



4-17-06

RECORDATION 103222814
TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

NABCO, Inc.

- Individual(s)
- General Partnership
- Corporation- State: Pennsylvania
- Other _____
- Association
- Limited Partnership

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: National City Bank of Pennsylvania

Internal _____

Address: _____

Street Address: National City Center, 20 Stanwix Street

City: Pittsburgh

State: PA

Country: USA

Zip: 15222

- Association Citizenship _____
- General Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other National Banking Citizenship _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)

3. Nature of conveyance / Execution Date(s) :

Execution Date(s) 2/27/06

- Assignment
- Security Agreement
- Other _____
- Merger
- Change of Name

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s)

1,548,220

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: D. Craig Russell, III, Esquire

Internal Address: _____

Street Address: Thorp Reed & Armstrong, LLP

301 Grant Street, 14th Floor

City: Pittsburgh

State: PA

Zip: 15219-1425

Phone Number: 412-394-7730

Fax Number: 412-394-2555

Email Address: crussell@thorpreed.com

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 40.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Jenifer S. Tarasi
Signature

April 12, 2006
Date

Jenifer S. Tarasi, Esquire
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 12

PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT

Patent, Trademark and Copyright Security Agreement (the "Security Agreement"), dated the 27th day of February, 2006, made by NABCO, Inc., a Pennsylvania corporation ("NABCO"), for the benefit of National City Bank of Pennsylvania, a national banking association (the "Bank").

WITNESSETH:

WHEREAS, pursuant to that certain Loan Agreement, dated of even date herewith, by and among NABCO, NMS Merger Corp, Inc., a Pennsylvania corporation ("Merger Corp") (NABCO and Merger Corp are each a "Borrower" and collectively, jointly and severally, the "Borrower") and the Bank (as amended, modified or supplemented from time to time, the "Loan Agreement"), (i) the Bank has agreed to extend credit to the Borrower and (ii) NABCO has agreed, among other things, to grant to the Bank a security interest in certain of its assets, including, without limitation, its patents, patent applications, service marks, service mark applications, service names, trademarks, trademark applications, trade names, goodwill and copyrights, copyright applications and copyright registrations pursuant to the terms and conditions of this Security Agreement.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, NABCO agrees as follows:

1. Incorporation of the Loan Agreement. The Loan Agreement is hereby incorporated herein in its entirety by this reference thereto. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Loan Agreement.

2. Security Interest in Patents. To secure the complete and timely satisfaction of the Debt, NABCO hereby grants and conveys to the Bank a Lien and security interest in all of NABCO's right, title and interest in and to all of NABCO's now owned or existing and filed and hereafter acquired or arising and filed patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Schedule A, attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a) – (d), are hereinafter individually and/or collectively referred to as the "Patents").

3. Security Interest in Licenses. To secure the complete and timely satisfaction of the Debt, NABCO hereby grants and conveys to the Bank a Lien and security interest in all of NABCO's right, title and interest in and to all of NABCO's license agreements with any other party (excluding commercially available third party licenses), including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, now or hereafter owned by

NABCO and now or hereafter covered by such licenses (all of the foregoing are hereinafter collectively referred to as the "Licenses").

4. Security Interest in Trademarks and Related Goodwill. To secure the complete and timely satisfaction of the Debt, NABCO hereby grants and conveys to the Bank a Lien and security interest in all of NABCO's right, title and interest in and to all of NABCO's now owned or existing and filed and hereafter acquired or arising and filed:

(i) trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark applications, including, without limitation, the trademarks, trademark registrations, trade names and trademark applications, service marks, service mark registrations, service names and service mark applications (but excluding any application to register any trademark, service mark or other mark prior to filing under applicable law of a verified statement of use (or the equivalent) for such trademark, service mark or other mark to the extent the creation of a security interest therein or the grant of a mortgage thereon would void or invalidate such trademark, service mark or other mark) listed on Schedule C, attached hereto and made a part thereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, service marks, trademark and service mark registrations, trade names, service names and applications together with the items described in clauses (a) – (d), are hereinafter individually and/or collectively referred to as the "Trademarks"); and

(ii) the entire goodwill of NABCO's business including but not by way of limitation such goodwill connected with and symbolized by the Trademarks.

