

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT3276751

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Execution Date
WORLD FACTORY, INC.	01/15/2015

RECEIVING PARTY DATA

Name:	JOHN A. KUELBS
Street Address:	611 S. WHITE CHAPEL BLVD.
City:	SOUTHLAKE
State/Country:	TEXAS
Postal Code:	76092
Name:	GREGORY G. KUELBS
Street Address:	611 S. WHITE CHAPEL BLVD.
City:	SOUTHLAKE
State/Country:	TEXAS
Postal Code:	76092

PROPERTY NUMBERS Total: 57

Property Type	Number
Patent Number:	6612713
Patent Number:	7753546
Patent Number:	8069868
Patent Number:	8375966
Patent Number:	8727555
Patent Number:	8794781
Patent Number:	6830009
Patent Number:	6901882
Patent Number:	7017521
Patent Number:	7168392
Patent Number:	7540262
Patent Number:	7345371
Patent Number:	7518253
Patent Number:	8129850
Patent Number:	8421252

PATENT

Property Type	Number
Patent Number:	8941252
Patent Number:	7615962
Patent Number:	7830110
Patent Number:	7345374
Patent Number:	7204618
Patent Number:	6954734
Patent Number:	7136830
Patent Number:	7143057
Patent Number:	7021787
Patent Number:	D470618
Patent Number:	D472010
Patent Number:	D470265
Patent Number:	D470620
Patent Number:	D470619
Patent Number:	D470968
Patent Number:	D478683
Patent Number:	D482156
Patent Number:	D485933
Patent Number:	D477107
Patent Number:	D483895
Patent Number:	D483139
Patent Number:	D482479
Patent Number:	D467374
Patent Number:	D478943
Patent Number:	D466255
Patent Number:	D470630
Patent Number:	D470629
Patent Number:	D466656
Patent Number:	D466639
Patent Number:	D471327
Patent Number:	D494536
Patent Number:	D482814
Patent Number:	D497021
Patent Number:	D491685
Patent Number:	D487818
Patent Number:	D512172
Patent Number:	D533298
Patent Number:	D525051

Property Type	Number
Patent Number:	D538143
Patent Number:	D512374
Patent Number:	D520147
Patent Number:	D564700

CORRESPONDENCE DATA

Fax Number: (817)878-9771

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Phone: 817-878-3571

Email: TRADEMARK.USPTO@KELLYHART.COM

Correspondent Name: LESLIE M. DARBY

Address Line 1: 201 MAIN STREET, SUITE 2500

Address Line 4: FORT WORTH, TEXAS 76102

ATTORNEY DOCKET NUMBER:	3551.115
NAME OF SUBMITTER:	LESLIE M. DARBY, ATTORNEY
SIGNATURE:	/lmd/
DATE SIGNED:	03/23/2015

Total Attachments: 17

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SECURITY AGREEMENT

Grantor: World Factory, Inc.
Address: 542 Silicon Dr., Ste. 101
Southlake, Texas 76092

Lender/Secured Party: John A. Kuelbs
Address: Gregory G. Kuelbs
611 S. White Chapel Blvd.
Southlake, Texas 76092

THIS SECURITY AGREEMENT ("Agreement") is dated as of January 15, 2015, by Grantor for the benefit of Lender ("Secured Party").

1. Definitions. As used in this Agreement, the following terms shall have the meanings indicated below:

(a) The term "Code" shall mean the Uniform Commercial Code as in effect in the State of Texas or of any other state having jurisdiction with respect to any of the rights and remedies of Secured Party on the date of this Agreement or as it may hereafter be amended from time to time.

(b) The term "Collateral" shall mean all permits, regulatory approvals, copyrights, patents, trademarks, service marks, trade names, mask works, goodwill, licenses and all other intellectual property owned by Grantor or used in Grantor's business, now owned or hereafter acquired, including, but not limited to, all of the patents and trademarks described on the schedule attached hereto and incorporated herein for all purposes.

(c) The term "Indebtedness" shall mean (i) all indebtedness, obligations and liabilities of Grantor to Secured Party of any kind or character, now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several or joint and several, and regardless of whether such indebtedness, obligations and liabilities may, prior to their acquisition by Secured Party, be or have been payable to or in favor of a third party and subsequently acquired by Secured Party, (ii) all accrued but unpaid interest on any of the indebtedness described in (i) above, (iii) all obligations of Grantor to Secured Party under any documents evidencing, securing, governing and/or pertaining to all or any part of the indebtedness described in (i) and (ii) above, (iv) all costs and expenses incurred by Secured Party in connection with the collection and administration of all or any part of the indebtedness and obligations described in (i), (ii) and (iii) above or the protection or preservation of, or realization upon, the collateral securing all or any part of such indebtedness and obligations, including without limitation all reasonable attorneys' fees, and (v) all renewals, extensions, modifications and rearrangements of the indebtedness and obligations described in (i), (ii), (iii) and (iv) above.

