



06-28-2002

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Form PTO-1595
(Rev. 03/01)

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

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DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):
Bermuda King, L.L.C.

3-29-02

2. Name and address of receiving party(ies)

Name: First Capital Bank

Internal Address: P.O. Box 597

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

3. Nature of conveyance:

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

Street Address: 213 N. Main

City: Kingfisher State: OK Zip: 73750

Execution Date: 3-1-02

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)

B. Patent No.(s)
5,528,890Additional numbers attached? ☐ Yes ☒ No

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

Name: First Capital Bank

Internal Address: P.O. Box 597

Kingfisher, OK 73750

ATTN: Tim McKay

Street Address: 213 N. Main

City: Kingfisher State: OK Zip: 73750

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

N/A

(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.

James Brian Henderson
Name of Person Signing

Signature

3-1-02
Date04/04/2002
01 FC:581

BYRNE

00000205 5528890

Total number of pages including cover sheet, attachments, and documents: 5

40.00

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

SECURITY AGREEMENT

March 19, 2002

DEBTOR'S NAME(S)	SECURED PARTY'S NAME AND ADDRESS
Bermuda King, L.L.C.	First Capital Bank P. O. Box 597 Kingfisher, OK 73750
DEBTOR'S ADDRESS	
P.O. Box 87 Kingfisher, OK 73750	

I. **GRANT OF SECURITY INTEREST.** For value received, the undersigned (referred to as "Debtor" whether one or more) grants to Secured Party named above a security interest in the Collateral described below to secure the payment of the "Indebtedness" (as defined below) and performance of all Debtor's obligations and agreements in this Agreement or other documents evidencing the Indebtedness. For purposes of this Agreement, any term used in the Uniform Commercial Code, as adopted and revised from time to time in the State of Oklahoma ("UCC"), and not defined in this Agreement has the meaning given to the term in the UCC. Debtor's location (if other than the address reflected above) is in the state of Oklahoma.

II. **DESCRIPTION OF COLLATERAL.** The "Collateral" shall include:
SEE ATTACHED EXHIBITS "A" "B" & "C"

This term "Collateral" also includes to the extent not listed above as original collateral:

- (1) After-Acquired Property. After-acquired property; provided, however, the security interest will not attach to (a) consumer goods, other than an accession when given as additional security, unless the Debtor acquires rights in them within 10 days after the Secured Party gives value; or (b) a commercial tort claim.
- (2) Proceeds. Proceeds, products, additions, substitutions and accessions of the Collateral.
- (3) Deposits. Unless prohibited by law, any property (excluding Individual Retirement Accounts and other qualified retirement accounts), tangible or intangible, in possession of Secured Party at any time during the term of this Agreement, or any indebtedness due from Secured Party to Debtor and any deposit or credit balances due from Secured Party to Debtor, and Secured Party may at any time while the whole or any part of the Indebtedness remains unpaid, whether before or after maturity thereof, be appropriated, held or applied toward payment of the Indebtedness or any obligation of Debtor to Secured Party.

III. **SECURED INDEBTEDNESS.** The security interest granted under this Agreement secures the following (referred to as the "Indebtedness"): (1) the performance of all of the agreements, obligations, covenants and warranties of Debtor as set forth in this Agreement or any other agreement between Debtor and Secured Party; (2) all liabilities of Debtor to Secured Party of every kind and description, including (a) all promissory notes given from Debtor to Secured Party, (b) all future advances from Secured Party to Debtor, whether in the form of a loan for a similar or different purpose than any other loan to Debtor, (c) Debtor's overdrafts, whether business or personal, (d) direct or indirect liabilities, (e) liabilities due or to become due and whether absolute or contingent, and (f) liabilities now existing or hereafter arising and however evidenced; (3) all extensions, renewals and deferrals of liabilities of Debtor to Secured Party for any term or terms, to which the undersigned hereby consents; (4) all interest and other finance charges due or to become due on the liabilities of Debtor to Secured Party; (5) All expenditures by Secured Party involving the performance or enforcement of Debtor's obligations, agreements, covenants and warranties under this Agreement or any other agreement between Debtor and Secured Party; and (6) All costs, attorneys' 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, sale or other liquidation of any of the Collateral.

