

MRD 6/19/00

07-18-2000

FORM PTO-1595  
(Rev. 6-93)  
OMB No. 0651-0011 (exp. 4/94)

RECORD



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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

101405945

Tab settings

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

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

Corlac, Inc.

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

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

Name: General Electric Capital Canada Inc.

Internal Address:

Street Address: 200 West Madison, Suite 2300City: Chicago State: IL ZIP: 60606Additional name(s) & address(es) attached? ☐ Yes ☒ No

## 3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ OtherExecution Date: May 10, 2000

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

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

A. Patent Application No.(s)

B. Patent No.(s) 5,837,152Additional numbers attached? ☐ Yes ☒ No

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

Name: David B. JenningsInternal Address: Armstrong Teasdale LLPStreet Address: One Metropolitan Sq., Suite 2600City: St. Louis State: MO ZIP: 630126. Total number of applications and patents involved: -1-7. Total fee (37 CFR 3.41).....\$ 40.00☐ Enclosed☒ Authorized to be charged to deposit account

## 8. Deposit account number:

01-2384

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

07/17/2000 ASCOTT 00000103 012384 5837152

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## 9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

David B. Jennings

Name of Person Signing

Signature

6-12-00

Date

Total number of pages including cover sheet, attachments, and document: -7-Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231PATENT  
REEL: 010909 FRAME: 0488

## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("**Agreement**") is made and entered into as of the 10<sup>th</sup> day of May, 2000, by and between Corlac Inc., a corporation of Canada with its principal place of business located at 6010 53<sup>rd</sup> Avenue, Lloydminster, Alberta T9V 2T2 ("**Debtor**"), and General Electric Capital Canada Inc. c/o 200 West Madison Street, Suite 2300, Chicago, Illinois 60606 ("**Secured Party**").

WHEREAS, Secured Party has made certain financial accommodations and has advanced funds to Debtor pursuant to that certain Loan and Security Agreement among Debtor, Secured Party, Corlac Equipment Ltd. and Corlac Industries (1998) Ltd. dated as of the 10<sup>th</sup> day of May, 2000 (the "**Loan Agreement**"); and

WHEREAS, in order to induce Secured Party to enter the Loan Agreement and in order to further secure the repayment of all sums due pursuant to the Loan Agreement, Debtor has agreed to execute this Agreement granting Secured Party a security interest in the Collateral hereinafter defined;

NOW, THEREFORE, the parties hereby agree as follows:

1. Grant of Security Interest in Collateral. In consideration of the premises and other valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, and in order to secure the repayment to Secured Party of all sums due pursuant to the Loan Agreement, Debtor hereby grants to Secured Party a security interest in all of Debtor's right, title and interest in and to each of the following, wherever located and whether now owned or hereafter existing or now owned or hereafter acquired or arising (hereinafter described as the "**Collateral**"):

(a) All patent rights, patents, patent applications, and licenses listed in Schedule A hereto, including, without limitation, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuation-in-part thereof (collectively called the "**Patents**"); and

(b) All cash and non-cash proceeds (such as, by way of example, license royalties and proceeds of infringement suits), substitutes, replacements, accretions, accessions and products of any of the Patents.

2. Debtor's Warranties, Representations and Covenants. Until all obligations of Debtor under this Agreement and the Loan Agreement have been fully satisfied and discharged, and except as hereinafter expressly set forth, Debtor warrants, represents and agrees as follows:

(a) As of the day and year first above written, the Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) Other than rights previously granted to Secured Party, Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any liens, charges and encumbrances, including, without limitation, encumbrances relating to pledges, assignments, licenses, shop rights and covenants by Debtor not to sue third persons;

(c) Schedule A includes, without limitation, all patent applications and patents in which Debtor holds an interest, which are assigned to Debtor and/or which are assignable to Debtor;

(d) Debtor has the unqualified right to enter into this Agreement and perform its terms and has entered and 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) Debtor will not sell, assign, license or transfer the Collateral or grant any other liens or security interests in the Collateral without the prior written consent of Secured Party;

(f) Debtor will not use or permit the Collateral to be used in violation of any law or ordinance, and will comply with the requirements of all state, local and Federal laws;

(g) Debtor will do all acts and things, and will execute and file all instruments requested by Secured Party to establish, maintain and continue perfected the security interests of Secured Party in the Collateral, and will pay all costs and expenses of filing and recording, including the costs of any searches deemed necessary by Secured Party to establish and determine the validity and priority of the security interest of Secured Party, and also to pay all other claims and charges which in the opinion of Secured Party might prejudice, imperil or other affect the Collateral or Secured Party's security interest;

(h) Accurate and complete copies of all books and records concerning the Collateral shall at all times be located at the address set forth above and this is Debtor's only place of business; and

(i) Debtor's name is as provided in the first paragraph hereof and it has no other names or trade names nor has it used any other names or trade names in the past five years.

