CERTIFICATE OF MAILING: 1 HEREBY CERTIFY THAT THIS CORRESPONDENCE IS BEING DEPOSITED WITH THE U.S. POSTAL SERVICE AS FIRST CLASS MAIL, POSTAGE PREPAID, IN AN ENVELOPE ADDRESSEDTO: The Honorable Commissioner of Patents & Trademarks, Assignment Division, Sport Assignments, North Tower Building, Spite 10C35, Washington, D.C. 20231

June 16, 2000

Меті С. Merrill

(Signature)

PATENT REEL: 010909 FRAME: 0725

SS Doc. #1109951

PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of May 31, 2000 (this "Patent Security Agreement"), made by CRL Systems, Inc., a Nevada corporation (the "Grantor"), in favor of Orban, Inc., a Delaware corporation (the "Lender"), parties to the Guarantee and Collateral Agreement, dated as of even date herewith (as amended, supplemented, restated or otherwise modified from time to time, the "Collateral Agreement"), made by Circuit Research Labs, Inc., an Arizona corporation, and the Grantor in favor of the Lender.

PRELIMINARY STATEMENTS:

- A. Pursuant to the Credit Agreement, dated as of even date herewith (as amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement"), between the Grantor, as borrower, and the Lender, the Lender has agreed to extend credit to the Grantor, as borrower, upon the terms and subject to the conditions set forth in the Credit Agreement.
- B. In order to induce the Lender to enter into the Credit Agreement, the Grantor granted to the Lender a security interest in all of the Grantor's assets described in the Collateral Agreement, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, and all proceeds thereof as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of its Obligations (as defined in the Collateral Agreement).
- C. The Grantor will derive substantial direct and indirect benefit from the Lender extending credit to the Grantor under the Credit Agreement.
- D. The Grantor owns the patents and patent applications identified on <u>Schedule 1</u> annexed hereto.
- E. Pursuant to the Collateral Agreement, the Grantor has agreed to execute and deliver to the Lender such instruments and documents as the Lender may reasonably request in order to obtain and preserve the full benefits of the Collateral Agreement, and in connection therewith the Lender desires that the Grantor enter into, and the Grantor desires to enter into, this Patent Security Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor hereby assigns, transfers and grants to the Lender, a security interest in all of the following property now owned or at any time hereafter acquired by the Grantor or in which the Grantor now has or at any time in the future may acquire any right, title or interest (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Grantor's Obligations:

DL: 1090149v3

PATENT REEL: 010909 FRAME: 0726

- (1) (a) all letters patent, including, without limitation, utility patents, design patents, industrial designs and utility model registrations, of the United States or any other country, or any political subdivision thereof and all reissues and extensions thereof, including, without limitation, those listed in <u>Schedule 1</u> annexed hereto, (b) all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, including, without limitation, those listed in <u>Schedule 1</u> annexed hereto, and (c) all rights to obtain any reissues, reexaminations or extensions thereof (collectively, the "Patents");
- (2) all agreements, whether written or oral, providing for the grant by or to the Grantor of any right to make, use, sell, offer to sell, or import any invention covered in whole or in part by a Patent, including, without limitation, those listed in <u>Schedule 1</u> annexed hereto, and all renewals and extensions thereof (collectively, the "Patent Licenses"); and
- (3) all products, royalties and Proceeds (as defined in the Security Agreement) of or received in connection with the foregoing, and all claims and rights to sue at law or in equity for past, present or future infringement, dilution or other impairment of any Patent or Patent License, including the right to receive all proceeds and damages from the foregoing.

Grantor hereby acknowledges and affirms that the rights and remedies of the Lender with respect to the security interest in the Patent Collateral made and granted hereby are fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[SIGNATURE PAGE TO FOLLOW]

ı

2

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be duly executed and delivered as of the date first above written.

GRANTOR:

CRL SYSTEMS, INC.

Brentlinger, President and Chairman

3

DL: 1090149v3

PATENT REEL: 010909 FRAME: 0728

Schedule 1 to Patent Security Agreement

U.S. PATENT REGISTRATIONS

PATENT NO.	DATE ISSUED
4,241,266	12/23/80
4,412,100	10/25/83
4,460,871	7/17/84
4,495,643	1/22/85
4,525,857	6/25/85
4,674,122	6/16/87
4,837,824	6/6/89
4,888,789	12/19/89
5,050,217	9/17/91
5,168,526	12/1/92
5,282,252	1/25/94
5,444,788	8/22/95
5,574,791	11/12/96
5,737,434	4/7/98
D398,289	9/15/98
D401,774	12/1/98
D414,770	10/5/99

■ U.S. PATENT APPLICATIONS

DATE FILED APP. NO. 7/23/99 29/069,255 12/3/97 (Foreign Filing License 08/984,448 Granted)

PATENT LICENSES

PARTIES DATE OF AGREEMENT NAME OF AGREEMENT

NONE.

4

DL: 1090149v3

RECORDED: 06/21/2000

PATENT REEL: 010909 FRAME: 0729