

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT2569298

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
CHANNEL PRODUCTS, INC.	09/30/2013
RECEIVING PARTY DATA	
Name:	FIRST MIDWEST BANK
Street Address:	8501 WEST HIGGINS ROAD
Internal Address:	SUITE 230
City:	CHICAGO
State/Country:	ILLINOIS
Postal Code:	60631
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	7579754
Patent Number:	7332690
Patent Number:	6712642
CORRESPONDENCE DATA	
Fax Number:	(216)348-5474
Phone:	216-348-5400
Email:	rbannan@mcdonaldhopkins.com
<i>Correspondence will be sent via US Mail when the email attempt is unsuccessful.</i>	
Correspondent Name:	ROBBIE H. BANNAN- MCDONALD HOPKINS LLC
Address Line 1:	600 SUPERIOR AVENUE, EAST
Address Line 2:	SUITE 2100
Address Line 4:	CLEVELAND, OHIO 44114
ATTORNEY DOCKET NUMBER:	38406-00001
NAME OF SUBMITTER:	ROBBIE H. BANNAN

Signature:	/Robbie H. Bannan/
Date:	10/08/2013
Total Attachments: 14 source=Intellectual-Property-Security-Agreement#page1.tif source=Intellectual-Property-Security-Agreement#page2.tif source=Intellectual-Property-Security-Agreement#page3.tif source=Intellectual-Property-Security-Agreement#page4.tif source=Intellectual-Property-Security-Agreement#page5.tif source=Intellectual-Property-Security-Agreement#page6.tif source=Intellectual-Property-Security-Agreement#page7.tif source=Intellectual-Property-Security-Agreement#page8.tif source=Intellectual-Property-Security-Agreement#page9.tif source=Intellectual-Property-Security-Agreement#page10.tif source=Intellectual-Property-Security-Agreement#page11.tif source=Intellectual-Property-Security-Agreement#page12.tif source=Intellectual-Property-Security-Agreement#page13.tif source=Intellectual-Property-Security-Agreement#page14.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Agreement") is made as of the 30th day of September 2013, by **CHANNEL PRODUCTS, INC.**, an Ohio corporation ("Pledgor"), and delivered to **FIRST MIDWEST BANK** ("Lender").

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement dated of even date herewith by and among Pledgor, Lender, and the other parties thereto (as supplemented, restated, amended, superseded or replaced from time to time, the "Loan Agreement"). Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Pledgor has adopted, used and is using (or has filed applications for the registration of) the patents, patent rights and patent applications (collectively, the "Patents"); trademarks, service marks, trade names, service trademark applications and service trade names (collectively, "Trademarks"); copyrights and copyright applications and licenses (collectively, the "Copyrights"), all as listed on Schedule A attached hereto and made part hereof (all such Patents, Trademarks Copyrights, along with associated goodwill relating thereto, hereinafter referred to as the "Assets").

C. Pursuant to this Agreement, Lender is acquiring a lien on, and security interest in, the Assets and the registration thereof, together with all the goodwill of Pledgor associated therewith and represented thereby, as security for all of Pledgor's Liabilities under the Loan Documents (as defined below) and desires to have its security interest in the Assets confirmed by a document in such form that it may be recorded in the United States Patent and Trademark Office, United States Copyright Office, or other relevant office, respectively.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement, and all other instruments, agreements and documents entered into in connection therewith (collectively, the "Loan Documents"), and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Pledgor's Liabilities under the Loan Documents, Pledgor grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Assets, including without limitation, the goodwill of Pledgor associated with and represented by the Assets, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements and the proceeds thereof, including, without limitation, all royalties, licensing fees and the like along with all proceeds of infringement suits. Pledgor hereby authorizes Lender to file a copy of this Agreement in the United States Patent and Trademark Office, the United States Copyright Office, and with any appropriately empowered officials of foreign countries necessary to perfect Lender's security interest in the Assets as set forth herein.

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2. Pledgor hereby covenants and agrees to maintain the Assets in full force and effect until all of the Liabilities are indefeasibly paid and satisfied in full.

