

08-19-2004

FORM PTO-1594

RECORD

U.S. DEPARTMENT OF COMMERCE

(Rev. 03/01)

OMB No. 0651-0027 (exp. 05/31/2002)

Patent and Trademark Office



8-17-04

102817075

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Poly Circuits, Inc.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State- Illinois
 Other

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: **Silicon Valley Bank**
Internal Address: HA155
Street Address: 3003 Tasman Drive
City: Santa Clara State: CA ZIP: 95054

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: 3/31/04

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State-Delaware
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark No.(s)
2110458

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: **Silicon Valley Bank**
Internal Address: Loan Documentation HA155
Street Address: 3003 Tasman Dr.
City: Santa Clara State: Ca ZIP: 95054

6. Total number of applications and registrations involved: **1**

7. Total fee (37 CFR 3.41): **\$40.00**
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.

08/18/2004 DBYRNE 00000017 2110458

01 FC:0521
Trisha Sadi/D
Name of Person Signing
Tracy Walton

40.00

Trisha Sadi/D
Signature

8/5/04
Date

Total number of pages including cover sheet, attachments, and document: 11

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 003028 FRAME: 0545

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "IP Agreement") is made as of the Effective Date, by and between Poly Circuits, Inc., an Illinois corporation ("Grantor"), and Silicon Valley Bank, a California banking corporation ("Bank").

RECITALS

A. Bank will make advances to Grantor ("Advances") as described in the Accounts Receivable Finance Agreement (the "Financing Agreement"), but only if Grantor grants Bank a security interest in its Copyrights, Trademarks, Patents, and Mask Works. Defined terms used but not defined herein shall have the same meanings as in the Financing Agreement.

B. Pursuant to the terms of the Financing Agreement, Grantor has granted to Bank a security interest in all of Grantor's right title and interest, whether presently existing or hereafter acquired in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged and intending to be legally bound, as collateral security for the prompt and complete payment when due of Grantor's Indebtedness under the Financing Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

1. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all of Grantor's present or future Indebtedness, obligations and liabilities to Bank, Grantor hereby grants a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (all of which shall collectively be called the "Intellectual Property Collateral"), including, without limitation, the following:

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights which may be available to Grantor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the "Patents");

(e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the "Trademarks")

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on Exhibit D attached hereto (collectively, the "Mask Works");

(h) This IP Agreement creates, and in the case of after acquired Intellectual Property Collateral, this IP Agreement will create at the time Grantor first has rights in such after acquired Intellectual Property Collateral, in favor of Bank a valid and perfected first priority security interest in the Intellectual Property Collateral in the United States securing the payment and performance of the obligations evidenced by the Financing Agreement upon making the filings referred to in clause (i) below;

(i) To its knowledge, except for, and upon, the filing with the United States Patent and Trademark office with respect to the Patents and Trademarks and the Register of Copyrights with respect to the Copyrights and Mask Works necessary to perfect the security interests created hereunder and except as has been already made or obtained, no authorization, approval or other action by, and no notice to or filing with, any U.S. governmental authority of U.S. regulatory body is required either (i) for the grant by Grantor of the security interest granted hereby or for the execution, delivery or performance of this IP Agreement by Grantor in the U.S. or (ii) for the perfection in the United States or the exercise by Bank of its rights and remedies thereunder;

(j) All information heretofore, herein or hereafter supplied to Bank by or on behalf of Grantor with respect to the Intellectual Property Collateral is accurate and complete in all material respects.

(k) Grantor shall not enter into any agreement that would materially impair or conflict with Grantor's obligations hereunder without Bank's prior written consent, which consent shall not be unreasonably withheld. Grantor shall not permit the inclusion in any material contract to which it becomes a party of any provisions that could or might in any way prevent the creation of a security interest in Grantor's rights and interest in any property included within the definition of the Intellectual Property Collateral acquired under such contracts, except that certain contracts may contain anti-assignment provisions that could in effect prohibit the creation of a security interest in such contracts.

