

COVER SHEET SUBMITTED PURSUANT TO 37 CFR 3.31 WITH RESPECT TO PATENT
ASSIGNED UNDER PATENT SECURITY AGREEMENT DATED OCTOBER 30, 1996, BY
NUCON CORPORATION AS ASSIGNOR, AND AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO AS ASSIGNEE

2-1-99

Name and address of party conveying the interest in the patent:

Nucon Corporation
111 Pfingsten Road, Suite 160
Deerfield, Illinois 60015-5616

10-04-1999



101139735

2. Name and address of party receiving the interest in the patent:

American National Bank and
Trust Company of Chicago
120 South LaSalle Street
Chicago, Illinois 60603

3. Description of interest conveyed: Collateral assignment of patent to secure indebtedness

4. Patents covered by the conveyance:

Subject

Patent No.

PLASTIC PALLET, U.S. Patent No. 4,843,976; Issuance Date: 4 July 89

PLASTIC PALLET, U.S. Patent No. DES328,175; Issuance Date: 21 July 92

PLASTIC PALLET WITH DECK ASSEMBLY, U.S. Patent No. 5,197,395; Issuance Date: 30 March 93

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,343,814; Issuance Date: 6 Sept. 94

TWO-PART INTERLOCKING PLASTIC PALLET, U.S. Patent No. DES346,681; Insurance Date: 3 May 94

TWO PART INTERLOCKING PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES347,511; Issuance Date: 31 May 94

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES378,458; Issuance Date: 11 March 97

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES354,606; Issuance Date: 17 Jan. 95

PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES364,030; Issuance Date: 7 Nov. 95

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,579,686; Issuance Date: 3 Dec. 96

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FOR

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,731; Issuance Date: 22 Sept. 98

CONNECTOR ATTACHMENT FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,732; Issuance Date: 22 Sept. 98

COVER FOR PALLET ASSEMBLY, U.S. Patent No. DES372,192; Issuance Date: 30 July 96

PALLET PAD, U.S. Patent No. DES370,763; Issuance Date: 11 June 96

UNIT LOAD ASSEMBLY FOR SPOOLS, U.S. Patent No. 5,097,951; Issuance Date: 24 March 92

UNITARY TOP FRAME, U.S. Patent No. 5,160,029; Issuance Date: 3 Nov. 92

PALLET AND COMPONENTS THEREOF, U.S. Patent No. 5,388,533; Issuance Date: 14 Feb. 95

FORKLIFT TINE CLASP ASSEMBLY, U.S. Patent No. 5,456,565; Issuance Date: 10 Oct. 95

CONNECTOR FOR A PALLET ASSEMBLY, Serial No. 29/077,243; Filing Date: 7 April 97

5. Correspondence with respect to this matter should be directed to:

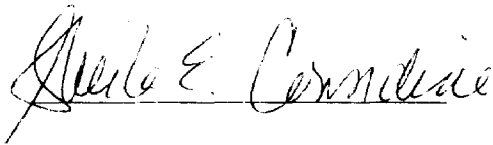
Victor A. Des Laurier, Esq.
Fagel & Haber
140 South Dearborn Street, Suite 1400
Chicago, Illinois 60603

6. A total of nineteen (19) patents are identified in this cover sheet for a total fee of \$760.00.

7. Total Fee (37 CFR 3.41): \$760.00, is enclosed herewith.

8. Deposit Account No.: This item is not applicable.

9. The cover sheet is submitted by Sheila E. Considine and, to the best of her knowledge and belief, the information contained in this cover sheet is true and accurate.



Dated:
January 27, 1999
Sheila E. Considine

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "Agreement") is made this 27th day of January, 1999, by and between Nucon Corporation, a Delaware corporation ("Nucon"), and American National Bank and Trust Company of Chicago, a national banking association ("Bank").

WITNESSETH:

WHEREAS, Nucon and Bank are parties to that certain Loan and Security Agreement of even date herewith (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Loan Agreement"), pursuant to which Bank may, from time to time, extend credit to Nucon; and

WHEREAS, Bank has required Nucon to execute and deliver this Agreement (i) in order to secure the prompt and complete payment, observance and performance of all of the "Liabilities" (as defined in the Loan Agreement), and the "Covenants" (as defined in the Loan Agreement), and (ii) as a condition to Bank's execution of the Loan Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Nucon agrees as follows:

1. **Defined Terms.**

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Loan Agreement shall have the meaning specified for such term in the Loan Agreement.

(b) The words "hereof", "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. **Incorporation of Premises.** The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. **Incorporation of the Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. **Security Interest in Patents.** To secure the complete and timely payment, performance and satisfaction of all of the Liabilities and the Covenants, Nucon hereby grants to Bank a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Nucon's now owned or existing and hereafter acquired or arising:

(i) patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents and patent applications listed on Schedule "A" attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties,

damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all of Nucon's rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d) in this Section 4(i) are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(ii) rights under or interest in any patent license agreements with any other party, whether Nucon is a licensee or licensor under any such license agreement, including, without limitation, those patent license agreements listed on Schedule "B" attached hereto and made a part hereof, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Nucon and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

5. **Restrictions on Future Agreements.** Nucon will not, without Bank's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Nucon further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to Bank under this Agreement or the rights associated with the Patents or Licenses.

