

01-17-2003

Form PTO-1595

(Rev. 10/02)

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OMB No. 0651-0027 (exp. 6/30/2005)



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

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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):

Driveline Technologies, Inc.

1-14-03

2. Name and address of receiving party(ies)

Name: Congress Financial Corporation

Internal Address: \_\_\_\_\_

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

3. Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other Peaceful Repossession Agreement

Street Address: 1201 Main Street, Suite 1625

P.O. Box 50728

City: Dallas State: TX Zip: 75250

Execution Date: 05/11/2001

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) \_\_\_\_\_

B. Patent No.(s) 5,845,911

Additional numbers attached?  Yes  No

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

Name: Mary M. Lee

Internal Address: \_\_\_\_\_

Street Address: 3441 W. Memorial Road, No. 8

City: Oklahoma City State: OK Zip: 73134-7000

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:

50-0464

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JAN 14 AM 8:44  
FINANCE SECTION

DO NOT USE THIS SPACE

9. Signature.

01/16/2003 LUJELLER 00000129 5845911

40.00 OP

Mary M. Lee

Name of Person Signing

Signature

01/09/2003

Date

Total number of pages including cover sheet, attachments, and documents: 6

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

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

Att'y Dkt. No. 7930-001

PATENT  
REEL: 013653 FRAME: 0504

**PEACEFUL REPOSSESSION AGREEMENT**

**DATED: May 11, 2001**

**DRIVELINE TECHNOLOGIES, INC.**

6 South Pennsylvania Avenue  
Oklahoma City, OK 73107

**L&S MANUFACTURING CORP.**

6 South Pennsylvania Avenue  
Oklahoma City, OK 73107

Re: Amended and Restated Loan and Security Agreement dated May 4, 2000, and as amended from time to time (the "Loan Agreement"), by and between DriveLine Technologies, Inc. and L & S Manufacturing Corp. (collectively, "Borrower") and Congress Financial Corporation (Southwest) ("Congress")

Gentlemen:

Reference is made to the above-referenced Loan Agreement. Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to them in the Loan Agreement.

**A. GENERAL ACKNOWLEDGMENTS AND AGREEMENTS**

1. Borrower has previously acknowledged, and by the signature below hereby acknowledges, that Borrower is in default of various terms, conditions and covenants of the Loan Agreement. Borrower has acknowledged, and by the signature below hereby confirms, that Borrower is no longer able to conduct business operations in the ordinary course, that Events of Default under the Loan Agreement exist, are continuing and are not susceptible of cure, and that Congress has the right to, and is warranted in, exercising its rights and remedies against the Collateral in accordance with the provisions of the Loan Agreement, and the Uniform Commercial Code (the "UCC").

2. Borrower does not contest that Congress holds a valid and duly perfected first lien and security interest in the Collateral.

3. Borrower hereby represents and warrants to Congress that the only material disbursements by Borrower are described on Exhibit "A" and that all other material transfers of money or property from Borrower are recorded and evident on the books and records of Borrower, which shall also be surrendered hereunder.

4. Borrower hereby expressly waives any and all claims and causes of action it may now or in the future have in respect of the validity and priority of Congress's lien and in respect of Congress's exercise of its rights and remedies in respect of the Collateral as contemplated hereby, under the Loan Agreement and the UCC.

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**PATENT**  
**REEL: 013653 FRAME: 0505**

5. Borrower hereby irrevocably releases and discharges Congress, its affiliated companies, and its agents, officers and successors and assigns (collectively, the "Congress Group"), from any and all claims or demands of whatsoever nature, whether known or unknown, whether having arisen or hereafter arising out of or relating to (i) the Loan Agreement; (ii) Congress's actions in connection with or pursuant to the Loan Agreement; or (iii) any other matter or dealing between or among the Borrower and Congress.

6. Borrower agrees never to institute or, except as required by law, aid in the institution or prosecution of any action or suit at law or in equity against Congress, or the Congress Group, or any one on account of any damage, loss, or injury either to person or property, known or unknown, past, present, or future, arising out of the claims released herein.

7. Each of the undersigned represents and warrants that it is the current legal and beneficial owner of its respective claims released hereunder, that it has made no transfer or assignment of any or all of the claims released hereunder and that it has the authority to execute this agreement.

8. Borrower hereby agrees to indemnify and hold Congress harmless from and against all acts or omissions taken, and all decisions made by Congress, or the Congress Group, in good faith (other than through gross negligence or willful misconduct) in connection with the enforcement of its rights and remedies against the Collateral as provided in the Loan Agreement and the UCC and as contemplated hereby, and to pay the reasonable fees and expenses, including attorneys' fees and legal expenses, actually incurred by Congress in connection with the defense of any such action, omission or decision, including any suit or proceeding relating thereto and any appeal therefrom and the costs of any settlement thereof.

