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09-23-1998



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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

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100836102

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

## 1. Name of conveying party(ies):

Robert W. Walton

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

## 3. Nature of conveyance:

☐ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other Collateral Assignment of Patents As SecurityExecution Date: April 23, 1997

## 2. Name and address of receiving party(ies)

Name: ROGER D. STERN P.C. PENSION TRUST

Internal Address: \_\_\_\_\_

Street Address: 30 East 71st StreetCity: New York State: N.Y. ZIP: 10021Additional name(s) & address(es) attached? ☐ Yes ☒ No

## 4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s)

B. Patent No.(s)

5,193,488

5,329,879

5,353,743

5,289,800

Additional numbers attached? ☐ Yes ☒ No

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

Name: Howard M. GittenInternal Address: Stroock & Stroock & Lavan LLPStreet Address: 180 Maiden LaneCity: New York State: N.Y. ZIP: 100386. Total number of applications and patents involved: 4

## 7. Total fee (37 CFR 3.41).....\$160.00

☐ Enclosed☒ Authorized to be charged to deposit account

## 8. Deposit account number:

19-4709

(Attach duplicate copy of this page if paying by deposit account)

09/21/1998 DEBITED 00000143 194709 5193488

01 FC:501

160.00 CH

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.*Howard M. Gitten

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, and document: 5

COLLATERAL ASSIGNMENT OF PATENTS  
AS SECURITY

THIS COLLATERAL ASSIGNMENT OF PATENTS AS SECURITY (the "Assignment") is made as of the 23rd day of April, 1997, by ROBERT W. WALTON, an individual having an office at 610 Buffalo Avenue, Niagara Falls, New York 14303 (the "Assignor"), and delivered to ROGER D. STERN, as Trustee of the ROGER D. STERN P.C. PENSION TRUST pursuant to Agreement dated July 1, 1973, having an office at 30 East 71st Street, New York, New York 10021 (the "Assignee").

WITNESSETH:

WHEREAS, the Assignor and the Assignee have entered into a Loan Agreement of even date herewith (the "Loan Agreement"), setting forth the terms and conditions of a loan from the Assignee to 196035 New York Corporation d/b/a The Sweet "P" Company, a New York corporation (the "Company"); and

WHEREAS, the obligations of the Company to the Assignee (collectively, the "Obligations") are reflected in the Loan Agreement and in a promissory note delivered by the Company to the Assignee of even date herewith (the "Note"); and

WHEREAS, the Obligations have been secured, in part, by the Assignor's grant to the Assignee of a security interest in the Assignor's United States Patent Nos. 5,193,488, 5,353,743, 5,329,879 and 5,289,800 pursuant to the terms of a security agreement delivered by the Assignor to the Assignee of even date herewith (the "Security Agreement"); and

WHEREAS, the Assignee desires to have its interest in such United States patent confirmed by a document identifying the same and in form recordable in the United States Patent and Trademark Office;

NOW, THEREFORE, with the foregoing recitals being deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto covenant and agree as follows.

1. Collateral Assignment. In consideration of and pursuant to the terms of the Loan Agreement and the Security Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, the Assignor grants, assigns and conveys to the Assignee all his present and future right, title and interest in and to United States Patent Nos. 5,193,488, 5,353,743, 5,329,879 and 5,289,800 including without limitation, all proceeds thereof (e.g., royalties and proceeds of infringement suits), the right to sue for past, present and future infringements or misappropriations thereof, all rights

corresponding thereto throughout the world (including, without limitation, Canada) and all reissues, divisions, continuations, re-examinations and renewals thereof (hereafter, collectively the "Patents"). Notwithstanding the foregoing, unless and until there is an Event of Default (as defined in Section 4 of the Security Agreement), the Assignor retains the right to receive and use for any lawful purpose all proceeds from the Patents.

2. Representations and Warranties. The Assignor represents and warrants that:

(a) The Patents are subsisting and has not been adjudged invalid or unenforceable;

(b) The Patents are valid and enforceable;

(c) The Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patents, the Patents are free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses (other than the license with respect to the Patents granted by the Assignor to the Company and to The Sweet "P" Corporation, a Canadian corporation (the "Parent Company"), pursuant to License Agreements dated March 20, 1993 and July 1, 1996); and

(d) The Assignor has the unqualified right to enter into this Assignment and perform its terms.

3. Covenants and Agreements.

(a) The Assignor covenants that until all the Obligations have been paid and performed in full, he will not enter into any new agreement for the license, sale, assignment, pledge, lien, encumbrance or other transfer of the Patents that would have a material adverse effect on the Assignee's rights under this Assignment.

