

09-27-2001



101857780

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

1. Name of conveying party: **Aurafin LLC**  
Additional name(s) of conveying party(ies) attached? ☒ Yes ☐ No

2. Name and address of receiving party(ies):  
Name: **Bank of America, N.A.**  
Address: **Business Credit Division, Fifth Floor  
600 Peachtree Street, N.E.  
Atlanta, Georgia 30308-2216**

3. Nature of conveyance:  
☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Other  
Execution Dates: **June 21, 2001**

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4(a). Patent Application No.(s):

4(b). Patent No.(s): **5,896,663; 5,611,144; 5,594,989; D395,257;  
D391,517; D390,154; D384,301; D380,319; 5,408,820; 5,487,264;  
5,437,149; 5,542,245; 5,581,993; 5,653,100; 5,797,258; 5,353,584;  
5,117,539; 5,185,995; 5,899,326; 5,129,220; 5,125,225; 4,672,724**

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

Additional numbers attached? ☒ Yes ☐ No

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

Name: **Charles Vorndran**  
Reg. No. 45,315  
Address: **TROUTMAN SANDERS LLP  
600 Peachtree Street, NE.  
Suite 5200  
Atlanta, GA 30308**

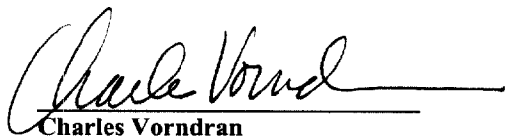
6. Total number of applications and patents involved: **36**

7. Total fee (37 CFR 3.41) enclosed: **\$ 1,440.00**

**DO NOT USE THIS SPACE**

8. 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.*

  
**Charles Vorndran**

**20**  
**September 18, 2001**  
Date:

Attorney Docket No:

Total number of pages including cover sheet: **19**

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks  
Box Assignments  
Washington, DC 20231

09/26/2001 DBYRNE 00000168 5896663

01 FC:581

1440.00 OP

0779427.01

Additional Conveying Parties (from Box 1):

AURAFIN-OROAMERICA LLC  
AURAFIN-OROAMERICA SALES LLC  
CIGARAMERICA, INC.

Additional Patent Nos. (from Box 4(b):

4,651,517; D337,073; D335,834; D334,152; D333,637; D333,106; D330,343; D329,828; D321,148; D343,806;  
D348,626; D349,865; D369,311; D377,629

**PATENT**

**REEL: 012188 FRAME: 0007**

**CONDITIONAL ASSIGNMENT AND  
PATENT SECURITY AGREEMENT**

**THIS CONDITIONAL ASSIGNMENT AND PATENT SECURITY AGREEMENT** (the "Agreement") is made as of the 21<sup>st</sup> day of June, 2001, by the Obligors referred to below in favor of the Agent, for the benefit of the Lenders (as such terms are defined below).

WHEREAS, **Aurafin LLC**, a Delaware limited liability company (the "Parent"), **Aurafin-OroAmerica LLC**, a Delaware limited liability company, and **Aurafin-OroAmerica Sales LLC** ("Sales"; Parent, Aurafin-OroAmerica, and Sales are collectively referred to as the "Borrowers"), as borrowers, **CigarAmerica, Inc.**, a Delaware corporation ("Cigar"; Cigar and the Borrowers are collectively referred to as the "Obligors"), as guarantor, certain financial institutions party thereto (collectively, the "Lenders"), and **Bank of America, N.A.**, as agent for the Lenders (in such capacity, the "Agent") have entered into a Credit Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Credit Agreement), pursuant to which the Lenders have agreed to make certain loans and other financial accommodations available to the Borrowers (the "Loans"); and

WHEREAS, the Obligors will derive substantial benefits, both directly and indirectly, from the Loans; and

WHEREAS, in order to induce the Agent and the Lenders to enter into the Credit Agreement and to make the Loans, the Obligors have agreed to assign to the Agent, for the benefit of the Lenders, certain trademark rights as described herein.

