

11-08-2001



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New

Resubmission (Non-Recordation)
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Correction of PTO Error
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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
10 24 2001

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

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) _____ **MI/U.S.A.** _____ **48326-1714**
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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PATENT

REEL: 012296 FRAME: 0832

Correspondent Name and Address Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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" value="09/788,060"/>	<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"/>	<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"/>

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 PCT PCT
PCT PCT PCT

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
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.
Craig A. Baldwin 
Name of Person Signing Signature Date



SECURITY AGREEMENT

This Security Agreement ("Agreement") is made on 24th day of October, 2001 by and between Lynn Research and Technology, Inc, and Lynn Plasma, Inc, each an Idaho corporation (the "Debtors") and Guardian Industries Corp., a Delaware corporation ("Guardian").

WITNESSETH:

WHEREAS, Guardian and the Debtors have entered into an loan agreement and certain other related agreements pursuant to which Guardian shall make a loan to the Debtors of One Million Five Hundred Thousand Dollars (\$1,500,000) (the "Loan"); and

WHEREAS, Guardian is only willing to make the Loan to the Debtors if the Debtors grant to Guardian a perfected security interest in certain of the assets and properties of the Debtors; and

WHEREAS, the parties intend that this Agreement provides Guardian with a security interest in certain of the assets and properties of each of the Debtors pursuant to Article 9 of the Uniform Commercial Code.

NOW THEREFORE, the parties agree as follows:

1. The Security Interest.

1.1 Grant of Security Interest. The following Debtors grant to Guardian the following liens and security interests in all of the Collateral (as defined in Section 1.2) to secure the Obligations (as defined in Section 1.3):

(A) Lynn Plasma grants a security interest in the following Collateral: all accounts receivable, all inventory, goods, general intangibles, and intellectual property rights (including but not limited to an invention for an improved cylindrical magnetron target and apparatus for affixing the target to a rotatable support spindle for which patent application number 09/788060 was filed on February 18, 2001 with the United States Patent Office), whether any of the foregoing is owned now or acquired later together with all accessions, additions, replacements and substitutions relating to the foregoing assets and properties; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including, without limitation, insurance, general intangibles and accounts proceeds).

(B) Lynn Research grants a security interest in the following Collateral: all goods, general intangibles, and intellectual property rights (including any rights to an invention for an improved cylindrical magnetron target and apparatus for affixing the target to a rotatable support spindle for which patent application number 09/788060 was filed on February 18, 2001 with the United States Patent Office), whether any of the foregoing is owned now or acquired later together with all accessions, additions, replacements and substitutions relating to the foregoing assets and properties; all records of any kind

relating to any of the foregoing; all proceeds relating to any of the foregoing (including, without limitation, insurance, general intangibles and accounts proceeds).

Any security interest in the general intangibles, goods, intellectual property rights and the proceeds from the exchange, sale or disposition of any of the foregoing properties that are owned by Lynn Research (the "Lynn Research Property"), shall be secondary in priority to any security interest granted in the Lynn Research Property to Zion First National Bank pursuant to the following loan agreements entered into between Lynn Research and Zion First National Bank: loan agreement dated February 15, 2001 evidencing loan number 9001; loan agreement dated April 18, 2001 evidencing loan number 9002; loan agreement dated February 15, 2000 evidencing loan number 9003; loan agreement dated March 23, 2000 evidencing loan number 9004; and loan agreement dated May 30, 2001 evidencing loan number 9005; provided, however, that such security interests shall not include any assets and properties of David Mark Lynn and Marjorie Joy Lynn, such as, by way of illustration only, equity shares of Lynn Research or Lynn Plasma (such security interests, excluding assets and properties of David Mark Lynn and Marjorie Joy Lynn are hereafter sometimes referred to as the "Zion Security Interests").

1.2 The Collateral. In this Agreement, "Collateral" of each Debtor means, with respect to such Debtor, all personal property and fixtures in which such Debtor has an interest, whether tangible or intangible, whether the interest exists on the date of this Agreement or is acquired after the date of this Agreement and wherever it is located, including without limitation: (i) all of the Debtor's accounts, inventory, general intangibles, contract rights, documents, instruments, equipment, vehicles and fixtures (together, the "Property"); (ii) all additions and accessions to, spare or repair parts for, special tool and equipment for and replacements for the Property (the "Additions"); (iii) all returned or repossessed goods the sale of which gave rise to any of the Property (the "Returns"); and (iv) all proceeds (including without limitation proceeds of insurance and condemnation awards) and products of the Property, the Additions and the Returns.

