

U.S. DEPARTMENT OF COMMERCE

**RECORDATION FORM COVER SHEET
PATENTS ONLY**

 Patent and Trademark Office
Docket No. 20181010067

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


| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Name of conveying party(ies): Toolz Limited, 22nd Floor, 168 Sai Yeung Choi Street, Mongkok, Kowloon, Hong Kong <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation-State <input checked="" type="checkbox"/> Other | 2. Name and address of receiving party(ies): Name: Abbott L. Stillman 1982 Family Trust Address: 670 White Plains Road City: Scarsdale State: New York Zip Code: 10583 |
| Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: Memorandum of Security Interest and Lien in Patent Rights Execution Date: May 21, 2003 | Additional name(s) & address(es) attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. Application number(s) or patent number(s): If this document is being filed with a new application, the execution date of the application is: A. Patent Application No.(s): 09/858,710; 10/081,866; 10/402,329; 10/353,559; 10/004,694; 10/279,754; 09/928,244; 10/414,440; 10/414,450; 10/414,268; 10/081,865 B. Patent No.(s): 6,459,483; 6,542,304; 5,680,208; 5,903,345 Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Name and address of party to whom correspondence concerning document should be mailed: Pamela Merkadeau Bingham McCutchen LLP Three Embarcadero Center, Suite 1800 San Francisco, CA 94111-4067 | 6. Total number of applications and patents involved: 15 7. Total fee (37 C.F.R. § 3.41): \$600.00 <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account, referencing Attorney Docket No. 20181010067 8. Deposit account number: 50-2518 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

The Commissioner is hereby authorized to charge any fees under 37 C.F.R. §1.21 that may be required by this paper, or to credit any overpayment to Deposit Account No. 50-2518

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: Pamela Merkadeau Registration No. 53,318  Date: 05-27-03 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

 Total number of pages comprising cover sheet, attachments and document: **9**

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

 Commissioner of Patents and Trademarks
 Office of Public Records, Mail Stop Assignments
 P.O. Box 1450
 Alexandria, VA 22313-1450

700031573

**PATENT
REEL: 013678 FRAME: 0811**

Name and address of receiving party(ies):

| <u>Name</u> | <u>Address</u> |
|----------------------------------------------------|--------------------------------------------------------------------------------------|
| Anderson, Jay | c/o The Feil Organization 370 7th Ave., Suite 618 New York, NY 10001 |
| Arthur, Randy & Linda Yellin | 131 Riverside Drive #7A New York, NY 10024 |
| Goldman, Lloyd | c/o Building Management Co. 52 Vanderbilt Ave., #1600 New York, NY 10017 |
| Izower, Jack | 146 Jefferson Avenue Island Park, NY 11558 |
| Lubar, Greg | 1810 Randolph Street, N.W. Washington, DC 20011 |
| Mary K. Foust, Trustee for the Mary K. Foust Trust | 111 Central Avenue Sausalito, CA 94965 |
| Moorea LLC | c/o Parthenon Capital 200 State Street, 8 th Floor Boston, MA 02109 |
| Rosenthal, Barry | c/o Bingham Dana LLP 1120 20th Street, NW, Suite 800 Washington, DC 20036 |
| Rosenthal, Phillis | 49 Bates Road Harrison, NY 10528 |
| Roth, Annette & Irwin | 5 Pinewood Road White Plains, NY 10605 |
| Roth, Gary | 101 West End Avenue, Apt. 15N New York, NY 10023 |
| Schwartz, Sanford | 32 Garden Road Scarsdale, NY 10583 |

| <u>Name</u> | <u>Address</u> |
|---------------------------|----------------------------------------------------------------------|
| Shea Ventures LLC | 655 Brea Canyon Road Walnut, CA 91789 |
| Sadow, Bernard | 21 Pond Hill Road Chappaqua, NY 10514 |
| Sheldon, Marilyn | 207 McKinley Avenue Island Park, NY 11558 |
| Stillman, Abbott | 670 White Plains Road Scarsdale, NY 10583 |
| Stillman, Allan | 15968 Brier Creek Drive Delray Beach, FL 33446 |
| Wadhwa, Sham & Subhashini | 9411 Wooded Glen Avenue Burke, VA 22015 |
| Butler, Andy | 218 Cowper Street Palo Alto, CA 94301 |
| Lawson, Bob | 24266 Rue De Gauguin Laguna Niguel, CA 92677 |
| Soucy, Steve | 235 New Canaan Road Wilton, CT 06897 |
| Zimmermann, Isabel | c/o Toolz GmbH Frankfurter Ring 193 a/IV 80807 Munich, Germany |

