

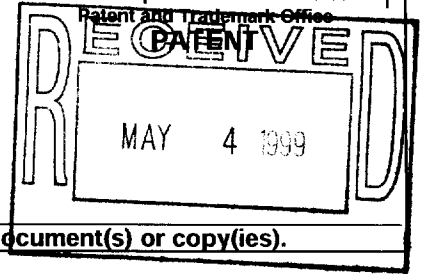
05-07-1999



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**RECORDATION FORM COVER SHEET  
PATENTS ONLY**

U.S. Department of Commerce  
Patent and Trademark Office



m20  
5.4.99

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  
Execution Date  
Month Day Year  
3/1/99

Name (line 1)

Name (line 2)

**Second Party**

Name (line 1)

Name (line 2)

Execution Date  
Month Day Year

**Receiving Party**

☐ Mark if additional names of receiving parties attached

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

☐ 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.)

**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)

05/06/1999 DNGUYEN 00000208 5170948

FOR OFFICE USE ONLY

01 FC:581

40.00 DP

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

**PATENT**  
**REEL: 9922 FRAME: 0406**

**Correspondent Name and Address**

Area Code and Telephone Number (717) 394-0521

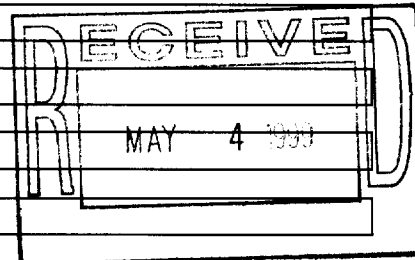
Name Matthew G. Guntharp, Esq.

Address (line 1) 33 North Duke Street

Address (line 2)

Address (line 3) Lancaster, PA 17602

Address (line 4)



**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

# 10

**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)**

			5,170,948		

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

**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.

# 1

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$ 40.00

Method of Payment:  
Deposit Account

Enclosed ☒ 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.

Matthew G. Guntharp

Name of Person Signing

Matthew G. Guntharp  
Signature

Apr 130, 1999  
Date

# ASSIGNMENT AGREEMENT

Made this the 30 day of April, 1999 by and between Joseph Glick, an adult individual, and Joseph Glick and Rebecca F. Glick, husband and wife, of Rt. 2, Box 303A, Rockville, Indiana 47872.

## Background

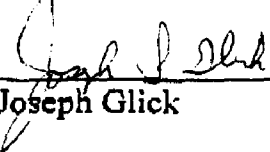
The Stumptown Road Enterprises, formerly known as Millcreek Manufacturing Company, a partnership (the "Partnership") under an Asset Purchase Agreement dated March 1, 1999 (the "Asset Purchase Agreement") on that date sold and agreed to lease to Millcreek Manufacturing Company, a Pennsylvania corporation, certain of its assets (hereinafter the "Buyer"). On March 1, 1999, being the date of Closing under the Asset Purchase Agreement, and pursuant thereto, the Buyer executed and delivered to the Partnership a Promissory Note in the principal amount of \$2,000,000 (the "Note"), a Security Agreement securing Buyer's obligations to the Partnership under the Note and its obligations to pay to the Partnership a Royalty under the Asset Purchase Agreement (the "Security Agreement"), an Equipment Lease (the "Equipment Lease"), and an Assignment and Assumption Agreement. Thereafter, in liquidation of the Partnership and under the terms of an Assignment Agreement, a true and correct copy of which is attached hereto as Exhibit "1" (and attached thereto as exhibits "A," "B," and "C" respectively being true and correct copies of the Note, Security Agreement, and the Equipment Lease), the Partnership assigned to Joseph Glick all its right, title, and interest in the Note, the Partnership's rights to payment of Royalties under the Asset Purchase Agreement, the Security Agreement, the Equipment Lease, and the Assignment and Assumption Agreement. Joseph Glick now wishes to assign his interests therein to himself and his wife as tenants by the entirety.

