

Form PTO-1595 (Rev. 06/04)
OMB No. 0851-0027 (exp. 8/30/2005)U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark OfficeRECORDATION FORM COVER SHEET
PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s): JB Design, Inc. Execution Date(s) <u>March 22, 2004</u> Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2. Name and address of receiving party(ies) Name: <u>Huntington National Bank</u> Internal Address: <u>Attn: Greg M. Shagovac,</u> <u>Vice President</u> Street Address: <u>18000 Jefferson Park Road,</u> <u>Suite 102 (CR30)</u> City: <u>Middleburg Heights</u> State: <u>Ohio</u> Country: <u>USA</u> Zip: <u>44130</u> Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Government Interest Assignment <input type="checkbox"/> Executive Order 9424, Confirmatory License <input type="checkbox"/> Other _____		4. Application or patent number(s): <input type="checkbox"/> This document is being filed together with a new application. A. Patent Application No.(s) B. Patent No.(s) <u>5133185, 5659158, 6199658, 5413189</u> <u>5952625</u> Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
5. Name and address to whom correspondence concerning document should be mailed: Name: <u>Michael J. Shapiro</u> Internal Address: _____ Street Address: <u>25101 Chagrin Blvd., Suite</u> <u>350</u> City: <u>Beachwood</u> State: <u>Ohio</u> Zip: <u>44122</u> Phone Number: <u>(216) 360-3737</u> Fax Number: <u>(216) 593-0921</u> Email Address: <u>mshapiro@perskylaw.com</u>		6. Total number of applications and patents involved: <u>5</u> 7. Total fee (37 CFR 1.21(h) & 3.41) \$ <u>200.00</u> <input checked="" type="checkbox"/> Authorized to be charged by credit card <input type="checkbox"/> Authorized to be charged to deposit account <input type="checkbox"/> Enclosed <input type="checkbox"/> None required (government interest not affecting title)	
9. Signature: <u>Michael J. Shapiro</u> Signature Michael J. Shapiro Name of Person Signing		8. Payment Information a. Credit Card Last 4 Numbers <u>0675</u> Expiration Date <u>08/06</u> b. Deposit Account Number _____ Authorized User Name _____	
		Date <u>07/06/2004</u> Total number of pages including cover sheet, attachments, and documents: <u>8</u>	

Documents to be recorded (including cover sheet) should be faxed to (703) 306-6998, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

700096995

PATENT
REEL: 014822 FRAME: 0538

OP \$200.00 6133186

INTELLECTUAL PROPERTY SECURITY AGREEMENT AND ASSIGNMENT

This Intellectual Property Security Agreement and Assignment (the "Agreement"), dated as of March 22, 2004, is made by and between JB DESIGN, INC., an Ohio corporation whose address and principal place of business is 140 Blaze Industrial Parkway, Berea, Ohio 44017-2930 ("Borrower"), and HUNTINGTON NATIONAL BANK, a national banking association with an address of 18000 Jefferson Park Road, Suite 102 (CR30), Middleburg Heights, Ohio 44130, Attn: Greg M. Shagovac, Vice President ("Secured Party").

RECITALS:

A. Borrower and Secured Party have entered into a Loan and Security Agreement dated as of March 22, 2004 (as the same may hereafter be amended, supplemented or restated from time to time, the "Loan Agreement"), setting forth the terms on which Secured Party may now or hereafter make certain loans or other financial accommodations to or for the account of Borrower.

B. As a further condition to making any loan or other financial accommodation under the Loan Agreement, Secured Party has required the execution and delivery of this Agreement by Borrower.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Agreement and herein, the parties hereby agree as follows:

1. **Definitions.** All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, "Patents" means all of Borrower's right, title and interest in and to patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing, hereafter arising or acquired, including without limitation the patents listed on Exhibit A.

2. **Security Interest.** Borrower hereby irrevocably pledges and assigns to, and grants a security interest in the Patents to, Secured Party, with power of sale to the extent permitted by law (the "Security Interest"), to secure payment of the Indebtedness and performance of all obligations arising under the Related Documents.

3. **Representations Warranties and Agreements.** Borrower hereby represents, warrants and agrees as follows:

(a) **Existence; Authority.** Borrower has full power and authority to make and deliver this Agreement. The execution, delivery and performance of this Agreement by Borrower have been duly authorized by all necessary action of Borrower and do not and will not violate the provisions of or constitute a default under, any presently applicable law or its Articles of Incorporation, Code of Regulations, or any agreement presently binding on it. This Agreement has been duly executed and delivered by Borrower and constitutes its lawful,

binding and legally enforceable obligation. The authorization, execution, delivery and performance of this Agreement do not require notification to, registration with, or consent or approval by, any federal, state or local regulatory body or administrative agency.

(b) **Patents.** Exhibit A accurately lists all Patents owned by Borrower.

(c) **Title.** Borrower has absolute title to each Patent listed on Exhibit A, free and clear of all security interests, liens and encumbrances, except the Security Interest, a subordinate security interest granted to ShoreBridge Capital, Ltd. (the "Subordinate Interest") and interests to be released upon the closing of the transactions contemplated by the Loan Agreement. Borrower will keep all Patents free and clear of all security interests, liens and encumbrances, except the Security Interest and the Subordinate Interest. Borrower has not received any notice or other correspondence alleging that the Patents infringe (or may infringe) on the intellectual property rights of any other person or entity. Borrower covenants and agrees to provide prompt notice to Secured Party of any notices, correspondence or other evidence that it receives alleging that the Patents may infringe the rights of any other person or entity or are being infringed upon by any person or entity.