IV. GENERAL PROVISIONS.

1. **WAIVERS.** No act, delay or omission, including Secured Party's written express waiver of a remedy after any default under this Agreement, shall constitute a waiver of any of Secured Party's rights and remedies not expressly waived in writing under this Agreement or any other agreement between the parties. All of Secured Party's rights and remedies are cumulative and may be exercised singly or concurrently. The waiver or exercise of any one or more rights or remedies will not be a waiver or a bar to the exercise of any other rights or remedies upon any subsequent default. No waiver, change, modification or discharge of any of Secured Party's rights or remedies or Debtor's duties as specified or allowed by this Agreement will be effective unless in writing and signed by a duly authorized officer of Secured Party. Acceptance of any partial or late payment shall not constitute a waiver of any requirement of this Agreement or impose any additional notification duties upon Secured Party. Debtor and all other signers, including guarantors, waive presentment, notice of dishonor and protest, notice of default, notice of intention to accelerate and notice of acceleration and consent to any and all extensions of time for any term or terms regarding payment due, partial payments, or renewals before or after maturity. Debtor and all other signers, including guarantors, further consent to substitution, impairment, release or nonperfection with regard to the Collateral, and the addition or release of or agreement not to sue any party or guarantor.

2. **AGREEMENT BINDING ON ASSIGNS.** This Agreement inures to the benefit of Secured Party's successors and assigns, and is binding upon Debtor's heirs, executors, administrators, representatives, successors and permitted assigns (and all persons who become bound as a debtor to this Security Agreement), but no person taking from or representing Debtor has any right to advance under any instrument or document secured by this Agreement.

3. **CHANGES IN TERMS.** Secured Party reserves the right to change any of the terms of this Agreement in accordance with applicable law and the provisions of the security interest created by this Agreement.

4. **TERM OF AGREEMENT.** This Agreement, and the security interest created by this Agreement, will remain in force until all of the Indebtedness is paid in full, unless the security interest created by this Agreement is earlier released by Secured Party in writing.

5. **RIGHTS OF SECURED PARTY ASSIGNABLE.** Secured Party, at any time and at its option, may pledge, transfer or assign its rights under this Agreement in whole or in part, and any transferee or assignee shall have all Secured Party's rights or the parts of them so pledged, transferred or assigned. Debtor's rights under this Agreement or in the Collateral may not be assigned without Secured Party's prior written consent.

6. **JOINT AND SEVERAL RESPONSIBILITY OF DEBTOR AND SURETIES.** The responsibilities of Debtor and any co-debtor, guarantor, surety or accommodation party under this Agreement are joint and several, and the references to Debtor in this Agreement shall be deemed to refer to each such person, including any person who pledges Collateral even if such pledgor is not otherwise liable under any promissory note, guaranty or other instrument secured by this Agreement.

7. **SEPARABILITY OF PROVISIONS.** If any provision of this Agreement shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or unenforceable provision had never existed.

8. **GOVERNING LAW.** This Agreement shall be construed and enforced in accordance with the laws of the State of Oklahoma, except to the extent that the UCC provides for application of the law where the Debtor or the collateral is located (if other than Oklahoma) as the case may be.

9. **ENTIRE AGREEMENT.** This Agreement, together with any mortgage of real estate which may be Collateral, constitutes the entire agreement between the parties with respect to the subjects addressed herein. This Agreement may be amended or modified only by a writing signed by Secured Party specifying that it is a modification, amendment or addition to this Agreement.

