



03-14-2002



102015342

Form PTO-1595
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)

RE

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies):

Sachem, Inc.

2-28-02

2. Name and address of receiving party(ies)

Name: National City Bank, as agent

Internal Address: _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:



Assignment



Merger



Security Agreement



Change of Name



Other _____

Street Address: 1900 East Ninth Street

City: Cleveland State: Ohio Zip: 44114

Execution Date: November 30, 2001

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

4. Application number(s) or patent number(s):

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

A. Patent Application No.(s)

09/693,293

B. Patent No.(s)

4,714,530

Additional numbers attached? ☒ Yes ☐ No

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

Name: Arthi K. Tirey

Internal Address: _____

Firm Name: Benesch, Friedlander, Coplan & Aronoff LLP

Street Address: 2300 BP Tower

200 Public Square

City: Cleveland State: OH Zip: 44114

6. Total number of applications and patents involved: 26

7. Total fee (37 CFR 3.41).....\$ 1040.00



Enclosed



Authorized to be charged to deposit account

8. Deposit account number: 02-2051

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.

Arthi K. Tirey

Name of Person Signing

Signature

February 28, 2002

Date

Total number of pages including cover sheet, attachments, and documents: 24

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

Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

03/13/2002 LHMILLER 00000052 022051

09693293

01 FC:581

1040.00 CH

PATENT
REEL: 012653 FRAME: 0661

Patent Number/ Serial Number
5,259,888
5,259,934
5,281,311
5,286,354
5,389,211
5,447,610
5,575,901
5,576,459
5,709,789
5,709,790
5,753,097
5,833,832
5,843,318
5,853,555
5,868,916
5,904,823
5,910,237
5,951,845
5,968,338
6,024,855
6,165,341
6,207,039
6,217,743
6,235,162

INTELLECTUAL PROPERTY SECURITY AGREEMENT

RECITALS:

SACHEM, INC., a Texas corporation (together with its successors and assigns, "Pledgor"), is entering into the Credit and Security Agreement, as hereinafter defined, with the financial institutions listed on Schedule 1 to the Credit and Security Agreement (collectively, together with their respective successors and assigns, "Lenders" and, individually, "Lender"), NATIONAL CITY BANK, as administrative agent and joint lead arranger for the Lenders ("Agent"), THE CHASE MANHATTAN BANK OF TEXAS, as syndication agent and joint lead arranger for the Lenders ("Syndication Agent") and CREDIT SUISSE FIRST BOSTON, as documentation agent for the Lenders ("Documentation Agent"). Pledgor desires that the Lenders grant the financial accommodations to Pledgor as described in the Credit Agreement, as hereinafter defined.

Pledgor deems it to be in its direct pecuniary and business interests that it obtain from the Lenders the Commitment, as defined in the Credit and Security Agreement, and the Loans and Letters of Credit, as hereinafter defined, provided for in the Credit and Security Agreement.

Pledgor understands that the Lenders are willing to enter into the Credit and Security Agreement and to grant such financial accommodations to Pledgor only upon certain terms and conditions, one of which is that Pledgor grant to Agent, for the benefit of the Lenders, a security interest in and a contingent assignment of the Collateral, as hereinafter defined, and this Intellectual Property Security Agreement (as the same may from time to time be amended, restated or otherwise modified, this "Agreement") is being executed and delivered in consideration of each financial accommodation, if any, granted to Pledgor by the Lenders and for other valuable considerations.

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

"Assignment" shall mean an Assignment in the form of Exhibit A hereto.

"Collateral" shall mean, collectively, all of Pledgor's existing and future (a) patent registrations, patent applications, patent licenses, technology licenses, trade secrets, knowhow, trademark registrations, trademark applications, trademark licenses, tradenames, service mark registrations, service mark applications, service mark licenses, domain names, copyright registrations and copyright licenses including, but not limited to, those listed on Schedule 1 hereto (as such Schedule 1 may from time to time be amended, supplemented or otherwise modified); (b) common law trademark and service mark rights, copyrights, improvements and inventions, trade secrets and knowhow; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) all goodwill associated with any of the foregoing; (e) royalties derived from any of the foregoing; and (f) proceeds of any of the foregoing.

