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08-12-1999



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U.S. Department of Commerce
Patent and Trademark Office
PATENT

**RECORDATION FORM COVER SHEET
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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 **4320896**

Merger Other Collateral Assignment and Security Agreement

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

Departmental File Secret File

Conveying Party(ies)

Mark if additional names of conveying parties attached

Name (line 1) Execution Date Month Day Year

Name (line 2)

Second Party

Name (line 1)

Name (line 2)

Execution Date Month Day Year

Receiving Party

Mark if additional names of receiving parties attached

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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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:
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Name

Address (line 1)

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Pages

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

Application Number(s) or Patent Number(s)

Mark if additional numbers attached

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

Patent Application Number(s)

Patent Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="4320896"/>	<input type="text" value="5464207"/>	<input type="text" value="5114141"/>
<input type="text" value="4438923"/>	<input type="text" value="4723777"/>	<input type="text"/>
<input type="text" value="5318289"/>	<input type="text" value="5039109"/>	<input type="text"/>

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

Patent Cooperation Treaty (PCT)

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

PCT <input type="text"/>	PCT <input type="text"/>	PCT <input type="text"/>
PCT <input type="text"/>	PCT <input type="text"/>	PCT <input type="text"/>

Number of Properties

Enter the total number of properties involved. #

Fee Amount

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

Method of Payment: Enclosed Deposit Account

(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.

Jennifer Jones

Name of Person Signing

Signature

Date

PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT is made as of July 29, 1999, by and between GARED ACQUISITION, L.L.C. ("Assignor"), a Missouri limited liability company with its chief executive office and principal place of business located at 4940 South Farm Road 189, Suite 500, Rogersville, Missouri 65742-8203, and WELLS FARGO BUSINESS CREDIT, INC. ("Lender"), a Minnesota corporation with an office located at 100 South Brentwood Boulevard, Suite 300, St. Louis, Missouri 63105.

PRELIMINARY STATEMENT. Assignor has executed and delivered to Lender a Credit and Security Agreement dated as of July 29, 1999 (as amended from time to time, the "Credit Agreement") which provides that Lender shall, subject to the terms and conditions thereof, extend credit to or for the benefit of Assignor. In order to induce Lender to execute and deliver the Credit Agreement, Assignor has agreed to grant to Lender a security interest in, and collaterally assign to Lender, certain patent rights.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby agrees with Lender as follows:

1. Grant of Security Interest; Collateral Assignment.

(a) To secure the complete and timely satisfaction of all obligations of Assignor to Lender under the Credit Agreement (the "Obligations"), Assignor hereby grants to Lender a continuing security interest in all of its right, title and interest in and to the patent application(s) and patent(s) listed in **Schedule A** hereto (as the same may be amended pursuant hereto from time to time) (hereinafter, whether individually or collectively, the "Schedule A Patent"), including, without limitation, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof (the Schedule A Patent and all other property and rights described above are collectively called the "Patent").

(b) In addition to the grant of security interest provided in section 1(a), Assignor hereby presently assigns and conveys to Lender all of its right, title and interest in and to the Patent; provided, however, that Lender shall, subject to the terms and conditions of section 8 hereof relating to termination of Credit Agreement, assign and convey to Assignor all of its right, title and interest in and to the Patent upon Assignor's complete satisfaction of the Obligations.

2. Representations, Warranties, and Covenants of Assignor. Assignor represents, covenants and warrants to Lender that:

(a) The Schedule A Patent is subsisting and has not been adjudged invalid or unenforceable, in whole or in part.

(b) The Schedule A Patent is valid and enforceable.

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

(d) Assignor has the unqualified right to enter into this Agreement and to perform its terms and has entered or will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

(e) The Schedule A Patent constitutes the only United States patents or patent applications currently used by Assignor in its business operations or otherwise.

3. Further Assurances. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Lender's prior written consent. Assignor agrees that at any time and from time to time, at the expense of Assignor, Assignor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Lender may request, in order to perfect and protect the security interest and collateral assignment granted or purported to be granted hereby or to enable Lender to exercise its rights and remedies hereunder.

4. Additional Patents. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new patentable invention(s), or become entitled to the benefit of any patent application(s) or patent(s) for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, or if any existing patentable invention(s), United States patent application(s) or United States patent(s) of Assignor, which are not described on **Schedule A**, are hereafter used by Assignor in its business operations or otherwise, the provisions of section 1 shall automatically apply thereto and Assignor shall give Lender prompt written notice thereof.

5. Modification by Lender. Assignor authorizes Lender to modify this Agreement by amending **Schedule A** to include any future patent(s) and patent application(s) which is or may be a Patent under section 1 or section 4 hereof, without the signature of Assignor to the extent permitted by applicable law.

6. Grant of License. Unless and until there shall have occurred an Event of Default, as defined in the Credit Agreement, Lender hereby grants to Assignor the exclusive, nontransferable right and license under the Patent to make, have made for it, use and sell the inventions disclosed and claimed in the Patent for Assignor's own benefit and account and for none other. Assignor shall not sell, or otherwise transfer its interest in, or grant any sublicenses under, the license granted to Assignor under this section, without the prior written consent of Lender.

7. Default. If any Event of Default, as defined in the Credit Agreement, shall have occurred, or if Assignor shall fail to perform any obligation herein or observe any covenant contained herein, Lender may foreclose upon the security interest granted herein, and Lender

shall have, in addition to all other rights and remedies given it by this Agreement, those provided in the Credit Agreement and those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patent may be located.