NOW, THEREFORE, intending to be legally bound, the parties agree as follows:


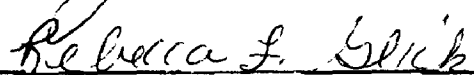
1. *Assignment.* Joseph Glick hereby assigns to himself and Rebecca F. Glick, as tenants by the entirety, all his rights, title, and interests, as assignee from the Partnership, in and under the Note, the Security Agreement, all rights to payment of the Royalty, as defined and described in section 5 of the Asset Purchase Agreement, and the Financing Statements filed pursuant to the Security Agreement.

2. *Acceptance/Assumption.* Joseph Glick and Rebecca F. Glick hereby accept the foregoing assignment and agree to discharge the outstanding obligations of the Partnership under Note, the Security Agreement, and with respect to the Royalty under the the Asset Purchase Agreement.

Assignor:

  
\_\_\_\_\_  
Joseph Glick

Assignees:

  
\_\_\_\_\_  
Joseph Glick  
  
\_\_\_\_\_  
Rebecca F. Glick

# ASSIGNMENT AGREEMENT

Made this the 3<sup>d</sup> day of April, 1999 by and between STUMPTOWN ROAD ENTERPRISES, formerly known as Millcreek Manufacturing Company, (the "Partnership"), and Joseph Glick, an adult individual.

## Background

The partnership is the Seller under an Asset Purchase Agreement dated March 1, 1999 (the "Asset Purchase Agreement") pursuant to which the Partnership sold and agreed to lease to Millcreek Manufacturing Company, a Pennsylvania corporation, certain of its assets (hereinafter the "Buyer"). On March 1, 1999, at Closing under the Asset Purchase Agreement, and pursuant thereto, the Buyer executed and delivered to the Partnership a Promissory Note in the principal amount of \$2,000,000, a true and correct copy of which is attached hereto as Exhibit "A" (the "Note"), a Security Agreement securing Buyer's obligations to the Partnership under the Note and its obligations to pay to the Partnership a Royalty under the Asset Purchase Agreement, a true and correct copy of which Security Agreement is attached hereto as Exhibit "B" (the "Security Agreement"), an Equipment Lease, a true and correct copy of which is attached hereto as Exhibit "C" (the "Equipment Lease"), and an Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") pursuant to which the Partnership assigned to the Buyer, and the Buyer agreed to assume, certain obligations of the Partnership.

The Partnership has liquidated and pursuant to an agreement among the partners of the Partnership, all remaining assets and rights of the Partnership are to be distributed to Joseph Glick.

NOW, THEREFORE, intending to be legally bound, the parties agree as follows:

1. *Assignment.* The Partnership hereby assigns all its rights, title, and interests in and under the Note, the Security Agreement, the Equipment Lease, the Asset Purchase Agreement (including but not limited to the Partnership's right to payment from the Buyer of the Royalty, as provided in section 5 of the Asset Purchase Agreement), Financing Statements filed pursuant to the Security Agreement, and the Assignment and Assumption Agreement.

2. *Acceptance/Assumption.* Joseph Glick hereby accepts the foregoing assignment and agrees to discharge the outstanding obligations of the Partnership under Note, the Security Agreement, the Equipment Lease, the Asset Purchase Agreement, and the Assignment and Assumption Agreement.

STUMPTOWN ROAD ENTERPRISES

By: \_\_\_\_\_

Joseph Glick, managing partner

\_\_\_\_\_  
Joseph Glick

Exhibit 1

PATENT  
REEL: 9922 FRAME: 0409

## SECURITY AGREEMENT

This Agreement made this 1st day of March, 1999, by and between MILLCREEK MANUFACTURING COMPANY, a Pennsylvania corporation having its principal place of business at 83 South Groffdale Road, Leola, Pennsylvania 17540 ("Debtor"), and STUMPTOWN ROAD ENTERPRISES (formerly Millcreek Manufacturing Company), a Pennsylvania general partnership having a place of business at 2617 Stumptown Road, Bird-in-Hand, Pennsylvania 17505 ("Secured Party").