"Credit Agreement" shall mean the Credit and Security Agreement executed by and among Pledgor, Agent, Syndication Agent, Documentation Agent and the Lenders and dated as of the 30th day of November, 2001, as it may from time to time be amended, restated or otherwise modified.

"Debt" shall mean, collectively, (a) all Loans and Letters of Credit; (b) all other indebtedness now owing or hereafter incurred by Pledgor to Agent or any Lender pursuant to the Credit Agreement and the Notes (as defined in the Credit Agreement) executed in connection therewith; (c) each renewal, extension, consolidation or refinancing of any of the foregoing, in whole or in part; (d) all interest from time to time accruing on any of the foregoing, and all commitment and other fees pursuant to the Credit Agreement; (e) all obligations and liabilities of Pledgor now existing or hereafter incurred to Agent or any of the Lenders under, arising out of, or in connection with any Hedge Agreement (as defined in the Credit Agreement); (f) all other amounts payable by Pledgor to Agent or any Lender pursuant to the Credit Agreement or any Related Writing (as defined in the Credit Agreement); and (g) all Related Expenses (as defined in the Credit Agreement).

"Event of Default" shall mean an event or condition that constitutes an event of default pursuant to Section 7 hereof.

"Letter of Credit" shall mean any Letter of Credit, as defined in the Credit Agreement, issued pursuant to the Credit Agreement.

"Loan" shall mean any Loan, as defined in the Credit Agreement, granted pursuant to the Credit Agreement.

"Person" shall mean any individual, sole proprietorship, partnership, joint venture, unincorporated organization, corporation, limited liability company, institution, trust, estate, government or other agency or political subdivision thereof or any other entity.

Capitalized terms used in this Agreement without definition have the meanings ascribed to such terms in the Credit Agreement.

2. Grant of Security Interest. In consideration of and as security for the full and complete payment of all of the Debt, Pledgor hereby agrees that Agent shall at all times have, and hereby grants to Agent, for the benefit of the Lenders, a security interest in all of the Collateral, including (without limitation) all of Pledgor's future Collateral, irrespective of any lack of knowledge by Agent or the Lenders of the creation or acquisition thereof.

3. Warranties and Representations. Pledgor represents and warrants to Agent and the Lenders that:

(a) Pledgor owns all of the Collateral and, whether the same are registered or unregistered, no such Collateral has been adjudged invalid or unenforceable;

(b) to Pledgor's knowledge the Collateral is valid and enforceable;

(c) Pledgor has no knowledge of any claim that the use of any of the Collateral does or may violate the rights of any Person;

(d) except for liens permitted pursuant to Section 5.9 of the Credit Agreement, Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Pledgor not to sue third Persons;

(e) Pledgor has full power, authority and legal right to pledge the Collateral and enter into this Agreement and perform its terms; and

(f) Pledgor has used, and shall continue to use, for the duration of this Agreement, proper statutory notice in connection with its use of the Collateral, except where the failure to do so will not be reasonably likely to have a Material Adverse Effect.

4. Further Assignment Prohibited. Pledgor shall not enter into any agreement that is inconsistent with Pledgor's obligations under this Agreement other than sales, assignments, licenses or sublicenses in the ordinary course of Pledgor's business.

5. Standard Patent and Trademark Use. Pledgor shall not use the Collateral in any manner that would jeopardize the validity or legal status thereof, except where the failure to so comply would not be reasonably likely to have a Material Adverse Effect. Pledgor shall comply with all patent marking requirements as specified in 35 U.S.C. §287, except where the failure to so comply would not be reasonably likely to have a Material Adverse Effect. Pledgor shall further conform its usage of any trademarks to standard trademark usage, including, but not limited to, using the trademark symbols ®, ™, and SM where appropriate, except where the failure to so comply would not be reasonably likely to have a Material Adverse Effect.

6. Event of Default.

(a) The occurrence of any of the following shall constitute an "Event of Default" under this Agreement: (i) if an Event of Default, as defined in the Credit Agreement, shall occur under the Credit Agreement; or (ii) if Pledgor shall fail to perform any obligation of Pledgor to be performed under this Agreement and that failure shall not have been fully corrected within thirty (30) days after the giving of written notice thereof to Pledgor by Agent or any Lender that the specified failure is to be remedied.

