

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
Paul J. Howell	08/31/2011
Howell, Ltd	08/31/2011
Howell, MSI, Inc.	08/31/2011
RECEIVING PARTY DATA	
Name:	Greater Portland Council of Governments
Street Address:	68 Marginal Way
City:	Portland
State/Country:	MAINE
Postal Code:	04101
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	6570613
Patent Number:	6885767
Patent Number:	6046772
CORRESPONDENCE DATA	
Fax Number:	(207)761-4690
Phone:	207-774-0317
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<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Correspondent Name:	Alexandra E. Caulfield, Esq.
Address Line 1:	One Monument Way
Address Line 4:	Portland, MAINE 04101
NAME OF SUBMITTER:	Alexandra E. Caulfield, Esq.
Total Attachments: 8	

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SECURITY AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS, that Howell, Ltd., Howell MSI, Inc., both Maine corporations and Paul J. Howell, a Maine resident, all having a mailing address of 90 Bridge Street, Suite #110, Westbrook, Maine 04092 (collectively the "Debtor"), for valuable consideration, the receipt of which is hereby acknowledged, does hereby GRANT unto GREATER PORTLAND COUNCIL OF GOVERNMENTS, a non-profit corporation organized and existing under the laws of the State of Maine, with a place of business at 68 Marginal Way, Portland, Cumberland County, Maine ("Secured Party") its successors and assigns, to secure the Obligations as defined below, a security interest in the Collateral as defined below.

A. COLLATERAL

The term "Collateral" shall mean all of the personal property of Debtor, wherever located, and now owned or hereafter acquired, including, without limitation:

- (a) Accounts;
- (b) Chattel Paper;
- (c) Inventory;
- (d) Equipment;
- (e) Instruments;
- (f) Investment Property;
- (g) Documents;
- (h) Deposit Accounts;
- (i) Debtor's Commercial Tort Claims;
- (j) Debtor's Health Care Receivables;
- (k) Letter-of-Credit Rights;
- (l) General Intangibles;
- (m) Supporting Obligations;
- (n) Fixtures. Fixtures covered hereby may be found at real property located at 90 Bridge Street, Suite 110, Westbrook, Maine, the record owner of which is _____.

- (o) Patents & Trademarks. Patent #6885767, #6570613 and #6046772 filed with United States Patent and Trademark office.
- (p) To the extent not listed above as original Collateral, Proceeds and Products of the foregoing.

The capitalized terms comprising the definition of Collateral as noted above shall have the meanings as defined in the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Maine ("UCC"); provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of Secured Party's security interest in any of the Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Maine, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection, or priority and for purposes of definitions related to such provisions.

Debtor acknowledges and agrees that, in applying the law of any jurisdiction that at any time enacts all or substantially all of the uniform provisions of Revised Article 9 of the Uniform Commercial Code (1999 Official Text), the foregoing collateral description covers all assets of the Debtor. Secured Party may at any time and from time to time, pursuant to Subsection 3.1 of this Security Agreement and applicable provisions of the UCC, file financing and continuation statements and amendments thereto reflecting the same.

B. OBLIGATIONS

The term "Obligations" shall mean any and all liabilities, obligations and indebtedness of Debtor to Secured Party presently existing or hereafter arising, and whether evidenced by a writing or not and including without limitation: (i) obligations to pay principal, interest, costs, fees or other charges; (ii) all obligations of Debtor to Secured Party, if any, as guarantor, endorser, accommodation party or surety for the obligations of any Guaranty Debtor (described below), to Secured Party; and (iii) any and all other obligations of performance or forbearance, all as required or regulated by applicable Loan Documents. The term "Loan Documents" shall mean this Security Agreement and any other instrument, document or agreement evidencing, securing, or governing the Obligations, whether now existing or hereafter arising, including without limitation, the following documents as each such document may be amended, extended, renewed or replaced by a written instrument executed by the applicable parties:

1. Promissory Note from Debtor ("Borrower") to Secured Party of even date herewith in the original principal amount of \$25,000.00 (the "Note");

2. UCC-1 Financing Statement from Debtor to Secured Party evidencing Secured Party's first priority security interest in all of Debtor's receivables, inventory, machinery and equipment, furniture and fixtures, and all other assets, either tangible or intangible, dated of even date herewith and filed with the Office of the Maine Secretary of State.

