

Form PTO-1595
(Rev. 09/04)

RECORDATION FORM COVER SHEET

U.S. DEPARTMENT
OF COMMERCE

PATENTS ONLY

U.S. Patent & Trademark Office

OMB No. 0651-0027 (exp. 6/05)

To The Director of the U.S. Patent and Trademark Office: Please record the attached document(s) or the new addresses below:

1. Name of conveying party(ies)/Execution Dates:

Total Technology, Inc.

Executions Date(s) May 18, 2006

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

3. Name and address of receiving party(ies):

Name: Wood, Herron & Evans, LLP

Internal Address: 2700 Carew Tower

Mailing Address: 441 Vine Street, Cincinnati, OH
45202

Country: U.S.A.

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

2. Nature of conveyance:

Assignment Merger

Security Agreement Change of Name

Government Interest Assignment

Executive Order 9424, Confirmatory License

Other _____

4. Application or patent number(s): This document is being filed together with a new application.

A. Patent Application No. 10/747,476 | B. Patent Nos. 5,835,376; 6,430,496; 6,694,248

Additional numbers attached? Yes No

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

Name: Thomas W. Humphrey, Esq.

Internal Address: Wood, Herron & Evans, L.L.P.
2700 Carew Tower

Street Address: 441 Vine Street

City: Cincinnati State: Ohio Zip: 45202

6. Total number of applications and patents involved: 4

7. Total fee (37 CFR 1.21(h) & 3.41) \$160.00

Authorized to be charged to credit card.

Authorized to be charged to deposit account

Enclosed

None required (government interest not affecting title)

8. Payment Information


a. Credit Card Last 4 number _____

Expiration Date _____

b. Deposit Account Number: 23-3000

Authorized User Name Thomas W. Humphrey

9. Signature.

Thomas W. Humphrey (Reg. No. 34,353)  May 31, 2006

Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 7

Document to be recorded (including cover sheet) should be faxed to 703/306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director- U.S. Patent and Trademark, Post Office Box 1450, Alexandria, VA 22313-1450

PATENT

CH \$40.00 233000 10747476

SECURITY AGREEMENT

TOTAL TECHNOLOGY, INC., an Ohio corporation, Elizabeth G. Smith, President, 5606 East Galbraith Road, Cincinnati, Ohio 45236 ("Debtor"), hereby presents this Security Agreement to WOOD, HERRON & EVANS, L.L.P., an Ohio limited liability partnership, 441 Vine Street, Suite 2700, Cincinnati, Ohio 45202 ("Secured Party").

WHEREAS, Secured Party has provided services in the acquisition and maintenance of U.S. Patent Nos. 5,835,376, 6,430,496, 6,694,248 and U.S. Patent Application Serial No. 10/747,476 each of which is owned by Debtor (although, from time to time, licensed to others), and in the defense of those properties and other interests of Debtor, and Secured Party has incurred expenses thereby;

WHEREAS, Debtor has benefitted and acknowledges the benefit of the services rendered to Debtor by Secured Party in the prosecution and maintenance of Patents and in other services to Debtor.

WHEREAS, Debtor's current indebtedness to Secured Party is evidenced by Secured Party's invoices rendered to Debtor and/or Debtor's licensees or joint development partners, Debtor's obligation for payment of which is hereby acknowledged by Debtor in the full amount stated in the records of account of Secured Party, totalling as of May 18, 2006 the amount of \$38,679.51.

WHEREAS, Debtor desires and intends to secure payment to Secured Party in the amount of the current indebtedness and on any future invoices of Secured Party delivered to Debtor at the address identified above.

NOW, THEREFORE, Debtor hereby presents to Secured Party as follows:

1. **Grant of Security Interest:**

In consideration of certain financial accommodations, Debtor does hereby grant, for valuable consideration, receipt of which is hereby acknowledged, unto Secured Party, a security interest in the following described property and any and all accessions thereto and the process thereof (the "Collateral"):

U.S. Patent No. 5,835,376
U.S. Patent No. 6,430,496
U.S. Patent No. 6,694,248
and U.S. Patent Application Serial No. 10/747,476

to secure payment of all indebtedness, obligations and liabilities of Debtor to Secured Party now existing or hereafter arising and whether direct or indirect, acquired outright, conditionally or as collateral security from another, absolute or contingent, joint or several, secured or unsecured, due or not due, contractual or tortious, liquidated or unliquidated, arising by operation of law or otherwise, and whether or not of a nature presently contemplated by the parties or subsequently agreed to by them (the "Obligations").