(b) The Assignor hereby covenants and agrees to maintain the Patents in full force and effect including the payment of all maintenance fees and/or annuities, until all of the Obligations are satisfied in full.

(c) The Assignor shall have the right, with the prior written consent of the Assignee, which will not be unreasonably withheld, to bring suit in his own name to enforce the Patents, in which event the Assignee may, if necessary, be joined as a nominal party to such suit if the Assignee shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder, and the Assignor shall reimburse and indemnify the Assignee in full or for all expenses, including

reasonable attorney's fees, incurred by the Assignee in such suit.

(d) If the Assignor fails to comply with any of its commitments hereunder, the Assignee may do so in the Assignor's name but at the Assignor's expense, and the Assignor hereby agrees to reimburse and indemnify the Assignee in full for all expenses, including reasonable attorney's fees, incurred by the Assignee in protecting, defending and maintaining the Patents.

(e) The Assignor will execute and deliver to the Assignee such other and further documents and instruments as may be reasonably requested by the Assignee in order to carry out the purposes of this Assignment.

4. Rights of the Assignor Prior to Default. So long as the Assignee holds, as collateral security, all right, title and interest in and to the aforementioned Patents, and so long as the Assignor is not in default hereunder and there is no Event of Default, (i) the Assignor shall have an exclusive nontransferable right and license to use the Patents, and (ii) the Assignee shall have no right to use the Patents or issue any exclusive or non-exclusive license under the Patents, or assign, pledge or otherwise transfer title in the Patents to any other party. Until there is an Event of Default or a default hereunder, the Assignee hereby grants to the Assignor the exclusive, non-transferable right and license to use the Patents on and in connection with products sold by the Company, for the Assignor's own benefit and account and for the benefit of the Company pursuant to the existing license arrangement between the Assignor, the Company and the Parent Company.

5. Rights and Remedies of the Assignee Upon Default.

(a) Upon the occurrence of an Event of Default by the Company, the Corporate Guarantor or the Individual Guarantor or a default hereunder, the Assignee shall have the rights and remedies set forth in the Security Agreement.

(b) Upon the full payment and performance of all of the Obligations under the Loan Agreement and the Note, the Assignee shall execute and deliver to the Assignor all documents necessary to re-vest in the Assignor full title to the Patents.

(c) No course of dealing between the Assignor and the Assignee, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, and all of the Assignee's rights and remedies with respect to the Patents shall be cumulative and may be exercised singularly or concurrently and shall be in addition to all rights and remedies under applicable law.

6. Miscellaneous. The provisions of this Assignment are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect. This Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. This Assignment is subject to modification only by a writing signed by the parties and shall be subject to the terms, provisions and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought. The section headings in this Assignment are for convenience only and shall not limit or otherwise affect any of the terms thereof. This Assignment shall be governed by and construed in conformity with the laws of the State of New York.

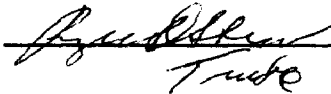
IN WITNESS WHEREOF, the parties hereto have executed this Collateral Assignment of Patent as Security the day and year first above written.



\_\_\_\_\_  
Robert W. Walton

ROGER D. STERN P.C. PENSION TRUST

By

  
Trustee

\_\_\_\_\_  
Title

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Applicant : Robert W. Walton

Re: U.S. Patent Nos. 5,193,488  
5,353,743  
5,329,879  
5,289,800

September 15, 1998

**Communication Filing Bill of Sale and Notice of Perfection  
of Ownership by Roger D. Stern P.C. Pension Trust**

The Honorable Commissioner of Patents and Trademarks  
Washington, D.C. 20231

Sir:

This communication serves as notice that, in accordance with the Collateral Assignment of Patents as Security between Robert W. Walton and Roger D. Stern P.C. Pension Trust dated April 23, 1997, recorded in the United States Patent and Trademark Office on May 8, 1997, at Reel 8495, Frame 628, and pursuant to a foreclosure sale on May 28, 1998, Roger D. Stern P.C. Pension Trust is the owner of all right, title, and interest in U.S. Patent Nos. 5,193,488; 5,353,743; 5,329,879; and 5,289,800.