**MEMORANDUM OF SECURITY INTEREST AND LIEN
IN PATENT RIGHTS**

Reference is made to a certain Intellectual Property Security Agreement (together with its appendices, exhibits and schedules, the "Security Agreement") dated as of May 12, 2003, by and between Toolz Limited, a Hong Kong Company ("Debtor") and the lenders identified in Appendix I hereto ("Secured Party"), and Edmund Shea and Abbott Stillman, in their joint capacity as the Agents for the Secured Party (Shea and Stillman, each an "Agent" and collectively, the "Agents").

Except as otherwise defined herein, all defined and capitalized terms contained herein shall have the same meanings as in the Security Agreement. Nothing herein shall be construed to modify or alter the terms of the Security Agreement, or diminish or enlarge the parties' respective rights and duties thereunder or the limitations and conditions contained therein.

In exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in accordance with the terms and conditions of the Security Agreement, Debtor has granted and hereby confirms its grant to Secured Party of a continuing security interest and lien in the below listed patents and applications for patents of record (collectively, the "Patent Rights") in the United States Patent and Trademark Office along with all Receivables, Related Agreements and any and all proceeds and products of any and all of the foregoing (all of the foregoing, collectively, the "Collateral"), all as more specifically set forth, and on the terms and conditions provided, in the Security Agreement. The inclusion of proceeds does not authorize Debtor to sell or dispose of the Collateral. Without the prior express written approval of the Secured Party, Debtor may not grant an exclusive license or sell, or accept any offer to acquire an exclusive license or to purchase, or release, or abandon, or otherwise dispose of one or more of the Patent Rights or any undivided interest therein.

Issued Patents

UNITED STATES

| Patent No. | Title | Issued |
|------------|------------------------------------------------------|------------------|
| 6,459,483 | Level with Angle and Distance Measurement Apparatus | October 1, 2002 |
| 6,542,304 | Laser Beam Device with Apertured Reflective Element | April 1, 2003 |
| 5,680,208 | Gravity Oriented Laser Scanner | October 21, 1997 |
| 5,903,345 | Remotely Positionable Gravity Oriented Laser Scanner | May 11, 1999 |

Pending Parent Applications

UNITED STATES

| Serial No. | Title | Filing Date |
|------------|----------------------------------------------------------|-------------------|
| 09/858,710 | Method & Apparatus for Securing & Aligning Bubble Vials | May 16, 2001 |
| 10/081,866 | Detecting Tool Orientation, Alignment, Depth, & Leveling | February 22, 2002 |
| 10/402,329 | Alignment Device with Multiple Spring Systems | March 28, 2003 |
| 10/353,559 | Methods and Apparatus for Laser Device Adjustment | January 28, 2003 |
| 10/004,694 | Servo-Controlled Automatic Level and Plumb Tool | December 4, 2002 |
| 10/279,754 | Alignment Device | October 24, 2002 |
| 09/928,244 | Laser Alignment Device Providing Multiple References | August 10, 2001 |
| 10/414,440 | Distance Measurement Device | April 15, 2003 |
| 10/414,450 | Constructing a Waveform from Multiple Samples | April 15, 2003 |
| 10/414,268 | Distance Measurement Device with Short Distance Optics | April 15, 2003 |
| 10/081,865 | Tools with Orientation Detection | February 22, 2002 |

