

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Portogo, Inc.	03/17/2003
RECEIVING PARTY DATA	
Name:	Marcellus P. Knoblach Revocable Trust
Street Address:	3807 East Amberwood Drive
City:	Phoenix
State/Country:	ARIZONA
Postal Code:	85048
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7020692
CORRESPONDENCE DATA	
Fax Number:	(612)335-1657
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	6123351425
Email:	doris.yock@leonard.com
Correspondent Name:	Doris E. Yock, Leonard, Street and Deina
Address Line 1:	150 South Fifth Street, Suite 2300
Address Line 4:	Minneapolis, MINNESOTA 55402
NAME OF SUBMITTER:	Doris E. Yock, Leonard, Street and Deina
Total Attachments: 7 source=Security Agreement.3.17.2003#page1.tif source=Security Agreement.3.17.2003#page2.tif source=Security Agreement.3.17.2003#page3.tif source=Security Agreement.3.17.2003#page4.tif source=Security Agreement.3.17.2003#page5.tif source=Security Agreement.3.17.2003#page6.tif source=Security Agreement.3.17.2003#page7.tif	

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COLLATERAL PATENT, TRADEMARK AND LICENSE ASSIGNMENT

This COLLATERAL PATENT, TRADEMARK AND LICENSE ASSIGNMENT ("Assignment"), made effective as of March 17, 2003, by Portogo, Inc., a Minnesota Corporation ("Assignor"), c/o Tim Barnett, 3000 Dain Rauscher Plaza, 60 South Sixth Street, Minneapolis, MN 55402, and Marcellus P. Knoblach, as Trustee of the Marcellus P. Knoblach Revocable Trust ("Assignee"), 3807 East Amberwood Drive, Phoenix, Arizona 85048.

WITNESSETH

WHEREAS, Assignor and Assignee entered into a certain Credit Agreement ("Credit Agreement") and Amended and Restated Security Agreement ("Security Agreement"), each dated as of March 17, 2003, and as each may be amended, supplemented and modified from time to time (collectively, the "Loan Agreements"), which Loan Agreements provide, among other things, for the grant by Assignor to Assignee of a security interest in substantially all of Assignor's assets, including, but without limitation, its intellectual property of any kind, including, without limitation, patents, patent applications, trademarks, trademark applications, trade names, service marks, service mark applications, copyrights, copyright applications, rights to sue and recover for past infringement of patents, trademarks and copyrights, computer programs, computer software, engineering drawings, service marks, customer lists, goodwill, and all licenses, permits, agreements of any kind or nature;

WHEREAS, Assignor has executed and delivered the Term Note (as such term is defined in the Credit Agreement), to be secured under the provisions of the Security Agreement; and

WHEREAS, certain credit facilities, in the present amount not to exceed \$410,721.54, are also provided for in the Credit Agreement, to be secured under the provisions of the Security Agreement.

NOW, THEREFORE, in consideration of the premises set forth herein and in the Loan Agreements and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Loan Agreements.** The terms and provisions of the Loan Agreements are incorporated herein in their entirety by this reference thereto. (Capitalized terms not defined herein are as defined in the Loan Agreements.)
2. **Collateral Assignment of Patents, Trademarks, Copyrights and Licenses.** To secure the complete and timely satisfaction of all of Assignor's Obligations to Assignee, Assignor hereby grants a first priority perfected security interest to Assignee, as and by way of a first mortgage, lien and Security Interest having priority over all other security interests, with power of sale, to the extent permitted by law, and assigns to Assignee, upon the occurrence of an Event of Default (which has not been waived, in writing, by the Lender), all of Assignor's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

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- i. the patents, whether domestic or international, set forth on attached Schedule A and the patent applications set forth on attached Schedule B, including, without limitation, the inventions and improvements described and claimed therein, and the reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable under and with respect to all such patents and patent applications, including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing hereinafter individually and/or collectively referred to as the “**Patents**”);
 - ii. trademarks, trademark registrations, trade names, service marks, service mark registrations, service mark applications and trademark applications, including, without limitation, those set forth on attached Schedule C, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the rights to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and applications, service marks, service mark registrations and applications, together with the items described in clauses (a) through (d), are sometimes hereinafter individually and/or collectively referred to as the “**Trademarks**”);
 - iii. all copyrights, whether registered or unregistered, including, without limitation those set forth on the attached Schedule D, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (c) the rights to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing copyrights, copyright registrations, copyright applications, together with the items described in clauses (a) through (d), are sometimes hereinafter individually and/or collectively referred to as the “**Copyrights**”);
 - iv. any license agreement in which Assignor is or becomes licensed to use a patent or trade name, including, without limitation, the licenses listed on attached Schedule E (the “**Licenses**”); and
 - v. the goodwill of Assignor’s business connected with and symbolized by the Trademarks.
3. **Restrictions on Future Agreements.** Assignor agrees that until the Obligations shall have been satisfied in full and the Loan Agreements shall have been terminated, Assignor will not, without Assignee’s prior written consent, enter into any agreement, including,