#### B. AGREEMENTS REGARDING FORECLOSURE SALE

1. Under the rights afforded Congress under the provisions of the Loan Agreement, and the UCC, Congress hereby demands that Borrower surrender possession of all Collateral, , and Borrower agrees to peacefully surrender the Collateral to Congress without the necessity of judicial process, and acknowledge that Congress's action as effected hereby does not, and will not constitute a breach of the peace.

2. If requested by Congress, Borrower hereby agrees to assemble the Collateral at a location in Oklahoma City, Oklahoma or at another location or locations deemed by Congress, in its sole discretion, to be reasonably convenient to Borrower and Congress. Borrower hereby agrees that Congress shall have reasonable access to the Borrower's premises, including leased premises, in order to coordinate and prepare for the disposition of the Collateral and conduct any public or private sales in connection therewith. Borrower hereby agrees to permit Congress to dispose of the Collateral from and at any of Borrower's premises where such Collateral may be

assembled. Borrower hereby agrees that the Collateral can remain at the Borrower's premises without charge by Borrower to Congress for storage from now until such time as the Collateral has been disposed.

3. Borrower agrees that under the provisions of the Loan Agreement, Congress shall have the right to sell, lease or otherwise dispose of the Collateral in its then condition or following any commercially reasonable preparation. Borrower further agrees that Congress may lease the Collateral pending foreclosure and that all rent received shall be applied to reduce the Obligations owed to Congress under the Loan Agreement. The disposition of the Collateral may be by public or private sale and may be made by way of one or more contracts. Borrower and Guarantor agree that any sale or other disposition may be as a unit or in parcels and at any time and place on commercially reasonable terms. By Borrower's signature below, Borrower and Guarantor agree to renounce any right to: (i) notification of any sale or disposition of the Collateral; and (ii) redeem the Collateral. Borrower and Guarantor acknowledge receipt of a signed copy of this Agreement constitutes receipt of a Notice of Sale pursuant to Section 9504 of the UCC, and agrees that all methods, manners and forms, of said notice are commercially reasonable.

4. Borrower hereby agrees that, if requested by Congress, it will notify each account debtor or other obligor obligated on the Collateral, or any part thereof, to make payment directly to Congress. Borrower acknowledges that Congress will take control of the proceeds so paid to Congress. Borrower further acknowledges that any proceeds of the Collateral collected or received by Borrower shall immediately be paid over to Congress to be applied on account of the Obligations in accordance with the terms of the Loan Agreement, and any such proceeds received by Borrower shall be deemed to be held in constructive trust for Congress and immediately turned over to Congress.

5. Borrower hereby agrees that it will identify for Congress the work in progress at the Borrower's business that in its opinion can be completed for a reasonable expense and in a reasonable time period in order to generate an account receivable and enhance the value of the Collateral. Borrower may request and Congress may consider the possibility of authorizing additional funding, under the same conditions and terms as the Loan Agreement, for the limited purpose of completing work in progress and preparing the Collateral for orderly liquidation. Any advances made for this limited purpose shall not be deemed and do not constitute a waiver of any Event of Default or any of Congress's rights under the Loan Agreement or the UCC. Any and all funds advanced by Congress to Borrower or expended in completion or preparing Collateral shall be considered advances pursuant to the Loan Agreement and will become part of the Obligations and secured by the Collateral.

6. Congress will retain the services of Patton Boggs LLP to serve as its attorneys to effect the sale or other disposition of the Collateral and the collection of the Accounts included therein. Borrower agrees to cooperate fully with Patton Boggs LLP and provide such assistance

as they may reasonably require to dispose of the Collateral from Borrower's premises, including, but not limited to, such personnel, office space and use of office equipment and facilities as they shall reasonably require. The Borrower agrees that the reasonable cost and expenses of such personnel and facilities shall be considered a cost of taking, holding, preparing for sale and selling the Collateral and may be paid by Congress from the proceeds of the Collateral.

7. Borrower further agrees, to the extent it has available funds, to maintain proper insurance coverage against personal injury and property loss relating to or otherwise deriving from the Collateral at levels and of types currently maintained by Borrower until appropriate arrangements can be made by Congress, such that there is no lapse in coverage. Should the Borrower fail to maintain proper insurance coverage, as described above, it will immediately notify Congress.