3. Default. Debtor shall be in default under this Agreement upon:

(a) Default in the payments of any sums due pursuant to this Agreement or the Loan Agreement or failure to perform or discharge any other covenant or liability contained in this Agreement or the Loan Agreement;

(b) Reasonable determination by Secured Party that any material warranty or material representation herein made was false when made;

(c) Sale, assignment, license, transfer or encumbrance of any of the Collateral other than as permitted by this Agreement, or the making of any levy, seizure or attachment thereof, except as herein expressly permitted;

(d) Any event of default under any loan agreement, guaranty or secured agreement between Debtor and any other lender, to which Debtor is now or may hereafter become obligated, whether now existing or hereafter incurred; or

(e) Dissolution, termination of existence, insolvency or business failure of Debtor, or appointment of a receiver for any part of the Collateral, or any assignment for the benefit of creditors of Debtor or the commencement of any proceeding under any bankruptcy or insolvency law by or against Debtor.

Upon any and each and every such event of default and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and may proceed to enforce payment of the same and exercise any and all rights and remedies possessed by Secured Party. Expense for preparing for sale or selling or exercising any other remedies as provided herein with respect to the Collateral shall include Secured Party's reasonable attorneys fees and legal expenses. Any notification of sale or other disposition of the Collateral required to be given by Secured Party will be sufficient if given personally, or mailed by certified mail, not less than five days prior to the date on which such sale or other disposition will be made, to the address of Debtor stated above, and such notification shall be deemed reasonable notice. In the event the proceeds from the sale of the Collateral shall be insufficient to satisfy Debtor's obligations pursuant to the Loan Agreement in full, Debtor shall remain fully liable for the deficiency.

4. Term of Agreement. This Agreement shall commence as of the day and year first above written and shall continue in full force and effect until all obligations of Debtor under this Agreement and the Loan Agreement have been paid in full. At such time as all of the obligations of Debtor under the this Agreement and the Loan Agreement shall be satisfied in full, this Agreement shall terminate and Secured Party shall execute and deliver to Debtor all instruments as may be necessary or proper to re-vest in Debtor full and unencumbered title to the Patents, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

5. Assignment of Security Interest. Secured Party shall have the right to negotiate or assign the security interest evidenced by this Agreement, and Debtor understands and agrees that Secured Party may do so without any notice to or approval of Debtor. Debtor specifically agrees that if there is any such assignment, the assignee or transferee shall have all of Secured Party's rights and remedies under this Agreement.

6. Miscellaneous. No amendment, modification, termination or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by each of the parties, and any such amendment, modification, termination or waiver shall be

effective only in the specific instance and for the specific purpose for which given. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

7. Course of Dealing. No course of dealing between Debtor and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder 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.

8. Governing Law and Venue. This Assignment has been negotiated, executed and delivered in various jurisdictions. In order to provide for a uniform and well established body of commercial and other law to define and govern the rights and duties of the parties, the parties agree that this Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York without giving effect to any choice of law rules thereof. DEBTOR HEREBY CONSENTS TO THE JURISDICTION OF THE STATE COURTS AND FEDERAL COURTS LOCATED WITHIN THE STATE OF NEW YORK, AND WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY CERTIFIED OR REGISTERED MAIL DIRECTED TO DEBTOR AT ITS ADDRESS SET FORTH HEREIN AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT THEREOF. DEBTOR WAIVES ANY OBJECTION TO JURISDICTION AND VENUE OF ANY ACTION INSTITUTED AGAINST IT AS PROVIDED HEREIN AND AGREES NOT TO ASSERT ANY DEFENSE BASED ON LACK OF JURISDICTION OR VENUE.

9. **DEBTOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY (WHICH SECURED PARTY ALSO WAIVES) IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATING TO THIS AGREEMENT.**

**[signature page follows]**

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be executed as of the day and year first above written.

CORLAC INC.  
"Debtor"

By: 

Name: Dan Edinro  
Title: President

GENERAL ELECTRIC CAPITAL CANADA INC.  
"Secured Party"

By: 

Name:  
Title:

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## SCHEDULE A

This constitutes Schedule A to the Patent Security Agreement dated AS of May 10, 2000, by and between Corlac Inc. and General Electric Capital Canada Inc.

<u>Patent No.</u>	<u>Country</u>	<u>Issue Date</u>	<u>Title</u>
5,837,152	US	11/17/98	Inclined Separation Tank

Debtor Initial UE  
Secured Party Initial GE