On April 23, 1997, Robert W. Walton as Assignor and Roger D. Stern P.C. Pension Trust (the "Trust") entered into a Collateral Assignment of Patents as Security (the "Agreement") to provide collateral for a loan issued by the Trust. The loan was secured in part by Walton's grant of a security interest in U.S. Patent Nos. 5,193,488; 5,353,743; 5,329,879; and 5,289,800 (collectively the "Patents"). Pursuant to the Agreement, Walton assigned all of his

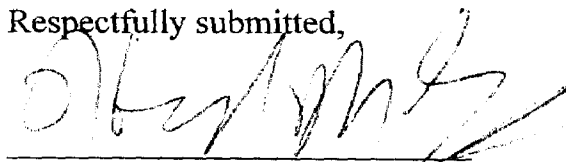
present and future right, title and interest to the Patents. Pursuant to the Agreement, in the event of default on the underlying loan, the Trust would retain the right, title and interest in the Patents. Annexed as Exhibit A is a copy of the Agreement.

At the same time, the Trust and Walton executed a Security Agreement in which the Patents were named as collateral for the Trust. A copy of the Security Agreement is attached hereto as Exhibit B. The Security Agreement also provided for the transfer of all right, title, and interest in the Patents to the Trust.

The loans became in default and Notice of Public Auction of Patents was published in accordance with the requirements of the laws of the State of New York. Annexed as Exhibit C is the Notice along with a transcription of the publication.

On May 28, 1998 the Patents were sold at public auction by the Trust to the Trust. Annexed is the Certificate of Sale and of Fact and a Bill of Sale which perfect the Trust's right, title and interest into the Patents. A copy of these documents is attached as Exhibit D. Accordingly, the Trust requests that the Commissioner of Patents and Trademarks record the Bill of Sale and Certificate of Sale and of Fact as proof and notice of the Trust's ownership of all right, title and interest in the patents. A Recordal transmission sheet with the originals of these documents is being filed simultaneously herewith.

Respectfully submitted,



Howard M. Gitten, Esq.  
Registration No. 32,138  
Attorney for Patent Owner  
STROOCK & STROOCK & LAVAN LLP  
180 Maiden Lane  
New York, NY 10038  
(212)806-5400

## SECURITY AGREEMENT

IN CONSIDERATION of the extension of credit by ROGER D. STERN, as Trustee of the ROGER D. STERN P.C. PENSION TRUST pursuant to an Agreement dated July 1, 1973, having an office at 30 East 71st Street, New York, New York 10021 (the "Secured Party") to 196035 NEW YORK CORPORATION d/b/a THE SWEET "P" COMPANY, a New York corporation having an office at 610 Buffalo Avenue, Niagara Falls, New York 14303 (the "Borrower"), and for other valuable consideration, the receipt of which is hereby acknowledged, ROBERT W. WALTON, an individual having an office at 610 Buffalo Avenue, Niagara Falls, New York 14303 (the "Guarantor") hereby agrees as follows:

1. To secure the payment of all indebtedness, liabilities and obligations for the payment of money that are now or hereafter owing by the Borrower and the Guarantor to the Secured Party and are reflected in (a) that certain promissory note in the original principal amount of \$110,000.00 delivered by the Borrower to the Secured Party, dated as of the date of this Agreement, (b) that certain Guaranty delivered by the Guarantor to the Secured Party, dated as of the date of this Agreement, and (c) all renewals, replacements, modifications, extensions, substitutions and assignments of such promissory note and guaranty, and all interest and other charges that accrue with respect to such indebtedness, liabilities and obligations (collectively, the "Obligations"), the Guarantor grants to the Secured Party a security interest in and to the following assets of the Guarantor (hereafter collectively referred to as the "Collateral"):

(A) All of the Guarantor's right, title and interest in and with respect to United States Patent Nos. 5,193,488, 5,353,743, 5,329,879 and 5,289,800 including without limitation, all proceeds thereof (e.g., royalties and proceeds of infringement suits), the right to sue for past, present and future infringements or misappropriations thereof, all rights corresponding thereto throughout the world (including, without limitation, Canada) and all reissues, divisions, continuations, re-examinations and renewals thereof.

(B) All records (including, but not limited to, all records maintained on a computer) of the Guarantor evidencing, or otherwise relating to, the United States patent described in clause "(A)" above; and

(C) All proceeds of any of the assets described in clauses "(A)" and "(B)" of this section.

2. The Guarantor represents and warrants to the Secured Party as follows: (a) the Guarantor has not heretofore abandoned, assigned, sold, licensed, exchanged, converted or



otherwise transferred or disposed of any of the Collateral or any interest in any of the Collateral, provided however, that the Guarantor has licensed the United States patent included in the Collateral to the Borrower and to The Sweet "P" Corporation, a Canadian corporation, and (b) there exists no demand or claim, and no action or other legal proceeding, brought by any third party against the Guarantor relating to any of the Collateral.