1.3 The Obligations. In this Agreement, "Obligations" means with respect to each Debtor (i) all of such Debtor's debts, obligations and liabilities to Guardian, whether they exist on the date of this Agreement or arise after the date of this Agreement, and however they are evidenced; together with (ii) all costs of enforcement of any or all of Guardian's rights and remedies against such Debtor, such as reasonable fees and charges of attorneys and their firms, costs of investigating and documenting claims and court costs.

2. Representations and Warranties of each Debtor.

Each Debtor represents and warrants to Guardian, as of the date of this Agreement and as of each and every day on which the Debtor owes any Obligations to Guardian:

2.1 Ownership. Each Debtor owns the Collateral in which such Debtor is granting a security interest to Guardian pursuant to this Agreement free of all encumbrances and security interests except Guardian's security interest and, with respect to Lynn Research, the Zion Security Interests. No financing statement identifying any of the Collateral is on file in any jurisdiction, except for financing statements reflecting Guardian's security interest and except for financing statements filed by Zion Bank to perfect the Zion Security Interests.

If the Collateral includes any chattel paper, all of the Debtor's chattel paper evidences a perfected security interest in the goods it covers, free from all other encumbrances and security interests. If the Collateral includes any inventory represented or covered by documents of title, the Debtor is the owner of the documents, free of all encumbrances and security interests other than Guardian's security interest, and, with respect to Lynn Research, the Zion Security Interests, and liens for warehousemen's charges (which are not delinquent).

2.2 Sale of Goods or Services. Each account and chattel paper constituting Collateral of such Debtor arose from the performance of services by the Debtor who is the owner of such account or chattel paper or from a bona fide sale or lease of goods which have been delivered or shipped to the account debtor. Such Debtor has genuine invoices, shipping documents (if applicable) or receipts with respect to each such account and chattel paper.

2.3 Enforceability. Each account, general intangible and chattel paper constituting Collateral of such Debtor: (i) is genuine and enforceable against the other party or parties thereto in accordance with its terms; and (ii) complies, and the transaction out of which it arose complies, with all applicable laws and regulations. The amount represented by the Debtor to Guardian as owing by each account debtor is the amount actually owing, and is not subject to setoff, credit, allowance or adjustment (except discounts for prompt payment granted in the ordinary course of business) and no account debtor has returned the goods or disputed its liability with respect to any amount represented by the Debtor as owing.

2.4 Financial Condition of Account Debtors. Except to the extent that the Debtor has notified Guardian promptly in writing, the Debtor has no notice or knowledge of anything which might impair the credit standing of any account debtor of the Debtor, no payment on any account or chattel paper is more than thirty (30) days overdue and no step has been taken to foreclose on any security interests that are part of the Collateral of the Debtor.

2.5 Condition of Inventory. The inventory included in the Collateral of the Debtor is in good condition and, in the case of goods held for sale (other than trade-ins or repossessed goods), is new and unused.

2.6 No Defaults. The Debtor is not in default under any agreement for the payment of money.

2.7 This Agreement. The Debtor has all requisite corporate and other authority to execute and deliver this Agreement to Guardian. The execution and delivery of, and the Debtor's compliance with, this Agreement does not violate or constitute a breach of or default under: (i) the Debtor's articles or certificate of incorporation or bylaws; or (ii) any agreement of any kind to which the Debtor is a party or by which the Debtor or any of its assets are bound; or (iii) any applicable law. This Agreement has been duly executed and delivered by the Debtor and is a legal, valid and binding obligation, enforceable against the Debtor by Guardian in accordance with its terms.