(b) Pledgor expressly acknowledges that Agent shall record this Agreement with the United States Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, Pledgor shall also execute and deliver to Agent the Assignment, which Assignment shall have no force and effect and shall be held by Agent, in escrow, until the occurrence and during the continuance of an Event of Default; provided that, anything herein to the contrary notwithstanding, the security interest granted herein shall be effective as of the date of this Agreement. After the occurrence of an Event of Default (unless such Event of Default has been cured or waived prior to

Agent providing the notice provided for this paragraph), the Assignment shall take effect immediately upon certification of such fact by an authorized officer of Agent in the form attached as Exhibit A hereto and upon written notice to Pledgor and thereafter Agent may, in its sole discretion, record the Assignment with the United States Patent and Trademark Office.

(c) If an Event of Default shall occur, Pledgor irrevocably authorizes and empowers Agent, on behalf of the Lenders, to terminate Pledgor's use of the Collateral and to exercise such rights and remedies as allowed by law. Without limiting the generality of the foregoing, Agent may immediately sell at public or private sale, in a commercially reasonable manner, or otherwise realize upon all or, from time to time, any of the Collateral together with the associated goodwill, or any interest that Pledgor may have therein, and, after deducting from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for attorneys' and brokers' fees and other legal services), Agent shall apply such proceeds against payment of the Debt. Any remainder of the proceeds, after payment in full of the Debt, shall be paid to Pledgor. At any such sale or other disposition, Agent or any Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Pledgor, which right is hereby waived and released.

7. Termination. At such time as the Debt has been irrevocably paid in full, the Commitment, as defined in the Credit Agreement, terminated, and the Credit Agreement terminated and not replaced by any other credit facility with Agent and the Lenders, this Agreement shall terminate and, upon request of Pledgor, Agent shall promptly, and in any event within ten (10) business days, execute and deliver to Pledgor all deeds, assignments, and other instruments as may be necessary or proper to release Agent's security interest in and assignment of the Collateral and to preserve Pledgor's full title to the Collateral, subject to any disposition thereof that may have been made by Agent pursuant hereto.

8. Attorneys' Fees, Costs and Expenses. Any and all reasonable out-of-pocket costs and expenses, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by Agent and the Lenders in connection with the amendment and enforcement of this Agreement, all renewals, required affidavits and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by Pledgor, as required by this agreement, within five (5) days of demand by Agent, and, until so paid, shall be added to the principal amount of the Debt.

9. Agent's Rights to Enforce. Pledgor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Collateral.

10. Power of Attorney. Pledgor hereby authorizes and empowers Agent, on behalf of the Lenders, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, with the power to endorse, after the occurrence and during the continuance of an Event of Default, Pledgor's name on all applications, documents, papers and instruments necessary for Agent to use the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third party, or necessary for Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral, together with associated goodwill to a third party or parties. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

11. Agent's Right to Perform Obligations. If Pledgor fails to comply with any of its obligations under this Agreement, Agent, on behalf of the Lenders, may, but is not obligated to, do so in Pledgor's name or in Agent's name, but at Pledgor's expense, and Pledgor hereby agrees to reimburse Agent on demand in full for all reasonable out-of-pocket expenses, including reasonable attorneys' fees, incurred by Agent in protecting, defending and maintaining the Collateral.

12. Additional Documents. Pledgor shall, upon written request of Agent, enter into such additional documents or instruments as may be reasonably required by Agent in order to effectuate, evidence or perfect Agent's interests in the Collateral as evidenced by this Agreement.

13. New Collateral. If, before the Debt shall have been satisfied in full, Pledgor shall obtain rights to any new Collateral, the provisions of Section 1 shall automatically apply thereto as if the same were identified on Schedule 1 as of the date hereof and Pledgor shall give Agent prompt written notice thereof.

14. Modification for New Collateral. Pledgor hereby authorizes Agent to modify this Agreement by amending Schedule 1 to include any existing or future Collateral as contemplated by Sections 1 and 15 hereof and, at Agent's request, Pledgor shall execute any documents or instruments reasonably required by Agent in order to modify this Agreement as provided in this Section 16, provided that any such modification to Schedule 1 shall be effective without the signature of Pledgor.