3. The Guarantor shall at all times (a) maintain accurate and complete records relating to the Collateral in conformity with generally accepted accounting principles applied on a consistent basis, (b) before the end of any applicable grace period, pay each tax, assessment, fee and charge imposed by any governmental authority upon any of the Collateral or upon the ownership, possession, use, operation, sale or licensing of any of the Collateral, (c) defend the Collateral against each demand and claim asserted by any person other than the Secured Party, (d) promptly give to the Secured Party notice of (i) the threat or commencement by any person other than the Secured Party of any material legal proceeding relating to any of the Collateral, or (ii) any change in any address at which any of the Collateral will be kept.

4. The Guarantor shall be in default under the terms of this Agreement upon the occurrence or existence of any of the following events or conditions (an "Event of Default"): (a) the occurrence or existence of a default by the Borrower, the Guarantor or The Sweet "P" Corporation (the Canadian parent corporation of the Borrower) under the terms of the Loan Agreement, the Promissory Note, the Individual Guaranty, the Corporate Guaranty or the Collateral Assignment of Patents as Security delivered to the Secured Party and of even date herewith, and the expiration of all applicable cure periods with respect to such default, or (b) if the Guarantor defaults in the performance of any obligation set forth in this Agreement owing by the Guarantor to the Secured Party other than an obligation to pay money, and such default is not cured within a period of thirty (30) days following the date that notice demanding the cure of such default is delivered to the Guarantor by the Secured Party.

5. Upon the request of the Secured Party made at any time and from time to time, the Guarantor shall (a) permit each employee, accountant, attorney and other agent of the Secured Party to inspect all goods included in the Collateral and to examine, audit, copy and extract each record of the Guarantor evidencing, or otherwise relating to, any of the Collateral, and (b) execute and deliver each financing statement relating to any of the Collateral and each amendment of any such financing statement that is so requested.

6. Following the execution and delivery of this Agreement, the Guarantor shall not (a) execute any financing statement relating to any of the Collateral and naming any person as a secured party other than the Secured Party, (b) create a security interest in, or any other lien or encumbrance upon, any of the Collateral, except for any security interest or other lien or encumbrance in favor of the Secured Party, or (c) abandon, assign, sell, license, exchange, convert, or otherwise transfer or dispose of any of the Collateral or any interest in any of the Collateral.

7. The Guarantor irrevocably and unconditionally appoints the Secured Party as the attorney-in-fact of the Guarantor with full power of substitution and revocation, acting at any time and from time to time in the name of the Guarantor to, whether or not an Event of Default has occurred or existed, (a) execute and deliver any financing statement relating to any of the Collateral or any amendment of any such financing statement, and (b) any filing with the United States Office of Patents and Trademarks required to give public notice of the security interest of the Secured Party in the Collateral or any amendment of any such filing

8. Upon and at any time and from time to time after the occurrence or existence of any Event of Default, the Secured Party shall have the right to (a) perform any obligation of the Guarantor pursuant to this Agreement, (b) require the Guarantor to deliver the Collateral to the Secured Party at a place designated by the Secured Party reasonably convenient to the Secured Party and to the Guarantor, and (c) to exercise each applicable right and remedy of a secured party pursuant to the Uniform Commercial Code and each applicable right and remedy pursuant to any other law. The Secured Party shall apply all proceeds received by the Secured Party from any disposition of, or from any collection of, any of the Collateral or otherwise on account of any of the Collateral first to costs and expenses described in section 9 of this Agreement, and then to such of the Obligations, whether or not due, as the Secured Party shall determine in the sole discretion of the Secured Party.

9. The Guarantor shall pay to the Secured Party on demand each cost and expense (including, but not limited to, reasonable attorney's fees and disbursements) incurred by the Secured Party in (a) performing any obligation of the Guarantor pursuant to this Agreement, (b) taking any action pursuant to section 8 of this Agreement, (c) enforcing any obligation of the Guarantor pursuant to this Agreement, (d) preserving or exercising any right or remedy pursuant to this Agreement, or (e) preserving or exercising any right or remedy relating to, taking possession of, collecting or enforcing or other disposition of, or realizing upon, any of the Collateral.

10. All rights and remedies of the Secured Party pursuant to this Agreement shall be cumulative, and no such right or remedy shall be exclusive of any other such right or remedy. No single or partial exercise by the Secured Party of any such right or remedy shall preclude any other or further exercise thereof, or any exercise of any other such right or remedy, by the Secured Party.