6. **New Patents and Licenses.** Nucon represents and warrants that, from and after the date hereof, (a) the Patents listed on Schedule "A" include all of the patents and patent applications now owned or held by Nucon, (b) the Licenses listed on Schedule "B" include all of the patent license agreements under which Nucon is the licensee or licensor, and (c) no liens, claims or security interests in such Patents and Licenses have been granted by Nucon to any Person other than Bank, other than the subordinate security interest and lien in favor of Banc One Capital Partners, L.P., an Ohio limited partnership. If, prior to the termination of this Agreement, Nucon shall (i) obtain rights to any new patentable inventions, (ii) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent or License, or (iii) enter into any new patent license agreement, the provisions of Section 4 above shall automatically apply thereto. Nucon shall give to Bank written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Nucon hereby authorizes Bank to modify this Agreement unilaterally (i) by amending Schedule "A" to include any future patents and patent applications, and by amending Schedule "B" to include any future patent license agreements, which are Patents or Licenses under Section 4 above or under this Section 6, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule "A" or "B" thereto, as the case may be, such future patents, patent applications and license agreements.

7. **Royalties.** Nucon hereby agrees that the use by Bank of the Patents and Licenses as authorized hereunder in connection with Bank's exercise of its rights and remedies hereunder or pursuant to the Loan Agreement shall be coextensive with Nucon's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Bank to Nucon.

8. **Right to Inspect; Further Assignments and Security Interests.** Bank may at all reasonable times (and at any time when an Event of Default exists) have access to, examine, audit, make copies (at Nucon's expense) and extracts from and inspect Nucon's premises and examine Nucon's books, records and operations

relating to the Patents and Licenses; provided, that in conducting such inspections and examinations, Bank shall use reasonable efforts not to disturb unnecessarily the conduct of Nucon's ordinary business operations. Nucon agrees not to sell or assign its respective interests in, or grant any license under, the Patents or the Licenses without the prior and express written consent of Bank.

9. **Nature and Continuation of Bank's Security Interest; Termination of Bank's Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and Licenses and shall terminate only when the Liabilities have been indefeasibly paid in full in cash and the Loan Agreement has been terminated. When this Agreement has terminated, Bank shall promptly execute and deliver to Nucon, at Nucon's expense, all termination statements and other instruments as may be necessary or proper to terminate Bank's security interest in the Patents and the Licenses, subject to any disposition thereof which may have been made by Bank pursuant to this Agreement or the Loan Agreement.

10. **Duties of Nucon.** Nucon shall have the duty, to the extent desirable in the normal conduct of Nucon's business, to: (a) prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make application on unpatented but patentable inventions as Nucon may determine in its reasonable discretion. Nucon further agrees (c) not to abandon any Patent or License without the prior written consent of Bank, and (d) to use its best efforts to maintain in full force and effect the Patents and the Licenses that are or shall be necessary or economically desirable in the operation of Nucon's business. Any expenses incurred in connection with the foregoing shall be borne by Nucon. Bank shall not have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, Bank shall not be under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but may do so at its option from and after the occurrence of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Nucon and shall be added to the Liabilities secured hereby.

11. **Bank's Right to Sue.** From and after the occurrence of an Event of Default, Bank shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Patents and the Licenses and, if Bank shall commence any such suit, Nucon shall, at the request of Bank, do any and all lawful acts and execute any and all proper documents required by Bank in aid of such enforcement. Nucon shall, upon demand, promptly reimburse Bank for all costs and expenses incurred by Bank in the exercise of its rights under this Section 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Bank).

12. **Waivers.** Bank's failure, at any time or times hereafter, to require strict performance by Nucon of any provision of this Agreement shall not waive, affect or diminish any right of Bank thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Nucon and Bank have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Nucon contained in this Agreement shall be deemed to have been suspended or waived by Bank unless such suspension or waiver is in writing signed by an officer of Bank and directed to Nucon specifying such suspension or waiver.

13. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such

jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. **Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 6 hereof or by a writing signed by the parties hereto.

15. **Cumulative Remedies; Power of Attorney.**

(a) Nucon hereby irrevocably designates, constitutes and appoints Bank (and all Persons designated by Bank in its sole and absolute discretion) as Nucon's true and lawful attorney-in-fact, and authorizes Bank and any of Bank's designees, in Nucon's or Bank's name, to take any action and execute any instrument which Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence of an Event of Default and the giving by Bank of notice to Nucon of Bank's intention to enforce its rights and claims against Nucon, to (i) endorse Nucon's name on all applications, documents, papers and instruments necessary or desirable for Bank in the use of the Patents or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Patents or the Licenses as Bank deems in its best interest. Nucon hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Liabilities shall have been indefeasibly paid in full in cash and the Loan Agreement shall have been terminated. Nucon acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Bank under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Bank shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents or the Licenses may be located or deemed located. Upon the occurrence of an Event of Default and the election by Bank to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code with respect to the Patents and Licenses, Nucon agrees to assign, convey and otherwise transfer title in and to the Patents and the Licenses to Bank or any transferee of Bank and to execute and deliver to Bank or any such transferee all such agreements, documents and instruments as may be necessary, in Bank's sole discretion, to effect such assignment, conveyance and transfer. All of Bank's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default, Bank may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement and the Other Agreements. Nucon agrees that any notification of intended disposition of any of the Patents and Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that Bank may give any shorter notice that is commercially reasonable under the circumstances.

16. **Successors and Assigns.** This Agreement shall be binding upon Nucon and its successors and assigns, and shall inure to the benefit of Bank and its nominees, successors and assigns. Nucon's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Nucon; provided, however, that Nucon shall not voluntarily assign or transfer its rights or obligations hereunder without Bank's prior written consent.