1. **Security Interest.** To secure the obligations of Debtor as set forth in paragraph 2 of this Security Agreement, Debtor hereby grants to Secured Party a security interest in the following property, together with all parts thereof, additions thereto, replacements thereof, proceeds therefrom, and whether now owned or hereafter acquired (collectively the "Collateral"):

(a) all machinery, equipment, appliances, furniture, furnishings, supplies inventory and other assets of every kind and description now owned or hereinafter acquired by Debtor;

(b) all accounts receivable, contract rights, trademarks (including but not limited to the trademarks "Millcreek Manufacturing" and "Millcreek Manufacturing Company") (such trademarks hereinafter referred to as the "Millcreek Marks"), trade names (including but not limited to the trade names "Millcreek Manufacturing and "Millcreek Manufacturing Company"), goodwill, customer lists, patents, service marks, copyrights, rights to payments of every kind and description and all other general intangibles now owned or hereinafter acquired by the Debtor, including but not limited to the patent issued by the United States Patent and Trade Mark Office under Letters Patent granted to Joseph S. Glick, Glenn A. Musser, and David R. Miller, Jr. on December 15, 1992, patent number 5,170,948, thereafter assigned to Secured Party and assigned to Debtor on date even herewith pursuant to the Asset Purchase Agreement, as hereinafter defined (such specifically identified patent hereinafter referred to as the "Patent");

(c) all Debtor's inventory, work-in-progress, and stock-in-trade, of every kind and description and where ever located, now owned or hereinafter acquired.

(d) all products and proceeds from the disposition of all the foregoing;

2. **Secured Obligations.** The security interest granted to Secured Party shall secure the following (sometimes hereinafter collectively the "Liabilities"):

(a) The Debtor's obligations under a Promissory Note of date even herewith payable to the Secured Party in the principal amount of \$2,000,000, including without limitation all principal and interest due thereon, (the "Note");

(b) The Debtor's obligations under that certain Asset Purchase Agreement of date even herewith between Debtor and Secured Party (the "Asset Purchase Agreement") to pay a Royalty upon Debtor's Net Sales, as such terms are defined and as provided in the Asset Purchase Agreement, to Secured Party, and Debtor's other obligations owing by Debtor to Secured Party under the Asset Purchase Agreement; and

Exhibit B

PATENT  
REEL: 9922 FRAME: 0410

(c) All other liabilities of Debtor to Secured Party hereunder, under the Note, or under the Asset Purchase Agreement, and all renewals, extensions or substitutions of the foregoing.

**3. Subordination.** The security interest and liens under this Agreement for all Collateral other than patents, trademarks, and trade names acquired by Buyer from Seller under the Asset Purchase Agreement (the "First Lien Assets") shall be subordinated and second in all respects to all security interests and liens now or hereafter granted by Debtor to First National Bank of Maryland, a division of FMB Bank, or to any successor or replacement thereto ("Senior Lender"), with respect to up to \$500,000 in secured indebtedness for a working capital line of credit or similar type of line of credit facility (the "Senior Debt". Secured Party agrees promptly to sign such further documents and take such further actions (at Debtor's expense) as are reasonably requested by Debtor or Senior Lender in order to perfect, record, or confirm the foregoing lien priority.

**4. Representations, Warranties, and Covenants of Debtor.** Debtor represents and warrants to, or, as the case may be, covenants with Secured Party as follows:

(a) The Debtor is, or as to Collateral to be acquired after the date hereof will be, the sole owner of the Collateral; that this Security Agreement creates a lien second in priority only to the Senior Debt and a first lien with respect to the First Lien Assets, and that there are and will be no other liens, security interests, encumbrances or adverse claims by any person to any of the Collateral. Except for the Senior Debt the Debtor covenants and agrees to keep the Collateral free from, defend it against, discharge and immediately notify the Secured Party in writing of, any and all other liens, security interests or encumbrances, assignments, claims, set-offs or demands of all persons at any time claiming any Collateral or any interest herein.