without limitation, any license agreement, which is inconsistent with Assignor's obligations under this Assignment, and Assignor further agrees that it will not take any action, including, without limitation, any license or other transfer of any of the intellectual property set forth or referenced herein, including any schedule attached hereto, to any subsidiary or affiliate of Assignor, including, but not limited to, Snyesi Ltd., or other third party, or permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which, in the exercise of its sound business practice, would affect the validity or enforcement of the rights transferred to Assignee under this Assignment.

4. **New Patents, Trademarks, Copyrights and Licenses.** Assignor represents and warrants that the Patents, Patent Applications, Trademarks, Copyrights and Licenses listed on Schedules A, B, C, D, and E, respectively, constitute all of the patents, trademarks, service marks, copyrights, registrations, licenses and applications now owned by Assignor. If, before the Obligations shall have been satisfied in full, Assignor shall (i) register or obtain rights to any new patentable inventions, trademarks, trademark registrations, service marks, service mark registrations or trade names or licenses or copyrights, or (ii) become entitled to the benefit of any patent, license or trademark applications, trademark, trademark registrations, service marks, service mark registrations, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent or License or any copyright, the provisions of Paragraph 2 above shall automatically apply thereto and Assignor shall give to Assignee prompt written notice thereof. Assignor hereby authorizes Assignees to modify this Assignment by amending Schedule A, B, C, D and/or E as applicable to include any future patents, patent applications, trademarks, trademark registration, trademark applications, service marks, service mark registrations, service mark applications, trade names, copyrights, or licenses which are Patents or Trademarks or Copyrights or Licenses, as applicable, under Paragraph 2 above, or under this Paragraph 4.
5. **Royalties; Terms.** Assignor hereby agrees that the use by Assignee after an Event of Default of all Patents, Trademarks, Copyrights and Licenses as described above shall be worldwide and without any liability for royalties or other related charges from Assignee to Assignor. The term of the assignments granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses assigned hereunder, or (ii) the Obligations have been paid in full and the Loan Agreements have been terminated.
6. **Assignee's Right to Inspect.** Assignee shall have the right, at any time and from time to time, in accordance with the terms and provisions of the Loan Agreements, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. From and after the occurrence of an Event of Default, Assignor agrees that Assignee, or a conservator appointed by Assignee, shall have the right to establish such additional product quality controls as Assignee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Patents, Trademarks,

Copyrights or Licenses. Absent the occurrence of an Event of Default, Assignor agrees to sell or assign its interest in, or grant any license under, the Patents, Trademarks, Copyrights and/or Licenses only in the ordinary course of its business. Assignor further agrees (i) to maintain the quality of any and all products in connection with which the Patents, Trademarks, Copyrights and/or Licenses are used, consistent with the quality of said products as of the date hereof; and (ii) not to negatively change the quality of said products without Assignee's express written consent.

7. **Termination of Assignee's Security Interest.** This Assignment is made for collateral purposes only. Upon payment in full of the Obligations and termination of the Loan Agreements, Assignee shall execute and deliver to Assignor all termination statements and other instruments as may be reasonably necessary or proper to terminate Assignee's security interest in the Patents, Trademarks, Copyrights and Licenses, subject to any disposition thereof, which may have been made by Assignee pursuant to Paragraph 14 or any other provision hereof or pursuant to the Loan Agreements.
8. **Duties of Assignor.** To the extent appropriate and in accordance with Assignor's sound business practices, Assignor shall (i) prosecute diligently any patent application that is part of the Patents and any trademark or service mark application that is part of the Trademarks pending as of the date hereof and any copyright application that is part of the Copyrights pending as of the date hereof of thereafter until the Obligations shall have been paid in full, (ii) make application on unpatented but patentable inventions and on trademarks or service marks or copyrights, as appropriate, and (iii) preserve and maintain all rights in patent applications and patents that are part of the Patents and in trademark applications, trademarks, and trademark registrations, and service marks, service mark applications that are part of the Trademarks, and copyrights that are part of the Copyrights, and to any Licenses. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor shall not abandon any right to file a patent application, trademark application, service mark application, or copyright application, or any pending patent application, trademark or service mark, copyright, or License, without the written consent of Assignee, which consent may be withheld for any reason or no reason.
9. **Assignee's Right to Sue.** From and after the occurrence of an Event of Default, Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights and Licenses, and any other licenses thereunder, and, if Assignee shall commence any such suit, Assignor shall, at the request of Assignee, do any and all proper documents required by Assignee in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this Paragraph 9.
10. **Waivers.** No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Loan Agreements shall operate as a waiver thereof; nor