11. This Agreement contains the entire agreement between the Secured Party and the Guarantor with respect to the subject matter of this Agreement, and supersedes each course of conduct heretofore pursued, accepted or acquiesced in, and each oral agreement and representation heretofore made, by the Secured Party with respect thereto. No course of performance or other conduct hereafter pursued, accepted or acquiesced in, and no oral agreement or representation hereafter made by the Secured Party and no usage of trade shall modify or terminate this Agreement, nor shall it impair or otherwise affect any obligation of the Guarantor pursuant to this Agreement or any right or remedy of the Secured Party pursuant to this Agreement or operate as a waiver of any such right or remedy. No modification of this Agreement or waiver of any such right or remedy shall be effective unless made in a writing duly executed by the Secured Party. No waiver by the Secured Party on any one occasion of any such right or remedy shall operate as a waiver thereof or of any other such right or remedy on any future occasion.

12. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the internal law of the State of New York, without regard to principles of conflicts of laws. The parties consent to the jurisdiction of the Supreme Court of the State of New York, and of the United States District Court for the Southern District of New York, located in New York City, for all purposes in connection with this Agreement.

13. Each notice to and each other communication to the Guarantor by the Secured Party, or to the Secured Party by the Guarantor, as the case may be, relating to this Agreement shall be in writing and shall be given in person or sent by regular mail, postage prepaid, or by overnight courier, to the address of the party to receive such notice or other communication at the address set forth in the first paragraph of this Agreement, or at such other address as may at any time and from time to time be specified by written notice given pursuant to this section. A copy of any notice or demand sent to the Guarantor or the Borrower shall be sent to Terry C. Burton, Esq., 2959 Genesee Street, Cheektowaga, New York 14225. A copy of any notice or demand sent to the Secured Party shall be sent to Daniel Lund, Esq. and Eric Lesser, Esq., Krass & Lund, P.C., 419 Park Avenue South, New York, New York 10016. Each requirement under applicable law of reasonable notice to a party hereto of any event shall be deemed to have been met if notice of such event is

given as provided in this section at least fifteen (15) business days before the date on or after which such event is to occur.

14. This Agreement shall be binding upon the Guarantor and upon the legal representatives, heirs and assignees of the Guarantor, and shall inure to the benefit of, and be enforceable by, the Secured Party and each successor and assignee of the Secured Party.

15. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law. If, however, any such provision shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law, or if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

IN WITNESS WHEREOF, the Guarantor has executed this Agreement as of the 23rd day of April, 1997.



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Robert W. Walton

## NOTICE OF PUBLIC AUCTION OF PATENTS

BY VIRTUE OF A DEFAULT under that certain Loan Agreement dated April 23, 1997 among 196035 New York Corporation d\b\ a The Sweet "P" Company, as Borrower, The Sweet "P" Company and Robert W. Walton, individually, as Guarantors, and Roger D. Stern P.C. Pension Trust, as Lender; that certain \$110,000 Promissory Note dated April 23, 1997 by 196035 New York Corporation d\b\ a The Sweet "P" Company, as Borrower, to Roger D. Stern P.C. Pension Trust, as Lender; that certain Security Agreement dated April 23, 1997 by Robert W. Walton to Roger D. Stern P.C. Pension Trust, as Secured Party; and that certain Collateral Assignment of Patents as Security dated April 23, 1997 between the Robert W. Walton and Roger D. Stern P.C. Pension Trust, as Secured Party (collectively, the "Agreements"), and in accordance with its rights as collateral assignee of the collateral hereinafter described pursuant to the Agreements;

TAKE NOTICE that Roger D. Stern P.C. Pension Trust, by William Mannion, Licensed Auctioneer DCA #796322, will conduct a public auction of the collateral hereinafter described on May 28, 1998 at 12:00 p.m.