5. Security Interest in Copyrights. To secure the complete and timely satisfaction of the Debt, NABCO hereby grants and conveys to the Bank a Lien and security interest in all of NABCO's right, title and interest in and to all of NABCO's now owned or existing and filed and hereafter acquired or arising and filed copyrights, original works of authorship fixed in any tangible medium of expression and all registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Copyright Office, listed on Schedule D, attached hereto and made a part hereof, and (a) all extensions and renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect to, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing copyrights, together with the items described in (a) – (d) are hereinafter individually and/or collectively referred to as the "Copyrights").

6. Restrictions on Future Security Interests. NABCO agrees that until the Debt shall have been satisfied in full and the Loan Agreement and all Other Documents shall have been terminated, NABCO will not, without the Bank's prior written consent, enter into any agreement relating to the Patents, Licenses, Trademarks or Copyrights that would reasonably be expected to result in a Material Adverse Effect and NABCO further agrees that NABCO will not take any

action, or permit any action to be taken by others subject to their control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights granted to the Bank under this Security Agreement.

7. New Patents, Licenses, Trademarks and Copyrights. NABCO represents and warrants that the Patents, Licenses, Trademarks and Copyrights of NABCO listed on Schedules A, B, C and D respectively, constitute all of the Patents, Licenses, Trademarks and Copyrights now owned by NABCO necessary to own and operate its property and to carry on its business as presently conducted and as presently planned to be conducted without conflict with the rights of others. NABCO hereby further authorizes the Bank to modify this Security Agreement by amending Schedules A, B, C and/or D, as applicable, under Paragraphs 2, 3, 4 and 5 above or under this Paragraph 7, and to file or refile this Security Agreement with the United States Patent and Trademark Office and/or Copyright Office, as the case may be.

8. Representations and Warranties. NABCO represents and warrants to and agrees with the Bank that, except as otherwise set forth in the schedules hereto:

(i) The Patents, Trademarks and Copyrights set forth on Schedules A, B, C and D are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(ii) To NABCO's knowledge, each of the Patents, Trademarks and Copyrights set forth on Schedules A, B, C and D is valid and enforceable;

(iii) NABCO is the owner of the Patents, Trademarks and Copyrights set forth on Schedules A, B, C and D and has the power and authority to make, and will continue to have authority to perform, this Security Agreement according to its terms;

(iv) This Security Agreement does not violate and is not in contravention of any other agreement to which NABCO is a party or any judgment or decree by which NABCO is bound and does not require any consent under any other agreement to which NABCO is a party or by which NABCO is bound. NABCO hereby authorizes the Patent and Trademark Office and the Copyright Office to issue any and all Patents on said inventions and any and all certificates of registration on all Trademarks and Copyrights to the Bank following the occurrence of an Event of Default as the grantee of the pledge of NABCO's entire interest;

(v) There has been no unreleased prior sale, pledge, encumbrance, assignment or other transfer or disposition of any of the Patents, Licenses, Trademarks or Copyrights or any part thereof and the same are free from all Liens of any kind, including, but not limited to, copyrights, shop rights and covenants not to sue third persons, except as may be otherwise set forth in the Loan Agreement; and

(vi) The Licenses are valid and binding agreements enforceable according to their terms. To NABCO's knowledge, each of the Licenses is in full force and effect and has not been amended or abrogated and there is no default under any of the Licenses.

9. Royalties; Terms. NABCO hereby agrees that the use by the Bank of all Patents, Licenses, Trademarks and Copyrights of NABCO as described above shall be worldwide and without any liability for royalties or other related charges from the Bank to NABCO. The

security interest granted herein and the rights associated therewith shall extend until the earlier of (i) the expiration of each of the respective Patents, Licenses, Trademarks and Copyrights assigned hereunder, or (ii) the Debt has been satisfied in full and the Loan Agreement and all Other Documents have been terminated.

10. Continuing Validity of Obligations. The agreements and obligations of NABCO hereunder are continuing agreements and obligations, and are absolute and unconditional irrespective of the genuineness, validity or enforceability of the Loan Agreement, the Notes or any other instrument or instruments now or hereafter evidencing the Debt or any part thereof or of the Other Documents or any other agreement or agreements now or hereafter entered into by the Bank and NABCO pursuant to which the Debt or any part thereof is issued or of any other circumstance which might otherwise constitute a legal or equitable discharge of such agreements and obligations. Without limitation upon the foregoing, such agreements and obligations shall continue in full force and effect as long as the Debt or any part thereof remain outstanding and unpaid and shall remain in full force and effect without regard to and shall not be released, discharged or in any way affected by (i) any renewal, refinancing or refunding of the Debt in whole or in part, (ii) any extension of the time of payment of the Notes or other instrument or instruments now or hereafter evidencing the Debt, or any part thereof, (iii) any compromise or settlement with respect to the Debt or any part thereof, or any forbearance or indulgence extended to NABCO, (iv) any amendment to or modification of the terms of the Notes or other instrument or instruments now or hereafter evidencing the Debt or any part thereof or any other agreement or agreements now or hereafter entered into by the Bank and NABCO pursuant to which the Debt or any part thereof is issued or secured, (v) any substitution, exchange, or release of a portion of, or failure to preserve, perfect or protect, or other dealing in respect of, the Patents, Licenses, Trademarks and Copyrights or any other property or any security for the payment of the Debt or any part thereof, (vi) any bankruptcy, insolvency, arrangement, composition, assignment for the benefit of creditors or similar proceeding commenced by or against NABCO, (vii) any dissolution, liquidation or termination of NABCO for any reason whatsoever or (viii) any other matter or thing whatsoever whereby the agreements and obligations of NABCO hereunder, would or might otherwise be released or discharged. NABCO hereby waives notice of the acceptance of this Security Agreement by the Bank.

11. Duties of NABCO. Except as may be otherwise agreed to by the Bank, NABCO shall have the duty to (i) prosecute diligently any patent application of the Patents made by NABCO and any trademark or service mark application or copyright application made by NABCO pending as of the date hereof or thereafter until the Debt shall have been satisfied in full, (ii) make application on unpatented but patentable inventions, on trademarks, service marks and on copyrights, as appropriate, (iii) preserve and maintain all of NABCO's rights in patent applications and patents of the Patents; trademark applications, trademarks, trademark registrations, service mark applications, service marks, and service mark registrations of the Trademarks; and copyright applications and copyright registrations of the Copyrights, and (iv) take all reasonable steps necessary to ensure that the Patents, Trademarks and Copyrights do not become abandoned or dedicated to the public, or the remedies available against potential infringers weakened. Any expenses incurred in connection with the duties set forth in this Paragraph 11 shall be borne by NABCO. NABCO shall not abandon any right to file a patent application, trademark application or copyright application, or any pending patent application,

trademark application, copyright application, Patent, Trademark, nor Copyright without the consent of the Bank.

12. Financing Statements; Documents. At the request of the Bank, NABCO will permit the Bank to file one or more financing statements pursuant to the Uniform Commercial Code or other applicable law in form satisfactory to the Bank and will pay the costs of filing and/or recording this Security Agreement and all financing, continuation and termination statements in all public offices where filing or recording is deemed necessary or desirable by the Bank. NABCO will execute and deliver to the Bank from time to time such supplemental security agreements or other instruments, including, but not by way of limitation, additional Security Agreements to be filed with the United States Patent and Trademark Office or Copyright Office, as the Bank may reasonably require for the purpose of confirming the Bank's security interest in the Patents, Trademarks and Copyrights.

13. Rights of NABCO and/or the Bank to Sue. NABCO may enforce its rights in the Patents, Licenses, Trademarks and Copyrights of NABCO with or without the Bank's participation. If requested by NABCO, the Bank shall participate in suits to enforce such rights as a nominal plaintiff for jurisdictional purposes. The Bank shall have the same rights, if any, as NABCO has, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Licenses, Trademarks and Copyrights of NABCO, and any licenses thereunder, and, if the Bank shall commence any such suit, NABCO shall, at the reasonable request of the Bank, do any and all lawful acts and execute any and all proper documents required by the Bank in aid of such enforcement and NABCO shall promptly, upon demand and as part of the Debt, reimburse and indemnify the Bank for all reasonable costs and expenses incurred by the Bank in the exercise of its rights under this Paragraph 13.

