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Form PTO-1595

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OMB No. 0651-0027 (exp. 5/31/2002)

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

1. Name of conveying party(ies):

Sanco Products, Inc. *3.5.02*
1032 SW 22nd Street
Oklahoma City, OK 73109

2. Name and address of receiving party(ies)

Name: J. E. Kenneth WhitlockInternal Address: PO Box 32167Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Other

Street Address: _____

City: Oklahoma City State: OK Zip: 73122Execution Date: February 15, 2002Additional 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)

Serial No. 29/134,336Docket No. D1067US00

B. Patent No.(s)

Des. 258,468Des. 399,025Additional numbers attached? ☐ Yes ☒ No

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

Name: Virgil L. Holden, Esquire

Internal Address: _____

Street Address: 2321 Westpark DriveCity: Norman State: OK Zip: 730696. Total number of applications and patents involved: 47. Total fee (37 CFR 3.41).....\$ 160.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

(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.

Name of Person Signing
Virgil L. Holden

Signature

Date

Total number of pages including cover sheet, attachments, and documents: 4Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

03/21/2002 JFALLAW2 00000002 29134336

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160.00 DP

PATENT
REEL: 012683 FRAME: 0214

SECURITY AGREEMENT

Sanco Products, Inc., an Oklahoma corporation (hereinafter referred to as "Debtor"), hereby grants to **J. E. Kenneth Whitlock**, an individual (hereinafter referred to as "Secured Party"), a security interest in the following, effective the 1st day of January, 2002..

- (a) Letters Patent of the United States and patent applications as follows:

Water Ashtray, Patent Number Designation 258,468
Cigarette Extinguisher, Patent Number Designation 399,025
Console Ashtray, Serial # 19/134,336, Patent pending;
Patio Ashtray, Docket #D-1067US00, Patent pending.

- (b) Tradename **BOBKEN**.

- (c) All proceeds of the collateral described in (a) regardless of kind, character, form (including but not limited to accounts receivable, notes receivable or any other changes in form of said collateral) or any other properties to which Debtor may hereinafter become entitled to receive by reason of the collateral described above.

The security interest herein granted is given to secure all of the obligations of Debtor to Secured Party including:

- (a) The performance of Debtor under the Agreement for Sale of Patent and Future Improvements entered into effective January 1, 2002, in the face amount of One Million Dollars (\$1,000,000) from Debtor to Secured Party.
- (b) The performance of all agreements, covenants and warrants of Debtor set forth in any agreement between Debtor and Secured Party;
- (c) All liabilities of Debtor to Secured Party of every kind and description including: (i) all direct and indirect liabilities, (ii) liabilities due or to become due and whether absolute or contingent, and (iii) liabilities now existing or hereafter arising and however evidenced;
- (d) All extensions and renewals of liabilities of Debtor to Secured Party for any term or terms to which the Debtor hereby consents;
- (e) All interest due or to become due on the liabilities of Debtor to Secured Party;
- (f) All expenditures by Secured Party involving the performance of or enforcement of any agreement, note, covenant or warranty provided for by this or any other agreements between the parties; and

- (g) All costs, attorney fees, and other expenditures of Secured party in the collection and enforcement of any obligation or liability of Debtor to Secured Party and in the collection and enforcement of or realization upon any of the Collateral.

1. Debtor warrants and covenants that:

- 1.1. It is the owner of all the collateral described in (a) above and will keep same free from all liens, claims, security interests and covenants of any kind or nature except the security interest of Secured Party.

2. Events of default

- 2.1. The occurrence of any one of the following shall be a default hereunder:

- (a) Should the Debtor fail to pay the scheduled payments pursuant to the Agreement for Sale of Patent and Future Improvements or should an event of default otherwise occur under the Debtor's security agreement.

3. Secured Party's Remedies Upon Default.

- 3.1. In the event of any default, Secured Party may do any one or more of the following:

- (a) Enforce all of its rights under the Agreement for Sale of Patent and Future Improvements referenced above and this Security Agreement.
- (b) Exercise the rights and remedies of Secured Party under the Uniform Commercial Code with respect to security interest in collateral.

4. Miscellaneous

- 4.1. Any waiver, express or implied, of any provision hereunder or any delay or failure by Secured Party to enforce any provision shall not preclude Secured Party from enforcing any such provision thereafter.
- 4.2. All rights and remedies herein provided or other existing in favor of Secured Party are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.

IN WITNESS WHEREOF, Secured Party has caused this Security Agreement to be executed this 15th day of February, 2002, to be effective as of January 1, 2002.

"DEBTOR"

SANCO PRODUCTS, INC.
an Oklahoma Corporation

By: Raymond Santill
President

"SECURED PARTY"

J. E. Kenneth Whitlock
J. E. Kenneth Whitlock