

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Foreclosure Document
CONVEYING PARTY DATA	
Name	Execution Date
LEEP, INC.	12/21/2012
RECEIVING PARTY DATA	
Name:	KENTUCKY HIGHLANDS INVESTMENT CORPORATION
Street Address:	PO Box 1738
City:	London
State/Country:	KENTUCKY
Postal Code:	40743
PROPERTY NUMBERS Total: 5	
Property Type	Number
Patent Number:	5440846
Patent Number:	5927032
Patent Number:	6418686
Patent Number:	6584740
Patent Number:	7107731
CORRESPONDENCE DATA	
Fax Number:	8592520779
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	859-252-0889
Email:	veronica@iplaw1.net, trevor@iplaw1.net, kim@iplaw1.net
Correspondent Name:	King & Schickli, PLLC
Address Line 1:	247 N. Broadway
Address Line 4:	Lexington, KENTUCKY 40507
ATTORNEY DOCKET NUMBER:	1902-001 CRR
NAME OF SUBMITTER:	Trevor T. Graves

CH \$200.00 5440846

Total Attachments: 9

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DECLARATION

Dear Sir:

I, L. Ray Moncrief, do hereby declare and state as follows:

1. I am employed as Vice President and Chief Operating Officer of Kentucky Highlands Investment Corporation, a Kentucky corporation with its principal office address of P.O. Box 1738, London, Kentucky, 40743 ("KHIC").

2. Based upon the following events and transactions described herein, KHIC is the owner of the full and exclusive right, title and interest in and to a security interest in the intellectual property identified in Schedule A (attached hereto). As owner of the security interest in the intellectual property identified in Schedule A, KHIC has the right to transfer to and/or register in its name, any of the intellectual property collateral encompassed by the security interest and/or collect, receive, appropriate and realize upon said collateral and sell, assign, transfer and deliver to any person all right, title and interest in and to all or any part of the intellectual property collateral upon default by the grantor of the security interest.

3. LEEP, Inc., f/k/a Leading-Edge Earth Products, Inc., an Oregon corporation ("LEEP"), is currently listed as the assignee in the United States Patent and Trademark Office (USPTO) (Assignment Record Reel/Frame 016761/0326) of U.S. Patent Nos.: (i) 5,440,846 entitled "Construction for Building Panels and Other Building Components;" (ii) 5,927,032 entitled "Insulated Building Panel with a Unitary Shear Resistance Connector Array;" (iii) 6,418,686 entitled "Insulated Asymmetrical Directional Force Resistant Building Panel with Symmetrical Joinery, Integral Shear Resistance Connector and Thermal Break;" (iv) 6,584,740 entitled "Frameless Building System;" and (v) 7,107,731 entitled "Insulated Asymmetrical Directional Force Resistant Building Panel with Symmetrical Joinery, Integral Shear Resistance Connector and Thermal Break."

4. On July 29, 2004, LEEP entered into a Financing Agreement (the "Financing Agreement") and a "Grant of Security Interest in Intellectual Property" with

Fortress Credit Corp., a Delaware corporation ("Fortress"), wherein Fortress acted as a lender to make certain loans to LEEP. In exchange for the loans, LEEP granted Fortress a security interest in certain collateral including all patents, trademarks, copyrights, licenses in any copyrights, patents and trademarks, goodwill and other general intangibles in LEEP's business. The Grant of Security Interest in Intellectual Property specifically referenced the intellectual property identified in Schedule A.

5. Fortress properly recorded its security interest in the intellectual property identified in Schedule A in the USPTO (Assignment Record Reel/Frame 014964/0500) on August 10, 2004 by filing the Notice of Grant of Security Interest in Patents, which listed all of the patents and patent applications identified in Schedule A and was part of the Grant of Security Interest in Intellectual Property.

6. Subsequently, DB Associates, Architects ("DB Associates") filed a judgment lien in the USPTO (Assignment Record Reel/Frame 018573/0639) on December 4, 2006, related to the first four patents identified in paragraph 3.

7. NC Two, LP ("NC Two") also filed a lien in the USPTO (Assignment Record Reel/Frame 022117/0612) on January 19, 2009, related to the first four patents identified in paragraph 3.

