

09-14-1998



100826029

**RECORDATION FORM COVER SHEET  
PATENTS 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**       **Security Agreement**

**License**       **Change of Name**

**Merger**       **Other**

**U.S. Government**  
(For Use ONLY by U.S. Government Agencies)

**Departmental File**       **Secret File**

**Conveying Party(ies)**

**Mark if additional names of conveying parties attached**

**Name (line 1)**       **Execution Date**  
Month Day Year

**Name (line 2)**

**Second Party**  
**Name (line 1)**       **Execution Date**  
Month Day Year

**Name (line 2)**

**Receiving Party**

**Mark if additional names of receiving parties attached**

**Name (line 1)**        **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 is attached. (Designation must be a separate document from Assignment.)**

**Name (line 2)**

**Address (line 1)**

**Address (line 2)**

**Address (line 3)**               
City      State/Country      Zip Code

**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)**

09/17/1998 TTON11 00000014 5193897  
01 FC:581 40.00 OP

FOR OFFICE USE ONLY

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

**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.      #

**Application Number(s) or Patent Number(s)**       Mark if additional numbers attached

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

| Patent Application Number(s) |                      |                      | Patent Number(s)                     |                      |                      |
|------------------------------|----------------------|----------------------|--------------------------------------|----------------------|----------------------|
| <input type="text"/>         | <input type="text"/> | <input type="text"/> | <input type="text" value="5193897"/> | <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"/> | <input type="text"/> | <input type="text"/>                 | <input type="text"/> | <input type="text"/> |

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.      Month      Day      Year

Month:  Day:  Year:

**Patent Cooperation Treaty (PCT)**

Enter PCT application number only if a U.S. Application Number has not been assigned.

PCT       PCT       PCT

PCT       PCT       PCT

**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.*

Jerome D. Stark            7/27/98

Name of Person Signing      Signature      Date

**EXHIBIT B  
TO THE  
PATENT COLLATERAL ASSIGNMENT**

Debtor: Lyte Optronics, Inc.  
3015 Main Street  
Santa Monica, CA 90405

Debtor's Trade Names: 1. LASERLYTE  
2. OPTI  
3. OPUS  
4. LASER POWERPOINTER  
5. KEY POINT  
6. TACSTAR

Debtor's Additional Locations: 218 Justin Drive  
Cottonwood, AZ 86326

240 S. Jennifer Lane  
Cottonwood, AZ 86326

Secured Party: Coast Business Credit®, a division of Southern Pacific Bank  
12121 Wilshire Boulevard, Suite 1111  
Los Angeles, CA 90025-1174

**PATENTS**

| <u>Patent No.</u> | <u>Description</u>             |
|-------------------|--------------------------------|
| 5193897           | Laser Pointer/Pen Combinations |

## **Patent Collateral Assignment**

This Agreement is made on the 27<sup>th</sup> day of July, 1998 between Keith D. Halsey, an individual having a mailing address at 2824 Second Street, Santa Monica, CA 90405 ("Assignor") and Coast Business Credit, a Division of Southern Pacific Bank having a mailing address at 12121 Wilshire Boulevard, Suite 1111, Los Angeles, CA 90025 ("Coast").

**BACKGROUND.** Assignor Keith D. Halsey is a principal of Lyte Optronics, a Nevada corporation ("Borrower" and/or "Debtor") which has entered into a Loan and Security Agreement dated February 23, 1998 and as amended May 4, 1998 and May 26, 1998 ("Loan Agreement") with Coast. In order to induce Coast to make and to continue to make Loans, Assignor has agreed to assign and grant a security interest to Coast in certain patents and patent rights

NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with Coast as follows:

1. To secure the complete and timely satisfaction of all Obligations (as defined in the Loan Agreement), Assignor hereby grants a security interest in, assigns and conveys, to Coast the entire right, title and interest in and to the Patent applications and patents listed in Schedule A hereto, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (collectively called the "Patents").

2. Assignor covenants and warrants that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) To the best of Assignor's knowledge, each of the Patents is valid and enforceable and Assignor has notified Coast in writing of all prior acts (including public uses and sales) of which it is aware;

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by Assignor not to sue third persons; and

(d) Assignor has the unqualified right to enter into this Agreement. Except as specifically set forth above, Assignor does not warrant that the Patents might not be declared invalid if challenged in court.

3. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Coast's prior written consent.

4. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of paragraph 1, shall automatically apply thereto and Assignor shall give to Coast prompt notice thereof in writing hereof.

5. Assignor authorizes Coast to modify this Agreement by amending Schedule A to include any future patents and patent applications which are Patents under paragraph 1 or paragraph 4 hereof.

6. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Loan Agreement), Coast hereby grants to Assignor the exclusive, nontransferable right and license under the Patents to make, have made for it, use and sell the inventions disclosed and claimed in the Patents for Assignor's own benefit and account and Borrower and for no other. Assignor agrees not to sell or assign any interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 6, without the prior written consent of Coast.

7. If any Event of Default shall have occurred and be continuing, Assignor's license under the Patents as set forth in paragraph 6, shall terminate forthwith, and Coast shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be located and, without limiting the generality of the foregoing, may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Los Angeles, California, or elsewhere, the whole or from time to time any part of the Patents, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor. Notice of any sale or other disposition of the Patents shall be given to Assignor at least twenty (20) days before the time of any intended public or private sale or other disposition, of the Patents is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. Except for the twenty (20) day period herein, Coast shall act in a commercially reasonable manner when disposing of the Collateral herein. At any such sale or other disposition, any holder of any Note or Coast may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

8. If any Event of Default shall have occurred and be continuing, Assignor hereby authorizes and empowers Coast to make, constitute and appoint any officer or agent of Coast, as Coast may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Coast to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to any third person, or necessary for Coast to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

9. At such time Assignor shall completely satisfy all of the Obligation, this Agreement shall terminate and Coast shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or property to re-vest in Assignor full title to the Patents, subject to any disposition thereof which any have been made by Coast pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind of nature, including the reasonable attorney's fees and legal expenses incurred by Coast in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this Transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, shall be borne and paid by Assignor on demand by Coast and until so paid shall be added to the principal amount of the Obligation and shall bear interest at the highest rate prescribed in the Loan Agreement.

11. Assignor shall have the duty, through counsel acceptable to Coast, to prosecute diligently any Patent applications of the Patents pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make application on unpatented but patentable inventions and to preserve and maintain all rights in Patent application and patents of the Patents, including without limitation

the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by Assignor. The Assignor shall not abandon any right to file a patent application, or any pending patent application or patent without the consent of the Coast, which consent shall not be unreasonably withheld.

12. Assignor shall have the right, with the consent of Coast, which shall not be unreasonably withheld, to bring suit to its own name, and to join Coast, if necessary, as a part to such suit so long as Coast is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents and any licenses thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Coast for all damages, costs and expenses, including legal fees, incurred by Coast pursuant to this paragraph 12.

13. No course of dealing between Assignor and Coast, nor any failure to exercise, nor any delay in exercising, on the part of Coast, 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.

14. All of Coast's rights and remedies with respect to the Patents, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

15. The provisions of this Agreement are several, 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 clause or provision of this Agreement in any jurisdiction.

16. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 5.

17. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of California .

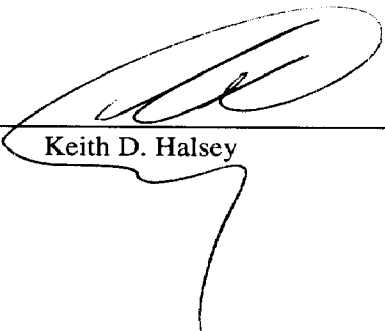
**19. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT.**

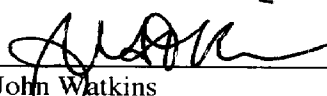
WITNESS the execution hereof under seal as of the day and year first above written.

**ASSIGNOR:**

**COAST:**

Coast Business Credit®,  
a division of Southern Pacific Bank

By:   
Keith D. Halsey

By:   
John Watkins  
Title: Vice President

**EXHIBIT A  
TO THE  
PATENT COLLATERAL ASSIGNMENT**

**Debtor:** Lyte Optronics, Inc.  
3015 Main Street  
Santa Monica, CA 90405

**Debtor's Trade Names:** 1. LASERLYTE  
2. OPTI  
3. OPUS  
4. LASER POWERPOINTER  
5. KEY POINT  
6. TACSTAR

**Debtor's Additional Locations:** 218 Justin Drive  
Cottonwood, AZ 86326  
  
240 S. Jennifer Lane  
Cottonwood, AZ 86326

**Secured Party:** Coast Business Credit®, a division of Southern Pacific Bank  
12121 Wilshire Boulevard, Suite 1111  
Los Angeles, CA 90025-1174

**GRANT OF SECURITY INTEREST IN PATENTS TO  
SECURE DEBTOR'S OBLIGATIONS TO SECURED PARTY**

**Patents:**

(a) all United states and foreign patents and patent applications which Debtor now or hereafter owns, including, without limitation, the patents and patent applications listed in Exhibit B hereto;

(b) all proceeds of such patents and patent applications (including, without limitation, license royalties and proceeds of infringement suits);

(c) the right (but not the obligation) to sue for past, present and future infringements in the name of the respective Assignor or in the name of the Bank, and all rights (but not obligations) corresponding thereto; and

(d) all reissues, divisions, continuations, renewals, extensions and continuations in part relating to such patents and patent applications.

including, without limitation rights and interests pursuant to licensing or other contracts in favor of the Debtor pertaining to patent applications and patents presently or in the future owned or used by third parties, but only to the extent permitted by such licensing or other contracts and, if not so permitted, only with the consent of such third parties.

## **Patent Collateral Assignment**

This Agreement is made on the 27<sup>th</sup> day of July, 1998 between Keith D. Halsey, an individual having a mailing address at 2824 Second Street, Santa Monica, CA 90405 ("Assignor") and Coast Business Credit, a Division of Southern Pacific Bank having a mailing address at 12121 Wilshire Boulevard, Suite 1111, Los Angeles, CA 90025 ("Coast").

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NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with Coast as follows:

1. To secure the complete and timely satisfaction of all Obligations (as defined in the Loan Agreement), Assignor hereby grants a security interest in, assigns and conveys, to Coast the entire right, title and interest in and to the Patent applications and patents listed in Schedule A hereto, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (collectively called the "Patents").

2. Assignor covenants and warrants that:

(a) The Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) To the best of Assignor's knowledge, each of the Patents is valid and enforceable and Assignor has notified Coast in writing of all prior acts (including public uses and sales) of which it is aware;

(c) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, shop rights and covenants by Assignor not to sue third persons; and

(d) Assignor has the unqualified right to enter into this Agreement. Except as specifically set forth above, Assignor does not warrant that the Patents might not be declared invalid if challenged in court.

3. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Coast's prior written consent.

4. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of paragraph 1, shall automatically apply thereto and Assignor shall give to Coast prompt notice thereof in writing hereof.

5. Assignor authorizes Coast to modify this Agreement by amending Schedule A to include any future patents and patent applications which are Patents under paragraph 1 or paragraph 4 hereof.



6. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Loan Agreement), Coast hereby grants to Assignor the exclusive, nontransferable right and license under the Patents to make, have made for it, use and sell the inventions disclosed and claimed in the Patents for Assignor's own benefit and account and Borrower and for no other. Assignor agrees not to sell or assign any interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 6, without the prior written consent of Coast.

7. If any Event of Default shall have occurred and be continuing, Assignor's license under the Patents as set forth in paragraph 6, shall terminate forthwith, and Coast shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be located and, without limiting the generality of the foregoing, may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Los Angeles, California, or elsewhere, the whole or from time to time any part of the Patents, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to the Assignor. Notice of any sale or other disposition of the Patents shall be given to Assignor at least twenty (20) days before the time of any intended public or private sale or other disposition, of the Patents is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. Except for the twenty (20) day period herein, Coast shall act in a commercially reasonable manner when disposing of the Collateral herein. At any such sale or other disposition, any holder of any Note or Coast may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released.