(d) The term "Loan Documents" shall mean all instruments and documents evidencing, securing, governing, guaranteeing and/or pertaining to the Indebtedness.

All words and phrases used herein which are expressly defined in Section 1.201 or Chapter 9 of the Code shall have the meaning provided for therein. Other words and phrases defined elsewhere in the Code shall have the meaning specified therein except to the extent such meaning is inconsistent with a definition in Section 1.201 or Chapter 9 of the Code.

2. Security Interest. As security for the Indebtedness, Grantor, for value received, hereby pledges and grants to Secured Party a continuing security interest in the Collateral.

3. Rights of Secured Party. Secured Party shall have the rights contained in this Section 3 at all times during the period of time this Agreement is effective.

(a) Additional Financing Statements Filings. Grantor hereby authorizes Secured Party to file, without the signature of Grantor, one or more financing or continuation statements, and amendments thereto, relating to the Collateral. Grantor further agrees that a carbon, photographic or other reproduction of this Security Agreement or any financing statement describing any Collateral is sufficient as a financing statement and may be filed in any jurisdiction Secured Party may deem appropriate.

(b) Power of Attorney. Grantor hereby irrevocably appoints Secured Party as Grantor's attorney-in-fact, such power of attorney being coupled with an interest, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise, after the occurrence of an Event of Default, to take any action and to execute any instrument which Secured Party may deem necessary or appropriate to accomplish the purposes of this Agreement, including without limitation: (i) to obtain and adjust insurance required by Secured Party hereunder; (ii) to demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of the Collateral; (iii) to receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with clause (i) or (ii) above; and (iv) to file any claims or take any action or institute any proceedings which Secured Party may deem necessary or appropriate for the collection and/or preservation of the Collateral or otherwise to enforce the rights of Secured Party with respect to the Collateral.

(c) Performance by Secured Party. If Grantor fails to perform any agreement or obligation provided herein, Secured Party may itself perform, or cause performance of, such agreement or obligation, and the expenses of Secured Party incurred in connection therewith shall be a part of the Indebtedness, secured by the Collateral and payable by Grantor on demand.

4. Events of Default. Each of the following constitutes an "Event of Default" under this Agreement:

(a) Default in Payment. The failure, refusal or neglect of Grantor to make any payment of principal or interest on the Indebtedness, or any portion thereof, as the same shall become due and payable; or

(b) Non-Performance of Covenants. The failure of Grantor or any Obligated Party to timely and properly observe, keep or perform any covenant, agreement, warranty or condition required herein or in any of the other Loan Documents; or

(c) Default Under other Loan Documents. The occurrence of an event of default under any of the other Loan Documents; or

(d) False Representation. Any representation or warranty contained herein or in any of the other Loan Documents made by Grantor or any Obligated Party is false or misleading in any material respect; or

(e) Default to Third Party. The occurrence of any event which permits the acceleration of the maturity of any indebtedness owing by Grantor or any Obligated Party to Lender or any third party under any agreement or undertaking; or

(f) Bankruptcy or Insolvency. If Grantor or any Obligated Party: (i) becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due; (ii) generally is not paying its debts as such debts become due; (iii) has a receiver, trustee or custodian appointed for, or take possession of, all or substantially all of the assets of such party or any of the Collateral, either in a proceeding brought by such party or in a proceeding brought against such party and such appointment is not discharged or such possession is not terminated within sixty (60) days after the effective date thereof or such party consents to or acquiesces in such appointment or possession; (iv) files a petition for relief under the United States Bankruptcy Code or any other present or future federal or state insolvency, bankruptcy or similar laws (all of the foregoing hereinafter collectively called "Applicable Bankruptcy Law") or an involuntary petition for relief is filed against such party under any Applicable Bankruptcy Law and such involuntary petition is not dismissed within sixty (60) days after the filing thereof, or an order for relief naming such party is entered under any Applicable Bankruptcy Law, or any composition, rearrangement, extension, reorganization or other relief now or hereafter existing is requested or consented to by such party; (v) fails to have discharged within a period of sixty (60) days any attachment, sequestration or similar writ levied upon any property of such party; or (vi) fails to pay within thirty (30) days any final money judgment against such party.