(b) That the Collateral shall be used for business purposes in Debtor's conduct of its agricultural equipment and machinery manufacturing and sales business (the "Business") and only at the Debtor's place of business at 2617 Stumptown Road, Bird-in-Hand, Pennsylvania 17505 or successor place of business in the Commonwealth of Pennsylvania; that Debtor will give Secured Party prompt written notice of the establishment or discontinuance of such place of business, and that the Collateral will not be affixed to any realty;

(c) Debtor, at its expense, covenants and agrees to: (i) properly maintain and care for the Collateral, all in accordance with the highest standards customary for business operations similar to Debtor's; (ii) maintain insurance covering the Collateral against fire, vandalism and such other risks or hazards as Secured Party may require in the full replacement value thereof, and in such other amounts and with such insurance companies as are satisfactory to Secured Party, which insurance shall protect the Secured Party's interest in the Collateral as secured lender under separate endorsement or clause not subject to any defenses which such insurance company may have against the Debtor; (iii) deliver to the Secured Party, on demand, the contract(s) of insurance or furnish other proof of such insurance to the Secured Party (iv) comply fully with, and refrain from any use of the Collateral in violation of, any requirements of any insurer of the Collateral.

In the event of loss exceeding \$100,000, Secured Party, at its option, may, subject to the rights of the Senior Lender, (i) retain and apply all or any part of the insurance proceeds to reduce, in such order and amounts as the Secured Party may elect, the unpaid balance of the Note unless Debtor shall elect to restore and does in fact commence restoration in which event the proceeds shall be made available to

Debtor as reasonably required for the purpose of making such restoration, or (ii) disburse all or any part of such insurance proceeds to or for the benefit of the Debtor for the purpose of repairing or replacing the Collateral after receiving proof satisfactory to the Secured Party of such repair or replacement, in either case without waiving or impairing the Note or any other provision of this Security Agreement. Debtor assigns to the Secured Party any return or unearned premiums which may be due upon cancellation of any such policies for any reason whatsoever and directs the insurers to pay to the Secured Party any amounts so due, and Debtor appoints the Secured Party its attorney-in-fact to endorse any draft or check which may be payable to Debtor in order to collect any return or unearned premiums or the proceeds of such insurance.

(d) Debtor shall pay, on or before the due date thereof, all federal, state and local taxes, assessments and other governmental charges of every nature which may be levied or assessed against the Collateral, and to comply fully with, and refrain from any use of the Collateral in violation of, any applicable statutes, regulations or ordinances.

(e) In the event the Debtor fails to maintain the Collateral, or pay any assessments or other governmental charges or claims, or fails to maintain insurance on the Collateral and pay all premiums for such insurance, or fails to make any necessary repairs or permits waste, the Secured Party, at its election after notice to the Debtor, shall have the right, but not the obligation, to make any payment or expenditure with the right of subrogation thereunder, including but not limited to purchasing single interest insurance covering the Secured Party's interest in the Collateral, and to take any action which the Debtor should have taken, or which the Secured Party deems advisable in order to protect its security interests in the Collateral or its rights under this Security Agreement, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, without prejudice to any of the Secured Party's rights or remedies available under this Security Agreement or otherwise, at law or in equity. All such sums, as well as costs, advanced by the Secured Party pursuant to this Security Agreement, shall be secured by this Security Agreement, and shall bear interest at the highest rate payable in the Note from the date of payment by the Secured Party until paid in full.

(f) Debtor will not sell, assign, lease or otherwise dispose of, or attempt or contract to sell, assign, lease or otherwise dispose of, any Collateral or any interest, right or privilege therein, except for supplies consumed, and inventory sold, in the ordinary course of business, and except as contemplated in section 5(a)(iv) of the Asset Purchase Agreement.

