

FORM PTO-1618A  
Expires 06/30/99  
OMB 0651-0027



04-12-2000

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK



101317179

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

Conveyance Type

- Assignment  License
- Security Agreement  Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year  
\_\_\_\_\_
- Merger
- Change of Name
- Other \_\_\_\_\_

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name MFIC Corporation

2 28 00

Formerly \_\_\_\_\_

- Individual  General Partnership  Limited Partnership  Corporation  Association
- Other \_\_\_\_\_
- Citizenship/State of Incorporation/Organization DE

Receiving Party

Mark if additional names of receiving parties attached

Name National Bank of Canada

DBA/AKA/TA \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) One Federal Street

Address (line 2) \_\_\_\_\_

Address (line 3) Boston MA 02110  
City State/Country Zip Code

- Individual  General Partnership  Limited Partnership  If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation  Association
- Other Bank
- Citizenship/State of Incorporation/Organization MA

04/11/2000 JSHADAZZ 00000148 1368735

FOR OFFICE USE ONLY

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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 002048 FRAME: 0793

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="1,368,735"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
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**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Christopher E. Kondracki

8 March 2000

Name of Person Signing

Signature

Date Signed

**TRADEMARK AND TRADEMARK  
APPLICATIONS SECURITY AGREEMENT**

February 28, 2000

This Trademark and Trademark Application Security Agreement (the "**TM Security Agreement**") is made as of the 28<sup>th</sup> day of February, 2000 by MFIC Corporation, a Delaware corporation with its principal office at 30 Ossipee Road, Newton, Massachusetts 02464 (the "**Borrower**"), and National Bank of Canada, a Canadian chartered bank (the "**Lender**") with its principal office at One Federal Street, Boston, Massachusetts 02110.

RECITALS

WHEREAS, pursuant to the Revolving Credit and Term Loan Agreement (as amended from time to time, the "**Loan Agreement**") made between the Borrower and the Lender, the Lender has agreed to make certain loans and advances (as defined in the Loan Agreement, hereinafter, the "**Loans**") available to the Borrower;

WHEREAS, pursuant to a certain Security Agreement (Inventory, Accounts, Equipment and Other Property) of even date herewith (as amended from time to time, the "**Security Agreement**"), the Borrower has granted to the Lender a security interest in the Borrower's Collateral (as defined in the Security Agreement) to secure the **Liabilities** (as defined in the Security Agreement) of the Borrower to the Lender;

WHEREAS, as a condition, among others, to the establishment of the credit facilities contemplated by the Loan Agreement, and to further secure the Liabilities and to more fully vest the security interest granted in the Security Agreement, the Borrower has executed this TM Security Agreement.

NOW THEREFORE, For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Borrower and the Lender hereby agree as follows:

1. All capitalized terms used herein and not otherwise defined have the same meaning herein as in the Loan Agreement.
2. To secure the Liabilities, the Borrower hereby grants a security interest in favor of, and collaterally assigns to, the Lender with power of sale in and to the following and all proceeds thereof:
  - (a) All of the Borrower's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark applications including, without limitation, those listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.
  - (b) All renewals of any of the foregoing.
  - (c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses

entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(e) All of Borrower's rights corresponding to any of the foregoing throughout the world.

All of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications described in Subsection 2.(a), together with the items respectively described in Subsections 2.(b) through and including 2.(e) are hereinafter individually and/or collectively referred to as the "Marks".

3. Until this TM Security Agreement is terminated in writing by a duly authorized officer of the Lender, the Borrower shall undertake the following with respect to each Mark:

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At Borrower's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the foregoing assignment and not abandon or delay any such efforts.

(c) At Borrower's sole cost, expense, and risk, take any and all action which may be necessary or desirable to protect the Marks, including, without limitation, the prosecution and defense of infringement actions.

4. The Borrower represents and warrants that:

(a) *EXHIBIT A* includes all of the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications now owned by the Borrower.

(b) No liens, claims or security interests have been granted in any Mark by the Borrower to any Person other than to the Lender.

5. In order to further secure the Liabilities:

(a) The Borrower shall give the Lender written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:

(i) The Borrower obtains rights to, and files applications for registration of, any new trademarks, or service marks, or otherwise acquires ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications.

(ii) The Borrower becomes entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service

marks, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor.

(iii) The Borrower enters into any new trademark license agreement or service mark license agreement.

(b) The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in Section 5(a) above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

(c) The Borrower hereby authorizes the Lender to modify this agreement by amending *EXHIBIT A* to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the modification of said *EXHIBIT* shall not be a condition to the creation or perfection of the security interest created hereby.

6. Upon the occurrence of any Event of Default, the Lender may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Lender, subject to the terms of the Loan Agreement, may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Lender that an Event of Default has occurred and that the Lender is authorized to exercise such rights and remedies.

7. The Borrower hereby irrevocably constitutes and designates the Lender as and for the Borrower's attorney in fact, exercisable following the occurrence of any Event of Default:

(a) To exercise any of the rights and powers referenced in Section 3 hereof.

(b) To execute all and singular such instruments, documents, and papers as the Lender determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until the within TM Security Agreement is terminated by a duly authorized officer of the Lender.

8. Any use by the Lender of the Marks as authorized hereunder in connection with the exercise of the Lender's right and remedies under the within TM Security Agreement and the Loan Agreement shall be coextensive with Borrower's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Lender to the Borrower.