8. The Borrower hereby acknowledges and agrees that: (i) prior to the application of the proceeds of the disposition of the Collateral or any part thereof to the Obligations, such proceeds shall be applied first to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like and the reasonable fees and expenses of Congress, including attorneys' fees incurred in connection therewith; (ii) the Borrower will remain liable for any deficiency; (iii) the sale or other disposition by Congress of less than the whole of the Collateral shall not exhaust the rights of Congress hereunder or otherwise under the Loan Agreement, and Congress is specifically empowered to make successive sales or other dispositions until the whole of the Collateral shall be disposed of; (iv) the lien created by the Loan Agreement in any property that remains unsold or is not disposed of shall remain in full force and effect; (v) the rights and remedies of Congress as exercised or described hereby are cumulative of any and all other rights and remedies existing at law or in equity and are cumulative of any and all other rights and remedies provided for in any other document or instrument executed in connection with the transactions contemplated by the Loan Agreement or otherwise in connection with the Obligations, and the resort to such rights and remedies shall not prevent the subsequent employment of any other appropriate right or remedy; (vi) Congress may resort to any lien or interest in the Collateral now existing or hereafter granted to secure the payment of the Obligations, in whole or in part, and in such portions and in such order as Congress, in its sole discretion, may determine, and any such action, and the actions contemplated hereby, shall not in any way be considered as a waiver or election of any of the rights, remedies, benefits or liens granted by, or evidenced by the Loan Agreement. The Borrower hereby waives and releases (and Congress hereby acknowledges such waiver and release) of any and all rights of redemption, valuation, appraisal, stay of execution, notice of intention to mature or declare due the whole or any part of the Obligations and the rights to a marshalling of the assets of the Borrower, including the Collateral.

*[The Remainder of This Page is Intentionally Blank]*

ACKNOWLEDGED AND AGREED TO  
AS TO ALL PARAGRAPHS:

**DRIVELINE TECHNOLOGIES, INC.**

By: Richard A. Witcher  
Name: RICHARD A. WITCHER  
Title: PRESIDENT

**L & S MANUFACTURING CORP.**

By: Richard A. Witcher  
Name: RICHARD A. WITCHER  
Title: PRESIDENT

**CONGRESS CAPITAL CORPORATION**

By: M. E. Brown Jr.  
Name: M. E. BROWN JR.  
Title: V.P.

ACKNOWLEDGED AND AGREED TO  
PARAGRAPH 3:

**MC AUTOMOTIVE ACQUISITION CORPORATION**

By: Murray Cohen  
Name: MURRAY COHEN  
Title: PRESIDENT

9090.157:155214

LAW OFFICE  
MARY M. LEE, P.C.  
3441 W. MEMORIAL ROAD, SUITE 8  
OKLAHOMA CITY, OKLAHOMA 73134-7000

Telephone: (405) 302-0900  
Facsimile: (405) 302-0901

Email: [mml@marymlee.com](mailto:mml@marymlee.com)  
<http://www.marymlee.com>

*Patent, Trademark, Copyright and Related Matters*

January 9, 2003

**Box ASSIGNMENTS**

Commissioner for Patents and Trademarks  
Washington, D.C. 20231

Re: Patent No: 5,845,911  
Title: REPLACEMENT SPLIT BOOT ASSEMBLY  
Issued: 12/08/1998  
Inventors: Philip J. Gimino  
Att'y Dkt. No.: 7930-001

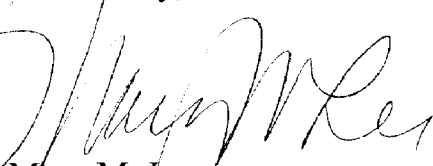
Commissioner:

Enclosed for recordal is a Peaceful Repossession Agreement from Driveline Technologies, Inc. to Congress Financial Corporation, along with a Recordation Form Cover Sheet and a Credit Card Payment form. Please return the recorded assignment to the undersigned.

Please charge any deficiency or credit any overpayment to the undersigned's Deposit Account No. 50-0464.

Also enclosed is a return postcard.

Yours truly,



Mary M. Lee  
Reg. No. 31,976

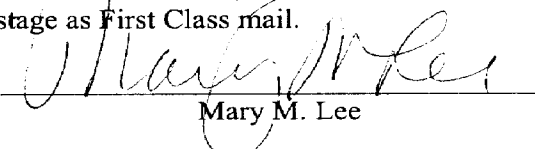
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Enclosures

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**CERTIFICATION OF MAILING UNDER 37 C.F.R. 1.8(a)**

I hereby certify that on the date shown below this correspondence is being deposited with the United States Postal Service in an envelope addressed to: Box ASSIGNMENTS, Commissioner for Patents and Trademarks, Washington, D.C. 20231, with sufficient postage as First Class mail.

Date: January 9, 2003

Signed: 

Mary M. Lee

**RECORDED: 01/14/2003**

**PATENT**  
**REEL: 013653 FRAME: 0510**