(g) Debtor shall immediately notify the Secured Party in writing of any occurrence, event, circumstance or condition which affects or will affect the Collateral or the value thereof, the Debtor's or the Secured Party's ability to dispose of the Collateral, or the Secured Party's rights or remedies with regard thereto, including but not limited to the issuance or levy of any legal process against the Collateral or the adoption of any arrangement or procedure affecting the Collateral, whether governmental or otherwise.

(h) Unless the Secured Party exercises its right to collect accounts receivable, Debtor covenants and agrees that it will collect all accounts receivable and contract rights promptly and diligently and will keep accurate books and records thereof and of all collections thereof.

(i) Debtor shall maintain its corporate existence, in good standing, and shall not sell or transfer, or permit the sale or transfer of shares of its capital stock, without Secured Party's prior written

consent, nor, without Secured Party's prior consent, shall Debtor merge or consolidate with any other person or entity.

(j) Debtor shall timely discharge its obligations to the Senior Lender and to all others to whom it is or becomes indebted.

(k) Debtor shall conduct its business in due and ordinary course consistent with good and reasonable business practices.

## **5. Rights of Secured Party.**

(a) Debtor covenants and agrees that Secured Party may (subject to the prior rights of the Senior Lender), at its option and at Debtor's expense, upon the occurrence of a Default, or as otherwise provided herein:

(1) require Debtor to segregate all cash proceeds from the disposition of any portion of the Collateral so that they may be identified readily, and deliver the same to the Secured Party at such time or times and in such manner and form as the Secured Party may direct (upon occurrence of a Default);

(2) require Debtor to deliver to the Secured Party, at such time or times and in such manner and form as the Secured Party may direct, records, schedules and other documentation and data sufficient to show the status, condition, value or location of, or any other information pertaining to, the Collateral (at any time, with or without Default);

(3) verify the Collateral, inspect the Debtor's books and records and make copies thereof or extracts therefrom;

(4) notify debtors or obligors on any accounts receivable, or any buyers or lessees of any of the Collateral or any other persons, of the Secured Party's interest in the Collateral and require such persons to deliver all payments on account thereof to the Secured Party, or such other person as the Secured Party may designate, at such time or times and in such manner and form as the Secured Party may direct; and in connection therewith Debtor irrevocably authorizes and appoints Secured Party its attorney-in-fact, with full power of substitution, to endorse or sign Debtor's name on all collections, checks, notes, drafts, receipts or other instruments or documents, take possession of and open the Debtor's mail and remove such payments therefrom, and such account debtors, buyers or lessees may accept the receipt of the Secured Party in such circumstances as a full release and acquittance for any amount so paid (upon occurrence of Default).

(6) at reasonable times enter upon any property where any Collateral is located to examine the Collateral, such property and any buildings or improvements thereon, and use Debtor's equipment, machinery, office equipment and other facilities if Secured Party deems such use necessary or advisable to protect, preserve, maintain, process, develop or harvest any of the Collateral (at any time, with or without Default);



(7) in the Debtor's and/or the Secured Party's name (as the Secured Party in its sole discretion may determine) demand, collect, receive, and receipt for, compound, compromise, settle and give acquittance for, and prosecute and discontinue or dismiss, with or without prejudice, any suits or proceedings respecting any of the Collateral (upon occurrence of Default);

(8) prohibit the Debtor from granting to any person any rebate, refund, allowance or credit, or accepting from any person any return of any Collateral other than pursuant to Debtor's standard practices relating to returned merchandise, without the Secured Party's prior written consent, which consent may be conditioned upon any requirement for payment or additional collateral from the Debtor as the Secured Party, in its sole discretion, may determine at any time (with or without Default);

(9) take any action which the Secured Party may deem necessary or desirable in order to realize on any of the Collateral, including without limitation the power to perform any contract or to endorse in the name of the Debtor any checks, notes, drafts, receipts or other instruments or documents received in payment of or on account of, or constituting, any of the Collateral, and Debtor irrevocably appoints the Secured Party its attorney-in-fact with full power of substitution for all or any such acts or purposes (upon occurrence of Default).