Executed the ~~21st~~ day of MAY, 2003

By: ANDREW BOUTLER
 Its: PRESIDENT & CEO

Appendix I

LIST OF LENDERS

| <u>Name</u> | <u>Address</u> | <u>Citizenship</u> |
|-------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------|
| Abbott L. Stillman 1982 Family Trust | 670 White Plains Road Scarsdale, NY 10583 | Domiciled in New York State |
| Anderson, Jay | c/o The Feil Organization 370 7th Ave., Suite 618 New York, NY 10001 | USA |
| Arthur, Randy & Linda Yellin | 131 Riverside Drive #7A New York, NY 10024 | USA |
| Goldman, Lloyd | c/o Building Management Co. 52 Vanderbilt Ave., #1600 New York, NY 10017 | USA |
| Izower, Jack | 146 Jefferson Avenue Island Park, NY 11558 | USA |
| Lubar, Greg | 1810 Randolph Street, N.W. Washington, DC 20011 | USA |
| Mary K. Foust, Trustee for the Mary K. Foust Trust | 111 Central Avenue Sausalito, CA 94965 | USA |
| Moorea LLC | c/o Parthenon Capital 200 State Street, 8 th Floor Boston, MA 02109 | Delaware Corporation |
| Rosenthal, Barry | c/o Bingham Dana LLP 1120 20th Street, NW, Suite 800 Washington, DC 20036 | USA |
| Rosenthal, Phillis | 49 Bates Road Harrison, NY 10528 | USA |
| Roth, Annette & Irwin | 5 Pinewood Road White Plains, NY 10605 | USA |

Appendix I
Page 2 of 2

| <u>Name</u> | <u>Address</u> | <u>Citizenship</u> |
|---------------------------|----------------------------------------------------------------------|--------------------|
| Roth, Gary | 101 West End Avenue, Apt. 15N New York, NY 10023 | USA |
| Sadow, Bernard | 21 Pond Hill Road Chappaqua, NY 10514 | USA |
| Schwartz, Sanford | 32 Garden Road Scarsdale, NY 10583 | USA |
| Shea Ventures LLC | 655 Brea Canyon Road Walnut, CA 91789 | California LLC |
| Sheldon, Marilyn | 207 McKinley Avenue Island Park, NY 11558 | USA |
| Stillman, Abbott | 670 White Plains Road Scarsdale, NY 10583 | USA |
| Stillman, Allan | 15968 Brier Creek Drive Delray Beach, FL 33446 | USA |
| Wadhwa, Sham & Subhashini | 9411 Wooded Glen Avenue Burke, VA 22015 | USA |
| Butler, Andy | 218 Cowper Street Palo Alto, CA 94301 | USA |
| Lawson, Bob | 24266 Rue De Gauguin Laguna Niguel, CA 92677 | USA |
| Soucy, Steve | 235 New Canaan Road Wilton, CT 06897 | USA |
| Zimmermann, Isabel | c/o Toolz GmbH Frankfurter Ring 193 a/IV 80807 Munich, Germany | German |

05/22/03 12:38 FAX 650 470 2901

COUDERT BROTHERS

013

ALL PURPOSE ACKNOWLEDGMENT

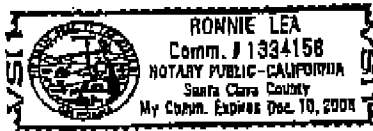
STATE OF CALIFORNIA)

COUNTY OF SANTA CLARA)

On 5/21/2003 before me RONNIE LEA Notary Public,

personally appeared ANDREW BUTLER NAME(S) OF SIGNER(S)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Witness my hand and official seal.

Signature of Notary: Ronnie Lea

OPTIONAL SECTION CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

Individual or Corporate Officer/President & CEO

- Partner(s), Limited, General, Attorney-in-fact, Trustee(s), Guardian/conservator, Other

Signer is representing: TOOLZ LTD.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT.

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

OPTIONAL SECTION Title of Type of Document SEE BELOW * Number of Pages 5 Date of Document MAY 21, 2003 Signer(s) Other Than Named Above N/A

* MEMORANDUM OF SECURITY INTEREST AND LIEN IN PATENT RIGHTS