

# 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
STEAK N SHAKE, LLC	09/08/2011
RECEIVING PARTY DATA	
Name:	JEFFERIES FINANCE LLC
Street Address:	520 MADISON AVENUE
City:	NEW YORK
State/Country:	NEW YORK
Postal Code:	10022
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	D428307
CORRESPONDENCE DATA	
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ATTORNEY DOCKET NUMBER:	175274-635057
NAME OF SUBMITTER:	JONATHAN H. GOREN
Total Attachments: 5 source=II.E - Patent SA#page1.tif source=II.E - Patent SA#page2.tif source=II.E - Patent SA#page3.tif source=II.E - Patent SA#page4.tif source=II.E - Patent SA#page5.tif	

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**PATENT**  
**REEL: 026909 FRAME: 0011**

## PATENT SECURITY AGREEMENT

This Patent Security Agreement (this "Patent Security Agreement"), dated as of September 8, 2011, by Steak n Shake, LLC, an Indiana limited liability company ( "SnS LLC") and each other Guarantor listed on Schedule 1 hereto (collectively with SnS LLC, the "Pledgors"), in favor of Jefferies Finance LLC, in its capacity as Collateral Agent pursuant to the Credit Agreement dated as of September 8, 2011, (in such capacity, the "Collateral Agent").

### W I T N E S S E T H:

WHEREAS, the Pledgors are party to a Security Agreement of even date with the Credit Agreement (the "Security Agreement") in favor of the Collateral Agent pursuant to which the Pledgors are required to execute and deliver this Patent Security Agreement.

NOW, THEREFORE, in consideration of the premises and to induce the Collateral Agent, for the ratable benefit of the Secured Parties, to enter into the Credit Agreement, the Pledgors hereby agree with the Collateral Agent as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

SECTION 2. Grant of Security Interest in Patent Collateral. Each Pledgor hereby pledges and grants to the Collateral Agent for the ratable benefit of the Secured Parties a lien on and security interest in and to all of its right, title and interest in, to and under all the following Pledged Collateral of such Pledgor (collectively, the "Patent Collateral"):

- (a) Patents of such Pledgor listed on Schedule 2 attached hereto; and
- (b) all Proceeds of any and all of the foregoing (other than Excluded Property).

SECTION 3. Security Agreement. The security interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Collateral Agent pursuant to the Security Agreement, and the Pledgors hereby acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Termination. Upon the full payment and performance of the Secured Obligations (other than contingent indemnification obligations that, pursuant to the provisions of the Credit Agreement or the Security Documents, survive the termination thereof), upon written request of the Pledgors, the Collateral Agent shall execute, acknowledge, and deliver to the Pledgors an instrument in writing in recordable form releasing the collateral pledge, grant, assignment, lien and security interest in the Patents under this Patent Security Agreement

[Signature Page Follows]

IN WITNESS WHEREOF, each Pledgor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

STEAK N SHAKE, LLC

By: \_\_\_\_\_

Name: SARDAR BIGLARI

Title: CHAIRMAN & CEO

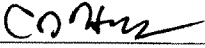
OF STEAK N SHAKE OPERATIONS, INC., ITS SOLE MEMBER

*Patent Security Agreement*

**PATENT**  
**REEL: 026909 FRAME: 0013**

Accepted and Agreed:

**JEFFERIES FINANCE LLC,**  
as Collateral Agent

By:   
Name: E. Joseph Hess  
Title: Managing Director

*Patent Security Agreement*

**PATENT**  
**REEL: 026909 FRAME: 0014**

SCHEDULE 1  
to  
PATENT SECURITY AGREEMENT  
Additional Pledgors

None.

DLI-6368846v3

SCHEDULE 2  
to  
PATENT SECURITY AGREEMENT  
PATENT REGISTRATIONS AND APPLICATIONS

Patent Registrations:

OWNER	REGISTRATION NUMBER	TITLE
Steak n Shake, LLC	D428,307	Plastic Cup

Patent Applications:

None.

DLI-6368846v3