2.8 Name and Addresses. The Debtor's corporate name is exactly as shown at the beginning of this Agreement. Every assumed name or "d/b/a" under which the Debtor does business is set forth on Exhibit A. The Debtor has not changed its name, operated under an assumed name or been the surviving entity of a merger during the six years immediately before

the date of this Agreement, except as set forth on Exhibit A. The principal address of the Debtor's business is as set forth in Section 7.6. Every other address at which the Debtor conducts any business or at which Collateral or records pertaining to Collateral is kept are set forth on Exhibit A.

2.9 Accurate Information. No information contained in this Section 2 or in any exhibit, statement, certificate or other writing furnished or to be furnished by the Debtor pursuant to this Agreement contains or will contain any untrue statement of material fact, or omits or will omit to state any material fact which is necessary make such information not misleading.

3. Sale and Collections.

3.1 Sale of Inventory. Unless an Event of Default (as defined in Section 5) has occurred and is continuing, the Debtor may sell inventory in the ordinary course of business.

3.2 Verification. Guardian may verify the Collateral in any reasonable manner, and the Debtor will assist Guardian in verifying the Collateral.

3.3 Deposit with Guardian. At any time after the occurrence of a Default (as defined in Section 5) and thereafter until all Defaults and Events of Default have been cured, the Debtor will upon request of Guardian: (i) hold all proceeds of Collateral received by the Debtor upon an express trust for Guardian; (ii) not commingle such proceeds with any other funds or property of the Debtor; and (iii) turn such proceeds over to Guardian in precisely the form received (but endorsed by the Debtor for collection if necessary) not later than the business day immediately following the day of their receipt.

3.4 Notification. At any time after the occurrence of a Default (as defined in Section 5) and thereafter until all Defaults and Events of Default have been cured, Guardian may at any time, and the Debtor will immediately upon Guardian's request, notify all account debtors and other obligors under any Collateral of the Debtor to make payment directly to Guardian. After such notification has been given, Guardian may enforce, settle, compromise, extend or renew the indebtedness and other obligations of any and all account debtors and other obligors. In the absence of such notification, the Debtor will make collections on the Collateral as agent for Guardian.

4. Matters Relating to Guardian's Security Interest.

4.1 Maintenance of Collateral. The Debtor will, at its sole expense: (a) maintain the Collateral of the Debtor in good condition and repair and not permit its value to be impaired; (b) keep the Collateral of the Debtor free from all liens, encumbrances and security interests of any kind (other than Guardian's security interest and the Zion Security Interests); (c) defend the Collateral of the Debtor against all claims and legal proceedings by persons other than Guardian and the creditor of the Zion Security Interests; (d) pay and discharge when due all taxes, license fees, levies and other charges on the Collateral of the Debtor; (e) not permit any of the Collateral of the Debtor to be used in violation of any applicable law, regulation, insurance policy or other agreement; (e) not sell, lease or otherwise dispose of any of the Collateral of the Debtor or permit it to become a fixture or accession to other goods, except for sales of inventory permitted

by this Agreement; and (f) with respect to Collateral of the Debtor that consists of instruments or chattel paper, preserve rights in it against prior parties.

4.2 Insurance. The Debtor will keep the Collateral of the Debtor and Guardian's interest in it insured under policies that include loss payable or standard mortgagee endorsements that show Guardian's interest and are in all respects reasonably satisfactory to Guardian. The Debtor will furnish duplicate originals of all such policies to Guardian. All such insurance policies will provide that they cannot be cancelled unless Guardian is given 30 days' advance written notice.

4.3 Maintenance of Security Interest. The Debtor will pay all expenses and will, upon request, take any action reasonably deemed advisable by Guardian, to preserve the Collateral of the Debtor or to establish, determine priority of, perfect, continue perfected, terminate and/or enforce Guardian's interest in any Collateral of the Debtor or Guardian's other rights under this Agreement.

4.4 Collateral Records and Statements. The Debtor will keep accurate and complete records respecting the Collateral of the Debtor at the address set forth in Section 7.6 or at one of the locations listed on Exhibit A. Upon request of Guardian, the Debtor will provide Guardian with a written statement certified by the Debtor's chief financial officer, in such form and containing such information as Guardian may request, showing the current status and value of the Collateral.

