

10-14-1998

R SHEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



Tab settings ☐ ☐ ☐ ▼

To the Honorable Commission

100849071

the attached original documents or copy thereof.

1. Name of conveying party(ies):
Progressive Games, Inc.

10-06-98

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

2. Name and address of receiving party(ies)

Name First Source Financial LLP

Internal Address: _____

Street Address: 2850 West Golf Road - 5th Floor

City: Rolling Meadows State: IL ZIP: 60008

Additional name(s) & address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

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

Execution Date: August 28, 1998

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)
See Attachment I to Patent Security Agreement (attached)

Additional numbers attached? ☒ Yes ☐ No

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

Name: Federal Research Corp.

Internal Address: _____

Street Address: 400 Seventh St NW

Suite 101

City: Washington State: DC ZIP: 20004

6. Total number of applications and patents involved: 10

7. Total fee (37 CFR 3.41) \$ 400.00

- ☒ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number: number: _____

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

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DO NOT USE THIS SPACE

1 FC:381

400.00

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.

Nancy A. Butler
Name of Person

Signature

9/30/98
Date

Total number of pages including cover sheet, attachments, and document: 15

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

PATENT
REEL: 9500 FRAME: 0036

**FIRST SOURCE FINANCIAL LLP
PROGRESSIVE GAMES, INC.**

ATTACHMENT 1 TO PATENT SECURITY AGREEMENT

Item A:

Registered Patents

<u>Country</u>	<u>Patent</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
U.S.	Poker Game	4,836,553	06/06/89
U.S.	Apparatus for Progressive Jackpot Gaming	5,078,405	01/07/92
U.S.	Methods for Progressive Jackpot Gaming	4,861,041	08/29/89
U.S.	Electronic Poker Game	5,022,653	06/11/91
U.S.	Gaming Table Apparatus	5,112,060	05/12/92
U.S.	Game Table Covering	D311,474	10/23/90
U.S.	Electronic Poker Game	4,948,134	08/14/90
U.S.	Method of Progressive Jackpot Twenty-One	5,288,077	02/22/94
U.S.	Methods of Playing Poker Games	5,725,216	03/10/98
U.S.	Gaming Table Apparatus (Chute)	5,377,994	01/03/95
Argentina	Poker Game	SN333538	09/18/95
Argentina	Apparatus for Progressive Jackpot Gaming	SN333537	09/18/95
Argentina	Methods for Progressive Jackpot Gaming	SN333536	09/18/95
Australia	Apparatus and Method for Progressive Jackpot Gaming	621599	07/13/92
Australia	Electronic Poker Game	628044	09/06/93
Australia	A New Game	SN74220/96	04/18/89?
Australia	A Game (Divisional Super Sevens)	SN21627/95	12/11/92?

2 List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.

DOCUMENT # = 859433.01; AUTHOR = NBUTLER

**PATENT
REEL: 9500 FRAME: 0037**

Canada	Method and Apparatus for Progressie Jackpot Gaming	1,335,381	04/25/95
Canada	Electronic Poker Game	1,334,983	03/28/95
Canada	Poker Game	SN596,848	04/17/89
Canada	Method for Progressive Jackpot Gaming	616,861	05/17/94
Canada	Electronic Poker Game	616,862	05/17/94
D o m i n i c a n Republic	Electronic Poker Game	4792	06/25/91
D o m i n i c a n Republic	Methods of Progressive Jackpot Gaming	4793	06/26/92
D o m i n i c a n Republic	Gaming Table Apparatus (Hoppe)	4825	03/03/93
D o m i n i c a n Republic	Poker Game	4999	09/06/93
Ecuador	Methods of Playing Poker Games	(docs mailed to foreign associate 9/6/96 - no further information on table provided)	
EPO: Australia, B e l g i u m , Germany, Italy, Spain	Apparatus for Progressive Jackpot Gaming	EPO, Belgium, Italy, Spain: 0338644 Austria: E96-049-2 G e r m a n y : P689099924	10/20/93
Japan	Apparatus for Progressive Jackpot Gaming	2088063	09/02/96
Namibia	Method of Playing Poker Games	96/0074	01/23/97
N e t h e r l a n d s (Aruba, Bonaire, Curacao, Saba, St. Eusatius, St. Maarten)	Apparatus for Progressive Jackpot Gaming	SN8900970	04/18/89
Panama	Apparatus for Progressive Jackpot Gaming	SN94/1413-1420 (77155)	09/07/95
Panama	Electronic Poker Game	SN94/1413-1420 (77156)	09/07/95