9. Following the payment and satisfaction of all Liabilities, and the termination of any obligation of the Lender to provide loans or financial accommodations under the credit facility contemplated by the Loan Agreement, this TM Security Agreement shall terminate and the Lender shall execute and deliver to Borrower all such instruments as the Borrower reasonably may request to release any encumbrance in favor of the Lender created hereby or pursuant hereto, subject, however, to any disposition thereof which may have been made by Lender pursuant hereto or pursuant to the Loan Agreement.

10. The Borrower shall, at the request of the Lender, do any and all acts and execute any and all documents required by the Lender in connection with the protection, preservation, and enforcement of the Lender's rights hereunder.

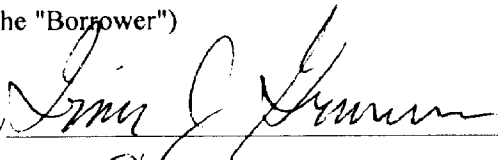
11. The Borrower shall, upon demand, reimburse the Lender for all reasonable costs and expenses incurred by the Lender in the exercise of any rights hereunder (including, without limitation, fees and expenses of counsel).

12. This TM Security Agreement is intended to be supplemental of the Security Agreement. All provisions of the Security Agreement from the Borrower to the Lender shall apply to the Marks and the Lender shall have the same rights with respect to any and all Marks granted the Lender to secure the Liabilities hereunder as thereunder. In the event of a conflict between this TM Security Agreement and the Security Agreement, the terms of this TM Security Agreement shall control with respect to the Marks.

IN WITNESS WHEREOF, the Borrower and the Lender respectively have caused this TM Security Agreement to be executed by officers duly authorized so to do on the date first above written.

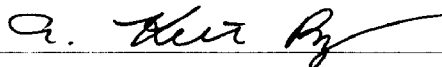
MFIC CORPORATION

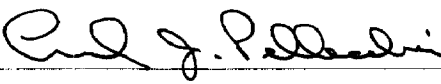
(The "Borrower")

By:   
Title: Chairman & CEO

NATIONAL BANK OF CANADA

(The "Lender")

By:   
Title: Vice President & Manager

By:   
Title: Vice President

COMMONWEALTH OF MASSACHUSETTS  
County of SUFFOLK,ss

Then personally appeared before me Irwin J. Gruverman who acknowledged that such person is the duly authorized Chairman + CEO of MFIC Corporation. and that such person had executed the foregoing instrument on its behalf and that such is the free act and deed of MFIC Corporation.

Witness my hand and seal this 26<sup>th</sup> day of February, 2000.

Jacqueline M. Billard  
JACQUELINE M. BILLARD, Notary Public  
My Commission Expires: 8/17/01

COMMONWEALTH OF MASSACHUSETTS  
County of SUFFOLK,ss

Then personally appeared before me A. Keith Boyles, who acknowledged that such person is the duly authorized VP + Manager of National Bank of Canada, and that such person executed the foregoing instrument on its behalf and such is the free act and deed of National Bank of Canada.

Witness my hand and seal this 28<sup>th</sup> day of February, 2000.

Jacqueline M. Billard  
JACQUELINE M. BILLARD, Notary Public  
My Commission Expires: 8/17/01

COMMONWEALTH OF MASSACHUSETTS  
County of SUFFOLK,ss

Then personally appeared before me Leonard J. Pellicchi, who acknowledged that such person is the duly authorized VP of National Bank of Canada, and that such person executed the foregoing instrument on its behalf and such is the free act and deed of National Bank of Canada.

Witness my hand and seal this 28<sup>th</sup> day of February, 2000.

Jacqueline M. Billard  
JACQUELINE M. BILLARD, Notary Public  
My Commission Expires: 8/17/01

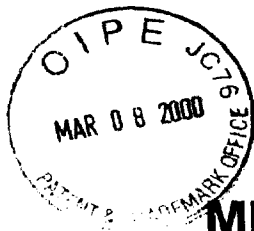
EXHIBIT A

Borrower's now owned or existing or hereafter acquired or arising service marks, registered service marks and service mark applications, trademarks, registered trademarks, and trade mark applications:

*see attached*

548408.2





## EXHIBIT A

# MFIC CORPORATION

### TRADEMARKS AND TRADEMARK APPLICATIONS

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1. U.S. Trademark Reg. No. : 13,687,355  
Date of Registration : November 5, 1985

→ 1,368,735  
1368 735

Trademark: **Microfluidizer**

2. U.S. Trademark Reg. No. : PA 859-153  
Date of Registration : June 5, 1997

Trademark: **Zinger**

3. U.S. Trademark Reg. No. : PA 851-443  
Date of Registration : June 5, 1997

Trademark: **Mechanical Seal Replacement**

4. U.S. Trademark Appln. No.: **TO BE APPLIED FOR**  
Date of Application Filing :

Trademark: Morehouse-COWLES

5. U.S. Trademark Appln. No.: **TO BE APPLIED FOR**  
Date of Application Filing :

Trademark: Epworth Mill

6. U.S. Trademark Appln. No.: **TO BE APPLIED FOR**  
Date of Application Filing :

Trademark: Microfluidics

7. Japanese Trademark Appln. No. : 110361/97 \*  
Date of Registration/Publication : March 25, 1999

Trademark: ○ MFIC

\* (To Be Abandoned)