NOW, THEREFORE, in consideration of the premises, the Obligors hereby agree with the Agent as follows:

1. **Grant of Security Interest.**

To secure the complete and timely payment and performance of all Obligations, the Obligors hereby grant, assign and convey to the Agent, for the benefit of the Lenders, a security interest in the Obligors' entire right, title and interest in and to the United States of America (the "U.S.") patents and patent applications listed in **Schedule A** attached hereto and by reference made a part hereof and in any further U.S. patents or patent applications which may issue or be filed during the duration hereof, together with any and all licenses now or hereafter relating thereto and all royalty payments or rights to royalty payments now or hereafter arising therefrom (collectively, the "Patents").

2. Representations and Warranties.

The Obligors represent and warrant that:

(a) Except as set forth on Schedule B, the Patents are subsisting (that is, they have issued and have not subsequently lapsed or prematurely expired) and to the best knowledge of the Obligors have not been adjudged invalid or unenforceable, in whole or in part, in the U.S. or in any of the respective states thereof;

(b) The Patents listed on Schedule A constitute all of the patents owned by the Obligors and all of the patent applications that are owned by the Obligors;

(c) To the best of the Obligors' knowledge, each of the subsisting Patents is valid and enforceable in the U.S. and the respective states thereof and all claims by others to rights in the Patents of which the Obligors are aware, including, without limitation, licenses, are noted on Schedule B attached hereto and by reference made a part hereof, except that this paragraph shall not be construed as a representation or warranty that the Obligors have heretofore marked the number of its Patents on all goods covered by the claims of such Patents;

(d) Except as noted on Schedule B, the Obligors are the sole and exclusive owner of the entire and unencumbered right, title and interest in and to such Patents, free and clear of any liens, charges, encumbrances, mortgages, hypothecations, pledges, liens, security interests or claims of any kind, including, without limitation, covenants by the Obligors not to sue third persons and licenses, other than Permitted Liens;

(e) The Obligors have made all necessary applications, filings and recordations to protect and maintain its interest in the subsisting Patents, including, without limitation, all necessary filings and recordations in the U.S. Patent and Trademark Office; and

(f) The Obligors have the unqualified right, power and authority to execute, deliver and perform this Agreement.

3. Conditional Grant of Security Interest in Additional Patents.

If, before the Obligations shall have been satisfied in full and the Commitments shall have been terminated, the Obligors shall have or obtain ownership of any U.S. patent or patent application, the provisions of Paragraph 1 shall automatically apply thereto. This Paragraph 3 shall not apply to Patents which are owned by others and licensed to the Obligors. The Obligors shall perform all acts and execute all documents reasonably requested by the Agent at any time and from time to time to evidence, perfect, maintain, record, and enforce the Agent's security interest in the Patents, including, without limitations, any patents falling under this Paragraph 3.

4. Modification of Agreement.

The Obligors authorize the Agent to modify this Agreement by amending Schedule A to include any additional patent or patent application which are Patents pursuant to Paragraphs 1 and 3 hereof, together with any then-existing limitations or licenses or claims to rights therein that have been made known to the Agent, and to have this Agreement, as amended, or any other document evidencing the security interest granted therein, recorded in the U.S. Patent and Trademark Office at the expense of the Obligors. The representations and warranties of the Obligors shall be deemed to be remade and restated by the Obligors as of the date of the amendment of Schedule A with respect to all Patents listed on the amended Schedule A at that time.

5. Covenants of the Obligors.

(a) Each Obligor covenants as follows: (i) it will not do any act or omit to do any act that may cause or contribute to the abandonment of any Patent, or permit the premature expiration of any Patent without the prior written consent of the Agent (which consent shall not be unreasonably withheld); provided that, if any Obligor determines that any Patent is not material to its business, such Obligor may, if no Event of Default exists, abandon or not pursue any Patent with prior written notice to the Agent; (ii) each Obligor shall give the Agent written notice, and a complete copy, of any license or sublicense of the Patents; and (iii) all uses of the Patent by it or its permitted sublicensees will include such notices of registration as are required or authorized from time to time under applicable law.

