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09-14-2001

FORM PTO-1619
Expires 06/30/99
OMB 0651-0027



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

**RECORDATION FORM COVER SHEET
PATENTS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

☒ New
☐ Resubmission (Non-Recordation)
Document ID#
☐ Correction of PTO Error
Reel # Frame #
☐ Corrective Document
Reel # Frame #

Conveyance Type

☐ Assignment ☒ Security Agreement
☐ License ☐ Change of Name
☐ Merger ☐ Other
U.S. Government
(For Use ONLY by U.S. Government Agencies)
☐ Departmental File ☐ Secret File

Conveying Party(ies)

☐ Mark if additional names of conveying parties attached
Name (line 1) Execution Date
Month Day Year

Name (line 2)

Second Party

Name (line 1) Execution Date
Month Day Year

Name (line 2)

Receiving Party

☐ Mark if additional names of receiving parties attached

Name (line 1)

☐ 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 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)

FOR OFFICE USE ONLY

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Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

PATENT
REEL: 012145 FRAME: 0900

Correspondent Name and Address

Area Code and Telephone Number **312-424-9781**

Name **Marian J. Wallis**

Address (line 1) **The CIT Group/Business Credit**

Address (line 2) **10 S. LaSalle Street**

Address (line 3) **#2200**

Address (line 4) **Chicago, IL 60603**

Pages

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

6

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)

4606760	4655437	

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

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Patent Cooperation Treaty (PCT)

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

PCT		PCT		PCT	
PCT		PCT		PCT	

Number of Properties

Enter the total number of properties involved.

2

Fee Amount

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

80-

Method of Payment:
Deposit Account

Enclosed ☒

Deposit Account ☐

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes ☐

No ☐

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Marian J. Wallis



9-5-2001

Name of Person Signing

Signature

Date



GRANT OF SECURITY INTEREST IN PATENTS AND LICENSES

THIS GRANT OF SECURITY INTEREST IN PATENTS AND LICENSES (herein the "Agreement") made as of this 30th day of August, 2001, by HURON VALLEY STEEL CORPORATION, a Michigan corporation, with its principal place of business at 41000 Huron River Drive, Belleville, Michigan 48111 ("Huron Valley"), and FRITZ ENTERPRISES, INC., a Michigan corporation with its principal place of business at 23550 Pennsylvania road, Taylor, Michigan 48180 ("Fritz", and together with Huron, the "Companies"), and THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation, with offices at 10 South LaSalle Street, Chicago, Illinois 60603 ("CIT").

W I T N E S S E T H:

WHEREAS, the Company and Huron Valley are parties to a certain Financing Agreement of even date herewith, as the same may be amended from time to time (the "Financing Agreement"), pursuant to which (i) CIT has agreed to make certain loans, advances and extensions of credit to or for the account of Huron Valley and (ii) to secure such loans, advances and extensions of credit, Huron Valley has granted to CIT a security interest in certain of Huron Valley's assets, including, without limitation, Huron Valley's patents, patent applications, patent registrations and licenses of patented technology, all as more fully set forth therein; and

WHEREAS, certain of the patents used by Huron Valley in its business are owned jointly by the Companies, and as a condition to the making of loans to Huron Valley under the Financing Agreement, CIT requires that the Companies grant to CIT a security interest in such jointly owned patents;

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

1. Definitions. Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. Grant of Security Interest. To secure the prompt payment of all Obligations, the Companies hereby grant to CIT a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the patents listed on Schedule A attached hereto, and any and all reissues and renewals thereof and all income, royalties, license fees, damages for past and future infringement and other proceeds thereof (collectively, the "Intellectual Property Collateral").
3. CIT's Rights. Upon the occurrence of any Event of Default, CIT shall have all the rights and remedies of a secured party under the uniform commercial code and any other applicable

state or federal laws with respect to the Intellectual Property Collateral. CIT will give the Companies reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the addresses of the Companies set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CIT upon the occurrence of any Event of Default, CIT shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. The Companies agree that, in the event CIT exercises its rights hereunder, the Companies shall immediately cease the use of the Intellectual Property Collateral and shall never thereafter, without the prior written authorization of the transferee(s) of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs an Event of Default, the Companies shall continue to own and use the Intellectual Property Collateral in the normal course of its business and enjoy the benefits, royalties and profits therefrom, but that from and after the exercise by CIT of the foreclosure rights provided by this Agreement, such ownership rights automatically shall terminate and the right of the Companies to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CIT or its transferee(s) shall be entitled to all of the Companies' right, title and interest in and to the Intellectual Property Collateral. This Agreement shall not operate to impose upon CIT any duty or responsibility to maintain the Intellectual Property Collateral.