4.5 Inspection of Collateral. Guardian may inspect the Collateral of the Debtor and all records pertaining to the Collateral of the Debtor and all other financial records of the Debtor's business, and may make copies and take extracts of such records, at reasonable times (which, unless a Default or Event of Default has occurred, means only during normal business hours). The Debtor will assist Guardian with all such inspections.

4.6 Debtor to Provide Information. Each Debtor will notify Guardian: (a) in advance, of any change in such Debtor's name or places of business and of any new name under which, or place at which, such Debtor proposes to conduct business; (b) immediately, of any loss of or damage to the Collateral of the Debtor or any material adverse change in the Debtor's business or financial condition; and (c) within five (5) business days, of the return to or repossession by the Debtor of any goods underlying any Collateral of the Debtor. The Debtor will provide Guardian with such reports or information relating to the Collateral of the Debtor and the Debtor's business as Guardian may request.

4.7 Loss or Damage. Loss of or damage to any or all of the Collateral will not release the Debtor from any of the Obligations of the Debtor.

4.8 Guardian Not Liable. Guardian has no duty to determine the validity of any invoice, the authority of any shipper to ship goods to the Debtor or compliance with any instruction of the Debtor. Guardian has no duty, whether before or after the occurrence of any Default or Event of Default, to protect, insure, collect or realize upon any Collateral or to preserve rights in the Collateral against prior parties. The Debtor releases Guardian from any liability for any action or omission relating to the Obligations of the Debtor, the Collateral of the Debtor or this Agreement, except for Guardian's willful misconduct.

4.9 Perfection by Possession. To the extent that the Collateral of the Debtor consists of instruments, certificated securities or other property as to which a security interest can be perfected only by possession, Guardian will hold such property at its principal offices in Michigan (unless the property is needed elsewhere for enforcement, collection, disposition or other purposes).

4.10 United States Government Contracts. If any accounts or general intangibles constituting Collateral of the Debtor arise out of contracts with the United States or any of its departments, agencies or instrumentalities, such Debtor will notify Guardian and execute all writings necessary or reasonably requested by Guardian to provide that all money due or to become due under such Collateral will be assigned to Guardian and that proper notice of the assignment is given under the Federal Assignment of Claims Act, as amended, or any similar law now or hereafter in force.

5. Defaults and Events of Default.

The occurrence of any one or more of the events described in this Section 5 will be deemed an Event of Default. Any event that would be an Event of Default except that a grace period provided in a written agreement has not yet expired is a "Default" for purposes of this Agreement. The Events of Default are:

5.1 Default to Guardian. The Debtor: (a) fails to pay when due any amount owed to Guardian under any of the Obligations of the Debtor; or (b) breaches any provision of this Agreement and fails to cure such breach within sixty (60) days after Guardian gives written notice of the breach to the Debtor; or (c) breaches any other agreement between Guardian and the Debtor (and fails to cure such breach within the grace period, if any, provided in writing in such agreement).

5.2 Default to Others. The Debtor fails to pay when due any amount due to any person or entity other than Guardian for borrowed money (and fails to cure such failure within the grace period, if any, provided in writing in the agreement governing such obligation).

5.3 Incorrect Information. (a) Any representation or warranty made to Guardian in this Agreement is or becomes incorrect or materially misleading; or (b) any statement made in any certificate, exhibit or other writing given to Guardian pursuant to this Agreement is incorrect or materially misleading when made; or (c) any representation or warranty given to Guardian in any other agreement between Guardian and the Debtor, or any statement in any certificate, exhibit or other writing given pursuant to any such Agreement, is incorrect or materially misleading when made.

5.4 Insolvency and Related Matters. The Debtor or any guarantor of any of the Obligations of the Debtor ceases to exist (in the case of an entity), dies (in the case of a natural person), becomes insolvent or the subject of bankruptcy or insolvency proceedings, has a receiver appointed for it, him or her or any of its, his or her assets, makes an assignment for the benefit of creditors or admits in writing its, his or her inability to pay its, his or her debts as they falls due.

5.5 Judgments. A judgment is entered against the Debtor which, together with other outstanding judgments entered against the Debtor, exceeds in the aggregate five hundred thousand (\$500,000), and remains outstanding without being satisfied, bonded, stayed or appealed for thirty (30) days after the date of entry of such judgment.

6. Guardian's Rights and Remedies.

6.1 Acceleration. Upon the occurrence of any Event of Default, all of the Obligations will, at the option of Guardian and without any notice or demand, become due and payable.

6.2 All Available Remedies. Upon the occurrence of any Event of Default, Guardian will have all of the rights and remedies for default provided by this Agreement, the Uniform Commercial Code, any other applicable law and any evidence of or document or agreement relating to the Obligations. All of Guardian's rights and remedies are cumulative, and each is available in addition to all of the others.

6.3 Authority to Perform for Debtor. If the Debtor fails to perform any of the Debtor's obligations under this Agreement or any evidence of or agreement relating to any of the Obligations, then Guardian is authorized to cause such obligation to be performed, and the cost of so doing will be one of the Obligations secured by this Agreement. The Debtor will pay such cost on demand, together with interest at a rate per annum equal to the lesser of: (a) fourteen percent (14%) or (b) the highest rate allowed by applicable law.

6.4 Charging Credit Balances. The Debtor grants Guardian, as further security for the Obligations of the Debtor, a security interest and lien in any credit balance and any other money that may be owing to the Debtor by Guardian for any reason, and agrees that Guardian may, without prior notice, set off against any such credit balance or other money owing any amount due on any of the Obligations of the Debtor.

6.5 Repossession and Related Matters. Upon the occurrence of any Event of Default, Guardian may take immediate possession of any or all of the Collateral of the Debtor without notice or a hearing. The Debtor acknowledges that all of the Obligations of the Debtor have been and will be incurred for business purposes, and that Guardian will suffer irreparable harm if disputes between Guardian and the Debtor must become the subject of a hearing after Guardian demands immediate possession of any or all of the Collateral of the Debtor. After having consulted with counsel of its choice (or having had the opportunity, at Guardian's encouragement, to consult with counsel) as to the effect of this provision, The Debtor knowingly, voluntarily and irrevocably waives all constitutional, statutory and other rights for a hearing before Guardian may take possession of the Collateral and all rights under statutes or Michigan Court Rules or the order of the Michigan Supreme Court regarding replevin. Guardian may require the Debtor to assemble the Collateral of the Debtor at the Debtor's expense and to make the Collateral available to Guardian at a place or places designated by Guardian.

6.6 Notice. When notice is required by law, written notice sent to any address of the Debtor shown in Section 7.6 or on Exhibit A at least ten (10) calendar days (counting the day of sending) before the date of a proposed disposition of any or all of the Collateral of the Debtor is reasonable notice.

6.7 Application of Proceeds. Guardian may apply any proceeds recovered from the Debtor or any of the Collateral of the Debtor first to expenses of protecting or enforcing its rights as provided in this Agreement (including without limitation the cost of retaking, holding, preparing for sale and selling the Collateral of the Debtor) and then to the remaining Obligations in such order and amounts as Guardian selects in its sole discretion.

6.8 Powers of Attorney. Effective upon the occurrence of any Event of Default, and continuing until all Events of Default have been cured or all of the Obligations of the the Debtor have been paid in full, the Debtor irrevocably appoints any officer of Guardian as the Debtor's attorney in fact, with power (a) to endorse the Debtor's name upon any instruments which may come into Guardian's possession; and (b) to receive, open and dispose of all mail addressed to the Debtor and to notify the United States Postal Service to change the address for delivery of all mail addressed to the Debtor to such address as Guardian may designate. All such powers of attorney, being coupled with an interest, are irrevocable as long as any of the Obligations of the Debtor remains unpaid. All acts of any such attorney are ratified and approved, and it, he or she will not be liable for any act or omission or for any error of judgment or mistake of fact or law.

7. Miscellaneous.

7.1 Amendment. This Agreement may not be amended or modified except by an instrument in writing executed by both of the parties.

7.2 Governing Law and Choice of Forum. This Agreement will be governed by and construed in accordance with the internal laws of the State of Michigan without the application of the conflicts of law provisions thereof.