3. Pledgor represents, warrants and covenants that:

(a) The Assets are subsisting and have not been adjudged invalid or unenforceable;

(b) Each of the Assets is valid and enforceable;

(c) Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Assets, and each of the Assets is free and clear of any liens, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Pledgor not to sue third persons;

(d) Pledgor has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Pledgor has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §1051-1127, 17 U.S.C. §101, et seq., 35 U.S.C. §101 et seq. and any other applicable statutes, rules and regulations in connection with its use of the Assets; and

(f) Each of the Assets listed on Schedule A constitute all of the Assets, and all applications for any of the foregoing, now owned by Pledgor. If, before all Liabilities have been indefeasibly paid and satisfied in full, Pledgor shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, trade names or copyrights or licenses or (ii) become entitled to the benefit of any patent or trademark application, trademark, trademark registration, copyright or copyright registration or application or license renewal or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and such patent or trademark application, trademark, trademark registration, copyright or copyright registration or application or license renewal or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent shall be deemed part of the Assets. From time to time upon Lender's request, Pledgor shall provide Lender and Lender's counsel with an amended Schedule listing Pledgor's Assets in form and substance reasonably satisfactory to Lender.

4. Pledgor further covenants that until all of the Liabilities have been indefeasibly paid and satisfied in full, it will not enter into any agreement, including without limitation, license agreements or options, which is inconsistent with Pledgor's obligations under this Agreement, except for agency, co-marketing and co-branding agreements.

5. So long as an Event of Default has not occurred and is continuing under the Loan Agreement, Pledgor shall continue to have the exclusive right to use the Assets, and Lender shall

have no right to use the Assets or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Assets to anyone else.

6. Pledgor agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Assets without prior written consent of Lender.

7. Upon the occurrence and continuance of an Event of Default under the Loan Agreement, Pledgor hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the State of Ohio, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Assets covered hereby. Pledgor hereby authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its exclusive discretion, as Pledgor's true and lawful attorney-in-fact, with the power to endorse Pledgor's name on all applications, assignments, documents, papers and instruments necessary for Lender, to use the Assets or to grant or issue any exclusive or non-exclusive license under the Assets to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Assets to anyone else including, without limitation, the power to execute a trademark assignment in the form attached hereto as Exhibit 1. Pledgor hereby authorizes Lender to file a copy of such trademark assignment in the United States Patent and Trademark Office, the United States Copyright Office, and with any appropriately empowered officials of foreign countries necessary to evidence Lender's interest in the Assets as set forth herein. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all the Liabilities are indefeasibly paid and satisfied in full.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the parties hereto.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted under the Loan Documents. In the event of an inconsistency between this Agreement and the Loan Documents, the language of the Loan Documents shall control.

10. Upon the full and unconditional satisfaction of all of the Liabilities under the Loan Documents, Lender shall execute and deliver to Pledgor all documents reasonably necessary to terminate Lender's security interest in the Assets.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining or preserving the Assets, or in defending or prosecuting any actions or proceedings arising out of or related to the Assets, or

defending, protecting or enforcing Lender's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Pledgor on demand by Lender and until so paid shall be added to the principal amount of the Liabilities and shall bear interest at the otherwise applicable rate of interest prescribed in the Loan Agreement.

12. Subject to the terms of the Loan Documents, Pledgor shall have the duty to prosecute diligently any trademark application with respect to the Assets pending as of the date of this Agreement or thereafter, until all of the Liabilities shall have been indefeasibly paid and satisfied in full, to preserve and maintain all rights in the Assets, and upon request of Lender, Pledgor shall make federal application on registerable but unregistered patents, trademarks, copyrights or licenses belonging to Pledgor. Any expenses incurred in connection with such applications shall be borne by Pledgor. Pledgor shall not abandon any material Patent, Trademark or Copyright without the prior written consent of Lender.

13. Pledgor shall have the right to bring suit in its own name to enforce the Assets, in which event Lender may, if Pledgor reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that Lender is not thereby incurring any risk of liability because of such joinder. Pledgor shall promptly, upon demand, reimburse and indemnify Lender for all damages, reasonable costs and expenses, including reasonable attorneys' fees, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. Upon the occurrence and continuance of an Event of Default under the Loan Agreement, Lender may, without any obligation to do so, complete any obligation of Pledgor hereunder, in Pledgor's name or in Lender's name, but at Pledgor's expense, and Pledgor hereby agrees to reimburse Lender in full for all costs and expenses, including reasonable attorneys' fees, incurred by Lender in protecting, defending and maintaining the Assets.

15. No course of dealing between Pledgor and Lender, nor any failure to exercise, nor any delay in exercising on the part of Lender any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Assets, whether established hereby, by the Loan Documents or by any other future agreements between Pledgor and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement shall be governed by and construed in conformity with the laws of the State of Ohio without regard to its otherwise applicable principles of conflicts of laws.