14. Defeasance. Notwithstanding anything to the contrary contained in this Security Agreement, upon payment in full of the Debt and performance of all obligations under the Loan Agreement, this Security Agreement shall terminate and be of no further force and effect and at the request of NABCO, the Bank shall thereupon terminate its security interest in the Patents, Licenses, Trademarks and Copyrights. Until such time, however, this Security Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns, provided that NABCO may not assign this Security Agreement or any of its rights under this Security Agreement or delegate any of its duties or obligations under this Security Agreement and any such attempted assignment or delegation shall be null and void. This Security Agreement is not intended and shall not be construed to obligate the Bank to take any action whatsoever with respect to the Patents, Licenses, Trademarks and Copyrights or to incur expenses or perform or discharge any obligation, duty or disability of NABCO.

15. Waivers. No course of dealing among NABCO and the Bank nor any failure to exercise nor any delay in exercising, on the part of the Bank, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction,

then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

17. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Paragraph 7 hereof or by a writing signed by the parties hereto.

18. Cumulative Remedies; Effect on Other Documents. All of the Bank's rights and remedies with respect to the Patents, Licenses, Trademarks and Copyrights, whether established hereby, by the Loan Agreement or any Other Document, or by any other agreements or by applicable law shall be cumulative and may be exercised singularly or concurrently. NABCO acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of the Bank under the Loan Agreement or the Other Documents but rather is intended to facilitate the exercise of such rights and remedies.

19. Binding Effect; Benefits. This Security Agreement shall be binding upon NABCO and its successors and assigns, and shall inure to the benefit of the Bank and its successors and assigns.

20. Governing Law. This Security Agreement shall be governed by and construed in accordance with the Laws of the Commonwealth of Pennsylvania without regard to the conflict of law provisions thereof.

21. Notices. All notices, statements, requests and demands and other communications given to or made upon NABCO, or the Bank in accordance with the provisions of this Security Agreement shall be given or made as provided in Section 8.04 of the Loan Agreement.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, and intending to be legally bound, undersigned have executed and delivered this Security Agreement on the day and year written above.

Witness:



NABCO, Inc.

By: 

Name: Edward J. Markey

Title: President

National City Bank of Pennsylvania

By: 

Name: Robert F. Balint

Title: VP

Schedule A

PATENTS

Patents:

Explosion Containment Vessel: US 6,644,165 BI 11/11/03

Patent Applications:

Patent Application for a sealed upscale total containment vessel: Provisional Application No. 10/982,182 11/05/04

Schedule B

LICENSE AGREEMENTS

License Agreements:

1. That certain License Agreement dated 06/01/01 between the Company and Earth Resources Corporation, pursuant to which Earth Resources Corporation licensed to NABCO certain intellectual property rights relating to a technology for use in containment vessels designed to permit the emergency destruction of explosives containing hazardous chemical or biological agents. Earth Resources Corporation transferred all patents and royalty rights associated with this agreement to Integrated Environmental Resources as of 07/31/01.
2. That certain License Agreement dated 01/25/02 between NABCO and SRI International ("SRI"), pursuant to which SRI licensed to NABCO certain intellectual property rights relating to MIND™, a device designed to mitigate the blast of small improved explosive devices.
3. That certain License Agreement dated 10/25/01 between NABCO and SRI, pursuant to which SRI licensed to NABCO certain intellectual property rights related to SpinSafe™ Module technology.
4. That certain Design and Development Agreement between NABCO and ABSG Consulting Inc., dated as of January 30, 2006, pursuant to which ABSG Consulting assigned all right, title and interest in and to products specifically designed and/or developed for NABCO.
5. NABCO and SRI have engaged in discussions regarding a possible future license and development agreement, pursuant to which SRI would license to NABCO certain intellectual property rights relating to: (a) CapSack™, a small containment bag that can contain fragments and mitigate explosive blasts; and (b) BomBag™, a lightweight high-strength device that is capable of containing explosive detonations.

Development Agreements:

1. That certain Development Agreement dated 05/09/00 between NABCO and SRI, pursuant to which SRI granted NABCO an option to acquire an exclusive license to SpinSafe™ Module technology.
2. NABCO has submitted to the Office of Defense Trade Controls Compliance a proposed Technical Assistance Agreement among NABCO, Sandia Corporation and the All-Russia Scientific Research Institute of Experimental Physics, Russia ("VNIIEF"), pursuant to which the parties to the agreement would jointly develop an explosive resistant container prototype capable of withstanding the explosion associated with various weapons of mass destruction.

Schedule C

TRADEMARKS

Trademark Registration No. 1,548,220 Registered 07/18/89

Schedule D

COPYRIGHTS

None.