8. Fortress is a secured party and has superior rights to the intellectual property identified in Schedule A based on its properly recorded and perfected security interest with respect to the liens filed by DB Associates and NC Two, respectively.

9. On August 2, 2004, Fortress entered into an Assignment and Transfer Agreement with Fortress Credit Opportunities I, LP ("FCO") wherein Fortress assigned its entire right in and to the security interest in the intellectual property identified in Schedule A to FCO.

10. On December 14, 2012, FCO entered into an Assignment and Transfer Agreement and Resignation and Appointment Agreement with KHIC regarding the collateral identified in the Financing Agreement.

11. Pursuant to the terms of the Assignment and Transfer Agreement, FCO sold and assigned to KHIC all of its interest in and to its rights and obligations under the

Financing Agreement between LEEP and Fortress, including all of the intellectual property identified in Schedule A.

12. Accordingly, KHIC is the owner of the security interest in all of the collateral identified in the Financing Agreement, including the intellectual property identified in Schedule A.

13. On December 21, 2012, on behalf of KHIC, I sent a Notice of Assignment, Default, Repossession and Disposition of Collateral via Private Sale to LEEP (the "Notice").

14. I verify that I signed the Notice that was sent to LEEP and a copy of the Notice attached hereto as Exhibit 1 is a real and exact copy of the original retained by LEEP.

15. Specifically, the Notice provided LEEP with notice that KHIC assumed the rights of Fortress under the Financing Agreement.

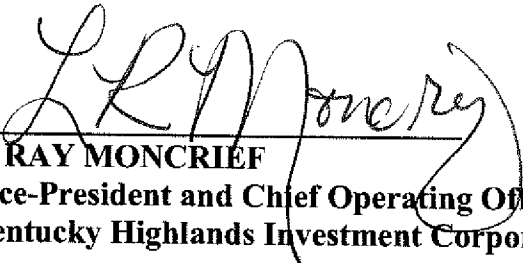
16. The Notice further provided that LEEP had defaulted under the terms of the Financing Agreement by failing to make payments under the Financing Agreement and, therefore, all obligations of LEEP identified in the Financing Agreement are immediately due and payable.

17. The Notice also served as notice that KHIC had legally foreclosed on and taken possession of the collateral identified in the Financing Agreement including all of the intellectual property identified in Schedule A based upon the applicable states laws. The Notice further provided that KHIC would conduct a private sale of all the intellectual property identified in Schedule A pursuant to the security interests granted in the intellectual property on or after January 10, 2013.

18. KHIC has agreed to transfer and STERNS MANUFACTURING, LLC agreed to purchase all of the collateral, including the intellectual property identified in Schedule A.

19. I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements

and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C.
Section 1001.



L. RAY MONCRIEF
Vice-President and Chief Operating Officer
Kentucky Highlands Investment Corporation

1/24/2013
DATE

SCHEDULE A

PATENTS

U.S. Patent No. 5,440,846

U.S. Patent No. 5,927,032

U.S. Patent No. 6,418,686

U.S. Patent No. 6,584,740

PATENT APPLICATIONS

U.S. Patent Application Ser. No. 10/052,214 (now issued U.S. Patent No. 7,107,731)

ZL00810772.6 (China)

00950618.0 (Europe)

IN/PCT/200200215/DEL (India)

2001-532306 (Japan)

TRADEMARKS

U.S. Trademark Registration No. 2,299,699 (this cancelled trademark registration was improperly referenced as 2,299,699 in the Financing Agreement)

EXHIBIT 1

**KENTUCKY HIGHLANDS
INVESTMENT CORPORATION**

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

p.o. box 1738
London, Kentucky
40743-1738
tel. 606.864.5170
fax. 606.864.5174
email: khic@khic.com

Leading-Edge Earth Products, Inc.
416 River Avenue
Suite 387
Williamsport, Pennsylvania 17701
Attention: Mr. Grant C. Record, CEO

LEEP, Inc. (formerly known as Leading-
Edge Earth Products, Inc.)
PO Box 24344
Louisville, KY 40224
Attn: John Nordstrom, CEO

LEEP, Inc.
1002 Col Anderson Parkway
Louisville KY 40222

LEEP, Inc.
Po Box 991307
Louisville KY 40269

LEEP, Inc.
c/o MN Service Corporation (Oregon)
111 SW Fifth Ave Ste 3400
Portland OR 97204