15. No Waiver. No course of dealing between Pledgor and Agent and the Lenders, nor any failure to exercise, nor any delay in exercising, on the part of Agent or the Lenders, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. Remedies Cumulative. All of the rights and remedies of Agent and the Lenders with respect to the Collateral, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be executed singularly or concurrently.

17. 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.

18. Modifications. This Agreement may be amended or modified only by a writing signed by Pledgor and Agent, on behalf of the Lenders, except that any modification to Schedule 1 hereto pursuant to Section 16 shall be effective without the signature of Pledgor. In the event that any provision herein is deemed to be inconsistent with any provision of any other document, other than the Credit Agreement, the provisions of this Agreement shall control.

19. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, except that Pledgor may not assign any of its rights or duties hereunder without the prior written consent of Agent. Any attempted assignment or transfer without the prior written consent of Agent shall be null and void.

20. Notice. All notices, requests, demands and other communications provided for hereunder shall be in writing and, if to Pledgor, mailed or delivered to it, addressed to it at the address specified on the signature pages of the Credit Agreement, and, if to a Lender, mailed or delivered to it, addressed to the address of such Lender specified on the signature pages of the Credit Agreement. All notices, statements, requests, demands and other communications provided for hereunder shall be overnight delivery or first-class mail with postage prepaid by registered or certified mail, addressed as aforesaid, or sent by facsimile with telephonic confirmation of receipt, except that all notices hereunder shall not be effective until received.

21. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Ohio, without regard to principles of conflicts of law. Pledgor hereby irrevocably submits to the non-exclusive jurisdiction of any Ohio state or federal court sitting in Cleveland, Ohio, over any action or proceeding arising out of or relating to this Agreement, and Pledgor hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Ohio state or federal court. Pledgor hereby irrevocably waives, to the fullest extent permitted by law, any objection it may now or hereafter have to the laying of venue in any action or proceeding in any such court as well as any right it may now or hereafter have to remove such action or proceeding, once commenced, to another court on the grounds of FORUM NON CONVENIENS or otherwise. Pledgor agrees that a final, nonappealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

[Remainder of page intentionally left blank.]

22. JURY TRIAL WAIVER. PLEDGOR, AGENT AND THE LENDERS, TO THE EXTENT PERMITTED BY LAW, EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG AGENT, THE LENDERS AND PLEDGOR, OR ANY OF THEM, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT AMONG PLEDGOR, AGENT AND THE LENDERS, OR ANY OF THEM.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the 30th day of November, 2001.

SACHEM, INC.

By: Lon S. Mow
Title: CFO

NATIONAL CITY BANK, as Agent

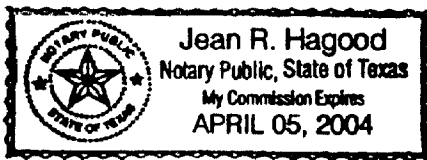
By: David A. Burns
Title: MANAGING DIRECTOR

ACKNOWLEDGMENTS

THE STATE OF TEXAS)
) SS:
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared Ron S. Morse, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said SACHEM, INC., a Texas corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 30th day of November, 2001.

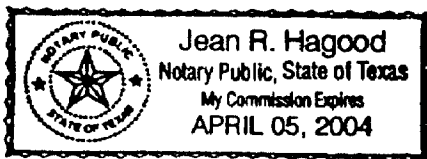


Jean R. Hagood
NOTARY PUBLIC

THE STATE OF TEXAS)
) SS:
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared David A. Burns known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said NATIONAL CITY BANK, and that he executed the same as the act of NATIONAL CITY BANK, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 30th day of November, 2001.



Jean R. Hagood
NOTARY PUBLIC

EXHIBIT A

FORM OF ASSIGNMENT

THIS DOCUMENT SHALL BE HELD BY AGENT IN ESCROW PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE INTELLECTUAL PROPERTY SECURITY AGREEMENT, DATED AS OF NOVEMBER 30, 2001 (AS THE SAME MAY FROM TIME TO TIME BE AMENDED, RESTATED OR OTHERWISE MODIFIED, THE "AGREEMENT"), EXECUTED BY SACHEM, INC., ("PLEDGOR") IN FAVOR OF NATIONAL CITY BANK, AS AGENT FOR THE LENDERS, AS DEFINED IN THE AGREEMENT (TOGETHER WITH ITS SUCCESSORS AND ASSIGNS, "AGENT"). BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF AGENT CERTIFIES THAT AN EVENT OF DEFAULT (AS DEFINED IN THE AGREEMENT) HAS OCCURRED AND IS CONTINUING AND THAT AGENT HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL (AS DEFINED BELOW) ON BEHALF OF AND FOR THE BENEFIT OF THE LENDERS AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT.