V. **EVENTS OF DEFAULT.** Debtor shall be in default under this Agreement upon the happening of any one or more of the following events or conditions, called "Events of Default" in this Agreement:

1. If any warranty, covenant, agreement, representation, financial information or statement made or furnished to Secured Party by Debtor, any guarantor or surety, or otherwise on Debtor's behalf to induce Secured Party to enter into this Agreement, or in conjunction with it, is violated or proves to have been false in any material respect when made or furnished.

2. If any payment required in this Agreement or under any other agreement or obligation of Debtor to Secured Party or to others is not made when due or in accordance with the terms of the applicable contract.

3. If Debtor defaults in the performance of any covenant, obligation, warranty, or provision contained in this Agreement or any other agreement, mortgage or obligation of Debtor to Secured Party or to others, including without limitation Debtor's failure to insure the Collateral or unlawful use of the Collateral.

4. If any event or condition exists or occurs which results in acceleration of the maturity of any obligation of Debtor to Secured Party or to others under any note, mortgage, indenture, agreement, or undertaking.

5. If anyone makes any levy against or seizes, garnishes or attaches any of the Collateral; if Debtor consensually encumbers any of the Collateral; or if Debtor sells, leases, or otherwise disposes of any of the Collateral without Secured Party's prior written consent as required by this Agreement or any mortgage executed in connection with this Agreement.

6. If the Collateral is lost, stolen, substantially damaged or destroyed.

7. If, in Secured Party's judgment, the Collateral becomes unsatisfactory or insufficient in character or value, and upon request Debtor fails to provide additional Collateral as required by Secured Party.

8. If at any time Secured Party, in its sole discretion, believes the prospect of payment or performance of any duty, covenant, warranty or obligation secured by this Agreement is impaired.

9. If Debtor or any guarantor or surety dies, dissolves, terminates existence, or becomes insolvent; if a receiver is appointed over any part of Debtor's property or any part of the Collateral; if Debtor makes an assignment for the benefit of creditors; or if any proceeding is commenced under any bankruptcy or insolvency law by or against Debtor or any guarantor or surety for Debtor.

10. If the Collateral is removed from the location specified in this Agreement or in a separate notice to Secured Party without Secured Party's prior written consent, except for temporary periods in the normal and customary use of the Collateral.

11. Secured Party shall receive at any time following the Closing a filing office report indicating that Secured Party's security interest is not prior to all other security interests or other interests reflected in the report.

VI. **ADDITIONAL PROVISIONS.** The undersigned specifically agree to all of the "Additional Provisions" on the reverse side of this Agreement.



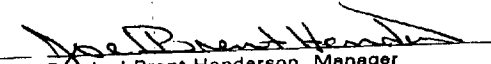
SECURED PARTY'S SIGNATURE	DEBTORS' SIGNATURE(S)
First Capital Bank By:  Tim McKay, President	Bermuda King, L.L.C.  By: James Brian Henderson, Manager  By: Joel Brent Henderson, Manager <div style="text-align: center;"> PATENT REEL: 013019 FRAME: 0428 </div>