Panama	Methods of Progressive Jackpot Gaming	9 4 / 1 4 1 3 - 1 4 2 0 (77157)	09/07/95
Panama	Game Table Covering	77158	06/12/97
Panama	Gaming Table Apparatus (Hopper)	SN 94 / 15 13 - 14 20 (77159)	09/07/95
Panama	Electronic Poker Game	77160	06/12/97
Panama	Poker Game	77161	06/12/97
Panama	Method of Progressive Jackpot Twenty One	77162	06/12/97
PCT (All Eligible Countries except US)	Method of Playing Poker	PCT/US96/16409	US Priority 10/13/95; filed PCT 10/10/96
PCT (All Eligible Countries except US)	Gaming Table Apparatus (Chute)	PCT/US93/00135	US Priority: 12/30/91; PCT filed 01/08/93
Portugal	Gaming Table Apparatus	SN100 453	05/05/92
Zimbabwe	Methods of Playing Poker	SN118/96	1 0 / 0 3 / 9 6 (priority date c l a i m e d 10/13/95)

Pending Patent Applications

<u>* Country</u>	<u>Patent</u>	<u>Appl'n No.</u>	<u>Appl'n Date</u>
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NONE.

PATENT SECURITY AGREEMENT

THIS AGREEMENT (PATENT), dated as of August 28, 1998 (herein, as the same from time to time may be amended, modified, restated or supplemented and in effect, called this "Agreement"), is by and between **PROGRESSIVE GAMES, INC.**, a Delaware corporation ("Debtor"), and **FIRST SOURCE FINANCIAL LLP**, an Illinois registered limited liability partnership ("FSFP"), as "Agent" for all "Lenders."

W I T N E S S E T H:

WHEREAS, pursuant to an Amended and Restated Credit Agreement dated as of August 28, 1998 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Credit Agreement"), among Mikohn Gaming Corporation, a Nevada corporation ("Borrower"), FSFP, for itself, as a Lender, and as Agent for all Lenders, and the financial institutions parties thereto, Lenders have extended Commitments to make Loans to Borrower; and

WHEREAS, Debtor and other subsidiaries of the Borrower have guaranteed the payment and performance of the Obligations pursuant to a certain Guaranty dated as of October 24, 1997 as joined by the Debtor pursuant to an Assumption and Supplemental Guaranty dated as of even date herewith (herein, as the same from time to time may be amended, modified, supplemented or restated and in effect, called the "Guaranty") made by Guarantors in favor of Agent; and

WHEREAS, in connection with the Credit Agreement and the Guaranty, Debtor has executed and delivered to Lenders a Security Agreement, dated as of October 24, 1997 as joined by the Debtor pursuant to an Assumption and Supplemental Security Agreement dated as of even date herewith (together with all supplements, amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement"); and

WHEREAS, as a condition precedent to the making of the initial Loans under the Credit Agreement, Debtor are required to execute and deliver this Agreement and to grant to Agent a continuing security interest in all of the Patent Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Debtor have duly authorized the execution, delivery and performance of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lenders to make Loans (including the initial Loans) to Borrower pursuant to the Credit Agreement, Debtor agrees, for the benefit of Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Obligations of Borrower and all of the obligations of each Guarantor arising under the Guaranty (collectively, the "**Liabilities**"), Debtor hereby mortgages, pledges and grants to Agent for the benefit of Lenders a continuing security interest in, all of the following property (the "**Patent Collateral**"), whether now or hereafter owned, acquired or existing:

(a) all letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including each patent and patent application referred to in Item A of Attachment 1 hereto;

(b) all patent licenses, including each patent license referred to in Item B of Attachment 1 hereto;

(c) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in the foregoing clauses (a) and b; and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, including any patent or patent application referred to in Item A of Attachment 1 hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Attachment 1 hereto, and all rights corresponding thereto throughout the world.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Debtor for the purpose of registering the security interest of Agent in the Patent Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Agent under the Security Agreement. The Security Agreement (and all rights and remedies of Agent thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Lenders shall, at Debtor's expense, execute and deliver to Debtor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Patent Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Debtor does hereby further acknowledge and affirm that the rights and remedies of Lenders with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Credit Document, etc. This Agreement is a Credit Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

PROGRESSIVE GAMES, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

FIRST SOURCE FINANCIAL LLP,
individually and in its capacity as Agent

By: First Source Financial, Inc.,
its Agent/Manager

By: _____
Name: _____
Title: _____

STATE OF _____)
)
COUNTY OF _____) SS.