2. **Warranties and Agreements:**

Debtor hereby warrants and agrees to Secured Party that:

- (a) Except for the security interest granted herein, Debtor is the owner of the Collateral free from any prior lien, security interest or encumbrance and Debtor will defend the Collateral against all claims and demands of any and all persons at any time claiming the same or an interest therein.
- (b) Debtor will not assign, sell, mortgage, exchange, pledge, transfer, grant a security interest in, lease or otherwise dispose of any interest in the Collateral without the written consent of Secured Party and will not permit any lien, security interest or encumbrance to attach to the Collateral.
- (c) Debtor will make due and timely payment or deposit of all taxes, assessments, or contributions required by law which may be lawfully levied or assessed with respect to any of the Collateral and will execute and deliver to Secured Party, on demand, appropriate certificates attesting to the timely payment or deposit of all such taxes, assessments or contributions. Debtor will use the Collateral for lawful purposes only, and with all reasonable care and caution, and in conformity with all applicable laws, ordinances and regulations.
- (d) At its own cost and expense, Debtor will protect the Collateral and maintain and preserve the Collateral, including keeping the Collateral insured against risks reasonably associated with the Collateral.
- (e) Secured Party shall, at all times, have free access to and the right of inspection of any part or all of the Collateral and any records of Debtor (and the right to make extracts from such records) and Debtor shall deliver to Secured Party the originals or true copies of such papers and instruments relating to any or all of the Collateral as Secured Party may request at any time.
- (f) Debtor will, from time to time, at the expense of Debtor, perform any and all steps requested by Secured Party at any time to perfect and maintain Secured Party's security interest in the Collateral, including, but not limited to transferring any part or all of the Collateral to Secured Party or any nominee of Secured Party, executing and filing financing statements and notices of lien, and delivering to Secured Party documents of title representing the Collateral. Debtor will, from time to time, at the request of Secured Party execute and deliver to Secured Party assignments of account in form satisfactory to Secured Party, but should the undersigned fail in any one or more instances to execute and deliver any such assignments of accounts, such failure shall not constitute a waiver or limitation of the within security interest in all of the Collateral which shall remain in full force and effect.
- (g) Debtor hereby authorizes Secured Party to execute and file, at any time or from time to time, on behalf of Debtor, one or more financing statements with respect to all or any part of the Collateral, the filing of which is advisable, in the sole judgment of Secured Party pursuant to the law of the State of Ohio, although the same may have been executed only by Secured Party as Secured Party. Debtor shall, at its sole cost and expense, upon the request of Secured Party, at any time and from time to time, execute and deliver to Secured Party one or more financing statements pursuant to the Ohio Uniform Commercial Code, with any other papers, documents or instruments required by Secured Party in connection herewith. Debtor hereby irrevocably appoints Secured Party, its agents, representatives, and designees, as Debtor's agent and attorney-in-fact, to execute and file, from time to time, on behalf of Debtor, one or more financing statements with respect to all or any part of the Collateral.

At its option, Secured Party may discharge taxes, liens or other encumbrances at any time levied or placed on the Collateral, pay for insurance on the Collateral, and pay for the maintenance and preservation of the Collateral should Debtor fail to do so. Debtor agrees to reimburse Secured Party on demand for any payment so made and until such reimbursement is made, the amount so paid by Secured Party shall be added to the principal amount of the indebtedness.

3. **Defaults:**

The occurrence of any of the following events or conditions shall constitute an event of default under this agreement (the "Events of Default"):

- (a) If, at any time, Secured Party shall, in its sole and absolute discretion, consider the Collateral or any part thereof unsatisfactory or insufficient; or
- (b) If Debtor shall default in the punctual payment of any sum payable with respect to or in the performance of any of the terms and conditions of any of the Obligations or of any terms or conditions of this Security Agreement or the Collateral; or
- (c) If any warranty, representation or statement of fact made herein or furnished to Secured Party at any time by or on behalf of Debtor proves to have been false in any material respect when made or furnished; or
- (d) In the event of loss, theft, substantial damage or destruction of any of the Collateral, or the making of any levy on, seizure or attachment of any of the Collateral; or
- (e) If Debtor shall default in the observance or performance of any term, covenant or agreement contained herein or in any instrument or document delivered pursuant hereto; or
- (f) If Debtor shall become insolvent (however such insolvency may be defined or evidenced) or make or send notice of an intended bulk transfer; or
- (g) If there shall be filed by or against Debtor any petition for any relief under the bankruptcy laws of the United States as now or hereafter in effect or under any insolvency, readjustment of debt, dissolution or liquidation law or statute now or hereafter in effect and whether any such action or proceeding shall be at law, in equity, or under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, receivership, liquidation or dissolution law or statute; or
- (h) If Debtor shall suspend the transaction of its usual business; or
- (i) If any petition or application to any court or tribunal, at law or in equity, be filed by or against Debtor for the appointment of any receiver or any trustee for Debtor; or
- (j) If any governmental authority or any court or other tribunal shall take possession or jurisdiction of any substantial part of the property of, or assume control over the affairs or operations of, or a receiver shall be appointed of, any substantial part of the property of Debtor; or
- (k) If there shall be convened a meeting of the creditors or principal creditors of Debtor.