8. If any Event of Default shall have occurred and be continuing, Assignor hereby authorizes and empowers Coast to make, constitute and appoint any officer or agent of Coast, as Coast may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Coast to use the Patents, or to grant or issue any exclusive or nonexclusive license under the Patents to any third person, or necessary for Coast to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

9. At such time Assignor shall completely satisfy all of the Obligation, this Agreement shall terminate and Coast shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or property to re-vest in Assignor full title to the Patents, subject to any disposition thereof which any have been made by Coast pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind of nature, including the reasonable attorney's fees and legal expenses incurred by Coast in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this Transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, shall be borne and paid by Assignor on demand by Coast and until so paid shall be added to the principal amount of the Obligation and shall bear interest at the highest rate prescribed in the Loan Agreement.

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the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by Assignor. The Assignor shall not abandon any right to file a patent application, or any pending patent application or patent without the consent of the Coast, which consent shall not be unreasonably withheld.

12. Assignor shall have the right, with the consent of Coast, which shall not be unreasonably withheld, to bring suit to its own name, and to join Coast, if necessary, as a part to such suit so long as Coast is satisfied that such joinder will not subject it to any risk of liability, to enforce the Patents and any licenses thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Coast for all damages, costs and expenses, including legal fees, incurred by Coast pursuant to this paragraph 12.

13. No course of dealing between Assignor and Coast, nor any failure to exercise, nor any delay in exercising, on the part of Coast, 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.

14. All of Coast's rights and remedies with respect to the Patents, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

15. The provisions of this Agreement are several, 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 clause or provision of this Agreement in any jurisdiction.

16. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 5.

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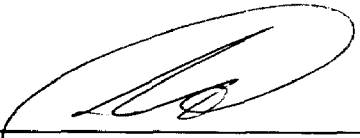
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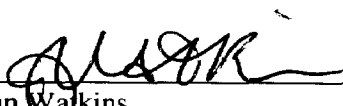
WITNESS the execution hereof under seal as of the day and year first above written.

**ASSIGNOR:**

**COAST:**

Coast Business Credit®,  
a division of Southern Pacific Bank

By:   
Keith D. Halsey

By:   
John Watkins  
Title: Vice President

**EXHIBIT A  
TO THE  
PATENT COLLATERAL ASSIGNMENT**

**Debtor:** Lyte Optronics, Inc.  
3015 Main Street  
Santa Monica, CA 90405

**Debtor's Trade Names:** 1. LASERLYTE  
2. OPTI  
3. OPUS  
4. LASER POWERPOINTER  
5. KEY POINT  
6. TACSTAR

**Debtor's Additional Locations:** 218 Justin Drive  
Cottonwood, AZ 86326  
  
240 S. Jennifer Lane  
Cottonwood, AZ 86326

**Secured Party:** Coast Business Credit®, a division of Southern Pacific Bank  
12121 Wilshire Boulevard, Suite 1111  
Los Angeles, CA 90025-1174

**GRANT OF SECURITY INTEREST IN PATENTS TO  
SECURE DEBTOR'S OBLIGATIONS TO SECURED PARTY**

Patents:

(a) all United states and foreign patents and patent applications which Debtor now or hereafter owns, including, without limitation, the patents and patent applications listed in Exhibit B hereto;

(b) all proceeds of such patents and patent applications (including, without limitation, license royalties and proceeds of infringement suits);

(c) the right (but not the obligation) to sue for past, present and future infringements in the name of the respective Assignor or in the name of the Bank, and all rights (but not obligations) corresponding thereto; and

(d) all reissues, divisions, continuations, renewals, extensions and continuations in part relating to such patents and patent applications.

including, without limitation rights and interests pursuant to licensing or other contracts in favor of the Debtor pertaining to patent applications and patents presently or in the future owned or used by third parties, but only to the extent permitted by such licensing or other contracts and, if not so permitted, only with the consent of such third parties.

**EXHIBIT B  
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**Secured Party:** Coast Business Credit®, a division of Southern Pacific Bank  
12121 Wilshire Boulevard, Suite 1111  
Los Angeles, CA 90025-1174

**PATENTS**

| <u>Patent No.</u> | <u>Description</u>             |
|-------------------|--------------------------------|
| 5193897           | Laser Pointer/Pen Combinations |