Exhibit "A"**Page 1 of 2**

Item	Year/Make/Model/Size	Serial Number
Air Compressor	WF631220-10H5	W156129768
Air Conditioner	Carrier 120,000 BTU / 48TFE008	1801G33078
Bandsaw	1998 Clausing / C353A	8710074
Bandsaw	Summit / 350MP	04AF06
Bending Machine	Stierli-Bender 300HEUSA w/Dies	260
Cabinet	Metal Storage	N/A
Camera	Sony Digital	N/A
Coke Machine	Pepsi Machine	N/A
Compressor Tank	Campbell Air Tank 200 Gallon	VT-6005
Compressor	1987 Sears Craftsman 200 Gallon	34863
Compressor	Holman	N/A
Compressor	Speedair 200 Gallon	32180
Computer	17' Monitor & Gateway Computer	001778758
Computer	Pentium & Printer	21593
Computer	17' Monitor & Gateway Computer	N/A
Copy Machine	Ricoh / FT3113	N/A
Credit Card Machine	Credit Card Machine	N/A
Crimper	Weatherhead Hose Collichomp / T400	N/A
	Supplies & Parts	
Drill	Summit Mechanical Drill / 3XD	251
Drill	Delta Floor Drill	29-523
Drill	Powermatic / 1150	W85155019
Drill Press	Clausing / 2274	20532649
Drill Press	Leland Gifford 4 Stand	N/A
Embosser	Lettering Embosser Model 4	21099
3 Fans	Portacool Watercooled Fans / 2000	337509 / 47598 / 338549
2 Fans	Windbuster Shop Fans	N/A
Fax Machine	Cannon Fax / B13140	N/A
Forklift	Clark / CV-30	44611-7464
Forklift	Clark	N/A
Forklift	Hyster Electric / A30XL	A203A03933L
Forklift	Toyota 6000 LB / 026FGU30	60465
Forklift	Toyota 7000 LB / FG35	FG35-11357
Gate Opener	Gate Opener Machine / SLG421	2107517683E
Grinder	Delta	40769
Grinder	Industrial	G1180
Gun	Wagner Paint Gun	ED1200
	Electrostatic M71	
Ironworker	Scotchman / 12012	50442M894

Item	Year/Make/Model/Size	Serial Number
Lathe	Southbend Lathe 16 Swing 10 Long	1176
Loader	Front End Loader Great Bend 440	21-11497
Mill	Cincinnati / 2MN	252P5C23
Mower	Progressive Mower / 4503859	2500
Office Equipment	Chairs, Desks, Office Supplies & Tables	N/A
Paint Building	Paint Building, Equipment, Paint Sprayer & Hoses, Connections & Gun	N/A
Paint Equipment	Paint Room Air Make Up Unit Weather Rite / Forces air in and air out Model 3C411A	N/A
Plasma Cutter	Lincoln Pro-cut 60 / 9819-1	U19940406062
Press	Wrenn Hydraulic Press	U18566
Press	Dake Hydraulic Press / 50E	143721
2 Presses	Manual Press Connors	N/A
Racks	Steel Inside Racks	Shopmade
Racks	Steel Outside Racks	Shopmade
Saw	Milwaukee 14' Cut Off Saw / 6175	97373327
Sandblaster	Ingersoll Rand / 375	1807371189408
Shop Equipment	Misc. Shop Equipment, Welding Supplies, Tolls, Torches & Equip.	N/A
Software	Qquest Software Etc Electric Payroll	N/A
Tapping Machine	Tapmatic Model R7 Threading & Tapping Machine	35T
Telephone	Telephone System	N/A
Tractor	Ford 5610 II	EN007066
Trailer	2000 Gooseneck Custom Built	22947CGA29053
Truck	1973 International Transtar White	22947CGA29053
Truck	1985 Gray Dodge	1B7JD24WXFS559300
Truck	1986 Chevy (Whitey)	1GBHC34W8GJ121698
Truck	1987 Red/White Dodge	1B7HD14T2HS360940
Truck	Chevy 1 Ton	1GCGK29F9TE161790
Truck	1997 Mack Truck / CH613	1M1AA13V0VW078436
Washer	Ramteq Hot Water Washer / AV500	TT2035
Welder	Lincoln Welder / SA250-D3152	880197
6 Welders	Lincoln Wire Welders Codes 9928 & 10363	U1950313724 / U1000213317 U194D100028 / U1960401300 U1961008772 / U1940803513
4 Welders	Lincoln Welders	N/A

Exhibit "B"

A tract of land lying in the Northwest Quarter (NW/4) of Section Twenty-five (25), Township Sixteen (16) North, Range Seven (7) W.I.M., more particularly describes as beginning at a point 1352.90 feet bearing North 00 degrees East along and following the West Section line and 601.10 feet bearing South 86 degrees 32' 20" East of the West quarter corner of Section 25 (this point also known as the Southwest corner of the NW/4 of Section 25), thence 6.56 feet bearing South 86 degrees 32' 20" East, thence 241.63 feet bearing South 89 degrees 28' 25" East, thence 313.66 feet bearing South 78 degrees 05' 11" East, thence 588.32 feet bearing South 00 degrees West parallel to the West Section line, thence 558.14 feet bearing North 83 degrees 59' 28" West, thence 597.26 feet bearing North 00 degrees East to the point of beginning, containing 7.56 acres, more or less.