3. Guarantees of Paul J. Howell, Colette S. Howell and Howell MSI, Inc. dated of even date herewith.

4. Commitment Letter from Secured Party to Howell, Ltd. dated August 18, 2011, as it may be amended, superseded, modified or replaced from time to time.

Default in the payment or performance of any of the Obligations or default of any of the covenants of this Agreement, in either case not cured within any applicable grace period, shall be a default under this Security Agreement. Upon any such default the Secured Party may declare all of the Obligations immediately due and payable and shall be entitled to exercise all of the rights and remedies of a Secured Party under the Uniform Commercial Code. Reasonable attorneys' fees of the Secured Party in enforcing any right or exercising any remedy hereunder upon default of Debtor shall be deemed a part of the Obligations secured hereby.

C. DEBTOR'S COVENANTS

Debtor expressly warrants, represents, covenants and agrees with Secured Party that:

1. The Collateral is used primarily for business purposes.
2. The Collateral will be at Debtor's place of business located at 90 Bridge Street, Suite 110, Westbrook, Maine. Debtor will not remove the Collateral from said location without the express written consent of Secured Party, but in no event shall Debtor relocate the Collateral or its business outside of Cumberland or York Counties, Maine.
3. Debtor is the owner of the Collateral free from any adverse liens, security interests or encumbrances, except for a prior security interest granted to the Finance Authority of Maine. Debtor will defend the Collateral against all claims and demands of any and all persons at any time claiming the same or any interest therein.
4. Debtor will not sell or offer to sell or otherwise transfer the Collateral or any interest therein outside of the usual course of business without the express written consent of Secured Party.
5. Debtor will obtain and maintain insurance at all times with respect to all Collateral against risks of fire, including extended coverage, theft and such other risks as Secured Party may require, containing such terms and in such form, for such periods and written by such companies as may be satisfactory to Secured Party; Debtor shall also maintain comprehensive general public liability insurance for personal injury and property damage, with contractual liability endorsement, in such amounts as Secured Party may reasonably require from time to time, such insurance to be payable to Secured Party and Debtor as their interest may appear. All policies of insurance shall provide for at least thirty (30) days written notice of cancellation to Secured Party. Debtor shall furnish Secured Party with certificates or other evidence of insurance satisfactory to Secured Party. Secured Party may act as Debtor's attorney in obtaining, adjusting, settling, and canceling such insurance and endorsing any drafts relating thereto.

6. Debtor will keep the Collateral free from any adverse liens, security interests or encumbrances, except as provided in Section 3 above, and in good order and repair and will not waste or destroy the Collateral or any part thereof. Debtor will not use the Collateral in violation of any statute or ordinance, and Secured Party may examine and inspect the Collateral at any reasonable time, wherever located.

7. Debtor will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this Agreement or upon any notes evidencing the Obligations secured hereby. At its option, upon a failure by Debtor to pay the same as and when due, Secured Party may discharge taxes, liens, other security interests, or any other encumbrances at any time levied or placed on the Collateral and may pay for insurance on the Collateral and may pay for the maintenance and preservation of the Collateral. Debtor agrees to reimburse Secured Party on demand for any payment made or any expense incurred by Secured Party pursuant to the foregoing authorization.

8. Except for any instruments, documents and chattel paper, Debtor may have possession of the Collateral until default, and use it in any lawful manner not inconsistent with this Agreement and not inconsistent with any policy of insurance thereon.

9. Debtor will, upon presentation of a statement, promptly reimburse Secured Party or pay on behalf of Secured Party any reasonable costs associated with any appraisal or re-appraisals of the Collateral or of any other security given with reference to the Obligations.

10. Unless otherwise stated, if any list is attached hereto it is a complete and comprehensive list of all of the Collateral presently owned by Debtor, all of which is to be immediately subject to this Security Agreement, but the Collateral is in no way limited to only the items listed.