I, _____, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the _____ of Progressive Games, Inc., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as such officer of said corporation, pursuant to authority given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of August, 1998.

Notary Public

My Commission Expires:

STATE OF _____)
)
COUNTY OF _____) SS.

I, _____, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that _____ personally known to me to be a _____ of FIRST SOURCE FINANCIAL, INC., a Delaware corporation, the Agent/Manager of First Source Financial LLP, an Illinois registered limited liability partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of August, 1998.

Notary Public

My Commission Expires:

Item A. Patents

Issued Patents

<u>*Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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Pending Patent Applications

<u>*Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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Patent Applications in Preparation

<u>*Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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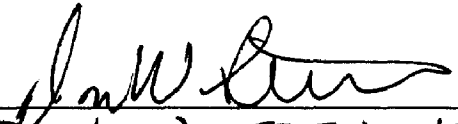
Item B. Patent Licenses

<u>*Country or Territory</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
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* List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

PROGRESSIVE GAMES, INC.,
a Delaware corporation

By: 
Name: DON W. STEVENS
Title: VP & TREASURER

FIRST SOURCE FINANCIAL LLP,
individually and in its capacity as Agent

By: First Source Financial, Inc.,
its Agent/Manager

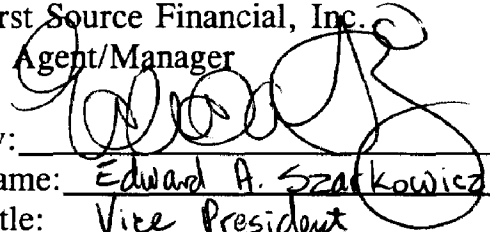
By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

PROGRESSIVE GAMES, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

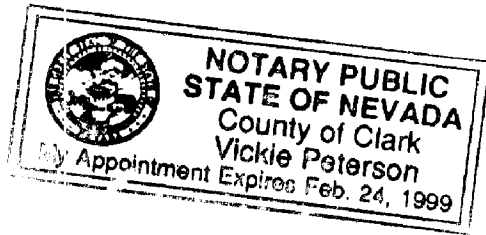
FIRST SOURCE FINANCIAL LLP,
individually and in its capacity as Agent

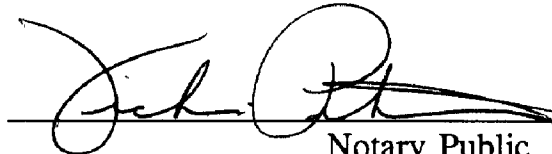
By: First Source Financial, Inc.
its Agent/Manager
By: 
Name: Edward A. Szatkowicz
Title: Vice President

STATE OF NEVADA)
) SS.
COUNTY OF CLARK)

I, Vickie Peterson, a notary public in and for said County, in the State of
aforesaid, DO HEREBY CERTIFY that Don W. Stellens, personally known to me to be
the V.P. & Treasurer of Progressive Games, Inc., a Delaware corporation, and personally
known to me to be the same person whose name is subscribed to the foregoing instrument,
appeared before me this day in person and acknowledged that he/she signed and delivered the
said instrument as such officer of said corporation, pursuant to authority given by the Board of
Directors of said corporation as such person's free and voluntary act, and as the free and
voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28th day of August, 1998.




Notary Public

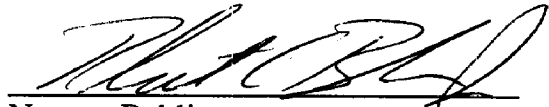
My Commission Expires:

2-24-99

STATE OF Illinois)
)
COUNTY OF Cook) SS.

I, Robert C. Baker Jr., a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Edward A. Szarkawicz personally known to me to be a Vice President of FIRST SOURCE FINANCIAL, INC., a Delaware corporation, the Agent/Manager of First Source Financial LLP, an Illinois registered limited liability partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 27th day of August, 1998.


Notary Public

My Commission Expires:

6/28/02