EXHIBIT "C"

March 19, 2002

DEBTOR'S/GRANTOR'S NAME(S)

LENDER'S NAME AND ADDRESS

Bermuda King, L.L.C.

First Capital Bank
P. O. Box 597
Kingfisher, OK 73750

DEBTOR'S/GRANTOR'S ADDRESS

P.O. Box 87
Kingfisher, OK 73750

THIS EXHIBIT ATTACHES TO, AND IT AND THE PROVISIONS DESCRIBED BELOW, BECOME A PERMANENT PART OF THAT
Security Agreement (name of document) DATED March 19, 2002 BETWEEN THE ABOVE
REFERENCED LENDER AND DEBTOR/GRANTOR.

Borrower's Collateral:

All accounts of whatever kind or nature, wherever located, now owned or hereafter acquired, and all proceeds thereof (whether in the form of cash, instruments, chattel paper, general intangibles, accounts or otherwise).

All of Debtor's chattel paper, whether tangible or electronic, now existing or hereafter acquired, and all accounts, whether now existing or hereafter arising or acquired, and all returned or repossessed goods related thereto.

All equipment of whatever kind or nature, wherever located, now owned or hereafter acquired, and all returns, repossessions, exchanges, substitutions, replacements, attachments, parts, accessories, and accessions thereto and thereof and all proceeds thereof, (whether in the form of cash, instruments, chattel paper, general intangibles, accounts or otherwise) including but not limited to the attached Exhibit "A"

All debtor's fixtures of every kind, type or description, whether now owned or hereafter acquired. Fixtures are to be filed of record. This account is in the real estate records of the register's office of KINGFISHER County. These goods are affixed (or will be affixed) to real property more specifically described on Exhibit "B". The (Record Owner or Record Lessee) is An Undivided One-Half Interest to: Richard Reynolds and Annenda Reynolds, Trustees, or their successors in trust, under the Richard Reynolds Living Trust dated July 6, 2000 and any amendments thereto and An Undivided One-Half Interest To: Annenda Reynolds and Richard Reynolds, Trustees, or their successors in trust, under the Annenda Reynolds Living Trust, dated July 6, 2000, and any amendments thereto.

All inventory of whatever kind or nature, wherever located, now owned or hereafter acquired, and all returns, repossessions, exchanges, substitutions, replacements, attachments, parts, accessories, and accessions thereto and thereof and all proceeds thereof (whether in the form of cash, instruments, chattel paper, general intangibles, accounts or otherwise).

One(1) used 1986 Chevy VIN # 1GBHC34W8GJ121698. One(1) used 1996 Chevy VIN # 1GCGK29F9TE161790. One(1) used 1997 Mack VIN # 1M1AA13Y0VW078436. One (1) used 1985 Dodge Vin # 1B7JD24WXS559300. One (1) used 1987 Dodge Vin # 1B7HD14T2HS360940. One (1) used 1969 IHC Vin # 416060H873644. One (1) used 1973 INTL Vin # 22947CGA29053. One (1) used 2000 Shopbuilt Gooseneck Trailer Vin # 000533705A.

The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

- When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.
- Lender or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Borrower or Guarantor may claim or assert against SBA any local or state law to deny any obligation of Borrower, or defeat any claim of SBA with respect to this Loan.

Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the Note secured by this instrument.

LENDER'S SIGNATURE

DEBTORS' SIGNATURE(S)

Bermuda King, L.L.C.

By: James Brian Henderson, Manager

By: Joel Brent Henderson, Manager

Tim McKay, President

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