19. **PLEDGOR AND LENDER EACH WAIVE ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY LITIGATION, PROCEEDING**

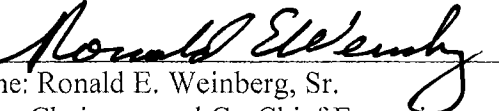
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**OR COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS OF
THE PARTIES HERETO OR UNDER THE LOAN DOCUMENTS.**

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IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement the day and year first above written.

CHANNEL PRODUCTS, INC.,
an Ohio corporation

By: 
Name: Ronald E. Weinberg, Sr.
Title: Chairman and Co-Chief Executive Officer

Approved and Accepted:

FIRST MIDWEST BANK

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

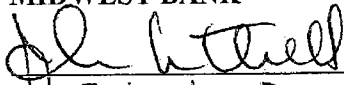
IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement the day and year first above written.

CHANNEL PRODUCTS, INC.,
an Ohio corporation

By: _____
Name: Ronald E. Weinberg, Sr.
Title: Chairman and Co-Chief Executive Officer

Approved and Accepted:

FIRST MIDWEST BANK

By: 
Name: JOHN LITTLE
Title: SR. VICE PRESIDENT

[SIGNATURE PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

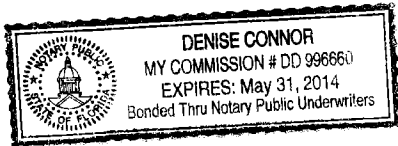
CORPORATE ACKNOWLEDGMENTS

UNITED STATES OF AMERICA :

STATE OF Fl. : SS

COUNTY OF Collier :

Acknowledged before me on this 2 of Oct 2013, before me personally appeared Ronald E. Weinberg, Sr. to me known and being duly sworn, deposes and says that s/he is the Chairman and Co-Chief Executive Officer of **CHANNEL PRODUCTS, INC.**, an Ohio corporation, the Pledgor described in the foregoing Agreement; that s/he signed the Agreement as such officer pursuant to the authority vested in him/her by law; that the within Agreement is the voluntary act of such company; and s/he desires the same to be recorded as such.



[Handwritten Signature]

Notary Public
My Commission Expires: 5/31/14

UNITED STATES OF AMERICA :

STATE OF _____ : SS

COUNTY OF _____ :

Acknowledged before me on this ____ of _____ 2013, before me personally appeared _____ to me known and being duly sworn, deposes and says that s/he is the _____ of **FIRST MIDWEST BANK**, the Lender described in the foregoing Agreement; that s/he signed the Agreement as such officer pursuant to the authority vested in him/her by law; that the within Agreement is the voluntary act of such bank; and s/he desires the same to be recorded as such.

Notary Public
My Commission Expires: _____

[ACKNOWLEDGMENT PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

CORPORATE ACKNOWLEDGMENTS

UNITED STATES OF AMERICA :
STATE OF _____ : SS
COUNTY OF _____ :

Acknowledged before me on this ____ of _____ 2013, before me personally appeared Ronald E. Weinberg, Sr. to me known and being duly sworn, deposes and says that s/he is the Chairman and Co-Chief Executive Officer of CHANNEL PRODUCTS, INC., an Ohio corporation, the Pledgor described in the foregoing Agreement; that s/he signed the Agreement as such officer pursuant to the authority vested in him/her by law; that the within Agreement is the voluntary act of such company; and s/he desires the same to be recorded as such.

Notary Public
My Commission Expires: _____

UNITED STATES OF AMERICA :
STATE OF _____ : SS
COUNTY OF _____ :

Acknowledged before me on this 30 of SEPTEMBER 2013, before me personally appeared John Lutz to me known and being duly sworn, deposes and says that s/he is the S.V.P. of FIRST MIDWEST BANK, the Lender described in the foregoing Agreement; that s/he signed the Agreement as such officer pursuant to the authority vested in him/her by law; that the within Agreement is the voluntary act of such bank; and s/he desires the same to be recorded as such.

Waylet Harper
Notary Public
My Commission Expires: 2-1-17



[ACKNOWLEDGMENT PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

SCHEDULE A

Trademarks:

<u>Owner</u>	<u>Trademark</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration Date</u>
Channel Products, Inc.	CP	U.S.	1519650	9/1/1985
Channel Products, Inc.	Gasliter	U.S.	1414781	12/11/1973
Channel Products, Inc.	Gasliter	U.S.	1414782	5/23/1980
Channel Products, Inc.	Quikliter	U.S.	2685785	4/18/2000
Channel Products, Inc.	Quikliter	U.S.	2685786	4/18/2000
Channel Products, Inc.	Quiklighter	U.S.	3763543	8/25/2009
Channel Products, Inc.	Quikswitch	N/A	N/A	unknown
Channel Products, Inc.	Channel Products, Inc.	N/A	N/A	8/2/1972
Channel Products, Inc.	Channel Products	N/A	N/A	8/2/1972