The public auction will be held at the offices of Krass & Lund, P.C., 419 Park Avenue South, 19<sup>th</sup> Floor, New York, New York 10016, at which time the following collateral will be sold:

All of the right, title and interest of Robert W. Walton, as collaterally assigned to the Roger D. Stern P.C. Pension Trust, in and to the following United States Patent Numbers (hereinafter, collectively, the "Collateral"):

- (A) United States Patent No. 5,193,488 (Cat Waste Elimination System)
- (B) United States Patent No. 5,353,743 (Urine Collection Device for Pet Animals)
- (C) United States Patent No. 5,329,879 (Cat Waste Elimination System including Anti-Litter Spreading and Containment Device and also including a Device Allowing Walking Kittens to Safely Enter a Kitty Litter Box)
- (D) United States Patent No. 5,289,800 (Waste Odor Eliminator Cover for a Cat Waste Box)

The purchase price for the above described Collateral shall be payable in cash or by certified or cashier's check drawn upon a member bank of the New York Clearing House, of which a ten (10%) percent deposit is required with the successful bid and the balance of the purchase price shall be payable within thirty (30) days thereafter, at a closing of the sale. Roger D. Stern P.C. Pension Trust reserves the right to bid at this sale, shall not be required to post a deposit with the Auctioneer, and may credit against the purchase price bid all sums due Roger D. Stern P.C. Pension Trust under the Agreements. The sale shall be subject to the further conditions set forth in the Terms of Sale, which are available ,

upon request from Krass & Lund, P.C., and such revisions thereto as may be announced at the start of the auction. United States Patent Office descriptions of the Collateral may be inspected at the offices of Krass & Lund, P.C. immediately prior to the sale.

Please direct all inquiries with respect to the Collateral to Eric B. Lesser, Esq. at the address set forth below.

Dated: May 5, 1998

KRASS & LUND, P.C.  
Attorney for the Secured Party  
419 Park Avenue South  
New York, New York 10016  
(212) 683-3636

# State of New York

ss:

COUNTY OF NEW YORK

**NOTICE OF PUBLIC AUCTION OF PATENTS BY VIRTUE OF A DEFAULT** under that certain Loan Agreement dated April 23, 1997 among 19935 New York Corporation d/b/a The Sweet "P" Company, as Borrower, The Sweet "P" Company and Robert W. Walton, individually, as Guarantors, and Roger D. Stern P.C. Pension Trust, as Lender, that certain \$100,000 Promissory Note dated April 23, 1997 by 19935 New York Corporation d/b/a The Sweet "P" Company, as Borrower to Roger D. Stern P.C. Pension Trust, as Lender, that certain Security Agreement dated April 23, 1997 by Robert W. Walton to Roger D. Stern P.C. Pension Trust, as Secured Party, and that certain Collateral Assignment of Patents as Security dated April 23, 1997 between the Robert W. Walton and Roger D. Stern P.C. Pension Trust, as Secured Party collectively, the "Agreements", and in accordance with its rights as collateral assignee of the collateral hereinafter described pursuant to the Agreements;

**TAKE NOTICE** that Roger D. Stern P.C. Pension Trust, by William Mannion, Licensed Auctioneer DCA #706322, will conduct a public auction of the collateral hereinafter described on May 28, 1998 at 12:00 p.m.

The public auction will be held at the offices of Krass & Lund, P.C., 419 Park Avenue South, 19th Floor, New York, New York 10018, at which time the following collateral will be sold:

All of the right, title and interest of Robert W. Walton, as collateral assigned to the Roger D. Stern P.C. Pension Trust, in and to the following United States Patent Numbers (hereinafter collectively, the "Collateral"):

(A) United States Patent No. 5,103,488 (Cat Waste Elimination System)

(B) United States Patent No. 5,353,743 (Urine Collection Device for Pet Animals)

(C) United States Patent No. 5,329,879 (Cat Waste Elimination System including Anti-Litter Spreading and Containment Device and also including a Device Allowing Walking Withers to safely Enter a Kitty Litter Box)

(D) United States Patent No. 5,288,800 (Waste Odor Eliminator Cover for a Cat Waste Box)

The purchase price for the above described Collateral shall be payable in cash or by certified or cashier's check drawn upon a member bank of the New York clearing House, of which a ten (10%) percent deposit is required with the successful bid and the balance of the purchase price shall be payable within (30) days thereafter, at a closing of the sale. Roger D. Stern P.C. Pension Trust reserves the right to bid at this sale, shall not be required to post a deposit with the Auctioneer, and may credit against the purchase price bid all sums due Roger D. Stern P.C. Pension Trust under the Agreements. The sale shall be subject to the further conditions set forth in the Terms of Sale, which are available upon request from Krass & Lund, P.C., and such revisions thereto as may be announced at the start of the auction. United States Patent Office descriptions of the collateral may be inspected at the offices of Krass & Lund, P.C. immediately prior to the sale.

Please direct all inquiries with respect to the collateral to Eric B. Lessor, Esq., at the address set forth below.

