

PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT																														
NATURE OF CONVEYANCE:	SECURITY AGREEMENT																														
CONVEYING PARTY DATA																															
<table border="1"><thead><tr><th>Name</th><th>Execution Date</th></tr></thead><tbody><tr><td>TIMOTHY J. FLYNN</td><td>08/25/2011</td></tr><tr><td>THOMAS E. FLYNN</td><td>08/25/2011</td></tr></tbody></table>		Name	Execution Date	TIMOTHY J. FLYNN	08/25/2011	THOMAS E. FLYNN	08/25/2011																								
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<table border="1"><tr><td>Name:</td><td>FIRSTMERIT BANK, N.A.</td></tr><tr><td>Street Address:</td><td>106 S. Main Street, 12th Floor</td></tr><tr><td>City:</td><td>Akron</td></tr><tr><td>State/Country:</td><td>OHIO</td></tr><tr><td>Postal Code:</td><td>44308</td></tr></table>		Name:	FIRSTMERIT BANK, N.A.	Street Address:	106 S. Main Street, 12th Floor	City:	Akron	State/Country:	OHIO	Postal Code:	44308																				
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PROPERTY NUMBERS Total: 30																															
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PATENT  
REEL: 026826 FRAME: 0653

OP \$1200.00 7726696

Application Number:	12218075
Application Number:	12381508
Application Number:	12381509
Application Number:	12426816
Application Number:	12426823
Application Number:	12608694
Application Number:	12709140
Application Number:	12581660
Application Number:	12581672
Application Number:	13011022
Application Number:	12496381
Application Number:	12496410
Application Number:	11901414
Application Number:	13003524
Application Number:	61299233
Application Number:	13007088

#### CORRESPONDENCE DATA

Fax Number: (312)863-7806

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

Phone: 312-863-7198

Email: nancy.brougher@goldbergkohn.com

Correspondent Name: Nancy Brougher

Address Line 1: Goldberg Kohn Ltd.

Address Line 2: 55 East Monroe Street, Suite 3300

Address Line 4: Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:

6795.003

NAME OF SUBMITTER:

Nancy Brougher

Total Attachments: 8

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## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (the "Agreement") made as of this 25th day of August, 2011, by TIMOTHY J. FLYNN, an individual, THOMAS E. FLYNN, an individual (collectively, "Grantors") in favor of FIRSTMERIT BANK, N.A., a national banking association ("Grantee"):

### W I T N E S S E T H

WHEREAS, Grantee and Continental Datalabel, Inc. ("Continental") are parties to a certain Credit and Security Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Credit Agreement"), providing for extensions of credit to be made to Continental, JT&T Equipment Leasing Partnership ("JT&T") and Dadsons ("Dadsons", and together with Continental and JT&T, "Borrowers") by Grantee;

WHEREAS, each Grantor is a shareholder of Continental and a partner of JT&T and Dadsons, and will derive substantial direct and indirect benefits from the extensions of credit by Grantee under the Credit Agreement; and

WHEREAS, pursuant to the terms of a certain letter agreement dated as of the date hereof between Grantors and Grantee (the "Side Letter"), each Grantor has granted to Grantee a security interest in substantially all of the assets of such Grantor to the extent used or to be used in the business of the Borrowers, including all right title and interest of such Grantor in, to and under all now owned and hereafter acquired or arising (a) patents and patent applications and the inventions and improvements described and claimed therein, and patentable inventions; (b) the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing, under licenses of the foregoing, or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world (collectively, "Patents") and all products and proceeds thereof, to secure the payment of all amounts owing by Borrowers under the Credit Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, each Grantor agrees as follows:

1. Incorporation of . The Side Letter and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Side Letter.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations, each Grantor hereby grants to Grantee and hereby reaffirms its prior grant pursuant to the Side Letter of, a continuing lien upon and security interest in such Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now owned or existing and hereafter acquired or arising:

(i) each Patent listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof; and

(ii) all products and proceeds of the foregoing, including, without limitation, any claim by any Grantor against third parties for past, present or future infringement of any Patent.

3. Warranties and Representations. Each Grantor warrants and represents to Grantee that:

(i) Such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Patent, free and clear of any liens, charges and encumbrances, including without limitation licenses, shop rights and covenants by such Grantor not to sue third persons;

(ii) Such Grantor has no notice of any suits or actions commenced or threatened with reference to any Patent; and

(iii) Such Grantor has the power and authority to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Each Grantor agrees that until the Obligations shall have been satisfied in full and the commitments of Grantee under the Credit Agreement to lend shall have been terminated, such Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under, any Patent or enter into any other agreement with respect to any Patent, and each Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement; provided, however, that such Grantor may, without the prior written consent of Grantee, grant a license of any Patent in the ordinary course of its business, so long as the applicable licensee is not an Affiliate of any Grantor, the consideration for such license paid to such Grantor is a fair market rate and such license is part of a commercially reasonable transaction.