(b) With respect to each Patent, the Obligors agree to take all necessary steps, including, without limitation, in the U.S. Patent and Trademark Office or in any court, to: (i) maintain each such Patent, and (ii) pursue any patent application now or hereafter included in the Patents under this Agreement, including, without limitation, filing of responses to correspondence issued by the U.S. Patent and Trademark Office and payment of all maintenance fees or taxes as they become due during the life of the Patent, provided that, if any Obligor determines that any Patent is not material to its business, such Obligor may, if no Event of Default exists, abandon or not pursue any Patent with prior written notice to the Agent. Each Obligor agrees to take corresponding steps with respect to each new or acquired Patent or patent application covered by Paragraph 3 hereof. Any expenses incurred in connection with such activities shall be borne by the Obligors, and the Obligors agree to as soon as practicable provide the Agent with written notice of any such actions or proceedings.

(c) With respect to each Patent, each Obligor agrees that it shall notify the Agent as soon as practicable after it becomes aware of any alleged infringement of any of the Patents by a third party. Each Obligor further agrees to pursue all commercially reasonable and appropriate causes of action against all infringers of the Patents, and each Obligor shall be liable for all costs associated with such causes of action, including, but not limited to, attorneys' fees. Notwithstanding the foregoing, if any Obligor determines that any such Patent is not material to such Obligor's business, such Obligor may, if no Event of Default exists, elect not to pursue any such infringement action with prior written notice to the Agent.

(d) Upon the Agent's reasonable request from time to time, the Obligors shall provide to the Agent an up-to-date list of all license agreements relating to or affecting the Patents, together with the names and addresses of each licensee and, if requested by the Agent, a copy of each license agreement.

(e) Until all of the Obligations shall have been satisfied in full and the Commitments shall have been terminated, the Obligors will not enter into any agreement which is inconsistent with the Obligors' obligations under this Agreement without the Agent's prior written consent.

(f) Each Obligor shall perform all acts and execute all documents reasonably requested by the Agent at any time and from time to time to evidence, perfect, maintain, record and enforce the Agent's security interest in the Patents, including, without limitation, any patents falling under Paragraph 3.

6. Remedies Upon Default; Power of Attorney.

(a) In addition to the grant of the security interest contained in Paragraphs 1 and 3 hereof, if any Event of Default under the Loan Agreement shall have occurred and be continuing, or if any Obligor fails to perform any agreement or to meet any of its obligations hereunder, which failure shall continue for a period of thirty (30) days after written notice thereof has been given to such Obligor by the Agent (provided, however, if such Obligor is diligently attempting to cure such failure during such thirty (30) day period but such failure cannot be cured during such thirty (30) day period, then such Obligor shall have an additional thirty (30) days to cure such failure if such failure can be reasonably cured during such additional thirty (30) day period), upon the election of the Agent, all right, title and interest in and to the Patents shall be automatically granted, assigned, conveyed and delivered to the Agent or its designee. Upon the occurrence and during the continuance of an Event of Default, the Obligors hereby irrevocably constitute and appoint the Agent and any officer, agent or employee thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Obligors and in the name of the Obligors or the Agent's own name or the name of the Agent's designee, all acts of said attorney being hereby ratified and confirmed, upon the occurrence and during the continuation of an Event of Default: (i) to complete, date, execute and file, or cause to be filed, the Assignment attached hereto as Exhibit A and by reference made a part hereof (the "Assignment") in the U.S. Patent and Trademark Office and in all other applicable offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment, including, without limitation, the right (but not the obligation) to prosecute applications in the name of the Obligors or the Agent, and to take any other actions deemed necessary by the Agent to maintain such registration in effect; (ii) to collect all proceeds from the Patents (including, without limitation, license royalties and proceeds of infringement suits); (iii) to convey, in any transaction authorized by the Credit Agreement, any goods covered by the Patents to any purchaser thereof; and (iv) to make payment or to discharge taxes or liens levied or placed upon or threatened against any goods covered by the Patents, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Agent in its sole discretion, and such payments made by the Agent to become the obligations of the Obligors to the Agent, due

and payable immediately without demand. Such power, being coupled with an interest, is irrevocable until the Obligations have been paid in full.

