

PATENT ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Right of First Refusal
CONVEYING PARTY DATA	
Name	Execution Date
Kobig Ballast, Inc.	06/29/2005
RECEIVING PARTY DATA	
Name:	Glendon C. Daly
Street Address:	1767 Hitching Post Road
City:	East Lansing
State/Country:	MICHIGAN
Postal Code:	48823
PROPERTY NUMBERS Total: 4	
Property Type	Number
Application Number:	60579744
Application Number:	60626236
Application Number:	60680560
Patent Number:	5639319
CORRESPONDENCE DATA	
Fax Number:	(616)222-2318
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	6167522313
Email:	patents@wnj.com
Correspondent Name:	Chad E. Kleinheksel
Address Line 1:	111 Lyon NW
Address Line 4:	Grand Rapids, MICHIGAN 49503-2487
NAME OF SUBMITTER:	Chad E. Kleinheksel
Total Attachments: 2	
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OP \$160.00 60579744

RIGHT OF FIRST REFUSAL

THIS RIGHT OF FIRST REFUSAL AGREEMENT ("Agreement") is entered into on this 29th day of June, 2005, between **Kobig Ballast, Inc.**, a Michigan corporation of 6895 Blue Ridge Drive, Belmont, Michigan 49306 (the "Optionor"), and **Glendon C. Daly** of 1767 Hitching Post Road, East Lansing, Michigan 48823 (the "Optionee").

RECITALS

A. Optionor and Optionee are parties to a Royalty Agreement dated June 29, 2005 ("Royalty Agreement").

B. Pursuant to that Royalty Agreement, Optionor has granted and Optionee has retained certain rights in Intellectual Property Assets (as defined in the Royalty Agreement), including a certain right of first refusal, repossession rights and rights to purchase under the circumstances set forth in the Royalty Agreement.

C. Optionor and Optionee are entering into this Agreement in order to effectuate the terms of the Royalty Agreement and to provide for public notice of the rights set forth above.

AGREEMENT

1. **Right of First Refusal.** If at any time during the term of the Royalty Agreement, the Optionor shall receive a bona fide offer from any person, persons, organization or organizations to purchase in whole or in part the Patent or any of the Provisional Patents (as defined in the Royalty Agreement), the Optionor shall deliver to the Optionee a written copy of the proposed contract and notify the Optionee in writing of its intention to accept the offer. The Optionee shall have the right within ten days thereafter to accept in writing the terms of the contract to purchase the specified Patent or Provisional Patents for the purchase price and on the terms specified in the proposed contract (i.e., if such potential purchaser has offered to purchase the stock of Optionor, Optionee shall have the right to purchase the stock of Optionor on the same terms, etc.). If the Optionor does not receive the written acceptance from the Optionee within the period of ten days, the Optionor may then sell the specified Patents or Provisional Patents to the offeror, provided the sale is on the terms and conditions and for the price set forth in the contract provided to the Optionee.

2. **Repossession Right.** Under the provisions of Section 2.9 and Section 9.2 of the Royalty Agreement, Optionee has certain repossession rights in the Patent and the Provisional Patents which are hereby incorporated by reference. Optionor grants Optionee a security interest in the Patent and the Provisional Patents in order to secure these rights; provided, however, the Optioner and Optionee agree such security interest shall be subordinate in all respects to any bank financing of Optioner.

3. **Repurchase Rights.** Under the provisions of Section 5.2 of the Royalty Agreement, Optionee has certain repurchase rights in the Patent and the Provisional Patents which are hereby incorporated by reference. Optionor grants Optionee a

security interest in the Patent and the Provisional Patents in order to secure these rights; provided, however, the Optioner and Optionee agree such security interest shall be subordinate in all respects to any bank financing of Optioner.

4. **Correspondence.** Any writings required under this right of first refusal shall be sent by certified mail, postage prepaid, to the parties at the following address:

Optionor: Kobig Ballast, Inc.
6895 Blue Ridge Drive
Belmont, MI 49306

Optionee: Glendon C. Daly
1767 Hitching Post Road
East Lansing, MI 48823

Either party may change the above name or address by sending a certified letter to that effect addressed as above.

5. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and can be modified only by a written instrument signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date stated above.

corporation

OPTIONOR:
KOBIG BALLAST, INC., a Michigan

By: Philip J. Klobig
Its: President

OPTIONEE:

Glendon C. Daly
Glendon C. Daly

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