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shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. **Severability.** The provisions of this Assignment are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Assignment in any jurisdiction.
12. **Modification.** This Assignment cannot be altered, amended or modified in any way, except as specifically provided in Paragraph 4 hereof, or by a writing signed by the parties hereto.
13. **Cumulative Remedies; Power of Attorneys; Effect on Loan Agreements.** All of Assignee's rights and remedies with respect to the Patents, Licenses, Copyrights and Trademarks, whether established hereby, by the Loan Agreements, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. From and after the occurrence of a Default, Assignor hereby authorizes Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power to (i) endorse Assignor's name on all applications, documents, papers and instruments necessary or desirable for the Assignee in the use of the Patents, Licenses, Copyrights and Trademarks, (ii) take any other actions with respect to the Patents, Licenses, Copyrights and Trademarks as the Assignee deems in the best interest of the Assignee, (iii) grant or issue any exclusive or non-exclusive license under the Patents, Licenses, Copyrights or Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Licenses, Copyrights or Trademarks to anyone. Assignee hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Obligations shall have been paid in full and all financing arrangements between Assignor and Assignee have been terminated. Assignor acknowledges and agrees that this Assignment is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreements, but rather, is intended to facilitate the exercise of such rights and remedies. Assignee shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Licenses, Copyrights or Trademarks may be located.
14. **Retention of Patents and Trademarks in Satisfaction of the Liabilities.** Upon the occurrence of an Event of Default and the election by Assignee to retain the Collateral in full or partial satisfaction of the Obligations in accordance with the provisions of Section 9-620 of the Uniform Commercial Code as adopted by the State of Minnesota, Assignor agrees to assign, convey and otherwise transfer title in and to the Patents, Licenses,

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Copyrights and Trademarks to Assignee and to execute and deliver to Assignee all such agreements, documents and instruments as may be necessary, in Assignee's determination, to effect such assignment, conveyance and transfer.

15. **Binding Effect; Benefits.** This Assignment shall be binding upon the Assignor and its respective successors and assigns, and shall inure to the benefit of Assignee, its nominees and assigns.
16. **Governing Law.** **THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MINNESOTA.**

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment is effective as of the day first set forth above.

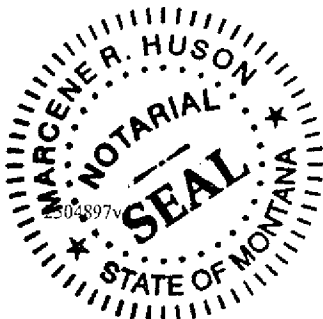
PORTOGO, INC.,
a Minnesota corporation

By: Frank McLain
Frank McLain
Its: Secretary

ATTEST:

_____,
STATE OF ~~MINNESOTA~~ ^{MONTANA})
COUNTY OF PARK) ss.

The foregoing Collateral Patent, Trademark and License Assignment was executed and acknowledged before me this 17th day of March, 2003, by Frank McLain and _____, personally known to me to be the Secretary and _____, respectively, of Portogo, Inc., a Minnesota corporation, on behalf of such corporation.



Marcene R. Huson
Notary Public

ACCEPTANCE

The undersigned, Marcellus P. Knoblach, as Trustee of the Marcellus P. Knoblach Revocable Trust, accepts the foregoing Collateral Patent, Trademark and License Assignment.

MARCELLUS P. KNOBLACH REVOCABLE TRUST

By: Marcellus P. Knoblach
Marcellus P. Knoblach, Trustee

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** TOTAL PAGE.04 **

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RECORDED: 05/11/2006

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