(b) The Agent shall have, in addition to all other rights and remedies given it by this Agreement, 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 Patents may be enforceable, and, without limiting the generality of the foregoing, the Agent may, if any Event of Default shall have occurred and be continuing, immediately, without demand or performance and without other notice (except as set forth below) or demand whatsoever to the Borrower, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, the Patents, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds in accordance with the terms of the Credit Agreement. Notice of any sale or other disposition of the Patents shall be given to the Borrower at least five (5) business days before the time of any intended public or private sale or other disposition of the Patents is to be made, which the Borrower hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Agent or any Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of the Borrower, which right is hereby waived and released. The Borrower hereby agrees to execute any documents reasonably requested by the Agent in connection with any disposition hereunder.

(c) Upon the occurrence of the conditional assignment provided for herein, the Borrower will have no right, title, or interest in or to any of the Patents, and the Borrower shall cease and desist in the use of the Patents, and shall, upon written demand of the Agent, or pursuant to the terms of the Credit Agreement, the Security Agreement, or the Intercreditor Agreement, deliver to the Agent all goods covered by the Patents.

7. Termination of Agreement.

At such time as the Obligors shall completely satisfy all of the Obligations (and in the case of Letters of Credit, shall have delivered to the Agent a back-up Letter of Credit pursuant to the Credit Agreement) and the Commitments shall have been terminated, the Agent shall execute and deliver to the Obligors all deeds, assignments and other instruments as may be necessary or proper to re-vest in the Obligors title to the Patents, subject to any disposition thereof which may have been made by the Agent pursuant hereto.

8. Limitation of Liability and Indemnification.

(a) The Obligors hereby release the Agent and the Lenders from, and agree to hold the Agent and the Lenders free and harmless from and against, any claims arising out of any action taken or omitted to be taken with respect to the Patents (except to the extent of the Agent's or the Lenders' gross negligence or willful misconduct), and the Obligors agree to indemnify the Agent and the Lenders from and against any and all claims, demands, suits, losses, damages or other expenses (including reasonable attorneys' fees) arising from or in any way related to the Patents.



(b) No Obligor shall be liable under this Agreement for any settlement made by the Agent or the Lender without the Parent's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), and the Obligors, jointly and severally, agree to indemnify and hold harmless the Agent and the Lenders from and against any loss or liability by reason of the settlement of any claim or action with the consent of the Parent. Notwithstanding the foregoing, no consent of any Obligor shall be required for any such settlement if, at the time of such settlement, either (1) there then exists a Default or Event of Default, or (2) the Obligors shall have failed to admit, pursuant to a writing in form and substance satisfactory to the Agent and the person seeking indemnification hereunder, their indemnification obligations hereunder. The Obligors shall not settle any claim or action without the prior written consent of the applicable indemnified person.

(c) So long as no Event of Default or Default then exists and the Obligors shall have admitted their indemnification liability in writing with respect to any suit or claim against any Person in respect of which the Obligors would be obligated to indemnify such indemnified party under this Section 6, such writing to be in form and substance satisfactory to the Agent and the Person seeking indemnification hereunder, the Obligors shall have the right to participate in the defense of such suit or claim.

9. Waiver and Amendment.

(a) No course of dealing between the Obligors and the Agent or the Lenders, nor any failure to exercise, nor any delay in exercising, on the part of the Agent or the Lenders, any right, power or privilege hereunder or thereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) This Agreement is subject to modification only by a writing signed by the parties hereto.