(b) The foregoing rights are cumulative and may be exercised by the Secured Party singly or in any combination at any time and from time to time, as often as the Secured Party deems necessary or advisable.

**6. Other Documents and Acts.** Debtor covenants and agrees that it will, at any time or times and from time to time, at its own expense, execute and deliver or cause to be executed and delivered such security agreements, certificates of title, pledges, assignments, financing statements, continuation financing statements, amendments, acknowledgments and other documents, and will perform or cause to be performed such other acts, as the Secured Party may request in order to establish, preserve or maintain a valid and continuously perfected security interest in, or to determine the priority of, or terminate or enforce the Secured Party's security interest in, the Collateral, and pay all costs and expenses incurred in connection therewith. To the extent legally permissible, Debtor irrevocably authorizes and appoints the Secured Party as its attorney-in-fact, with full power of substitution, to execute on Debtor's behalf and file at Debtor's expense a financing statement or statements, or any amendment or amendments thereto, in those public offices deemed necessary or appropriate by the Secured Party to establish, maintain and protect a continuously perfected security interest in the Collateral. Debtor will reimburse the Secured Party on demand for any sums advanced by the Secured Party for any of the purposes described herein.

**7. Default.** The occurrence of an Event of Default under the terms of the Note and any default by Debtor timely to perform its obligations hereunder or under the Asset Purchase Agreement shall constitute a Default under this Security Agreement.

#### **8. Remedies.**

(a) Upon the occurrence of one or more Defaults, in addition to the rights otherwise provided for herein, the Secured Party may exercise any one or more of the following remedies, which are cumulative and may be exercised singly or in any combination at any time and from time to time as

long as any Default continues, without notice or demand to the Debtor except as expressly required under this Security Agreement or any applicable provision of law which cannot be waived prior to Default;

(1) declare the Note, together with costs of collection, including attorneys' fees of 5% of the unpaid principal, immediately due and payable, as if the same had in the first instance been payable at such time, without requiring any recourse against any other person or property liable therefor;

(2) exercise all or any of the rights and remedies of a secured party under the Uniform Commercial Code or as creditor under any other applicable law;

(3) require the Debtor to assemble the Collateral and any records pertaining thereto and make them available to the Secured Party at a time and place designated by the Secured Party;

(4) enter the premises of the Debtor and take possession of the Collateral and any records pertaining thereto; and also take possession of all personal property located in or attached to the Collateral without liability to the Debtor and hold such property for Debtor at Debtor's expense;

(5) use, operate, manage, lease or otherwise control the Collateral in any lawful manner, collect and receive all rents, income, revenue, earnings, issues and profits therefrom and, in its sole discretion but without any obligation to do so, insure, maintain, repair, renovate, alter or remove the Collateral;

(6) grant extensions or compromise to settle claims for less than face value relative to the Proceeds without prior notice to the Debtor;

(7) use, in connection with any assembly, use or disposition of the Collateral, any trademark, trade name, trade style, patent, or copyright used by the Debtor;

(8) take such actions as the Secured Party may deem necessary or advisable to preserve, process, develop, maintain, protect, care for or insure the Collateral or any portion thereof, and Debtor irrevocably appoints Secured Party as its attorney-in-fact to do all acts and things in connection therewith;

(9) sell or otherwise dispose of all or any of the Collateral at any public or private sale at any time or times without advertisement or demand upon or notice to the Debtor, all of which are expressly waived to the extent permitted by law, with the right of the Secured Party or its nominee to become purchaser at any sale (unless prohibited by statute) free from any equity of redemption and from all other claims, and after deducting all legal and other expenses for maintaining or selling the Collateral and all attorney's fees, legal or other expenses for collection, sale and delivery, apply the remaining proceeds of any sale to pay (or hold as a reserve against) any of the Liabilities; or

(10) record in the United States Patent and Trademark Office the assignments provided for in paragraph 8(b) of this Security Agreement.