Dated: May 5, 1998

**KRASS & LUND, P.C.**  
Attorneys for the Secured Party  
419 Park Avenue South  
New York, New York 10018  
(212) 693-9888

124724  
150336

Valeri Forrest being duly sworn,  
says that he/she is the principal Clerk of the Publisher of the



a daily newspaper of general circulation printed and published in the English language, in the County of New York, State of New York; that advertisement hereto annexed has been regularly published in the said "NEW YORK POST" once, on the 13 day of May 1998  
once, on the 20 day of May 1998

Valeri Forrest  
Sworn to before me this 26 day of May 19 98  
Deborah P. Rosen  
Notary Public

DEBORAH P. ROSEN  
Notary Public, State of New York  
No. 01RO5023290  
Qualified in Kings County  
Commission Expires Jan. 31, 2000

PATENT  
REEL: 9453 FRAME: 0785

City and County Of New York,

**NOTICE**

**NOTICE OF PUBLIC AUCTION OF PATENTS BY VIRTUE OF A DEFAULT UNDER THAT certain Loan Agreement dated April 23, 1997 among 196035 New York Corporation d/b/a The Sweet "P" Company, as Borrower. The Sweet "P" Company and Robert W. Walton, individually, as Guarantors, and Roger D. Stern P.C. Pension Trust, as Lender; that certain \$110,000 Promissory Note dated April 23, 1997 by 196035 New York Corporation d/b/a The Sweet "P" Company, as Borrower, to Roger D. Stern P.C. Pension Trust, as Lender; that certain Security Agreement dated April 23, 1997 by Robert W. Walton to Roger D. Stern P.C. Pension Trust, as Secured Party; and that certain Collateral Assignment of Patents as Security dated April 23, 1997 between the Robert W. Walton and Roger D. Stern P.C. Pension Trust, as Secured party (collectively, the "Agreements"), and in accordance with its rights as collateral assignee of the collateral hereinafter described pursuant to the Agreements; TAKE NOTICE that Roger D. Stern P.C. Pension Trust, by William Mannion, Licensed Auctioneer DCA #796322, will conduct a public auction of the collateral hereinafter described on May 24, 1998 at 12:00 p.m. The public auction will be held at the offices of Krass & Lund, P.C., 419 Park Avenue South, 19th Floor, New York, New York 10016, at which time the following collateral will be sold: All of the right, title and interest of Robert W. Walton, as collateral assigned to the Roger D. Stern P.C. Pension Trust, in and to the following United States Patent Numbers (hereinafter, collectively, the "Collateral"): (A) United States Patent No. 5,193,488 (Cat Waste Elimination System). (B) United States Patent No. 5,353,743 (Urine Collection Device for Pet Animals). (C) United States Patent No. 5,329,879 (Cat Waste Elimination System including Anti-Litter Spreading and Containment Device and also including a Device Allowing Walking Kittens to Safely Enter a Kitty Litter Box). (D) United States Patent No. 5,289,800 (Waste Odor Eliminator Cover for a Cat Waste Box). The purchase price for the above described Collateral shall be payable in cash or by certified or cashier's check drawn upon a member bank of the New York Clearing House, of which a ten (10%) percent deposit is required with the successful bid and the balance of the purchase price shall be payable within thirty (30) days thereafter, at a closing of the sale. Roger D. Stern P.C. Pension Trust reserves the right to bid at this sale and shall not be required to post a deposit with the Auctioneer, and may credit against the purchase price bid all sums due Roger D. Stern P.C. Pension Trust under the Agreements. The sale shall be subject to the further conditions set forth in the Terms of Sale, which are available upon request from Krass & Lund, P.C., and such revised thereof shall be announced at the start of the auction. United States Patent Office descriptions of the Collateral may be inspected at the offices of Krass & Lund, P.C. immediately prior to the sale. Please direct all inquiries with respect to the Collateral to Eric B. Leamer, Esq. at the address set forth below. Dated: May 5, 1998. KRASS & LUND, P.C., Attorney for the Secured party, 419 Park Avenue South, New York, New York 10016, (212) 691-6600, #15-0002**

Edward Prial, being duly sworn, says that he is the Principal Clerk of the Publisher of THE CHIEF, Civil Service Leader, a Weekly Newspaper published in the County of New York; that the Advertisement hereto annexed has been regularly published in the said THE CHIEF, once in each week for:

two successive weeks, commencing on the 15 day of May 1998 to wit: May 15, 22, 1998

BEFORE ME, this 14 day

August 1998

*Nancy I. Dorvil*

Nancy I. Dorvil  
Tary Public, State of New York  
No: 01DO6005574  
Qualified in Queens County  
Commission Expires April 13, 2000