(g) Execution on Collateral. The Collateral or any portion thereof is taken on execution or other process of law in any action against Grantor; or

(h) Abandonment. Grantor abandons the Collateral or any portion thereof; or

(i) Action by Other Lienholder. The holder of any lien or security interest on any of the assets of Grantor, including without limitation, the Collateral (without hereby implying the consent of Secured Party to the existence or creation of any such lien or security interest on the Collateral), declares a default thereunder or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder;

(j) Liquidation, Death and Related Events. If Grantor or any Obligated Party is an entity, the liquidation, dissolution, merger or consolidation of any such entity or, if Grantor or any Obligated Party is an individual, the death or legal incapacity of any such individual; or

(k) Search Report. Secured Party shall receive at any time following the execution of this Agreement a search report indicating that Secured Party's security interest is not prior to all other security interests or other interests reflected in the report.

5. Remedies and Related Rights. If an Event of Default shall have occurred, and without limiting any other rights and remedies provided herein, under any of the other Loan Documents or otherwise available to Secured Party, Secured Party may exercise one or more of the rights and remedies provided in this Section.

(a) Remedies. Secured Party may from time to time at its discretion, without limitation and without notice except as expressly provided in any of the Loan Documents:

(i) exercise in respect of the Collateral all the rights and remedies of a secured party under the Code (whether or not the Code applies to the affected Collateral);

(ii) require Grantor to, and Grantor hereby agrees that it will at its expense and upon request of Secured Party, assemble the Collateral as directed by Secured Party and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties;

(iii) reduce its claim to judgment or foreclose or otherwise enforce, in whole or in part, the security interest granted hereunder by any available judicial procedure;

(iv) sell or otherwise dispose of, at its office, on the premises of Grantor or elsewhere, the Collateral, as a unit or in parcels, by public or private proceedings, and by way of one or more contracts (it being agreed that the sale or other disposition of any part of the Collateral shall not exhaust Secured Party's power of sale, but sales or other dispositions may be made from time to time until all of the Collateral has been sold or disposed of or until the Indebtedness has been paid and performed in full), and at any such sale or other disposition it shall not be necessary to exhibit any of the Collateral;

(v) buy the Collateral, or any portion thereof, at any public sale;

(vi) buy the Collateral, or any portion thereof, at any private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations;

(vii) apply for the appointment of a receiver for the Collateral, and Grantor hereby consents to any such appointment; and

(viii) at its option, retain the Collateral in satisfaction of the Indebtedness whenever the circumstances are such that Secured Party is entitled to do so under the Code or otherwise, to the full extent permitted by the Code, Secured Party shall be permitted to elect whether such retention shall be in full or partial satisfaction of the Indebtedness.

In the event Secured Party shall elect to sell the Collateral, Secured Party may sell the Collateral without giving any warranties as and shall be permitted to specifically disclaim any warranties of title or the like. Further, if Secured Party sells any of the Collateral on credit, Grantor will be credited only with payments actually made by the purchaser, received by Secured Party and applied to the Indebtedness. In the event the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Grantor shall be credited with the proceeds of the sale. Grantor agrees that in the event Grantor or any Grantor is entitled to receive any notice under the Code, as it exists in the state governing any such notice, of the sale or other disposition of any Collateral, reasonable notice shall be deemed given when such notice is deposited in a depository receptacle under the care and custody of the United States Postal Service, postage prepaid, at such party's address set forth on the first page hereof, ten (10) days prior to the date of any public sale, or after which a private sale, of any of such Collateral is to be held. Secured Party shall not be obligated to make any sale of Collateral

regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Application of Proceeds. If any Event of Default shall have occurred, Secured Party may at its discretion apply or use any cash held by Secured Party as Collateral, and any cash proceeds received by Secured Party in respect of any sale or other disposition of, collection from, or other realization upon, all or any part of the Collateral as follows in such order and manner as Secured Party may elect:

(i) to the repayment or reimbursement of the reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by Secured Party in connection with (A) the administration of the Loan Documents, (B) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, the Collateral, and (C) the exercise or enforcement of any of the rights and remedies of Secured Party hereunder;

(ii) to the payment or other satisfaction of any liens and other encumbrances upon the Collateral;

(iii) to the satisfaction of the Indebtedness;

(iv) by holding such cash and proceeds as Collateral;

(v) to the payment of any other amounts required by applicable law (including without limitation, Section 9.615(a)(3) of the Code or any other applicable statutory provision); and

(vi) by delivery to Grantor or any other party lawfully entitled to receive such cash or proceeds whether by direction of a court of competent jurisdiction or otherwise.