(b) The effectiveness thereof being conditioned upon the occurrence of a Default

hereunder, the occurrence of an Event of Default under the Note, or any default by Debtor timely to perform its obligations under the Asset Purchase Agreement, and as a remedy in addition to those set forth in paragraph 8(a) of this Security Agreement, Debtor hereby assigns and transfers to the Secured Party all its right, title, and interest in the Patent and in the Millcreek Marks, together with all the goodwill of Debtor in the business in which the Millcreek Marks are being or have been used by Debtor. Prior to any such default, except for recording this Security Agreement, as such, with the United States Patent and Trade Mark Office, the Secured Party shall take no action to cause ownership of the Marks or the Patent to be transferred from the Debtor to itself, and furthermore the foregoing assignment shall terminate and be of no further effect upon the payment in full by Debtor of the Liabilities.

(c) Except to the extent of any non-waivable provision of statute, the Secured Party shall not be liable to any person whatsoever, for, or in connection with, the exercise, method of exercise, delay or failure to exercise any of the remedies provided for herein, and Debtor shall indemnify, and agrees to hold harmless and waives and releases the Secured Party from any and all claims, liabilities, actions, costs, suits, demands, damages or losses whatsoever occurring on account of or in connection with such exercise, method of exercise, delay or failure to exercise.

9. **Notices.** Any notice required to be given to the Debtor shall be deemed reasonably and properly given if mailed at least five (5) days before any action contemplated in such notice shall be taken, postage prepaid, addressed to the Debtor at the address set forth in the introduction to this Security Agreement.

10. **Waivers; Invalidity.** No delay or failure by Secured Party in the exercise of any right or remedy shall constitute a waiver thereof, and no single or partial exercise by the Secured Party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy provided for in this Security Agreement or otherwise. Any waiver by the Secured Party of any right or remedy or other provision of this Security Agreement shall not preclude the Secured Party from exercising or enforcing the same at any time or times thereafter.

If any provision of this Security Agreement shall be held for any reason to be invalid, illegal or unenforceable in any respect, such impairment shall not affect any other provision hereof.

11. **Expenses.** The Debtor agrees to pay or reimburse the Secured Party, immediately upon demand at any time or times, for all expenses incurred to perfect, protect and maintain continuously perfected the Secured Party's security interest, and the priority thereof in the Collateral, or to preserve, process, develop, maintain, protect, care for or insure any Collateral, or in the taking, holding, preparing for sale, lease or other disposition, selling, leasing or otherwise disposing of the Collateral, or any other action taken by the Secured Party to enforce or exercise its rights or remedies under this Security Agreement, including without limitation reasonable attorney's fees, filing fees, documentary and recordation fees and taxes, appraisal charges and storage costs.

12. **Binding Effect; Assignment.** This Agreement shall be binding upon the parties, and their respective heirs, personal representatives, successors and assigns; This Agreement may not be assigned by Debtor, by operation of law or otherwise, without Secured Party's prior written consent, which consent Secured Party may withhold at its discretion.

13. **Authority.** Secured Party, and Joseph Glick as general partner executing this Security Agreement, and individually, represents and warrants to Debtor that each of Secured Party's partners has

irrevocably appointed Joseph Glick as his sole and exclusive attorney-in-fact for all matters contemplated under this Security Agreement and has delegated to Joseph Glick all power and authority to act on his behalf and on behalf of Secured Party, and that the foregoing grant of power and authority extends to, but is not limited to, all consents, approvals, actions, and settlements relating to this Security Agreement, and that Debtor shall be entitled, without further inquiry and notwithstanding any other notice or claim to the contrary, to deal with Joseph Glick as the fully authorized representative of the Secured Party and its partners.

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

DEBTOR:

MILLCREEK MANUFACTURING COMPANY

By: David F Wolf

Title: President

Attest: J. James Mackinney

SECURED PARTY:

STUMPTOWN ROAD ENTERPRISES, formerly  
known as Millcreek Manufacturing Company, a general  
partnership

By Joseph Glick  
Joseph Glick, Managing Partner