(l) Upon any executive officer of Grantor obtaining actual knowledge thereof, Grantor will promptly notify Bank in writing of any event that materially adversely affects the value of any material Intellectual Property Collateral, the ability of Grantor to dispose of any material Intellectual Property Collateral of the rights and remedies of Bank in relation thereto, including the levy of any legal process against any of the Intellectual Property Collateral.

4. **Bank's Rights.** Bank shall have the right, but not the obligation, to take, at Grantor's sole expense, any actions that Grantor is required under this IP Agreement to take but which Grantor fails to take, after fifteen (15) days' notice to Grantor. Grantor shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this section 4.

5. **Inspection Rights.** Grantor hereby grants to Bank and its employees, representatives and agents the right to visit, during reasonable hours upon prior reasonable written notice to Grantor, and any of Grantor's plants and facilities that manufacture, install or store products (or that have done so during the prior six-month period) that are sold utilizing any of the Intellectual Property Collateral, and to inspect the products and quality control records relating thereto upon reasonable written notice to Grantor and as often as may be reasonably requested, but not more than one (1) in every six (6) months; provided, however, nothing herein shall entitle Bank access to Grantor's trade secrets and other proprietary information.

6. **Further Assurances: Attorney in Fact.**

(a) On a continuing basis, Grantor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademarks Office and the Register of Copyrights, and take all such action as may reasonably be deemed necessary or advisable, or as requested by Bank, to perfect Bank's security interest in all Copyrights, Patents, Trademarks, and Mask Works and

12. Attorneys' Fees. If any action relating to this IP Agreement is brought by either party hereto against the other party, the prevailing party shall be entitled to recover reasonable attorneys' fees, costs and disbursements.

13. Amendments. This IP Agreement may be amended only by a written instrument signed by both parties hereto.

14. Counterparts. This IP Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

15. Law and Jurisdiction. This IP Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard for choice of law provisions. Grantor and Bank consent to the nonexclusive jurisdiction of any state or federal court located in Santa Clara County, California.

16. Confidentiality. In handling any confidential information, Bank shall exercise the same degree of care that it exercises with respect to its own proprietary information of the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this IP Agreement except that the disclosure of this information may be made (i) to the affiliates of the Bank, (ii) to prospective transferee or purchasers of an interest in the obligations secured hereby, provided that they have entered into comparable confidentiality agreement in favor of Grantor and have delivered a copy to Grantor, (iii) as required by law, regulation, rule or order, subpoena judicial order or similar order and (iv) as may be required in connection with the examination, audit or similar investigation of Bank.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement as of the Effective Date of the Financing Agreement.

Address of Grantor:

475 Industrial Drive
West Chicago, IL
60185

GRANTOR:

Poly Circuits, Inc.,
an Illinois corporation

By: 

Name: _____

JOSEPH A. TUREK

Title: _____

PRESIDENT, CEO

EXHIBIT "B"

PATENTS

| <u>PATENT DESCRIPTION</u> | <u>DOCKET NO.</u> | <u>COUNTRY</u> | <u>SERIAL NO.</u> | <u>FILING DATE</u> | <u>STATUS</u> |
|---|-------------------|----------------|-------------------|--------------------|---------------|
| Multilayer PC Board using Polymer Thick Films | N/A | USA | 4,775,573 | 10/4/1988 | Active |
| Method of Making Multilayer PC Board using Polymer thick films | N/A | USA | 4,854,040 | 8/8/1989 | Active |
| Method for making circuit board having a metal support | N/A | USA | 5,210,941 | 5/18/1993 | Active |
| Circuit Board having a bonded metal support | N/A | USA | 5,366,027 | 11/22/1994 | Active |
| Conductive adhesive for use in a circuit board | N/A | USA | 5,432,303 | 7/11/1995 | Active |
| Circuit Board assembly with foam substrate and method of making same | N/A | USA | 5,733,639 | 3/21/1998 | Active |
| Printed Circuit Board process using plasma spraying of conductive metal | N/A | USA | 5,891,527 | 4/6/1999 | Active |
| Printed circuit board process using plasma spraying of conductive metal | N/A | USA | 5,891,528 | 4/6/1999 | Active |