17. **Governing Law.** This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the internal laws (as opposed to conflict of laws provisions) and decisions of the State of Illinois.

18. **Notices.** All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

19. **Section Titles.** The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.


21. **Merger.** This Agreement represents the final agreement of Nucon with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between Nucon and the Bank.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

NUCON CORPORATION, a Delaware corporation

By:

Its:

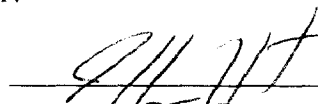


Chairman

ATTEST:

By:

Title:



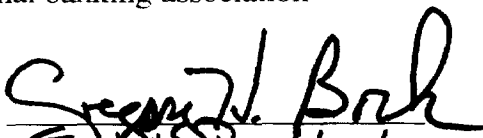
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Accepted and agreed to as of the day
and year first above written.

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,
a national banking association

By:

Title:



1st Vice President

SCHEDULE A
TO PATENT SECURITY AGREEMENT

PART I (ISSUED PATENTS)

United States of America

PLASTIC PALLET, U.S. Patent No. 4,843,976; Issuance Date: 4 July 89 (W&W File No. 432 P 002)

PLASTIC PALLET, U.S. Patent No. DES328,175; Issuance Date: 21 July 92 (W&W File No. 432 D 005)

PLASTIC PALLET WITH DECK ASSEMBLY, U.S. Patent No. 5,197,395; Issuance Date: 30 March 93
(W&W File No. 432 P 018)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,343,814; Issuance Date: 6 Sept. 94 (W&W File No.
432 P 024)

TWO-PART INTERLOCKING PLASTIC PALLET, U.S. Patent No. DES346,681; Issuance Date: 3 May
94 (W&W File No. 432 D 026)

TWO PART INTERLOCKING PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES347,511; Issuance
Date: 31 May 94 (W&W File No. 432 D 032)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES378,458; Issuance Date: 11 March 97
(W&W File No. 432 D 075)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES354,606; Issuance Date: 17 Jan. 95
(W&W File No. 432 D 037)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES364,030; Issuance Date: 7 Nov. 95 (W&W File No.
432 D 038)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,579,686; Issuance Date: 3 Dec. 96 (W&W File No.
432 P 034)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,731; Issuance Date: 22 Sept. 98
(W&W File No. 432 D 132)

CONNECTOR ATTACHMENT FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,732; Issuance
Date: 22 Sept. 98 (W&W File No. 432 D 131)

COVER FOR PALLET ASSEMBLY, U.S. Patent No. DES372,192; Issuance Date: 30 July 96 (W&W File
No. 432 D 073)

PALLET PAD, U.S. Patent No. DES370,763; Issuance Date: 11 June 96 (W&W File No. 432 D 074)

UNIT LOAD ASSEMBLY FOR SPOOLS, U.S. Patent No. 5,097,951; Issuance Date: 24 March 92 (W&W File No. 432 P 016)

UNITARY TOP FRAME, U.S. Patent No. 5,160,029; Issuance Date: 3 Nov. 92 (W&W File No. 432 P 017)

PALLET AND COMPONENTS THEREOF, U.S. Patent No. 5,388,533; Issuance Date: 14 Feb. 95 (W&W File No. 432 P 031)

FORKLIFT TINE CLASP ASSEMBLY, U.S. Patent No. 5,456,565; Issuance Date: 10 Oct. 95 (W&W File No. 432 P 033)

Canada

PLASTIC PALLET WITH DECK ASSEMBLY, Canadian Patent No. 1,330,958; Issuance Date: 26 July 94 (W&W File No. 432 P 008)

CONNECTOR FOR A PALLET ASSEMBLY, Canadian Industrial Design Letters Patent No. 76265; Issuance Date: 27 April 95 (W&W File No. 432 D 060)

COVER FOR PALLET ASSEMBLY, Canadian Industrial Design Letters Patent No. 78315; Issuance Date: 25 April 96 (W&W File No. 432 D 089)

PALLET PAD, Canadian Industrial Design Letters Patent No. 78314; Issuance Date: 25 April 96 (W&W File No. 432 D 090)

Europe

PLASTIC PALLET ASSEMBLY, EPO Patent No. 0.583.796; Issuance Date: 27 Dec. 96 (W&W File No. 432 P 035). Registered Patents Therefrom -

Belgium - Belgium Patent No. 0.583.796 (W&W File No. 432 P 102)

Germany - Germany DBP No. 689.27.591 (W&W File No. 432 P 104)

France - France Brevet No. 0.583.796 (W&W File No. 432 P 103)

United Kingdom - U.K. Patent No. 0.583.796 (W&W File No. 432 P 105)

Italy - Italy Patent No. 0.583.796 (W&W File No. 432 P 106)

Netherlands - Netherlands Ned. Octrooi. No. 0.583.796 (W&W File No. 432 P 107)

Sweden - Sweden Patent No. 0.429.498 (W&W File No. 432 P 049)

PLASTIC PALLET ASSEMBLY, EPO Patent No. 0.796.203; Issuance Date: 10 June 98 (W&W File No. 432 P 122). Registered Patents Therefrom -

Italy - Italy Patent No. 0.796.203 (W&W File No. 432 P 140)

United Kingdom - U.K. Patent No. 0.796.203 (W&W File No. 432 P 143)

Netherlands - Netherlands Ned. Octrooi No. 0.796.203 (W&W File No. 432 P 141)