Notice of Assignment, Default, Repossession, and Disposition of Collateral via Private Sale

To Whom it May Concern:

This is your notice that Kentucky Highlands Investment Corporation ("KHIC") has been assigned all of the rights of Fortress Credit Corp. ("Fortress") as Lender under that certain Financing Agreement (the "Financing Agreement"), dated July 29, 2004, between Leading-Edge Earth Products, Inc. (now LEEP, Inc.) and Fortress, as well as the rights of the Lender under the Loan Documents identified in the Financing Agreement. Capitalized terms used in this notice not otherwise defined shall have the meaning given those terms by the Financing Agreement. KHIC has also assumed the rights of Fortress as Administrative Agent under the Financing Agreement. This was accomplished with the execution by KHIC and Fortress Credit Opportunities I, L.P. ("FCO"), the successor to Fortress, of: (a) a Resignation and Appointment Agreement, (b) an Assignment and Transfer Agreement, and (c) a Purchase and Sale Agreement for Distress Trades (all dated December 20, 2012).

In addition, this is your notice of the occurrence of an Event of Default under the Financing Agreement. LEEP, Inc. has failed to make the payments required under the Financing Agreement and the other Loan Documents. All Obligations identified in the Financing Agreement are immediately due and payable to KHIC.

This letter also serves as notice that KHIC has taken possession of the former LEEP, Inc. facility at 660 Fairfield Road, Montoursville, PA and has repossessed the LEEP, Inc. assets there. KHIC will sell those assets (including, but not limited to the assets specifically identified below) at private sale on or after January 10, 2013:

- Bradbury Roll forming lines and related support equipment (including coil unwinder) and tooling

- Linden Foam Press Equipment and related support equipment
- Forklift
- Pallet jacks
- Pallets
- LEEP Panel Inventory
- Other related handling equipment utilized in the manufacturing, transport and loading of raw materials and finished panels
- Fiber board panels
- Other supplies used in the manufacture of LEEP panels
- LEEP Panels and structures built with LEEP panels
- Manufacturing electrical support components
- Office furniture and equipment
- Miscellaneous maintenance and repair supplies

KHIC will also, on or after January 10, 2013, sell the following patents, patent applications (or the patent approved pursuant to said application), and trademarks via private sale pursuant to the security interests granted in that certain Grant of Security Interest in Intellectual Property, dated July 29, 2004, between Leading-Edge Earth Products (now LEEP, Inc.), and KHIC (as assignee of Fortress Credit Opportunities I, L.P.):

Patents

US Patent No. 5,440,846
US Patent No. 5,927,032
US Patent No. 6,418,686
US Patent No. 6,584,740

Patent Applications

10/052,214
ZL00810772.6 (China)
00950618.9 (Europe)
IN/PCT/2002,00215/DEL (India)
2001-532306 (Japan)

Trademarks

2,299,699

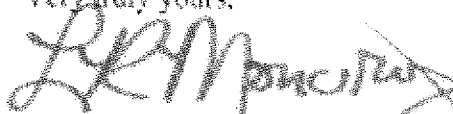
All property mentioned above will be sold without any warranty or representation of any kind, express or implied, with regard to the condition of the property, which is being sold "AS

LEEP, Inc.
December 21, 2012
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IS" and "WHERE IS." You may redeem the above described property prior to the sale by paying the remaining balance due on the Obligations -- estimated at this time to be \$7,732,927.60.

You are entitled to an accounting of the unpaid amount related to the property that we intend to sell. You may request an accounting by calling the undersigned at (606) 864-5175.

Very truly yours,



L. Ray Moncrief
Vice President and Chief Operating Officer
Kentucky Highlands Investment Corporation

cc: BWLaw, Ltd.
1001 Fourth Avenue Plaza
Suite 3827
Seattle, Washington 98154
Attn: Bruce Butcher, Esq.
(via certified mail, return receipt requested)

Thomas H. Atkins
Atkins & Atkins
405 Kentucky Home Life Building
239 S. Fifth Street
Louisville, Kentucky 40202
(via certified mail, return receipt requested)