NATIONAL CITY BANK

By: _____
Print Name: _____
Title: _____
Date: _____

ASSIGNMENT

WHEREAS, SACHEM, INC., a Texas corporation ("Pledgor") is the owner of the Collateral, as hereinafter defined;

WHEREAS, Pledgor has executed an Intellectual Property Security Agreement, dated as of November 30, 2001 (as the same may from time to time be amended, restated or otherwise modified, the "Agreement") in favor of NATIONAL CITY BANK, as Agent for the Lenders, as defined in the Agreement ("Agent"), pursuant to which Pledgor has granted to Agent, for the benefit of the Lenders, a security interest in and contingent assignment of the Collateral as security for the Debt, as defined in the Agreement;

WHEREAS, the Agreement provides that the security interest in the Collateral is effective as of the date of the Agreement;

WHEREAS, the Agreement provides that this Assignment shall become effective upon the occurrence of an Event of Default, as defined in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and assigns, subject to the limitations stated in the paragraph immediately following, does hereby transfer, assign and set over unto Agent, its successors, transferees and assigns, all of its existing and future (a) patents, patent registrations, patent applications, patent licenses, technology licenses, trade secrets, knowhow, trademarks, trade registrations, trademark applications, trademark licenses, trade names, service marks, domain names, copyright registrations and copyright licenses, whether federal or state; (b) common law trademark rights, copyrights, improvements and inventions; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) goodwill associated with any of the foregoing; (e) royalties arising from the foregoing; and (f) proceeds of any of the foregoing (collectively, the "Collateral"), including, but not limited to, the Collateral listed on Schedule I hereto that is registered in the United States Patent and Trademark Office in Washington, D.C. or that is the subject of pending applications in the United States Patent and Trademark Office.

This Assignment shall be effective only upon the certification of an authorized officer of Agent, as provided above, that (a) an Event of Default, as defined in the Agreement, has occurred and is continuing, and (b) Agent has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by its duly authorized officer on November 30, 2001.

SACHEM, INC.

By: _____
Print Name: _____
Title: _____

THE STATE OF TEXAS)
) SS:
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said SACHEM, INC., a Texas corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of November, 2001.

Notary Public

SCHEDULE 1**United States Patents and Patent Applications**

Patent Number/ Serial Number	Status	Filing Date	Issue Date
4,714,530	Patented	07/11/1986	12/22/1987
5,259,888	Patented	02/03/1992	11/09/1993
5,259,934	Patented	01/22/1992	11/09/1993
5,281,311	Patented	07/01/1992	01/25/1994
5,286,354	Patented	04/09/1993	02/15/1994
5,389,211	Patented	11/08/1993	02/14/1995
5,447,610	Patented	06/23/1994	09/05/1995
5,575,901	Patented	01/31/1995	11/19/1996
5,576,459	Patented	06/06/1995	11/19/1996
5,709,789	Patented	10/23/1996	01/20/1998
5,709,790	Patented	10/03/1996	01/20/1998
5,753,097	Patented	10/03/1996	05/19/1998
5,833,832	Patented	08/30/1996	11/10/1998
5,843,318	Patented	04/10/1997	12/01/1998
5,853,555	Patented	04/03/1997	12/29/1998
5,868,916	Patented	02/12/1997	02/09/1999
5,904,823	Patented	04/10/1997	05/18/1999
5,910,237	Patented	03/11/1997	06/08/1999
5,951,845	Patented	03/04/1997	09/14/1999
5,968,338	Patented	01/20/1998	10/19/1999
6,024,855	Patented	08/13/1998	02/15/2000
6,165,341	Patented	08/13/1998	12/26/2000
6,207,039	Patented	03/26/1999	03/27/2001
6,217,743	Patented	08/09/1999	04/17/2001
6,235,162	Patented	05/28/1998	05/22/2001
Serial No. 09/693,293	Pending	10/20/2000	N/A