11. Debtor shall pay all reasonable costs necessary to obtain, preserve, and enforce this security interest, collect the Obligations, and preserve the Collateral, including, but not limited to, taxes, assessments, insurance premiums, repairs, attorneys' fees and legal expenses, rent, storage costs, and expenses of sale.

12. Debtor shall furnish Secured Party with any information about the Collateral reasonably requested by Secured Party.

13. Debtor shall allow Secured Party access to inspect the Collateral and to inspect and copy any records relating to the Collateral and the Obligations.

14. Debtor shall execute any and all instruments that are necessary to obtain, perfect, and maintain Secured Party's security interest in the Collateral.

15. Debtor shall take any and all necessary steps to preserve the liability of account Debtor, obligors, and secondary parties whose obligations are part of the Collateral.

16. Debtor shall transfer possession of all instruments, documents, and chattel paper that are part of the Collateral to the Secured Party immediately, or as to those hereafter acquired, immediately following acquisition.

17. Debtor shall perfect a security interest, using a method satisfactory to the Secured Party, in goods covered by chattel paper that is part of the Collateral.

18. Debtor shall notify the Secured Party of any material change occurring in or to the Collateral or in any fact or circumstance warranted or represented by Debtor in this agreement or furnished to the Secured Party, or if any material event of default occurs.

19. Debtor shall provide annual copies of its respective information returns and related Schedules K-1 to Secured Party upon their filing with the Internal Revenue Service and copies of its respective unaudited financial statements, including balance sheets and profit and loss statements, in accordance with generally accepted accounting principles, no later than ninety (90) days from the close of the company's fiscal year. Paul J. Howell and Colette S. Howell shall provide copies of their respective federal income tax returns to the Secured Party upon their filing with the Internal Revenue Service.

20. Debtor shall obtain Secured Party's written approval prior to any material change in the ownership structure, control, or operation of Debtor including, but not limited to: (i) merger into or consolidation with any other person, firm, partnership or corporation or issuance or sale of more than ten percent of the membership interests in Debtor; (ii) changing the nature of Debtor's business; or (iii) distribution, sale, transfer, liquidation, dissolution or other disposal of Debtor's assets.

21. Because the loan secured hereby is being made to provide employment opportunities within Cumberland and York Counties, Maine, Debtor shall, upon request, provide quarterly employment statistics to Secured Party.

22. Debtor shall comply with all regulations, policies, guidelines, and requirements of general application as specified by the Lender and the Regional Economic Development Loan Program.

23. Any default by Debtor with respect to any other obligations made to any other lenders, not cured within any applicable grace period, shall constitute a default under this Security Agreement.

D. THE SECURED PARTY'S RIGHTS

Secured Party may, in its sole discretion, upon a default, not cured within any applicable grace period, take any or all of the following actions, but is not obligated to do so:

1. After giving notice to Debtor, terminate Debtor's authority to sell, lease, otherwise transfer, manufacture, process, assemble, or furnish under contracts of service, any inventory Collateral or any other Collateral as to which such permission has been given.
2. Require Debtor to give possession or control of the Collateral to Secured Party.
3. Endorse as Debtor's agent any instruments or chattel paper in the Collateral.
4. Notify account Debtor and obligors on instruments to make payment directly to Secured Party.
5. Contact account Debtor directly to verify information furnished by Debtor.
6. Take control of proceeds and use cash proceeds to reduce any part of the Obligations.
7. Take any action Debtor is required to take or which is otherwise necessary to obtain, preserve, and enforce this security interest and to maintain and preserve the Collateral, without notice to Debtor, and add the costs of the same to the Obligations.
8. Release Collateral in Secured Party's possession to Debtor, temporarily or otherwise.
9. Take control of funds generated by the Collateral, such as dividends, interest, and proceeds or refunds from insurance, and use same to reduce any part of the Obligations.
10. Waive any of Secured Party's rights hereunder without such waiver prohibiting the later exercise of the same or similar rights.
11. Revoke any permission or waiver previously granted to Debtor.