10. Cumulative Rights.

All of the Agent's and the Lenders' rights and remedies with respect to the Patents, whether established hereby or under the Credit Agreement, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

11. Severability.

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 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.

12. Survival.

The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

13. Counterparts.

This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

14. Choice of Law.

The validity, construction and enforcement of this Agreement, and the determination of the rights and duties of the parties shall be governed by the laws of the State of Georgia regardless of any choice of law or other provision that would result in the application of the laws of any other jurisdiction.

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

**OBLIGORS:**

**AURAFIN LLC**, a Delaware limited liability company

By: Auravest Holdings, Inc., its Managing Member

By: Steven L. Hansen  
Steven L. Hansen, Executive Vice President

**AURAFIN-OROAMERICA LLC**, a Delaware limited liability company

By: Aurafin LLC, its Sole Member

By: Auravest Holdings, Inc., its Managing Member

By: Steven L. Hansen  
Steven L. Hansen, Executive Vice President

**AURAFIN-OROAMERICA SALES LLC**, a Delaware limited liability company,

By: Aurafin-OroAmerica LLC, a limited liability company

By: Aurafin LLC, a Delaware limited liability company

By: Auravest Holdings, Inc., its Managing Member

By: Steven L. Hansen  
Steven L. Hansen, Executive Vice President

CIGARAMERICA, INC.

By: Steven L. Hansen  
Name: Steven L. Hansen  
Title: CFO & Treasurer

AGENT:

BANK OF AMERICA, N.A.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

CIGARAMERICA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

AGENT:

BANK OF AMERICA, N.A.

By: *Robert J. Dwyer Jr.*  
Name: ROBERT J. DWYER JR.  
Title: VICE PRESIDENT

**CONDITIONAL ASSIGNMENT AND  
PATENT SECURITY AGREEMENT**

**SCHEDULE A**

**AURAFIN LLC**

**U.S. PATENTS**

| NO. | PATENT NO.             | TITLE OF PATENT   | ASSIGNEE    |
|-----|------------------------|---|-------------|
| 1.  | 5,896,663              | Process for Making Jewelry Using Soft Photopolymer                  | Aurafin LLC |
| 2.  | 5,611,144              | Method of Manufacturing Unique Jewelry and Article Formed Therefrom | Aurafin LLC |
| 3.  | 5,594,989              | Process for Making Jewelry Utilizing A Hard Photopolymer            | Aurafin LLC |
| 4.  | D395,257               | Jewelry Pendant   | Aurafin LLC |
| 5.  | D391,517               | Jewelry Cubes   | Aurafin LLC |
| 6.  | D390,154               | Jewelry Pendant   | Aurafin LLC |
| 7.  | D384,301               | Jewelry Pendant   | Aurafin LLC |
| 8.  | D380,319               | Display Pedestal  | Aurafin LLC |
| 9.  | 97301774.2<br>(Europe) | Process for Manufacturing Embossed Omega Jewelry                    | Aurafin LLC |

**CONDITIONAL ASSIGNMENT AND  
PATENT SECURITY AGREEMENT**

**SCHEDULE A**

**AURAFIN-OROAMERICA LLC**

**U.S. PATENTS**

| NO. | PATENT NO. | TITLE OF PATENT   | ASSIGNEE   |
|-----|------------|---|------------|
| 1.  | 5,408,820  | Process for Making Hollow Diamond Cut Rope Chain          | OroAmerica |
| 2.  | 5,487,264  | Hollow Diamond Cut Rope Chain                             | OroAmerica |
| 3.  | 5,437,149  | Hollow Diamond Cut Rope Chain                             | OroAmerica |
| 4.  | 5,542,245  | Compressed Jewelry Chain and Method                       | OroAmerica |
| 5.  | 5,581,993  | Hollow Diamond Cut Rope Chain with Multi-Faceted Surfaces | OroAmerica |
| 6.  | 5,653,100  | Method of Manufacturing Facetted-Hollow Link Chain        | OroAmerica |
| 7.  | 5,797,258  | Method of Manufacturing Hollow Diamond Cut Chain          | OroAmerica |