4. **Remedies on Default:**

Upon the occurrence of any one or more of the foregoing Events of Default and at any time thereafter, Secured Party may, without notice or demand to Debtor, declare any or all Obligations of Debtor immediately due and payable, and Secured Party shall have the following rights and remedies, in addition to all rights and remedies of a secured party under the Ohio Uniform Commercial Code or other applicable statute or rule, in any jurisdiction in which the enforcement is sought, all such rights and remedies being cumulative and not exclusive:

Collateral. Secured Party may, at any time or from time to time, with or without process of law and with or without the aid or assistance of others, enter upon any premises whatsoever in which the Collateral or any part thereof may be located and, without resistance or interference by Debtor, take possession of the Collateral; and/or dispose of all or any part of the Collateral on any premises of Debtor; and/or require Debtor to assemble and make available to Secured Party all or any part of the Collateral at any place and time designated by Secured Party which is reasonably convenient to Secured Party and Debtor; and/or remove all or any part of the Collateral from any premises on which any part thereof may be located for the purpose of effecting sale or other disposition thereof; and/or sell, resell, lease, assign and deliver or otherwise dispose of the Collateral or any part thereof in its existing condition or following any commercially reasonable preparation or processing, at public or private proceedings at the same or different times with or without having the Collateral at the place of sale or other disposition, for cash, upon credit for future delivery and in connection therewith Secured Party may grant options, at such place or places in time or times to such persons, firms or corporations as Secured Party deem best, and without demand for performance of any notice or advertisement.

Debtor hereby waives all equity and right of redemption. Secured Party may buy any part or all of the Collateral at any public sale.

Secured Party may apply the cash proceeds actually received from any sale or other disposition to: (i) reasonable expenses of retaking, holding, preparing for sale, selling, leasing the Collateral, (ii) reasonable attorneys fees, (iii) all legal expenses, court costs, collection charges, travel and other expenses which may be incurred by Secured Party in attempting to collect the Obligations and to enforce this Security Agreement and realize upon the Collateral, or in the prosecution or defense of any action or proceeding relating to the subject matter of this Security Agreement, and (iv) the Obligations (in such order and as to principal or interest as Secured Party may desire). Debtor shall at all times be and remain liable and, after crediting the net proceeds of sale or other disposition as aforesaid, will pay to Secured Party on demand and deficiency remaining, including interest thereon and the balance of any expenses at any time unpaid, with any surplus to be paid to Debtor, subject to any duty of Secured Party imposed by law to the holder of any subordinate security interest in the Collateral known to Secured Party.

5. **Liability Disclaimer:**

Under no circumstances whatsoever shall Secured Party be deemed to assume any responsibility for or obligation of duty with respect to any or all of the Collateral, of any nature or kind whatsoever, or any matter or proceeds arising out of or relating thereto. Secured Party shall not be required to take any action of any kind to collect or protect any interest in the Collateral, including, but not limited to any action necessary to preserve its or Debtor's rights

against prior parties to any of the Collateral. Secured Party shall not be liable or responsible in any way for the safekeeping, care or custody of any of the Collateral or for any loss or damage thereto or for any diminution in the value thereof, or for any or default of any agent or bailee of Secured Party or Debtor, or of any carrier, forwarding agency or other person whomsoever, or for the collection of any proceeds, but the same shall be at Debtor's sole risk at all times. Debtor hereby releases Secured Party from any claims, causes of action, and demands at any time arising out of or with respect to this Security Agreement or the obligations, and any actions taken or omitted to be taken by Secured Party with respect thereto, and Debtor hereby agrees to hold Secured Party harmless from and with respect to any and all such claims, causes of action and demands.

6. **Non-Waiver:**

No failure or delay on the part of Secured Party in exercising any of its rights and remedies hereunder or otherwise shall constitute a waiver thereof, and no single or partial waiver by Secured Party of any default or any other right or remedy which it may have shall operate as a waiver of any other default, right or remedy or of the same default, right or remedy on a future occasion.

7. **Waivers by Debtor:**

Debtor hereby waives presentment, notice of dishonor and protest of all instruments included in or evidencing any of the Obligations or the Collateral and any and all other notices and demands whatsoever (except as expressly provided herein) whether or not relating to such instruments. In the event of any litigation at any time arising with respect to any matter connected with this Security Agreement or the Obligations, Debtor hereby waives the right to trial by jury and the undersigned hereby waives any and all defenses, right of setoff and rights to interpose counterclaims of any nature and agrees to and subjects itself to the jurisdiction of the courts, federal or state, sitting in Hamilton County, Ohio.

8. **Authorization:**

The execution and delivery of this Security Agreement has been authorized by the President of Debtor.

9. **Binding Effect:**

This Security Agreement and all Obligations of Debtor hereunder shall be binding upon the successors and assigns of Debtor and shall, together with the rights and remedies of Secured Party hereunder, inure to the benefit of Secured Party and its successors and assigns.

10. **Severability:**

If any term of this Security Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby.

11. **Governing Law:**

This Agreement shall be governed by the laws of the State of Ohio.

IN WITNESS WHEREOF, Debtor has executed or caused this Security Agreement to be executed on this 18th day of May, 2006.

WITNESSES:

TOTAL TECHNOLOGY, INC.

Ronald Weir
Anna Scott

Elizabeth G. Smith
By: Elizabeth G. Smith
Its: President