E. EVENTS OF DEFAULT

Debtor shall be in default under this Agreement upon the happening of any of the following:

1. Default in the payment or performance of any obligation, covenant or liability contained or referred to herein, not cured within fifteen days of the date due for performance thereof for failure to pay the Obligations and after thirty days written notice and opportunity to cure for other defaults;
2. If any warranty, representation or material statement made or furnished to Secured Party by or on behalf of Debtor is or proves to have been false in any material respect when made or furnished;

3. Loss, theft, substantial damage, destruction, sale or encumbrance to or of any substantial portion of the Collateral or the making of any levy, seizure or attachment thereof and thereon that is not dissolved or bonded off within thirty days of the date thereof;

4. Death of any Guarantor (unless arrangements for the repayment of the Obligations, satisfactory to Secured Party, are made within forty-five days after such death), dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the Collateral, assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Debtor or any guarantor or surety for Debtor;

5. Default in any instrument given by a guarantor or surety for Debtor in reference to any of the Obligations beyond applicable cure period;

7. Secured Party believes in good faith that the prospect of performance or payment is materially impaired, providing that Debtor has been given notice of such a default being declared including the circumstances giving rise to such belief, and has been unable within thirty (30) days of such notice to remedy such circumstances or provide assurance of performance and payment.

8. Debtor relocates its business outside Cumberland or York counties.

9. Default by Debtor in payment or in the other terms and conditions of a loan from TD Bank, N.A. or The Finance Authority of Maine not cured within any grace period.

F. REMEDIES

1. Upon default hereunder not cured within any applicable grace period, and at any time thereafter, Secured Party may declare all Obligations secured hereby immediately due and payable and shall have all remedies of a Secured Party under the Uniform Commercial Code as well as all other rights and remedies available by law.

2. Secured Party may require Debtor to assemble Collateral and make it available to Secured Party at any place to be designated by Secured Party which is reasonably convenient to both parties.

3. Secured Party will give Debtor reasonable notice of the time and place of any public sale of the Collateral or of the time after which private sale of any intended disposition is to be made.

4. The requirements of reasonable notice shall be met if such notice is mailed postage prepaid, to Debtor, at least five (5) business days before the time of the sale or disposition.

5. Secured Party may require Debtor to pay for its reasonable expenses of retaking, holding, preparing for sale, selling of the like, including reasonable attorney's fees and legal expenses.

6. Secured Party may exercise its rights of set off and lien as if no Collateral had been given for the obligation.

G. JURY TRIAL WAIVER

THE DEBTOR AND ITS SUCCESSORS AND ASSIGNS, HEREBY KNOWINGLY AND VOLUNTARILY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON OR RELATED TO THIS SECURITY AGREEMENT OR IN ANY WAY RELATED TO THE ADMINISTRATION OF THE LOAN EVIDENCED HEREBY. THE DEBTOR AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE HEARD BEFORE A SINGLE JUSTICE OF THE MAINE SUPERIOR COURT OR A FEDERAL DISTRICT COURT JUDGE SITTING IN THE DISTRICT OF MAINE.

H. RULES OF CONSTRUCTION

This agreement is executed as an instrument under seal. If more than one person or entity is identified as Debtor, their obligations are joint and several. The rights and privileges of the Secured Party shall inure to the Secured Party's heirs or successors and assigns. All representations, warranties, covenants and agreements of Debtor shall bind Debtor's successors and assigns. Definitions in the Maine Uniform Commercial Code apply to words and phrases in this agreement; if Code definitions conflict, Article 9 definitions apply. Debtor waives presentment, demand, notices of dishonor, protest, and extension of time without notice as to any instruments and chattel paper in the Collateral.

IN WITNESS WHEREOF, the Debtor has hereunto caused this instrument to be signed and sealed at Portland, Maine, this 31st day of August, 2011.

WITNESS:

75 Campbell

75 Campbell

75 Campbell

Howell, Ltd

By: [Signature]
Paul J. Howell, Its President

[Signature]
Paul J. Howell, Individually

Howell MSI, Inc.

By: [Signature]

Its: President

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