| NO. | PATENT NO. | TITLE OF PATENT   | ASSIGNEE   |
|-----|------------|---|------------|
| 8.  | 5,353,584  | Hollow Diamond Cut Rope Chain with Multi-Faceted Surfaces | OroAmerica |
| 9.  | 5,117,539  | Clasp Mechanism   | OroAmerica |
| 10. | 5,185,995  | Rope Chain with Novel Link                                | OroAmerica |
| 11. | 5,899,326  | Cigar Package and Package having Integral Ashtray         | OroAmerica |
| 12. | 5,129,220  | Hollow Rope Chain with Simulated Diamond Cut              | OroAmerica |
| 13. | 5,125,225  | Process for Making Hollow Diamond Cut Rope Chain          | OroAmerica |
| 14. | 4,672,724  | Lock for Ornamental Jewelry Chain                         | OroAmerica |
| 15. | 4,651,517  | Jewelry Rope Chain  | OroAmerica |
| 16. | D337,073   | Jewelry Chain   | OroAmerica |
| 17. | D335,834   | Jewelry Chain   | OroAmerica |
| 18. | D334,152   | Jewelry Chain   | OroAmerica |
| 19. | D333,637   | Jewelry Chain   | OroAmerica |
| 20. | D333,106   | Jewelry Chain   | OroAmerica |
| 21. | D330,343   | Jewelry Chain   | OroAmerica |
| 22. | D329,828   | Jewelry Chain   | OroAmerica |
| 23. | D321,148   | Jewelry Chain   | OroAmerica |
| 24. | D343,806   | Four-Sided Link-Based Jewelry Rope Chain                  | OroAmerica |
| 25. | D348,626   | Jewelry Finger Ring                                       | OroAmerica |
| 26. | D349,865   | Heart Jewelry Chain                                       | OroAmerica |
| 27. | D369,311   | Spiral Rope Jewelry Chain                                 | OroAmerica |
| 28. | D377,629   | Jewelry Chain   | OroAmerica |

## SCHEDULE B

None.

MIA1 #1064309 v1



ASSIGNMENT OF PATENTS

THIS ASSIGNMENT dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, from \_\_\_\_\_, a \_\_\_\_\_ (the "Assignor"), to **Bank of America, N.A.**, as agent for the Lenders, (the "Assignee"), recites and provides:

WHEREAS, the Assignor is owner of all right, title and interest in and to certain patents and patent applications identified in Schedule A appended hereto (the "Patents"); and

WHEREAS, the Assignee desires to obtain for the Lenders party to the Credit Agreement dated June \_\_\_, 2001 among Aurafin LLC, Aurafin-OroAmerica LLC and Aurafin-OroAmerica Sales LLC, as borrowers, CigarAmerica, Inc., as guarantor, the lenders from time to time party thereto (the "Lenders"), and the Assignee, as agent for the Lenders, all of the Assignor's right, title and interest in all such Patents.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor hereby grants, assigns and conveys to Assignee, its successors and assigns, the entire right, title and interest of Assignor in and to the Patents and any and all licenses now or hereafter relating thereto, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements, together with the goodwill of the business symbolized by the patents. Assignor acknowledges that it has granted Assignee the right to secure the assets of the Assignor associated with the Patents under separate agreement.

The Assignor further agrees to execute such further instruments and documents and perform such further acts as the Assignee may deem necessary to secure to the Assignee the rights herein conveyed.

The Assignor warrants and represents that it is the sole owner of the interest conveyed hereunder and that such interest is not the subject of any prior transfer, assignment, lien, mortgage or other transaction (except for Permitted Liens) which would affect the Assignor's ability to transfer such interest.

The Assignor further agrees to indemnify the Assignee and the Lenders for any breach of the above warranty.

IN WITNESS WHEREOF, the Assignor has executed this Assignment as of the day and  
year first above written.

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

0725442.03  
Patent Security Agreement