(c) Deficiency. In the event that the proceeds of any sale of, collection from, or other realization upon, all or any part of the Collateral by Secured Party are insufficient to pay all amounts to which Secured Party is legally entitled, Grantor and any party who guaranteed or is otherwise obligated to pay all or any portion of the Indebtedness shall be liable for the deficiency, together with interest thereon as provided in the Loan Documents, to the full extent permitted by the Code.

(d) Non-Judicial Remedies. In granting to Secured Party the power to enforce its rights hereunder without prior judicial process or judicial hearing, Grantor expressly waives, renounces and knowingly relinquishes any legal right which might otherwise require Secured Party to enforce its rights by judicial process. Grantor recognizes and concedes that non-judicial remedies are consistent with the usage of trade, are responsive to commercial necessity and are the result of a bargain at arm's length. Nothing herein is intended to prevent Secured Party or Grantor from resorting to judicial process at either party's option.

(e) Other Recourse. Grantor waives any right to require Secured Party to proceed against any third party, exhaust any Collateral or other security for the Indebtedness, or to have any third party joined with Grantor in any suit arising out of the Indebtedness or any of the

Loan Documents, or pursue any other remedy available to Secured Party. Grantor further waives any and all notice of acceptance of this Agreement and of the creation, modification, rearrangement, renewal or extension of the Indebtedness. Grantor further waives any defense arising by reason of any disability or other defense of any third party or by reason of the cessation from any cause whatsoever of the liability of any third party. Until all of the Indebtedness shall have been paid in full, Grantor shall have no right of subrogation and Grantor waives the right to enforce any remedy which Secured Party has or may hereafter have against any third party, and waives any benefit of and any right to participate in any other security whatsoever now or hereafter held by Secured Party. Grantor authorizes Secured Party, and without notice or demand and without any reservation of rights against Grantor and without affecting Grantor's liability hereunder or on the Indebtedness to (i) take or hold any other property of any type from any third party as security for the Indebtedness, and exchange, enforce, waive and release any or all of such other property, (ii) apply such other property and direct the order or manner of sale thereof as Secured Party may in its discretion determine, (iii) renew, extend, accelerate, modify, compromise, settle or release any of the Indebtedness or other security for the Indebtedness, (iv) waive, enforce or modify any of the provisions of any of the Loan Documents executed by any third party, and (v) release or substitute any third party.

6. INDEMNITY. GRANTOR HEREBY INDEMNIFIES AND AGREES TO HOLD HARMLESS SECURED PARTY, AND ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES (EACH AN "INDEMNIFIED PERSON") FROM AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, CLAIMS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES OR DISBURSEMENTS OF ANY KIND OR NATURE (COLLECTIVELY, THE "CLAIMS") WHICH MAY BE IMPOSED ON, INCURRED BY, OR ASSERTED AGAINST, ANY INDEMNIFIED PERSON ARISING IN CONNECTION WITH THE LOAN DOCUMENTS, THE INDEBTEDNESS OR THE COLLATERAL (INCLUDING WITHOUT LIMITATION, THE ENFORCEMENT OF THE LOAN DOCUMENTS AND THE DEFENSE OF ANY INDEMNIFIED PERSON'S ACTIONS AND/OR INACTIONS IN CONNECTION WITH THE LOAN DOCUMENTS). THE INDEMNIFICATION PROVIDED FOR IN THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT AND SHALL EXTEND AND CONTINUE TO BENEFIT EACH INDIVIDUAL OR ENTITY WHO IS OR HAS AT ANY TIME BEEN AN INDEMNIFIED PERSON HEREUNDER.

7. Miscellaneous.

(a) Entire Agreement. This Agreement contains the entire agreement of Secured Party and Grantor with respect to the Collateral. If the parties hereto are parties to any prior agreement, either written or oral, relating to the Collateral, the terms of this Agreement shall amend and supersede the terms of such prior agreements as to transactions on or after the effective date of this Agreement, but all security agreements, financing statements, guaranties, other contracts and notices for the benefit of Secured Party shall continue in full force and effect to secure the Indebtedness unless Secured Party specifically releases its rights thereunder by separate release.