Foreign and International Patents and Patent Applications

Country	Patent Number/ Application Number	Status	Filing Date	Issue Date
Canada	1,321,973	Patented	07/10/1987	09/07/1993
Canada	Application Number 2,118,275	Active	10/17/1994	N/A
Canada	Application Number 2,217,625	Active	10/02/1997	N/A
Canada	Application Number 2,217,626	Active	10/02/1997	N/A
Canada	Application Number 2,264,086	Active	08/27/1997	N/A
Canada	Application Number 2,285,230	Active	03/31/1998	N/A
Canada	Application Number 2,301,035	Active	08/14/1998	N/A
China	Application Number 97198963	Active	08/27/1997	N/A
China	Application Number 97122772.1	Active	10/05/1997	N/A
China	Application Number 97122771.3	Active	10/05/1997	N/A
China	Application Number 98805726.3	Active	03/31/1998	N/A
Europe	255756	Patented	06/19/1987	04/08/1990
Europe	652041	Patented	11/07/1994	09/01/1999
Europe	Application Number 97122772.1	Active	10/05/1997	N/A
Europe	Application Number 97307819.9	Active	10/03/1997	N/A
Europe	Application Number 97940638.6	Active	08/27/1997	N/A
Europe	Application Number 98913361.6	Active	03/31/1998	N/A
Europe	Application Number 99903107.3	Active	01/14/1999	N/A
Hong Kong	Application Number	Active	03/29/2000	N/A

Foreign and International Patents and Patent Applications

	00101921.2			
Hong Kong	Application Number 001067165.6	Active	09/28/2000	N/A
Hong Kong	Application Number 01101598.3	Active	01/14/1999	N/A
India	Application Number 2473/DEL/97	Active	09/01/1997	N/A
India	Application Number 2860/DEL/97	Active	10/07/1997	N/A
India	Application Number 2861/DEL/97	Active	10/07/1997	N/A
India	Application Number 355/DEL/98	Active	02/11/1998	N/A
India	Application Number 830/DEL/98	Active	03/31/1998	N/A
India	Application Number 2389/DEL/98	Active	08/14/1998	N/A
Japan	2,690,730	Patented	07/09/1987	08/29/1997
Japan	Application Number 05-068912	Active	03/26/1993	N/A
Japan	Application Number 05-162681	Active	06/30/1993	N/A
Japan	Application Number 06-523233	Active	04/06/1994	N/A
Japan	Application Number 06-272720	Active	11/07/1994	N/A
Japan	Application Number 09-271522	Active	10/03/1997	N/A
Japan	Application Number 09-271523	Active	10/03/1997	N/A
Japan	Application Number 10-535831	Active	02/09/1998	N/A
Japan	Application Number 10-099547	Active	04/10/1998	N/A
Malaysia	Application Number PI 9703980	Active	08/28/1997	N/A

Foreign and International Patents and Patent Applications

Malaysia	Application Number PI 20003595	Active	07/08/2000	N/A
Malaysia	Application Number PI 9801470	Active	03/31/1998	N/A
Malaysia	Application Number PI 9900200	Active	01/18/1999	N/A
Malaysia	Application Number (not yet assigned claims priority from USSN 09/693,293)	Active	--	N/A
Singapore	64069 [1998]	Patented	08/27/1997	06/20/2000
Singapore	66722	Patented	02/09/1998	06/19/2001
South Africa	97/9012	Patented	10/08/1997	07/29/1998
South Africa	97/8880	Patented	10/03/1997	08/26/1998
South Africa	97/8881	Patented	10/03/1997	08/26/1998
South Africa	98/1128	Patented	02/11/1998	10/27/1999
South Africa	98/2813	Patented	04/02/1998	04/28/1999
South Africa	99/2766	Patented	04/16/1999	01/26/2000
South Korea	Application Number 7001651/1999	Active	08/27/1997	N/A
South Korea	Application Number 510331997	Active	10/02/1997	N/A
South Korea	Application Number 51034/1997	Active	10/02/1997	N/A
South Korea	Application Number 7007250/1999	Active	02/09/1998	N/A
South Korea	Application Number 7009059/1999	Active	03/31/1998	N/A
South Korea	Application Number 7007612/2000	Active	01/14/1999	N/A
Taiwan	112892	Patented	10/04/1997	07/12/2000
Taiwan	118365	Patented	10/04/1997	08/26/1998
Taiwan	113576	Patented	02/11/1998	08/01/2000
Taiwan	Application Number 89115769	Active	08/05/2000	N/A