(d) **No Sale.** Subject to the provisions of Section 4, Borrower will not sell or otherwise dispose of the Patents, or any interest therein, without Secured Party's prior written consent. Borrower shall maintain the exclusive right to use the Patents, or any interests therein, unless otherwise approved by Secured Party in writing (such approval not to be unreasonably withheld).

(e) **Defense.** Borrower will at its own expense, and using its reasonable efforts, protect and defend the Patents against all claims or demands of all persons other than Secured Party.

(f) **Maintenance.** Borrower will at its own expense maintain the Patents to the extent reasonably advisable in Borrower's business. Borrower covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent, nor fail to file any required affidavit in support thereof, without first providing Secured Party: (i) sufficient written notice, in the manner provided in the Loan Agreement, to allow Secured Party to timely pay any such maintenance fees or annuity which may become due on any of said Patents, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, should such be necessary or desirable.

(g) **Secured Party's Right to Take Action.** If Borrower fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) business days after Secured Party gives written notice to Borrower of such failure (or, in the case of the agreements contained in subsection (f), immediately upon the occurrence of such failure, without notice or lapse of time), or if Borrower notifies Secured Party that it intends to abandon a Patent, Secured Party may (but need not) pay the necessary maintenance fee on behalf and in the name, place and stead of Borrower (or, at Secured

Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure.

(h) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Borrower shall pay Secured Party on demand the amount of all monies expended and all costs and expenses (including reasonable attorneys' fees) incurred by Secured Party in connection with or as a result of Secured Party's taking action under subsection (g) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Secured Party at the highest rate then applicable to any of the Indebtedness.

(i) **Power of Attorney.** To facilitate Secured Party's taking action under subsection (g) and exercising its rights under Section 6, Borrower hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of Borrower with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Borrower, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Borrower under this Section 3, or, necessary for Secured Party, after and during the continuance of an Event of Default, to enforce or use the Patents or to grant or issue any exclusive or non-exclusive license under the Patents to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents to any third party. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement and the payment of all of the Indebtedness.

4. **Borrower's Use of the Patents.** Subject to the restrictions set forth herein, Borrower shall be permitted to control and manage the Patents, so long as no Event of Default occurs and remains uncured.

5. **Events of Default.** Each of the following occurrences shall constitute an "Event of Default under this Agreement": (a) an Event of Default as defined in the Loan Agreement shall occur and be continuing; or (b) Borrower shall fail to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** Upon the occurrence and during the continuance of an Event of Default, Secured Party may, at its option, take any or all of the following actions:

- (a) Secured Party may exercise any or all remedies available under the Loan Agreement.
- (b) Secured Party, subject to the rights of any licensees or sublicensees permitted hereunder, may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents.
- (c) Secured Party may enforce the Patents and any licenses thereunder, and if Secured

Party shall commence any suit for such enforcement, Borrower shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement has been duly and validly authorized by all necessary action, corporate or otherwise. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Secured Party. A waiver signed by Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Secured Party's rights or remedies. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. Secured Party shall not be obligated to preserve any rights Borrower may have against prior parties, to realize on the Patents at all or in any particular manner or order, or to apply any cash proceeds of Patents in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Borrower and Secured Party and their respective participants, successors, and permitted assigns and shall take effect when signed by Borrower and delivered to Secured Party, and Borrower waives notice of Secured Party's acceptance hereof. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by Borrower shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Ohio without regard to conflicts or law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Indebtedness.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

The parties have executed this Agreement as of the date written above.

HUNTINGTON NATIONAL BANK

JB DESIGN, INC.

By: 

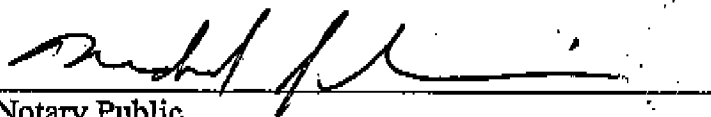
Greg M. Shagovac
Vice President

By: 

James R. Browning, Sr.
President

STATE OF OHIO)
)
COUNTY OF CUYAHOGA)

The foregoing instrument was acknowledged before me this 22 day of March, 2004, by Greg M. Shagovac, a Vice President of Huntington National Bank, on behalf of such bank.



Notary Public
My commission _____

MICHAEL J. SHAPIRO, Attorney-at-Law
Notary Public - State of Ohio
My commission has no expiration date
Section 147.03 R.C.

STATE OF OHIO)
)
COUNTY OF CUYAHOGA)

The foregoing instrument was acknowledged before me this 22 day of March, 2004, by James R. Browning a/k/a James R. Browning, Sr., in his capacity as the President of JB Design, Inc., an Ohio corporation, on behalf of said corporation.



Notary Public
My commission _____

MICHAEL J. SHAPIRO, Attorney-at-Law
Notary Public - State of Ohio
My commission has no expiration date
Section 147.03 R.C.

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EXHIBIT A

PATENT NUMBER

DATE ISSUED

5,133,185

07/28/1992

5,413,189

05/09/1995

5,659,158

08/19/1997

5,952,625

09/14/1999

6,199,658

03/13/2001