Spain - Spain Patent No. 0.796.203 (W&W File No. 432 P 142)

Belgium - Belgium Patent No. 0.796.203 (W&W File No. 432 P 136)

France - France Brevet No. 0.796.203 (W&W File No. 432 P 137)

Germany - Germany DBP No. [not yet assigned][Appl. No. 695029966.5-08](W&W File No. 432 P 138)

Ireland - Ireland Patent No. 0.796.203 (W&W File No. 432 P 139)

Australia

PLASTIC PALLET WITH DECK ASSEMBLY, Australia Patent No. 650.837; Issuance Date: 30 Dec. 94 (W&W File No. 432 P 025)

Japan

PLASTIC PALLET WITH DECK ASSEMBLY, Japanese Patent No. 2.518.711; Issuance Date: 31 July 96 (W&W File No. 432 P 012)

UNIT LOAD ASSEMBLY FOR SPOOLS, Japanese Design Registration No. 853053; Issuance Date: 11 August 1991 (W&W File No. 432 D 086)]

PLASTIC PALLET, Japanese Design Registration No. 836463; Issuance Date: 30 Jan. 91 (W&W File No. 432 D 087)

UNIT LOAD ASSEMBLY FOR SPOOLS, Japanese Design Registration No. 879867; Issuance Date: 14 July 92 (W&W File No. 432 D 088)

Mexico

CONNECTOR FOR PALLET, Mexican Industrial Design No. 8432; Issuance Date: 28 August 96 (W&W File No. 432 D 065)

PALLET, Mexican Industrial Design No. 8433; Issuance Date: 28 August 96 (W&W File No. 432 D 066)

PART II (PENDING APPLICATIONS)

United States of America

CONNECTOR FOR A PALLET ASSEMBLY, Serial No. 29/077,243; Filing Date: 7 April 97 (W&W File No. 432 D 130)

Canada

PLASTIC PALLET ASSEMBLY, Serial No. 2207281; Filing Date: 6 June 97 (W&W File No. 432 P 123)

China

PLASTIC PALLET ASSEMBLY, Serial No. 95197541.2; Filing Date: 31 July 97 (W&W File No. 432 P 126)

Poland

PLASTIC PALLET ASSEMBLY, Serial No. P320641; Filing Date: 12 July 95 (W&W File No. 432 P 127)

Russia

PLASTIC PALLET ASSEMBLY, Serial No. 9710935; Filing Date: 12 July 95 (W&W File No. 432 P 128)

Japan

PLASTIC PALLET ASSEMBLY, Serial No. 6-510258; Filing Date: 14 April 95 (W&W File No. 432 D 079)

The Philippines

PLASTIC PALLET ASSEMBLY, Serial No. 51180; Filing Date: 8 Dec. 95 (W&W File No. 432 P 093)

Mexico

PLASTIC PALLET ASSEMBLY, Serial No. 974119; Filing Date: 6 June 97 (W&W File No. 432 P 124)

Argentina

CONNECTOR FOR PALLET, Serial No. 330,405; Filing Date: 15 Dec. 94 (W&W File No. 432 D 067)

PALLET, Serial No. 330,403; Filing Date: 15 Dec. 94 (W&W File No. 432 D 068)

Brazil

CONNECTOR FOR PALLET, DI5401555-3; Filing Date: 15 Dec. 94 (W&W File No. 432 D 071)

PALLET, DI5401556-1; Filing Date: 15 Dec. 94 (W&W File No. 432 D 072)

PLASTIC PALLET ASSEMBLY, Serial No. DI9509881-0; Filing Date: 9 June 97 (W&W File No. 432 P 125)

**SCHEDULE B
TO PATENT SECURITY AGREEMENT**

LICENSE AGREEMENTS

ALL WITH NUCON CORPORATION AS LICENSOR:

1. Licensee: Mitsubishi Kasei Corp.
 Territory: Japan and Western Europe
 Note: Non-exclusive

2. Licensee: Nucon Europe
 Territory: Europe
 Note: Non-exclusive

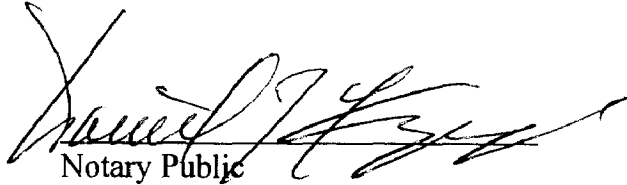
3. Licensee: Tapon Nucon
 Territory: Brazil

4. Licensee: Brickwood Holdings
 Territory: Australia

T:\S89\94480\exhib b to patent security agmt.wpd

STATE OF ILLINOIS)
) S.S.
COUNTY OF COOK)

The foregoing Patent Security Agreement was acknowledged before me this 27th day of January, 1999, by Maure J. Verroff and Jeffrey Lisak, a Charman and CFD respectively of Nucon Corporation, a Delaware corporation, on behalf of such corporation.


Notary Public

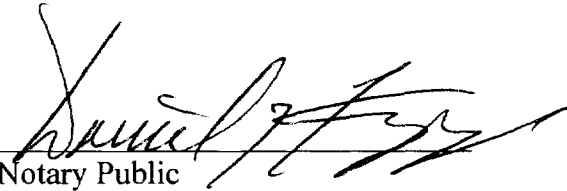
____ County, Illinois
My commission expires: _____



STATE OF ILLINOIS)
)
COUNTY OF COOK)

S.S.