8. Termination of Agreement. At such time as Assignor shall completely satisfy all of the Obligations, this Agreement shall terminate and Lender shall execute and deliver to Assignor, at Assignor's expense, and without recourse, representation or warranty, all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patent free of any lien or other interest created by or on behalf of Lender, subject to any disposition thereof which may have been made by Lender pursuant hereto.

9. Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including, without limitation, all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Patent, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent, shall, to the extent permitted by applicable law, be borne and paid by Assignor on demand by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the Default Rate, as defined in the Credit Agreement.

10. Preservation of Patent Rights. Assignor shall have the duty, through counsel acceptable to Lender, to prosecute diligently any patent applications of any Patent pending as of the date of this Agreement or thereafter until the Obligations shall have been satisfied in full, to make application on unpatented but patentable inventions and to preserve and maintain all rights in patent applications and patents of the Patent, including, without limitation, the payment of all maintenance fees. Any expenses incurred in connection with the foregoing shall be borne by Assignor. Assignor shall not abandon any right to file a patent application, or any pending patent application or patent, without the prior written consent of Lender. Assignor shall have the right, with the consent of Lender, which consent shall not be unreasonably withheld, to bring suit in its own name, and to join Lender, if necessary, as a party to such suit so long as Lender is satisfied, in its sole determination, that such joinder will not subject it to any risk of liability, to enforce the Patent and any licenses thereunder. Assignor shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including, without limitation, legal fees, incurred by Lender in the fulfillment of any provision of this section.

11. Lender Appointed Attorney-In-Fact. If any Event of Default, as defined in the Credit Agreement, shall have occurred and be continuing, or if Assignor shall fail to perform any obligation herein or observe any covenant contained herein, Assignor hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender, as Lender may select in its exclusive discretion, as Assignor's true and lawful attorney-in fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Lender to use the Patent, or to grant or issue any exclusive or non-exclusive license under the Patent to any third person, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Patent to any third person. Assignor hereby ratifies all that such

attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

12. Lender May Act. If Assignor fails to comply with any of its obligations hereunder, Lender may do so in Assignor's name or in Lender's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Lender in full for all expenses, including, without limitation, attorneys' fees, incurred by Lender in protecting, defending or maintaining the Patent to the extent permitted by applicable law.

13. No Waiver. No course of dealing between Assignor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, under the Credit Agreement, or under applicable law shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Rights Cumulative. All of Lender's rights and remedies with respect to the Patent, whether established hereby or by the Credit Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

15. Severability. The provisions of this Agreement are severable, and if any clause or provisions 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 provisions, or part thereof, 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.


16. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in section 6 relating to modifications by Lender.

17. Inurement. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties of the parties; provided, however, the foregoing provision shall not invalidate or modify the restrictions imposed on Assignor hereunder with respect to transferring any part of or interest in the Patent.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the internal laws of the State of Missouri.

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

GARED ACQUISITION, L.L.C.

By: 
Name: DIMITRIOS KOUKOULOMARIS
Title: MANAGER

WELLS FARGO BUSINESS CREDIT, INC.

By: 
Name: DANIEL MASSERON
Title: VP

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF Missouri)
) SS
COUNTY OF Greene)

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, on this 29th day of July, 1999, personally appeared Dimitrios Koukoulou known personally, and who, being by me duly sworn, deposes and says that he is the Manager of GARED ACQUISITION, L.L.C., a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability company by authority of its members, and said individual acknowledged said instrument to be the free act and deed of said limited liability company.

[SEAL]

Juanita S. Bauer
Notary Public

My commission expires: 9/27/2001

JUANITA S. BAUER
Notary Public, State of Missouri
Greene County
Commission Expires Sept. 27, 2001

STATE OF MISSOURI)
) SS
COUNTY OF Greene)

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, on this 29th day of July, 1999, personally appeared Daryl Hasstrom to me known personally, and who, being by me duly sworn, deposes and says that he is the V.P. of WELLS FARGO BUSINESS CREDIT, INC., a Minnesota corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and said individual acknowledged said instrument to be the free act and deed of said corporation.

[SEAL]

Juanita S. Bauer
Notary Public

My commission expires: 9/27/2001

JUANITA S. BAUER
Notary Public, State of Missouri
Greene County
Commission Expires Sept. 27, 2001

**Schedule A to a Patent Collateral Assignment and Security Agreement between
GARED ACQUISITION, L.L.C. and WELLS FARGO BUSINESS CREDIT, INC.**

Patents Issued

U.S. Patent: Shock-absorbing assembly for basketball backboard
Patent No.: 4,320,896
Expires:

U.S. Patent: Shock-absorbing basketball goal unit
Patent No.: 4,438,923
Expires:

U.S. Patent: Breakover basketball goal release mechanixm
Patent No.: 5,318,289
Expires:

U.S. Patent: Break-away basketball goal
Patent No.: 5,464,207
Expires:

U.S. Patent: Basketball goal and backboard unit
Patent No.: 4,723,777
Expires:

U.S. Patent: Portable mounting stand apparatus
Patent No.: 5,039,109
Expires:

U.S. Patent: Basketball rim assembly support apparatus
Patent No.: 5,114,141
Expires: