

01-11-2002



101940881

**ASSIGNMENT OR
RECORDING**

1.4.02

Commissioner for Patents
Box Assignments
Washington, D.C. 20231

Atty Docket No. DNIK-gen

Sir:

Please record the attached original document:

1. Name of conveying party: **Hit 'N' Stik of America, Inc. (Debtor)**
2. Name and address of receiving party: **U.S. Small Business Administration(SBA)
through the First Bank of Linden, P.O. Box 517, Linden, Alabama, 36748
(Secured Party)**
3. Nature of conveyance:
☐ Assignment ☐ Merger
☒ **Security Agreement** ☐ Change of Name
☐ Other _____
Execution date (security interest given in connection with a Note on): **November 1, 1988**

4. Application number(s) and patent number(s) of the application and design patent to which it was understood by the undersigned upon purchase of all assets of conveying party after default on said Note, that the attached conveyance document refers ("All contract rights and general intangibles now in force or hereafter acquired.");

- A. Patent application No. 07/192,918 filed: 12 May 1988
- B. Patent No. Des. 328,935 filed: 16 February 1990 issued: 25 Aug 1992

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

Jean M. Macheledt, Esq.
Macheledt Bales LLP
501 Skysail Lane, Suite B100
Fort Collins, Colorado 80525-3133

6. Total number of applications and patents involved [2]

7. Fee due under 37 CFR 1.21(h) \$40 per property; $\$40 * 2 = \80.00

☒ A check COLTAF # 2433 in the amount of \$ 80.00 is enclosed.

☐ Please charge any additional fees associated with this recordation, or credit any overpayment to deposit account number **02-0725** (Macheledt Bales & Johnson LLP)

To the best of my knowledge based upon information and belief, the forgoing information is true and correct and the attached copy is a true copy of the original document.

Don Gipple

Name of person signing

Signature

Date signed

Owner/Corporate Officer of Chemicals Plus, Inc.

purchaser of all assets of conveying party after default on said Note and resulting acquisition by the U.S. Small Business Administration, an Agency of the U.S. Government

X 12/17/01

PATENT

REEL: 012428 FRAME: 0568

01/10/2002 DBYNE 0000267 07192918 80.00 DP 01 FC:581

U.S. Small Business Administration



SECURITY AGREEMENT

FS 4300324R *****55
DATE 11/08/88 12:28
SECRETARY OF STATE ALAI

1. Hit 'X' Stik of America, Inc. (Name) (hereinafter called "Debtor"),
P. O. Drawer 457 Linden, Alabama 36748 (Address), for value received,
hereby grants to First Bank of Linden (Name)

P. O. Box 517 Linden, Alabama 36748 (Address) (hereinafter called

"Secured Party"), a security interest in the property described below (hereinafter collectively called "Collateral") to secure the payment of the principal and interest on and all obligations under a note (hereinafter called the "Note"), dated November 1, 1988, of the Debtor payable to the order of the Secured Party, in the principal amount of Two Hundred Twenty-Five Thousand Dollars (\$ 225,000.00), all renewals and extensions of the Note, and all costs, expenses, advances and liabilities which may be made or incurred by Secured Party in the disbursement, administration and collection of the loan evidenced by the Note and in the protection, maintenance and liquidation of the security interest hereby granted with interest at the maximum legal rate on such costs, expenses, advances and liabilities. The Note and all other obligations secured hereby are herein collectively called the "Liabilities."

2. The Collateral in which this security interest is granted is all of the Debtor's property described below in reference to which an "X" or checkmark has been placed in the box applicable thereto, together with all proceeds and products therefrom. If two such boxes are so marked, the security interest so designated secures the purchase money from the loan used by the Debtor to acquire title to the Collateral.

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | a. All equipment and machinery, including power-driven machinery and equipment, furniture and fixtures now owned or hereafter acquired, together with all replacements thereof, all attachments, accessories, parts and tools belonging thereto or for use in connection therewith. |
| <input type="checkbox"/> | <input type="checkbox"/> | b. All passenger and commercial motor vehicles registered for use upon public highways or streets, now owned or hereafter acquired, together with all replacements thereof, all attachments, accessories, parts, equipment and tools belonging thereto or for use in connection therewith. |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | c. All inventory, raw materials, work in process and supplies now owned or hereafter acquired. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | d. All accounts receivable now outstanding or hereafter arising. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | e. All contract rights and general intangibles now in force or hereafter acquired. |

3. Debtor shall not transfer, sell or assign Debtor's interest in the Collateral nor permit any other security interest to be created thereon without Secured Party's prior written approval, except that Debtor may sell the inventory listed in Paragraph 2.c. hereof in the ordinary course of business on customary terms and at usual prices and may collect as Secured Party's agent some due on accounts receivable and contract rights listed in Paragraphs 2.d. and 2.e. until advised otherwise by Secured Party.

4. Debtor shall keep, store or regularly garage all Collateral at locations approved by Secured Party in writing.
5. Debtor shall not conduct business under any other name than that given above nor change or reorganize the type of business entity under which it does business except upon prior written approval of Secured Party. If such approval is given, Debtor guarantees that all documents, instruments and agreements demanded by Secured Party shall be prepared and filed at Debtor's expense before such change of name or business entity occurs.
6. Debtor shall pay the filing and recording costs of any documents or instruments necessary to perfect, extend, modify, or terminate the security interest created hereunder, as demanded by Secured Party.
7. Debtor shall maintain all Collateral in good condition, pay promptly all taxes, judgments, or charges of any kind levied or assessed thereon, keep current all rent due on premises where Collateral is located, and maintain insurance on all Collateral against such hazards, in such amounts and with such companies as Secured Party may demand, all such insurance policies to be in the possession of Secured Party and to contain a Lender's Loss Payable Clause naming Secured Party in a manner satisfactory to Secured Party. Debtor hereby assigns to Secured Party any proceeds of such policies and all unearned premiums thereon, and authorizes and empowers Secured Party to collect such sums and to execute and endorse in Debtor's name all proofs of loss, drafts, checks and any other documents necessary to accomplish such collections, and any persons or entities making payments to Secured Party under the terms of this Paragraph are hereby relieved absolutely from any obligation to see to the application of any sums so paid.
8. Debtor shall be in default hereunder if Debtor fails to perform any of the liabilities imposed hereby or any other obligation required by the various instruments or papers evidencing or securing this loan, or if the full balance of the loan becomes immediately payable under the terms of such instruments, either automatically or by declaration of the Secured Party. In the event of any default, Secured Party may, in its own discretion, cure such default and, if it does so, any expenditures made for such purpose shall be added to the principal of the Note.
9. In the event of default, Debtor shall assemble and make available all Collateral at any place designated by Secured Party. Debtor acknowledges being advised of a constitutional right to a court notice and hearing to determine whether, upon default, there is probable cause to sustain the validity of the Secured Party's claim and whether the Secured Party is entitled to possession of the Collateral and being so advised, Debtor hereby voluntarily gives up, waives and surrenders any right to a notice and hearing to determine whether there is probable cause to sustain the validity of Secured Party's claim. Any notices required pursuant to any state or local law shall be deemed reasonable if mailed by Secured Party to the persons entitled thereto at their last known addresses at least ten days prior to disposition of the Collateral, and, in reference to a private sale, need state only that Secured Party intends to negotiate such a sale. Disposition of Collateral shall be deemed commercially reasonable if made pursuant to a public offering advertised at least twice in a newspaper of general circulation in the community where the Collateral is located or by a private sale for a sum equal to or in excess of the liquidation value of the Collateral as determined by Secured Party.
10. All rights conferred on Secured Party hereby are in addition to those granted to it by any state or local law or any other law. Failure or repeated failure to enforce any rights hereunder shall not constitute an estoppel or waiver of Secured Party's rights to exercise such rights accruing prior or subsequent thereto. Secured Party shall not be liable for any loss to Collateral in its possession, nor shall such loss diminish the debt due, even if the loss is caused or contributed to by Secured Party's negligence.

IN WITNESS WHEREOF, I, N. E. Dixon, Jr., whose name as President of
Hit 'N' Stik of America, Inc., a corporation, signed to the
forgoing instrument, being informed of the contents of the said
instrument, I, as such officer, and with full authority executed
the same voluntarily for and as the act of said corporation,
acting in my capacity as aforesaid.

SEAL

Attest:

Anna C. Delia
 Secretary/Treasurer

Hit 'N' Stik of America, Inc

By

N. E. Dixon, Jr.
 as President

S B A
BIRMINGHAM

\$5.00

PATENT
REEL: 012428 FRAME: 0571

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code:		3 Maturity date (if any):
1 Debtor(s) (Last Name First) and address(es) Hit "N" Stik of America, Inc P.O. Drawer 457 L Linden, AL 36748	2 Secured Party(ies) and address(es) First Bank of Linden P.O. Box 517 Linden AL 36748	For Filing Officer (Date, Time, Number, and Filing-Office): FS A300824R *****\$5.00 DATE 11/08/88 12:28 PM SECRETARY OF STATE ALABAMA 11/08/88 A300824R ***\$2.00
4 This financing statement covers the following types (or items) of property: SEE ATTACHED NON STANDARD FORM		5 Assignee(s) of Secured Party and Address(es):
6 Complete only when filing with Judge of Probate: The initial indebtedness secured by this financing statement is \$ _____ Mortgage tax due (15c per \$100.00 or fraction thereof) \$ _____ This statement is filed without the debtor's signature to perfect a security interest in collateral. (check X if so.) <input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state. <input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest was perfected.		
Check X if covered: <input type="checkbox"/> Proceeds of Collateral are also covered. <input type="checkbox"/> Products of Collateral are also covered. No. additional sheets presented: _____		
Filed with: <u>Secretary of State AL</u>		
TERMINATION STATEMENT: This Statement of Termination of Financing is presented to a Filing Officer for filing pursuant to the Uniform Commercial Code. Secured Party certifies that the Secured Party no longer claims a security interest under the financing statement bearing the file number shown above.		
Date _____, 19____		By: _____ (Signature of Secured Party or Assignee of Record. Not Valid Until Signed)
(3) Filing Officer Copy — Acknowledgment — Filing Officer is requested to note file number, date and hour of filing on this copy and return to the person filing as an acknowledgment.		