Foreign and International Patents and Patent Applications

Taiwan	133919	Patented	04/01/1998	10/08/2001
Taiwan	88100756	Active	01/19/1999	N/A
Taiwan	Application Number (not yet assigned claims priority from USSN 09/693,293)	Active	--	N/A
PCT	Application Number PCT/US00/21684	Active	08/08/2000	N/A
PCT	Application Number PCT/US01/42429	Active	09/27/2001	N/A

THIS DOCUMENT SHALL BE HELD BY AGENT IN ESCROW PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE INTELLECTUAL PROPERTY SECURITY AGREEMENT, DATED AS OF NOVEMBER 30, 2001 (AS THE SAME MAY FROM TIME TO TIME BE AMENDED, RESTATED OR OTHERWISE MODIFIED, THE "AGREEMENT"), EXECUTED BY SACHEM, INC., ("PLEDGOR") IN FAVOR OF NATIONAL CITY BANK, AS AGENT FOR THE LENDERS, AS DEFINED IN THE AGREEMENT (TOGETHER WITH ITS SUCCESSORS AND ASSIGNS, "AGENT"). BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF AGENT CERTIFIES THAT AN EVENT OF DEFAULT (AS DEFINED IN THE AGREEMENT) HAS OCCURRED AND IS CONTINUING AND THAT AGENT HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL (AS DEFINED BELOW) ON BEHALF OF AND FOR THE BENEFIT OF THE LENDERS AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT.

NATIONAL CITY BANK

By: _____
Print Name: _____
Title: _____
Date: _____

ASSIGNMENT

WHEREAS, SACHEM, INC., a Texas corporation ("Pledgor") is the owner of the Collateral, as hereinafter defined;

WHEREAS, Pledgor has executed an Intellectual Property Security Agreement, dated as of November 30, 2001 (as the same may from time to time be amended, restated or otherwise modified, the "Agreement") in favor of NATIONAL CITY BANK, as Agent for the Lenders, as defined in the Agreement ("Agent"), pursuant to which Pledgor has granted to Agent, for the benefit of the Lenders, a security interest in and contingent assignment of the Collateral as security for the Debt, as defined in the Agreement;

WHEREAS, the Agreement provides that the security interest in the Collateral is effective as of the date of the Agreement;

WHEREAS, the Agreement provides that this Assignment shall become effective upon the occurrence of an Event of Default, as defined in the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and assigns, subject to the limitations stated in the paragraph immediately following, does hereby transfer, assign and set over unto Agent, its successors, transferees and assigns, all of its existing and future (a) patents, patent registrations, patent applications, patent licenses, technology licenses,

trade secrets, knowhow, trademarks, trade registrations, trademark applications, trademark licenses, trade names, service marks, domain names, copyright registrations and copyright licenses, whether federal or state; (b) common law trademark rights, copyrights, improvements and inventions; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) goodwill associated with any of the foregoing; (e) royalties arising from the foregoing; and (f) proceeds of any of the foregoing (collectively, the "Collateral"), including, but not limited to, the Collateral listed on Schedule 1 hereto that is registered in the United States Patent and Trademark Office in Washington, D.C. or that is the subject of pending applications in the United States Patent and Trademark Office.

This Assignment shall be effective only upon the certification of an authorized officer of Agent, as provided above, that (a) an Event of Default, as defined in the Agreement, has occurred and is continuing, and (b) Agent has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by its duly authorized officer on November 30, 2001.

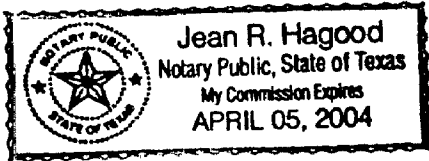
SACHEM, INC.

By: Ron S Morse
Print Name: Ron S Morse
Title: CFO

THE STATE OF TEXAS)
) SS:
COUNTY OF TRAVIS)

BEFORE ME, the undersigned authority, on this day personally appeared Ron S. Morse, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of said SACHEM, INC., a Texas corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of November, 2001.



Jean R. Hagood
Notary Public