The foregoing Patent Security Agreement was acknowledged before me this 27th day of January, 1999, by Gregory H. Bork, a 1st VP of American National Bank and Trust Company of Chicago, a national banking association, on behalf of such bank.


Notary Public

____ County, Illinois
My commission expires: _____



PATENT SECURITY AGREEMENT

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1. **Defined Terms.**

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Loan Agreement shall have the meaning specified for such term in the Loan Agreement.

(b) The words "hereof", "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. **Incorporation of Premises.** The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. **Incorporation of the Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. **Security Interest in Patents.** To secure the complete and timely payment, performance and satisfaction of all of the Liabilities and the Covenants, Nucon hereby grants to Bank a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, all of Nucon's now owned or existing and hereafter acquired or arising:

(i) patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, those patents and patent applications listed on Schedule "A" attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties,

damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all of Nucon's rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d) in this Section 4(i) are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and

(ii) rights under or interest in any patent license agreements with any other party, whether Nucon is a licensee or licensor under any such license agreement, including, without limitation, those patent license agreements listed on Schedule "B" attached hereto and made a part hereof, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Nucon and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

5. **Restrictions on Future Agreements.** Nucon will not, without Bank's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Nucon further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to Bank under this Agreement or the rights associated with the Patents or Licenses.

6. **New Patents and Licenses.** Nucon represents and warrants that, from and after the date hereof, (a) the Patents listed on Schedule "A" include all of the patents and patent applications now owned or held by Nucon, (b) the Licenses listed on Schedule "B" include all of the patent license agreements under which Nucon is the licensee or licensor, and (c) no liens, claims or security interests in such Patents and Licenses have been granted by Nucon to any Person other than Bank, other than the subordinate security interest and lien in favor of Banc One Capital Partners, L.P., an Ohio limited partnership. If, prior to the termination of this Agreement, Nucon shall (i) obtain rights to any new patentable inventions, (ii) become entitled to the benefit of any patent, patent application, license or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent or License, or (iii) enter into any new patent license agreement, the provisions of Section 4 above shall automatically apply thereto. Nucon shall give to Bank written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Nucon hereby authorizes Bank to modify this Agreement unilaterally (i) by amending Schedule "A" to include any future patents and patent applications, and by amending Schedule "B" to include any future patent license agreements, which are Patents or Licenses under Section 4 above or under this Section 6, and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule "A" or "B" thereto, as the case may be, such future patents, patent applications and license agreements.

7. **Royalties.** Nucon hereby agrees that the use by Bank of the Patents and Licenses as authorized hereunder in connection with Bank's exercise of its rights and remedies hereunder or pursuant to the Loan Agreement shall be coextensive with Nucon's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Bank to Nucon.

8. **Right to Inspect; Further Assignments and Security Interests.** Bank may at all reasonable times (and at any time when an Event of Default exists) have access to, examine, audit, make copies (at Nucon's expense) and extracts from and inspect Nucon's premises and examine Nucon's books, records and operations

relating to the Patents and Licenses; provided, that in conducting such inspections and examinations, Bank shall use reasonable efforts not to disturb unnecessarily the conduct of Nucon's ordinary business operations. Nucon agrees not to sell or assign its respective interests in, or grant any license under, the Patents or the Licenses without the prior and express written consent of Bank.

9. **Nature and Continuation of Bank's Security Interest; Termination of Bank's Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Patents and Licenses and shall terminate only when the Liabilities have been indefeasibly paid in full in cash and the Loan Agreement has been terminated. When this Agreement has terminated, Bank shall promptly execute and deliver to Nucon, at Nucon's expense, all termination statements and other instruments as may be necessary or proper to terminate Bank's security interest in the Patents and the Licenses, subject to any disposition thereof which may have been made by Bank pursuant to this Agreement or the Loan Agreement.

10. **Duties of Nucon.** Nucon shall have the duty, to the extent desirable in the normal conduct of Nucon's business, to: (a) prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make application on unpatented but patentable inventions as Nucon may determine in its reasonable discretion. Nucon further agrees (c) not to abandon any Patent or License without the prior written consent of Bank, and (d) to use its best efforts to maintain in full force and effect the Patents and the Licenses that are or shall be necessary or economically desirable in the operation of Nucon's business. Any expenses incurred in connection with the foregoing shall be borne by Nucon. Bank shall not have any duty with respect to the Patents and Licenses. Without limiting the generality of the foregoing, Bank shall not be under any obligation to take any steps necessary to preserve rights in the Patents or Licenses against any other parties, but may do so at its option from and after the occurrence of an Event of Default, and all expenses incurred in connection therewith shall be for the sole account of Nucon and shall be added to the Liabilities secured hereby.

11. **Bank's Right to Sue.** From and after the occurrence of an Event of Default, Bank shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Patents and the Licenses and, if Bank shall commence any such suit, Nucon shall, at the request of Bank, do any and all lawful acts and execute any and all proper documents required by Bank in aid of such enforcement. Nucon shall, upon demand, promptly reimburse Bank for all costs and expenses incurred by Bank in the exercise of its rights under this Section 11 (including, without limitation, reasonable fees and expenses of attorneys and paralegals for Bank).

12. **Waivers.** Bank's failure, at any time or times hereafter, to require strict performance by Nucon of any provision of this Agreement shall not waive, affect or diminish any right of Bank thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Nucon and Bank have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Nucon contained in this Agreement shall be deemed to have been suspended or waived by Bank unless such suspension or waiver is in writing signed by an officer of Bank and directed to Nucon specifying such suspension or waiver.

13. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such

jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. **Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 6 hereof or by a writing signed by the parties hereto.

15. **Cumulative Remedies; Power of Attorney.**

(a) Nucon hereby irrevocably designates, constitutes and appoints Bank (and all Persons designated by Bank in its sole and absolute discretion) as Nucon's true and lawful attorney-in-fact, and authorizes Bank and any of Bank's designees, in Nucon's or Bank's name, to take any action and execute any instrument which Bank may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence of an Event of Default and the giving by Bank of notice to Nucon of Bank's intention to enforce its rights and claims against Nucon, to (i) endorse Nucon's name on all applications, documents, papers and instruments necessary or desirable for Bank in the use of the Patents or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Patents or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Patents or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Patents or the Licenses as Bank deems in its best interest. Nucon hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Liabilities shall have been indefeasibly paid in full in cash and the Loan Agreement shall have been terminated. Nucon acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Bank under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Bank shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents or the Licenses may be located or deemed located. Upon the occurrence of an Event of Default and the election by Bank to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code with respect to the Patents and Licenses, Nucon agrees to assign, convey and otherwise transfer title in and to the Patents and the Licenses to Bank or any transferee of Bank and to execute and deliver to Bank or any such transferee all such agreements, documents and instruments as may be necessary, in Bank's sole discretion, to effect such assignment, conveyance and transfer. All of Bank's rights and remedies with respect to the Patents and the Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default, Bank may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement and the Other Agreements. Nucon agrees that any notification of intended disposition of any of the Patents and Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that Bank may give any shorter notice that is commercially reasonable under the circumstances.

16. **Successors and Assigns.** This Agreement shall be binding upon Nucon and its successors and assigns, and shall inure to the benefit of Bank and its nominees, successors and assigns. Nucon's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Nucon; provided, however, that Nucon shall not voluntarily assign or transfer its rights or obligations hereunder without Bank's prior written consent.

17. **Governing Law.** This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the internal laws (as opposed to conflict of laws provisions) and decisions of the State of Illinois.

18. **Notices.** All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

19. **Section Titles.** The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

21. **Merger.** This Agreement represents the final agreement of Nucon with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between Nucon and the Bank.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

NUCON CORPORATION, a Delaware corporation

By: _____

Its: _____

ATTEST:

By: _____

Title: _____

Accepted and agreed to as of the day
and year first above written.

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,
a national banking association

By: _____

Title: _____

SCHEDULE A
TO PATENT SECURITY AGREEMENT

PART I (ISSUED PATENTS)

United States of America

PLASTIC PALLET, U.S. Patent No. 4,843,976; Issuance Date: 4 July 89 (W&W File No. 432 P 002)

PLASTIC PALLET, U.S. Patent No. DES328,175; Issuance Date: 21 July 92 (W&W File No. 432 D 005)

PLASTIC PALLET WITH DECK ASSEMBLY, U.S. Patent No. 5,197,395; Issuance Date: 30 March 93
(W&W File No. 432 P 018)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,343,814; Issuance Date: 6 Sept. 94 (W&W File No.
432 P 024)

TWO-PART INTERLOCKING PLASTIC PALLET, U.S. Patent No. DES346,681; Issuance Date: 3 May
94 (W&W File No. 432 D 026)

TWO PART INTERLOCKING PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES347,511; Issuance
Date: 31 May 94 (W&W File No. 432 D 032)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES378,458; Issuance Date: 11 March 97
(W&W File No. 432 D 075)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES354,606; Issuance Date: 17 Jan. 95
(W&W File No. 432 D 037)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. DES364,030; Issuance Date: 7 Nov. 95 (W&W File No.
432 D 038)

PLASTIC PALLET ASSEMBLY, U.S. Patent No. 5,579,686; Issuance Date: 3 Dec. 96 (W&W File No.
432 P 034)

CONNECTOR FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,731; Issuance Date: 22 Sept. 98
(W&W File No. 432 D 132)

CONNECTOR ATTACHMENT FOR A PALLET ASSEMBLY, U.S. Patent No. DES398,732; Issuance
Date: 22 Sept. 98 (W&W File No. 432 D 131)

COVER FOR PALLET ASSEMBLY, U.S. Patent No. DES372,192; Issuance Date: 30 July 96 (W&W File
No. 432 D 073)

PALLET PAD, U.S. Patent No. DES370,763; Issuance Date: 11 June 96 (W&W File No. 432 D 074)

UNIT LOAD ASSEMBLY FOR SPOOLS, U.S. Patent No. 5,097,951; Issuance Date: 24 March 92 (W&W File No. 432 P 016)

UNITARY TOP FRAME, U.S. Patent No. 5,160,029; Issuance Date: 3 Nov. 92 (W&W File No. 432 P 017)

PALLET AND COMPONENTS THEREOF, U.S. Patent No. 5,388,533; Issuance Date: 14 Feb. 95 (W&W File No. 432 P 031)

FORKLIFT TINE CLASP ASSEMBLY, U.S. Patent No. 5,456,565; Issuance Date: 10 Oct. 95 (W&W File No. 432 P 033)

Canada

PLASTIC PALLET WITH DECK ASSEMBLY, Canadian Patent No. 1.330.958; Issuance Date: 26 July 94 (W&W File No. 432 P 008)

CONNECTOR FOR A PALLET ASSEMBLY, Canadian Industrial Design Letters Patent No. 76265; Issuance Date: 27 April 95 (W&W File No. 432 D 060)