4. Fees. Huron Valley will pay all fees for filing this Agreement of record with the United States Patent and Trademark Office.
5. Representations and Warranties of the Company. The Companies represent and warrant to, and covenant with, CIT that:
 - (i) the Companies lawfully possess and own the Intellectual Property Collateral, and that except for the security interest granted hereby and Permitted Encumbrances, the Intellectual Property Collateral is, and will continue to be while this Agreement remains in effect, free from all liens, security interests, claims and encumbrances whatsoever;
 - (ii) the Companies have not made or given, and will not make or give while this Agreement remains in effect, any assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof;
 - (iii) the Intellectual Property Collateral is, and will continue to be while this Agreement remains in effect, valid and in full force and effect; and
 - (iv) there presently are no known infringements of the Intellectual Property Collateral.

6. Application of Proceeds. The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CIT in connection with such sale and the exercise of CIT's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CIT in such order as CIT may elect; and the balance, if any, shall be paid to the Companies or any other person or entity legally entitled thereto.
7. Defense of Claims. The Companies will defend at their own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CIT therein. Huron Valley agrees to reimburse CIT for all costs and expenses incurred by CIT in defending any such action, claim or proceeding.
8. Rights Cumulative. This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights that CIT has under the Financing Agreement. The Companies agree to execute and deliver to CIT (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.
9. Construction and Invalidity. Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
10. **CHOICE OF LAW. THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANIES AND CIT WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING, AND SHALL BIND AND BENEFIT THE COMPANIES, CIT AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. EACH OF THE COMPANIES AND CIT HEREBY EXPRESSLY WAIVE ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.**
11. Notices. Huron Valley covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CIT written notice in the manner provided in the Financing Agreement of any suspected infringement by a third party on the rights of the Companies with respect to the Intellectual Property Collateral.
12. Further Assurances. The Companies will take any such action as CIT may reasonably require to further confirm or protect CIT's rights under this Agreement in the Intellectual Property Collateral.

13. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of Huron Valley thereunder. Upon either of the Companies' request, CIT shall within a reasonable time after any such termination execute and deliver to the Companies (at the Companies' expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the 30th day of August, 2001.

HURON VALLEY STEEL CORPORATION

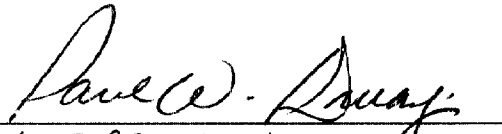
By: 
LEONARD FRITZ, President

FRITZ ENTERPRISES, INC.

By: 
LEONARD FRITZ, President

Agreed and Accepted this
30th day of August, 2001:

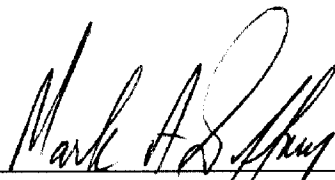
THE CIT GROUP/BUSINESS CREDIT, INC.

By: 
Title: VICE PRESIDENT

STATE OF MICHIGAN)
)
COUNTY OF WAYNE)

On August 30, 2001, before me, the undersigned, a notary public in and for said State, personally appeared Leonard Fritz, known to me to be the President of Huron Valley Steel Corporation, the corporation that executed the agreement set forth above, and acknowledged to me that such corporation executed the within instrument pursuant to authority of its board of directors, for the uses and purposes set forth therein.

WITNESS my hand and official seal.

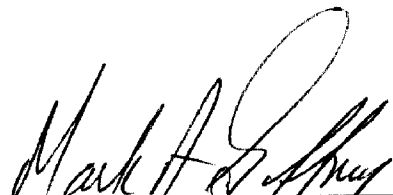


MARK A. GAFFNEY, Notary Public
Washtenaw County, Michigan
Acting in Wayne County
My Commission Expires: 3/16/02

STATE OF MICHIGAN)
)
COUNTY OF WAYNE)

On August 30, 2001, before me, the undersigned, a notary public in and for said State, personally appeared Leonard Fritz, known to me to be the President of Fritz Enterprises, Inc., the corporation that executed the agreement set forth above, and acknowledged to me that such corporation executed the within instrument pursuant to authority of its board of directors, for the uses and purposes set forth therein.

WITNESS my hand and official seal.



MARK A. GAFFNEY, Notary Public
Washtenaw County, Michigan
Acting in Wayne County
My Commission Expires: 3/16/02

**SCHEDULE A TO GRANT OF SECURITY INTEREST
IN PATENTS AND LICENSES**

between

**HURON VALLEY STEEL CORPORATION
FRITZ ENTERPRISES, INC.**

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. PATENTS

<u>Title</u>	<u>Patent No.</u>	<u>Serial No.</u>	<u>Issue Date</u>
Method and Apparatus for Simultaneously Separating Volatile and Non-Volatile Metals	4,606,760	07/729,994	8/19/86
Apparatus for Simultaneously Separating Volatile and Non-Volatile Metals	4,655,437	06/825,255	4/7/87