number:	5833541
Patent Number:	7201239
Patent Number:	7327634
Patent Number:	7249968
Patent Number:	7219752
Patent Number:	7377339
Patent Number:	7389830
Patent Number:	7762356
Patent Number:	7681663

CORRESPONDENCE DATA

Fax Number: (860)560-1354

501382385

PATENT
REEL: 025522 FRAME: 0274

OP \$440.00 5816344

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

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ATTORNEY DOCKET NUMBER:	700.060105
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NAME OF SUBMITTER:	Richard B. Polivy
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Total Attachments: 7

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SUPPLEMENTAL PATENT SECURITY AGREEMENT

WHEREAS, on August 24, 2006, pursuant to the terms and subject to the conditions of that certain Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement dated August 24, 2006 by and between APS Technology, Inc., a Connecticut corporation with and office and principal place of business located at 7 Laser Lane, Wallingford, Connecticut 06492 (sometimes referred to herein as "APS") and APS Oilfield Services, LP, a Delaware limited partnership (sometimes referred to herein as "APS-Oilfield") having as its general partner APS Industries, Inc., a Texas Corporation, and then having an office and principal place of business located at 15415 International Plaza Drive, Suite 150, Houston, Texas 77032 and now having an office and principal place of business located at 7 Laser Lane, Wallingford, Connecticut 06492, jointly and severally (collectively APS and APS-Oilfield are herein referred to as "Debtor") and TD Bank, N.A., a national banking association organized under the laws of the United States of America with an office at 1441 Main Street, POB 3034, Springfield, Massachusetts 01103 (the "Secured Party"), as amended on April 11, 2007 by a First Amendment to Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement (the "First Amendment"), and as further amended by a Second Amendment to Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement dated as of October 31, 2007 (the "Second Amendment") and as further amended by a Third Amendment to Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement dated as of January 16, 2008 (the "Third Amendment") and as further amended by a Fourth Amendment to Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement dated as of September 30, 2008 (the "Fourth Amendment") and by Extension Agreements of May 26, 2009 and August 28, 2009 and by Amendments dated November 25, 2009, January 28, 2010 and May 27, 2010 and as supplemented by a \$750,000 Time Note loan document package dated April 21, 2009 which was replaced by a \$750,000 Term Note loan document package dated February 22, 2010 (collectively, the Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement dated August 24, 2006 and the First Amendment, the Second Amendment and the Third Amendment and the Fourth Amendment and the Extensions and the Amendments and the \$750,000 Term Note loan document package are hereinafter referred to as the "Prior Loan Agreements"), Debtor and Secured Party entered into a Patent and Trademark Security Agreement; and

WHEREAS, Debtor and Secured Party are entering into, as of December 17, 2010, a First Amended and Restated Consolidated Commercial Revolving Loan, Line of Credit, Term Loan and Security Agreement (hereinafter referred to as the "Loan Agreement")

WHEREAS, the security interest granted pursuant to the August 24, 2006 Patent and Trademark Security Agreement was registered, recorded and filed with the United States Patent and Trademark Office under Filing #500143206A on August 25, 2006 at Reel/Frame 018160/0825; and

WHEREAS, since August 24, 2006, Debtor has acquired and been granted additional patents; and

This Supplemental Patent Security Agreement is to subject the additional Patents granted to Debtor as are more particularly set forth on Exhibit A attached hereto, to a security interest in favor of Secured Party and shall be in addition to and not in substitution or replacement of the original Patent and Trademark Security Agreement.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

“Patents” means all of the Debtor’s right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefore, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

“Security Interest” has the meaning given in Section 2.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the “Security Interest”) with power of sale to the extent permitted by law, in the Patents to secure payment of the Obligations evidenced by the Loan Agreement. As set forth in the Loan Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of the Debtor. This Supplemental Patent Security Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any patent or patent application and makes no assignment, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** APS is a corporation and APS-Oilfield is a Limited Partnership, both of which are duly organized, validly existing and in good standing under the laws of its respective states of incorporation and formation, and this Agreement has been duly and validly authorized by all necessary corporate and partnership action on the part of the Debtor.

(b) **Patents.** Exhibit A accurately lists all Patents owned or controlled by the Debtor as of the date hereof which have not already been subjected to a recorded security interest in favor of Secured Party. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtor shall within 60 days provide written notice to

the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.

(c) **Affiliates.** As of the date hereof, no Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by the Debtor, constitute Patents. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then the Debtor shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to the Debtor; or (ii) notify the Secured Party of such item(s) and cause such Affiliate to execute and deliver to the Secured Party a Supplemental Patent Security Agreement substantially in the form of this Agreement.

(d) **Title.** The Debtor has absolute title to each Patent listed on Exhibits A, free and clear of all Liens except Permitted Liens. The Debtor (i) will have, at the time the Debtor acquires any rights in Patents hereafter arising, absolute title to each such Patent free and clear of all Liens except Permitted Liens, and (ii) will keep all Patents free and clear of all Liens except Permitted Liens.

(e) **No Sale.** Except as permitted in the Loan Agreement, the Debtor will not assign, transfer, encumber or otherwise dispose of the Patents, or any interest therein, without the Secured Party's prior written consent.

(f) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Patents against all claims or demands of all Persons other than those holding Permitted Liens.

(g) **Maintenance.** The Debtor will at its own expense maintain the Patents to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent in the United States, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a US Patent, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but

need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.

(j) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (h) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Patents or to grant or issue any exclusive or non-exclusive license under the Patents to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Indebtedness.

4. **Debtor's Use of the Patents.** The Debtor shall be permitted to control and manage the Patents, including the right to exclude others from making, using or selling items covered by the Patents and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. **Events of Default.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Loan Agreement, shall occur; or (b) the Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Loan Agreement.

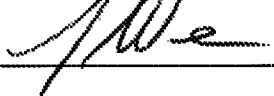
(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents.

(c) The Secured Party may enforce the Patents and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents at all or in any particular manner or order, or to apply any cash proceeds of Patents in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. This Agreement shall be governed by the internal law of the Commonwealth of Massachusetts without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Indebtedness.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Supplemental Patent Security Agreement as of December 17, 2010.




S. Moushigi

APS Technology, Inc.

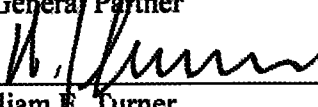
By 

William E. Turner
Its President



S. Moushigi

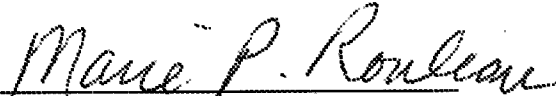
APS Oilfield Service, LP
By APS Industries, Inc.
Its General Partner

By 

William E. Turner
Its President

STATE OF CONNECTICUT)
COUNTY OF HARTFORD)

The foregoing instrument was acknowledged before me this ¹⁶th day of December, 2010, by William E. Turner, the President of APS Technology, Inc., a Connecticut corporation, on behalf of the corporation.

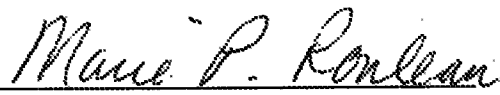


Notary Public

Marie P. Rouleau
NOTARY PUBLIC
State of Connecticut
My Commission Expires 2/28/2012

STATE OF CONNECTICUT)
COUNTY OF HARTFORD)

The foregoing instrument was acknowledged before me this ¹⁶th day of December, 2010, by William E. Turner, the President of APS Industries, Inc. General Partner of APS Oilfield Services, LP., a Delaware Limited Partnership, on behalf of the Limited Partnership.



Notary Public

Marie P. Rouleau
NOTARY PUBLIC
State of Connecticut
My Commission Expires 2/28/2012

EXHIBIT A

Client code	Patent No.	Application Serial No.	Application Filing Date	Patent Grant Date
APST-4	5,816,344	08/751,271	Nov. 18, 1996	Oct. 6, 1998
APST-12	5,927,409	09/122,120	July 24, 1998	July 27, 1999
APST-61	5,833,541	08/732,906	Oct. 17, 1996	Nov. 10, 1998
APST-77	7,201,239	10/837,727	May 3, 2004	April 10, 2007
APST-80	7,327,634	10/888,312	July 9, 2004	Feb. 5, 2008
APST-81	7,249,968	10/919,633	Aug. 16, 2004	July 31, 2007
APST-83	7,219,752	10/983,486	Nov. 8, 2004	May 22, 2007
APST-106	7,377,339	11/737,400	April 19, 2007	May 27, 2008
APST-72	7,389,830	11/117,802	April 29, 2005	June 24, 2008
APST-109	7,762,356	12/125,747	May 22, 2008	July 27, 2010
APST-91	7,681,663	11/416,009	May 1, 2006	March 23, 2010