COVER FOR PALLET ASSEMBLY, Canadian Industrial Design Letters Patent No. 78315; Issuance Date: 25 April 96 (W&W File No. 432 D 089)

PALLET PAD, Canadian Industrial Design Letters Patent No. 78314; Issuance Date: 25 April 96 (W&W File No. 432 D 090)

Europe

PLASTIC PALLET ASSEMBLY, EPO Patent No. 0.583.796; Issuance Date: 27 Dec. 96 (W&W File No. 432 P 035). Registered Patents Therefrom -

Belgium - Belgium Patent No. 0.583.796 (W&W File No. 432 P 102)

Germany - Germany DBP No. 689.27.591 (W&W File No. 432 P 104)

France - France Brevet No. 0.583.796 (W&W File No. 432 P 103)

United Kingdom - U.K. Patent No. 0.583.796 (W&W File No. 432 P 105)

Italy - Italy Patent No. 0.583.796 (W&W File No. 432 P 106)

Netherlands - Netherlands Ned. Octrooi. No. 0.583.796 (W&W File No. 432 P 107)

Sweden - Sweden Patent No. 0.429.498 (W&W File No. 432 P 049)

PLASTIC PALLET ASSEMBLY, EPO Patent No. 0.796.203; Issuance Date: 10 June 98 (W&W File No. 432 P 122). Registered Patents Therefrom -

Italy - Italy Patent No. 0.796.203 (W&W File No. 432 P 140)

United Kingdom - U.K. Patent No. 0.796.203 (W&W File No. 432 P 143)

Netherlands - Netherlands Ned. Octrooi No. 0.796.203 (W&W File No. 432 P 141)

Spain - Spain Patent No. 0.796.203 (W&W File No. 432 P 142)

Belgium - Belgium Patent No. 0.796.203 (W&W File No. 432 P 136)

France - France Brevet No. 0.796.203 (W&W File No. 432 P 137)

Germany - Germany DBP No. [not yet assigned][Appl. No. 695029966.5-08](W&W File No. 432 P 138)

Ireland - Ireland Patent No. 0.796.203 (W&W File No. 432 P 139)

Australia

PLASTIC PALLET WITH DECK ASSEMBLY, Australia Patent No. 650.837; Issuance Date: 30 Dec. 94 (W&W File No. 432 P 025)

Japan

PLASTIC PALLET WITH DECK ASSEMBLY, Japanese Patent No. 2.518.711; Issuance Date: 31 July 96 (W&W File No. 432 P 012)

UNIT LOAD ASSEMBLY FOR SPOOLS, Japanese Design Registration No. 853053; Issuance Date: 11 August 1991 (W&W File No. 432 D 086)]

PLASTIC PALLET, Japanese Design Registration No. 836463; Issuance Date: 30 Jan. 91 (W&W File No. 432 D 087)

UNIT LOAD ASSEMBLY FOR SPOOLS, Japanese Design Registration No. 879867; Issuance Date: 14 July 92 (W&W File No. 432 D 088)

Mexico

CONNECTOR FOR PALLET, Mexican Industrial Design No. 8432; Issuance Date: 28 August 96 (W&W File No. 432 D 065)

PALLET, Mexican Industrial Design No. 8433; Issuance Date: 28 August 96 (W&W File No. 432 D 066)

PART II (PENDING APPLICATIONS)

United States of America

CONNECTOR FOR A PALLET ASSEMBLY, Serial No. 29/077,243; Filing Date: 7 April 97 (W&W File No. 432 D 130)

Canada

PLASTIC PALLET ASSEMBLY, Serial No. 2207281; Filing Date: 6 June 97 (W&W File No. 432 P 123)

China

PLASTIC PALLET ASSEMBLY, Serial No. 95197541.2; Filing Date: 31 July 97 (W&W File No. 432 P 126)

Poland

PLASTIC PALLET ASSEMBLY, Serial No. P320641; Filing Date: 12 July 95 (W&W File No. 432 P 127)

Russia

PLASTIC PALLET ASSEMBLY, Serial No. 9710935; Filing Date: 12 July 95 (W&W File No. 432 P 128)

Japan

PLASTIC PALLET ASSEMBLY, Serial No. 6-510258; Filing Date: 14 April 95 (W&W File No. 432 D 079)

The Philippines

PLASTIC PALLET ASSEMBLY, Serial No. 51180; Filing Date: 8 Dec. 95 (W&W File No. 432 P 093)

Mexico

PLASTIC PALLET ASSEMBLY, Serial No. 974119; Filing Date: 6 June 97 (W&W File No. 432 P 124)

Argentina

CONNECTOR FOR PALLET, Serial No. 330,405; Filing Date: 15 Dec. 94 (W&W File No. 432 D 067)

PALLET, Serial No. 330,403; Filing Date: 15 Dec. 94 (W&W File No. 432 D 068)

Brazil

CONNECTOR FOR PALLET, DI5401555-3; Filing Date: 15 Dec. 94 (W&W File No. 432 D 071)

PALLET, DI5401556-1; Filing Date: 15 Dec. 94 (W&W File No. 432 D 072)

PLASTIC PALLET ASSEMBLY, Serial No. DI9509881-0; Filing Date: 9 June 97 (W&W File No. 432 P 125)