# CERTIFICATE OF SALE AND OF FACT

Know all men by these presents: That by virtue of a default in the payment of certain monies due, <sup>and the security agreements referred to hereon</sup> and pursuant to the terms of a certain <sup>Loan</sup> ~~Security~~ Agreement dated 4/23/97 placed in my hands for execution and foreclosure made by:

196035 New York Corporation d/b/a The Sweet P Company (Borrower)  
to Roger D. Stern P.C. Pension Trust (Secured Party)  
and assigned to \_\_\_\_\_

The attorney(s) for the Secured Party did on the 28<sup>th</sup> day of May, 1998 in the manner provided by statute, sell at Public Auction by WILLIAM MANNION, Auctioneer, all the borrower(s) right, title and interest, in and to the collateral consisting of ~~\_\_\_\_\_ and all the associated Property, Leasehold, Apartment No. \_\_\_\_\_ in the building known as and~~ the following U.S. Patent Numbers: US Patent No. 5,193,488; U.S. Patent No. 5,353,743; U.S. Patent No. 5,329,879; US Patent No. 5,289,800.

And sold unto Roger D. Stern P.C. Pension Trust

for the sum of \$ 10., they being the highest bidder in accordance with the Terms of Sale which were available to all bidders.

That public notice of sale was given prior to its taking place and was duly advertised. This Auction Sale was held at:

Kross + Lund, 419 Park Ave. So., New York, NY.

☒ Sold to the Secured Party, no money exchanged hands except for the auctioneer's fees and expenses of the sale.

☐ The sum of \$ \_\_\_\_\_ of the bid price was paid to the Attorney's for the Secured Party as a down payment.

IN WITNESS WHEREOF, I have hereunto set my hand on the 28<sup>th</sup> day of May, 1998.

William Mannion  
William Mannion

# BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT **ROGER D. STERN P.C. PENSION TRUST, as secured party**, party of the first part, for and in consideration of the sum of Ten Dollars (\$10) lawful money of the United States, to the party of the first part in hand paid, at or before the ensealing and delivery of these presents, by **ROGER D. STERN P.C. PENSION TRUST, as purchaser**, party of the second part, the receipt whereof is hereby acknowledged, has bargained and sold, and by these presents does grant and convey unto the said party of the second part, the trustees, administrators, successors and assigns thereof: All the party of the first part's present and future right, title and interest in and to United States Patent Numbers 5,193,488 ("Cat Waste Elimination System"); 5,353,743 ("Urine Collection Device for Pet Animals"); 5,329,879 ("Cat Waste Elimination System Including Anti-Litter Spreading and Containment Device and also Including Device Allowing Walking Kittens to Safely Enter a Kitty Litter Box"); and 5,289,800 ("Waste Odor Eliminator Cover for a Cat Waste Box"), including, without limitation, all proceeds thereof (*e.g.*, royalties and proceeds of infringement suits), the right to sue for past, present and future infringements or misappropriations, all rights corresponding thereto throughout the world, including, without limitation, Canada, and all reissues, divisions, continuations, re-examinations and renewals thereof (collectively the "Patents").

TO HAVE AND TO HOLD the same unto the said party of the second part, the trustees, administrators, successors and assigns thereof forever. And the party of the first part does covenant and agree to and with the said party of the second part, to **WAR-RANT AND DEFEND** the sale of the said Patents hereby sold unto the said party of the second part, the trustees, administrators, successors and assigns thereof, against all and every person and persons whomsoever.

Whenever the text hereof requires, the singular number used herein shall include the plural and vice versa.

IN WITNESS WHEREOF, the party of the first part has duly executed this bill of sale as of May 28, 1998.

ROGER D. STERN P.C. PENSION TRUST

By: *Roger D. Stern* (L.S.)  
ROGER D. STERN, TRUSTEE

IN PRESENCE OF

*Sandra Stern* (L.S.)

F:\WORD\S\STERN ROG\C\BILL-SAL

PATENT  
REEL: 9453 FRAME: 0788

STATE OF NEW YORK                    )  
  : SS.:  
COUNTY OF NEW YORK                )

On September 2, 1998 before me, the subscriber, personally appeared  
**ROGER D. STERN, Trustee of the Roger D. Stern P.C. Pension Trust**, known to me  
to be the same person described in and who executed the within Bill of Sale, and he  
acknowledged to me that he executed the same on behalf of such Trust.



**ERIC LESSER**  
Notary Public, State of New York  
No. 31-4978882  
Qualified in New York County  
Commission Expires March 18, 1999