7.3 Severability. The parties desire and intend that all of the provisions of this Agreement be enforceable to the fullest extent permitted by law. If any provision of this Agreement or the application thereof to any person or circumstances is, to any extent, construed to be illegal, invalid or unenforceable, in whole or in part, then such provision will be construed in a manner to permit its enforceability under applicable law to the fullest extent permitted by law. In any case, the remaining terms of this Agreement or the application thereof to any person or circumstance other than those which have been held illegal, invalid or unenforceable will remain in full force and effect.

7.4 Assignability and Binding Effect. This Agreement is not assignable or delegable by any party without the prior written consent of each other party. No assignment of any rights under this Agreement will relieve the assigning party of primary liability for its obligations under this Agreement, and as between the parties, the assigning party will continue to be liable for all of its obligations under this Agreement as though no assignment had been made. This Agreement, and the rights and obligations under it, will be binding on and will inure to the benefit of each party's successors and permitted assigns.

7.5 Cost of Enforcement. If a party breaches any provision of this Agreement, and if counsel is employed to enforce this Agreement, then the breaching party will pay to the other party or parties all (i) costs, (ii) reasonable fees and charges of attorneys and their firms and (iii) reasonable charges of experts, investigators and other agents incurred in the enforcement of

this Agreement and the investigation of claims, regardless whether litigation is commenced. All such expenses will be part of the obligations secured pursuant to this Agreement.

7.6 Notices. All notices, requests, demands and other communications which are required or permitted to be given under this Agreement will be in writing and will be deemed to have been duly given if (i) delivered in person, or (ii) mailed, first class certified, registered or express mail, return receipt requested and postage prepaid, or (iii) sent by recognized overnight courier, with proof of delivery requested and charges prepaid, to:

If to Lynn Research, to:

Lynn Research and Technology, Inc.
506 East 45th Street
Boise, Idaho 83714

Attention: President

If to Lynn Plasma, to:

Lynn Plasma, Inc.
506 East 45th Street
Boise, Idaho 83714

Attention: President

If to Guardian, to:

Guardian Industries Corp.
2300 Harmon Road
Auburn Hills, Michigan 48326-1714

Attention: Treasurer

or to such other address as a party may specify by written notice to the other parties.

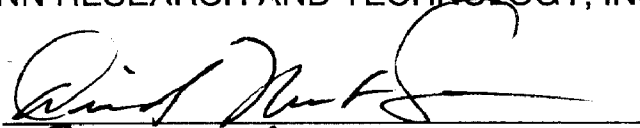
7.7 Limited Effect of Waivers. Guardian may permit the Debtor to remedy any Default or Event of Default without waiving the Default or Event of Default that has been remedied. Guardian may waive any Default or Event of Default without waiving any other Default or Event of Default (either subsequent or prior). Any waiver or failure by Guardian to require strict performance with the provisions of this Agreement (or any other agreement governing or relating to the Obligations) will not be deemed to be a waiver of any of Guardian's rights or remedies. Any waiver by Guardian must be in writing and will be effective only with respect to the specific Default or Event of Default identified in the writing.

7.8 Entire Agreement. This Agreement (including exhibits and documents delivered pursuant to this Agreement) constitutes the entire agreement of the parties, and supersedes all prior agreements and understandings, oral and written, between the parties with respect to the

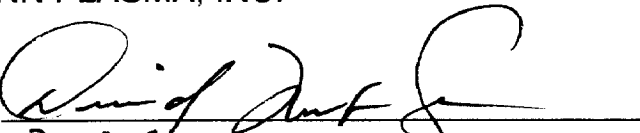
subject matter of this Agreement. All representations and warranties in this Agreement will survive.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

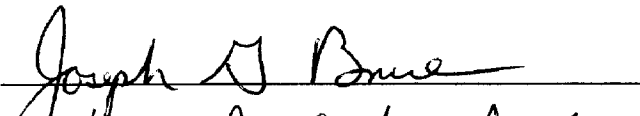
LYNN RESEARCH AND TECHNOLOGY, INC.

By: 
Its: President

LYNN PLASMA, INC.

By: 
Its: President

GUARDIAN INDUSTRIES CORP.

By: 
Its: Vice President - Purchasing

S:\DOC\Lynn Plasma\Security Agreement2.wpd

EXHIBIT A

[If this page is left blank the response for each reference in the body of the Agreement to Exhibit A is "none."]