**SCHEDULE B
TO PATENT SECURITY AGREEMENT**

LICENSE AGREEMENTS

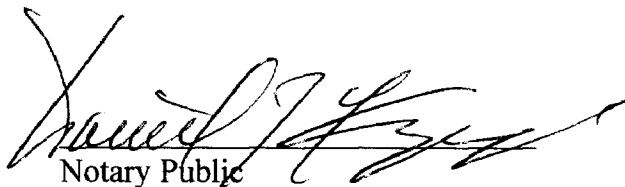
ALL WITH NUCON CORPORATION AS LICENSOR:

1. Licensee: Mitsubishi Kasei Corp.
 Territory: Japan and Western Europe
 Note: Non-exclusive
2. Licensee: Nucon Europe
 Territory: Europe
 Note: Non-exclusive
3. Licensee: Tapon Nucon
 Territory: Brazil
4. Licensee: Brickwood Holdings
 Territory: Australia

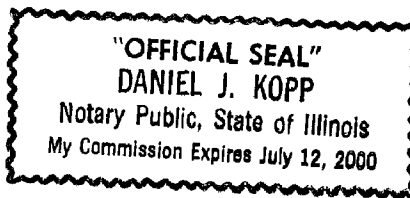
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STATE OF ILLINOIS)
) S.S.
COUNTY OF COOK)

The foregoing Patent Security Agreement was acknowledged before me this 27th day of January, 1999, by Maurice J. Verroff and Jeffrey Lisak, a Charlemagne and CFD respectively of Nucon Corporation, a Delaware corporation, on behalf of such corporation.


Notary Public

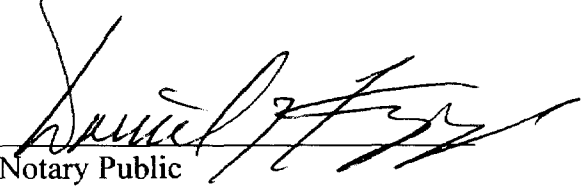
____ County, Illinois
My commission expires: _____



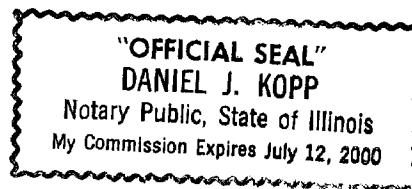
STATE OF ILLINOIS)
)
COUNTY OF COOK)

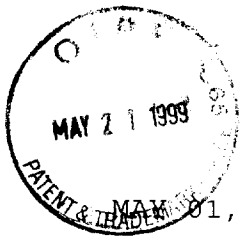
S.S.

The foregoing Patent Security Agreement was acknowledged before me this 27th day of January, 1999, by Gregory H. Bork, a 1st VP of American National Bank and Trust Company of Chicago, a national banking association, on behalf of such bank.


Notary Public

____ County, Illinois
My commission expires: _____





**UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office**

ASSISTANT SECRETARY AND COMMISSIONER
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Washington, D.C. 20231



100957714A

PTAS

FAGEL & HABER
VICTOR A. DES LAURIER, ESQ.
140 SOUTH DEARBORN STREET, SUITE 1400
CHICAGO, IL 60603

**UNITED STATES PATENT AND TRADEMARK OFFICE
NOTICE OF NON-RECORDATION OF DOCUMENT**

DOCUMENT ID NO.: 100957714

THE ENCLOSED DOCUMENT HAS BEEN EXAMINED AND FOUND NON-RECORDABLE BY THE ASSIGNMENT DIVISION OF THE U.S. PATENT AND TRADEMARK OFFICE. THE REASON(S) FOR NON-RECORDATION ARE STATED BELOW. DOCUMENTS BEING RESUBMITTED FOR RECORDATION MUST BE ACCOMPANIED BY A NEW COVER SHEET REFLECTING THE CORRECT INFORMATION TO BE RECORDED AND THE DOCUMENT ID NUMBER REFERENCED ABOVE.

THE ORIGINAL DATE OF FILING OF THIS ASSIGNMENT DOCUMENT WILL BE MAINTAINED IF RESUBMITTED WITH THE APPROPRIATE CORRECTION(S) WITHIN 30 DAYS FROM THE DATE OF THIS NOTICE AS OUTLINED UNDER 37 CFR 3.51. THE RESUBMITTED DOCUMENT MUST INCLUDE A STAMP WITH THE OFFICIAL DATE OF RECEIPT UNDER 37 CFR 3. APPLICANTS MAY USE THE CERTIFIED PROCEDURES UNDER 37 CFR 1.8 OR 1.10 FOR RESUBMISSION OF THE RETURNED PAPERS, IF THEY DESIRE TO HAVE THE BENEFIT OF THE DATE OF DEPOSIT IN THE UNITED STATES POSTAL SERVICE.

SEND DOCUMENTS TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, CG-4, 1213 JEFFERSON DAVIS HWY, SUITE 320, WASHINGTON, D.C. 20231. IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE, YOU MAY CONTACT THE INDIVIDUAL WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723.

1. THE DOCUMENT SUBMITTED FOR RECORDING IS NOT ACCEPTABLE. TO RECORD A DOCUMENT IN THE ASSIGNMENT DIVISION, A COMPLETE COVER SHEET MUST ACCOMPANY THE DOCUMENT OR A COVER SHEET OUTLINING THE REQUIREMENTS FOR RECORDING AS SET FORTH IN TITLE 37 CFR 3.11 MUST BE PRESENT.

DOROTHY RILEY, PARALEGAL
ASSIGNMENT DIVISION
OFFICE OF PUBLIC RECORDS