(b) Amendment. No modification, consent or amendment of any provision of this Agreement or any of the other Loan Documents shall be valid or effective unless the same is authenticated by the party against whom it is sought to be enforced, except to the extent of amendments specifically permitted by the Code without authentication by the Grantor or Grantor.

(c) Actions by Secured Party. The lien, security interest and other security rights of Secured Party hereunder shall not be impaired by (i) any renewal, extension, increase or modification with respect to the Indebtedness, (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Secured Party may grant with respect to the Collateral, or (iii) any release or indulgence granted to any endorser, guarantor or surety of the Indebtedness. The taking of additional security by Secured Party shall not release or impair the lien, security interest or other security rights of Secured Party hereunder or affect the obligations of Grantor hereunder.

(d) Waiver by Secured Party. Secured Party may waive any Event of Default without waiving any other prior or subsequent Event of Default. Secured Party may remedy any default without waiving the Event of Default remedied. Neither the failure by Secured Party to exercise, nor the delay by Secured Party in exercising, any right or remedy upon any Event of Default shall be construed as a waiver of such Event of Default or as a waiver of the right to exercise any such right or remedy at a later date. No single or partial exercise by Secured Party of any right or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right or remedy hereunder may be exercised at any time. No waiver of any provision hereof or consent to any departure by Grantor therefrom shall be effective unless the same shall be in writing and signed by Secured Party and then such waiver or consent shall be effective only in the specific instances, for the purpose for which given and to the extent therein specified. No notice to or demand on Grantor in any case shall of itself entitle Grantor to any other or further notice or demand in similar or other circumstances.

(e) Costs and Expenses. Grantor will upon demand pay to Secured Party the amount of any and all costs and expenses (including without limitation, attorneys' fees and expenses), which Secured Party may incur in connection with (i) the transactions which give rise to the Loan Documents, (ii) the preparation of this Agreement and the perfection and preservation of the security interests granted under the Loan Documents, (iii) the administration of the Loan Documents, (iv) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, the Collateral, (v) the exercise or enforcement of any of the rights of Secured Party under the Loan Documents, or (vi) the failure by Grantor to perform or observe any of the provisions hereof.

(f) Controlling Law; Venue. This Agreement is executed and delivered as an incident to a lending transaction negotiated and consummated in Tarrant County, Texas, and shall be governed by and construed in accordance with the laws of the State of Texas. Grantor (and Grantor, if Grantor is not the Grantor), for itself and its successors and assigns, hereby irrevocably (a) submits to the nonexclusive jurisdiction of the state and federal courts in Texas, (b) waives, to the fullest extent permitted by law, and objection that it may now or in the future have to the laying of venue of any litigation arising out of or in connection with any Loan Document brought in the District Court of Tarrant County, Texas, or in the United States District Court for the Northern District of Texas, Fort Worth, Division, (c) waives any objection it may now or hereafter have as to the venue of any such action or proceeding brought in such court or that such court is an inconvenient forum, (d) agrees that any legal proceeding against any party to any Loan Document arising out of or in connection with any of the Loan Documents may be brought in one of the foregoing courts, and (e) agrees that service of process upon it may be made by certified or registered mail, return receipt requested, at its address specified herein. Nothing herein shall affect the right of Lender to

serve process in any other manner permitted by law or shall limit the right of Lender to bring any action or proceeding against Grantor (and Grantor, if Grantor is not the Grantor) or with respect to any of Grantor's (or Grantor's, if Grantor is not the Grantor) property in courts in other jurisdictions. The scope of each of the foregoing waivers is intended to be all encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. Grantor (and Grantor, if Grantor is not the Grantor) acknowledges that these waivers are a material inducement to Lender's agreement to enter into agreements and obligations evidenced by the Loan Documents, that Lender has already relied on these waivers and will continue to rely on each of these waivers in related future dealings. The waivers in this section are irrevocable, meaning that they may not be modified either orally or in writing, and these waivers apply to any future renewals, extensions, amendments, modifications, or replacements in respect of the applicable Loan Document. In connection with any litigation, this Agreement may be filed as a written consent to a trial by the court.

(g) Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision held to be illegal, invalid or unenforceable.

(h) No Obligation. Nothing contained herein shall be construed as an obligation on the part of Secured Party to extend or continue to extend credit to Grantor.