5. New Patents. If, before the Obligations shall have been satisfied in full or before the commitments of Grantee under the Credit Agreement to lend shall have been terminated, any Grantor shall (i) become aware of any existing Patents of which such Grantor has not previously informed Grantee, (ii) obtain rights to any new patentable inventions or Patents, or (iii) become entitled to the benefit of any Patents, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and


such Grantor shall give to Grantee prompt written notice thereof. Each Grantor hereby authorizes Grantee to modify this Agreement by amending Schedule 1 to include any such Patents.

6. Duties of Grantors. Each Grantor shall (i) prosecute diligently any patent applications pending as of the date hereof or hereafter, (ii) make application on unpatented but patentable inventions, (iii) preserve and maintain all rights in the Patents and (iv) ensure that the Patents are and remain enforceable.

7. Grantee's Right to Sue. After the occurrence and during the continuance of an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and, if Grantee shall commence any such suit, each Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement and each Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses incurred by Grantee in the exercise of its rights under this Section 7.

8. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Patents, whether established hereby or by the Credit Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Grantor hereby authorizes Grantee after the occurrence and during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as such Grantor's true and lawful attorney-in-fact, with power to (i) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Patents or (ii) take any other actions with respect to the Patents as Grantee deems to be in the best interest of Grantee, or (iii) grant or issue any exclusive or non-exclusive license under the Patents to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents to anyone. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Obligations shall have been paid in full and Grantee's commitments under the Credit Agreement to lend have been terminated. Each Grantor hereby further acknowledges and agrees that the use by Grantee of all Patents in accordance herewith shall be worldwide, except as limited by their terms, and without any liability for royalties or other related charges from Grantee to any Grantor.

IN WITNESS WHEREOF, each Grantor has duly executed this Agreement as of the date first written above.

  
\_\_\_\_\_  
Timothy V. Flynn

\_\_\_\_\_  
Thomas E. Flynn

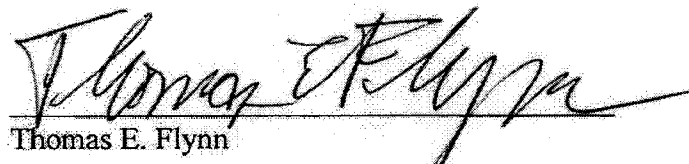
Agreed and Accepted  
As of the Date First Written Above

FIRSTMERIT BANK, N.A.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

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Agreed and Accepted  
As of the Date First Written Above

FIRSTMERIT BANK, N.A.

By: Walter Castillo  
Name: Walter Castillo  
Its: Vice President



## SCHEDULE 1

### PATENTS

<b>Patent Description</b>	<b>U.S. Patent No.</b>	<b>Date</b>
Label assembly for applying a label to an object	7726696	6/1/10
Label assembly for applying a label to an object	7959187	6/14/11
Display apparatus for file index	7854081	12/21/10
Apparatus and method for transferring a label portion from a label assembly onto an object	7140136	11/28/06
Label assembly and apparatus	7124796	10/24/06
Label assembly and apparatus and method for transferring a label portion from the label assembly onto an object	7033456	4/25/06
Apparatus and method for transferring a label portion from a label assembly onto an object	7001476	2/21/06
Apparatus and method for transferring a label portion from a label assembly onto an object	6932133	8/23/05
Indexable label assembly	6881461	4/19/05
Label assembly and apparatus	6805180	10/19/04
Label assembly and apparatus	6799621	10/5/04
Method for placing an aligned label on an object	6776867	8/17/04
Method for applying a label	6776866	8/17/04
Label assembly and apparatus	6776208	8/17/04

### PATENT APPLICATIONS

<b>Patent Description</b>	<b>Serial No.</b>	<b>Date</b>
Label assembly	Application No. 12218075	7/9/08
Apparatus for separating label assembly	Application No. 12381508	3/12/09
Method for separating label assembly	Application No. 12381509	3/12/09
Label assembly for applying a label to and around a portion of an object	Application No. 12426816	4/20/09

Label assembly for applying a label to an object	Application No. 12426823	4/20/09
Method and software for labeling an electronic device	Application No. 12608694	10/29/09
Sell tab sheet	Application No. 12709140	2/19/10
Label assembly having angled registration tabs for applying a label to an object	Application No. 12581660	10/19/09
Label assembly having raisable registration tabs disposed over removable shapes	Application No. 12581672	10/19/09
Label assembly having registration structures for applying a label to an object	Application No. 13011022	1/21/11
Customizable gift box	Application No. 12496381	7/1/09
Method of making customizable gift box	Application No. 12496410	7/1/09
Separatable label assembly	Application No. 11901414	9/17/07
Display apparatus for file index	Application No. 13003524	4/18/11
Apparatus and method for applying a label to an object	Application No. 61299233	1/28/10
Apparatus and method for applying a label to an object	Application No. 13007088	1/14/11