Patents:

<u>Owner</u>	<u>Patent</u>	<u>Country</u>	<u>Application No. or Registration No. (as applicable)</u>	<u>Application Filing Date or Registration Date (as applicable)</u>
Channel Products, Inc.	Piezoelectric Actuator	U.S.	No. 7,579,754	4/20/2006
Channel Products, Inc.	Hot Wire Igniter	U.S.	No. 7,332,690	6/12/2006
Channel Products, Inc.	Electronic Ignition Device	U.S.	No. 6,712,642	2/1/2002
Channel Products, Inc.	Hot Wire Igniter	Canada	No. 2,598,676	8/23/2007

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EXHIBIT 1

PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES ASSIGNMENT

WHEREAS, _____ (“Grantor”) is the registered owner of the patents, patent rights, and patent applications, trademarks, service marks, trade names, service trademark applications and service trade names, copyrights and copyright applications and licenses listed on **Schedule A** attached hereto and made a part hereof (“Assets”), which are registered in the United States Patent and Trademark Office, United States Copyright Office, or other appropriately empowered officials of foreign countries, respectively; and

WHEREAS, _____ (“Grantee”), having a place of business at _____, is desirous of acquiring said Assets;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, subject to the terms of the Intellectual Property Security Agreement of even date herewith, between Grantor and Grantee, all of its present and future right, title and interest in and to the Assets and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Intellectual Property Assignment to be executed as of the ___ day of _____ .

By: _____
Attorney-in-fact

Witness:

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CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF : S.S.
COUNTY OF :

On this _____ day of _____ 20__, before me, a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of _____ and s/he acknowledged to me that s/he executed the foregoing Intellectual Property Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
My Commission Expires: _____

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POWER OF ATTORNEY

CHANNEL PRODUCTS, INC., an Ohio corporation (“Grantor”), hereby authorizes **FIRST MIDWEST BANK** (“Grantee”), as Grantor’s true and lawful attorney-in-fact, with the power to endorse Grantor’s name on all applications, assignments, documents, papers and instruments necessary for Grantee to enforce and effectuate its rights under a certain Intellectual Property Security Agreement between Grantor and Grantee dated the date hereof (as it may hereafter be supplemented, restated, superseded, amended or replaced, the “Patent Agreement”), including, without limitation, the power to use the Assets (as defined in the Patent Agreement) and listed on **Schedule A** attached hereto and made a part hereof, to grant or issue any exclusive or nonexclusive license under the Assets to anyone else or to assign, pledge, convey or otherwise transfer title in or dispose of the Assets, in each case subject to the terms of the Patent Agreement.

This Power of Attorney is given and any action taken pursuant hereto is intended to be so given or taken pursuant to and subject to the provisions of a certain Loan and Security Agreement dated _____, 2013 among Grantor and Grantee, as each document may be hereinafter supplemented, restated, superseded, amended or replaced.

Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms of the Patent Agreement.

This Power of Attorney shall be irrevocable for the life of the Patent Agreement.

[SIGNATURE PAGE FOLLOWS]

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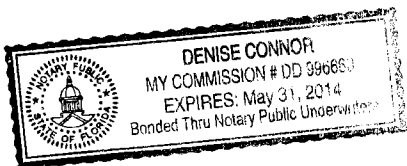
IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney, under seal, this 30th day of September 2013.

CHANNEL PRODUCTS, INC.,
an Ohio corporation

By: *Ronald E. Weinberg*
Name: Ronald E. Weinberg, Sr
Title: Chairman and Co-Chief Executive Officer

UNITED STATES OF AMERICA :
STATE OF Fl. : SS
COUNTY OF Collier :

Acknowledged before me on this 2 of Oct 2013, before me personally appeared Ronald E. Weinberg, Sr. to me known and being duly sworn, deposes and says that s/he is the Chairman and Co-Chief Executive Officer of **CHANNEL PRODUCTS, INC.**, an Ohio corporation, the Grantor described in the foregoing Power of Attorney; that s/he signed the Power of Attorney as such officer pursuant to the authority vested in him/her by law; that the within Power of Attorney is the voluntary act of such company; and s/he desires the same to be recorded as such.



[Signature]
Notary Public
My Commission Expires: 5/31/14

[SIGNATURE PAGE TO POWER OF ATTORNEY - IP SECURITY AGREEMENT]