

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT3837766

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
SILBERLINE MANUFACTURING CO., INC.	04/14/2016
RECEIVING PARTY DATA	
Name:	CITIZENS BANK OF PENNSYLVANIA
Street Address:	3025 CHEMICAL ROAD
Internal Address:	SUITE 300
City:	PLYMOUTH MEETING
State/Country:	PENNSYLVANIA
Postal Code:	19462
PROPERTY NUMBERS Total: 9	
Property Type	Number
Patent Number:	5773492
Patent Number:	5993523
Patent Number:	6863718
Patent Number:	8187705
Patent Number:	8337609
Patent Number:	8815982
Patent Number:	8912252
Patent Number:	9062209
Patent Number:	9139715
CORRESPONDENCE DATA	
Fax Number:	(215)564-8120
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	215-564-8703
Email:	kgibson@stradley.com
Correspondent Name:	KYLE GIBSON
Address Line 1:	2600 ONE COMMERCE SQUARE
Address Line 2:	STRADLEY RONON STEVENS & YOUNG, LLP
Address Line 4:	PHILADELPHIA, PENNSYLVANIA 19103
ATTORNEY DOCKET NUMBER:	184880-0006

PATENT

NAME OF SUBMITTER:	KYLE GIBSON
SIGNATURE:	/s/Kyle Gibson
DATE SIGNED:	04/20/2016
	This document serves as an Oath/Declaration (37 CFR 1.63).
Total Attachments: 6 source=Patent Security Agreement#page1.tif source=Patent Security Agreement#page2.tif source=Patent Security Agreement#page3.tif source=Patent Security Agreement#page4.tif source=Patent Security Agreement#page5.tif source=Patent Security Agreement#page6.tif	

PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Patent Security Agreement") is made as of April 14, 2016, by and between **SILBERLINE MANUFACTURING CO., INC.**, a corporation incorporated under the laws of the State of Indiana ("Grantor") and **CITIZENS BANK OF PENNSYLVANIA**, a Pennsylvania Banking Institution ("Lender").

WITNESSETH:

WHEREAS, the Grantor, Silberline Limited, Silberline Holding Co., Inc. and Silberline Mauritius, Limited (collectively and jointly and severally "Borrowers") and the Lender are parties to an Amended and Restated Loan Agreement dated as of March 8, 2013, as amended by an Amendment to Amended and Restated Loan Agreement dated as of October 1, 2013, a Second Amendment to Amended and Restated Loan Agreement dated as of March 30, 2015 and as amended by a Third Amendment to Amended and Restated Loan Agreement (the "Third Amendment") dated the date hereof (as may be further amended, restated, modified and supplemented from time to time, the "Loan Agreement") pursuant to which the Lender has made available to Borrowers a revolving line of credit facility (the "Loan") in the maximum amount of up to Twenty Million Dollars (\$20,000,000); and

WHEREAS, in order to induce Lender to enter into the Third Amendment and to continue to make loans and advances and provide other financial accommodations to the Borrowers pursuant to the Loan Agreement, the Grantor has agreed to grant to Lender certain collateral security as set forth herein;

WHEREAS, Grantor has executed and delivered to Lender, that certain Security Agreement, dated as of even date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Lender, this Patent Security Agreement.

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

1. DEFINED TERMS. All initially capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or, if not defined therein, in the Loan Agreement.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Grantor hereby unconditionally grants and pledges to Lender, to secure the Bank Indebtedness, a continuing security interest (referred to in this Patent Security Agreement as the "Security Interest") in all of Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired or arising (collectively, the "Patent Collateral");

(a) all of its Patents and Patent Intellectual Property licenses to which it is a party including those referred to on Schedule I;

(b) all divisionals, continuations, continuations-in-part, reissues, reexaminations, or extensions of the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future infringement of any Patent or any Patent exclusively licensed under any Intellectual Property license, including the right to receive damages, or right to receive license fees, royalties, and other compensation under any Patent Intellectual Property license.

provided that, the Patent Collateral shall not include any Excluded Property.

3. SECURITY FOR OBLIGATIONS. This Patent Security Agreement and the Security Interest created hereby secures the payment and performance of the Bank Indebtedness, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent Security Agreement secures the payment of all amounts which constitute part of the Bank Indebtedness and would be owed by Grantor to Lender, whether or not they are unenforceable or not allowable due to the existence of an insolvency proceeding involving Grantor.

4. SECURITY AGREEMENT. The Security Interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interests granted to Lender, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender 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. To the extent there is any inconsistency between this Patent Security Agreement and the Security Agreement, the Security Agreement shall control.

5. COUNTERPARTS. This Patent Security Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Patent Security Agreement. Delivery of an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Patent Security Agreement. Any party delivering an executed counterpart of this Patent Security Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Patent Security Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Patent Security Agreement.

6. CONSTRUCTION. This Patent Security Agreement is a Loan Document and Security Document. Any reference in this Patent Security Agreement to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set

forth herein). Any reference herein to any Person shall be construed to include such Person's successors and permitted assigns.

7. THIS AGREEMENT, AND ALL MATTERS RELATING HERETO OR ARISING HEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE) SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES. GRANTOR HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE EASTERN DISTRICT OF PENNSYLVANIA, COMMONWEALTH OF PENNSYLVANIA AND IRREVOCABLY AGREES THAT, SUBJECT TO BANK'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE LITIGATED IN SUCH COURTS. GRANTOR EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. GRANTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON GRANTOR BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO GRANTOR IN ACCORDANCE WITH THE PROVISIONS OF SECTION 8 OF THE SECURITY AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

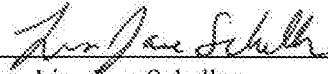
8. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH PARTY HERETO WARRANTS AND REPRESENTS THAT EACH HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTOR:

SILBERLINE MANUFACTURING CO., INC.

By: 
Name: Lisa Jane Scheller
Title: Chairman

ACCEPTED AND ACKNOWLEDGED BY:

AGENT:

CITIZENS BANK OF PENNSYLVANIA

By: _____
Name: He-Young Ryu
Title: Vice-President

[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Patent Security Agreement to be executed and delivered as of the day and year first above written.

GRANTOR:

SILBERLINE MANUFACTURING CO., INC.

By: _____

Name: Lisa Jane Scheller

Title: Chairman

ACCEPTED AND ACKNOWLEDGED BY:

AGENT:

CITIZENS BANK OF PENNSYLVANIA

By: He-Young Ryu

Name: He-Young Ryu

Title: Vice-President

[SIGNATURE PAGE TO PATENT SECURITY AGREEMENT]

**SCHEDULE I
TO
PATENT SECURITY AGREEMENT**

Patents

PATENT	PATENT NUMBER	REGIS. DATE
Lamellar Pigment particles Dispersion	5,773,492	6/30/1998
Inhibited Metallic Pigment Pastes Containing Molybdate Pigments & Suitable for Aqueous Coating Composition	5,993,523	11/30/1999
Phosphonic Acid Derivative Treatment of Metallic Flakes	6,863,718	3/8/2005
Manganese Vanadium Tantalum Oxide and Pigments Having a Black Metallic Effect Coated with the Same	8,187,705	5/29/2012
Black Pearlescent Pigment with a Metal Layer	8,337,609	12/25/2012
Colored System	8,815,982	8/26/2014
Film-Forming Pigments and Coating System Including the Same	8,912,252	12/16/2014
Polymer Encapsulated Aluminum Particulates	9,062,209	6/23/2015
Coating of Metal Pigments using Phosphonic Acid-based Compounds	9,139,715	9/22/2015

Patent Licenses

None

#2745838 v.1

#2745838 v.2