(i) Notices. All notices, requests, demands or other communications required or permitted to be given pursuant to this Agreement shall be in writing and given by (i) personal delivery, (ii) expedited delivery service with proof of delivery, or (iii) United States mail, postage prepaid, registered or certified mail, return receipt requested, sent to the intended addressee at the address set forth on the first page hereof or to such different address as the addressee shall have designated by written notice sent pursuant to the terms hereof and shall be deemed to have been received either, in the case of personal delivery, at the time of personal delivery, in the case of expedited delivery service, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of mail, upon deposit in a depository receptacle under the care and custody of the United States Postal Service. Either party shall have the right to change its address for notice hereunder to any other location within the continental United States by notice to the other party of such new address at least thirty (30) days prior to the effective date of such new address.

(j) Binding Effect and Assignment. This Agreement (i) creates a continuing security interest in the Collateral, (ii) shall be binding on Grantor and the heirs, executors, administrators, personal representatives, successors and assigns of Grantor, and (iii) shall inure to the benefit of Secured Party and its successors and assigns. Without limiting the generality of the foregoing, Secured Party may pledge, assign or otherwise transfer the Indebtedness and its rights under this Agreement and any of the other Loan Documents to any other party. Grantor's rights and obligations hereunder may not be assigned or otherwise transferred without the prior written consent of Secured Party.

(k) Termination. It is contemplated by the parties hereto that from time to time there may be no outstanding Indebtedness, but notwithstanding such occurrences, this

Agreement shall remain valid and shall be in full force and effect as to subsequent outstanding Indebtedness. Upon (i) the satisfaction in full of the Indebtedness, (ii) the termination or expiration of any commitment of Secured Party to extend credit to Grantor, (iii) written request for the termination hereof delivered by Grantor to Secured Party, and (iv) written release delivered by Secured Party to Grantor, this Agreement and the security interests created hereby shall terminate. Upon termination of this Agreement and Grantor's written request, Secured Party will, at Grantor's sole cost and expense, return to Grantor such of the Collateral as shall not have been sold or otherwise disposed of or applied pursuant to the terms hereof and execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination.

(l) Cumulative Rights. All rights and remedies of Secured Party hereunder are cumulative of each other and of every other right or remedy which Secured Party may otherwise have at law or in equity or under any of the other Loan Documents, and the exercise of one or more of such rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of any other rights or remedies. Further, except as specifically noted as a waiver herein, no provision of this Agreement is intended by the parties to this Agreement to waive any rights, benefits or protection afforded to Secured Party under the Code.

(m) Gender and Number. Within this Agreement, words of any gender shall be held and construed to include the other gender, and words in the singular number shall be held and construed to include the plural and words in the plural number shall be held and construed to include the singular, unless in each instance the context requires otherwise.

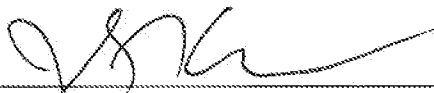
(n) Descriptive Headings. The headings in this Agreement are for convenience only and shall in no way enlarge, limit or define the scope or meaning of the various and several provisions hereof.

8. Counterparts; Facsimile Documents and Signatures. This Loan Agreement may be separately executed in any number of counterparts, each of which will be an original, but all of which, taken together, will be deemed to constitute one and the same instrument. For purposes of negotiating and finalizing this Loan Agreement, if this document or any document executed in connection with it is transmitted by facsimile machine, electronic mail or other electronic transmission, it will be treated for all purposes as an original document. Additionally, the signature of any party on this document transmitted by way of a facsimile machine or electronic mail will be considered for all purposes as an original signature. Any such transmitted document will be considered to have the same binding legal effect as an original document. At the request of any party, any faxed or electronically transmitted document will be re-executed by each signatory party in an original form.

EXECUTED as of the date first written above.

GRANTOR:

WORLD FACTORY, INC.

By: 

President

SCHEDULE OF COLLATERAL

Patent Number	Patent Description	Date Issued	Inventor
US 6,612,713 B1	Umbrella Apparatus	9.2.2003	Gregory Kuelbs
US 6,612,713 C1	Umbrella Apparatus - Inter Partes Reexamination Certificate	9.23.2013	Gregory Kuelbs
US 7,753,546	Umbrella Apparatus	7.13.2010	Gregory Kuelbs
US 8,069,868 B2	Umbrella Apparatus	12.6.2011	Gregory Kuelbs
US 8,375,966 B2	Umbrella Apparatus	2.19.2013	Gregory Kuelbs
US 8,727,555 B2	Umbrella Apparatus	5.20.2014	Gregory Kuelbs
US 8,794,781 B2	Umbrella Apparatus	8.5.2014	Gregory Kuelbs
US 6,830,009 B1	Solar Powered Bird Feeder	12.14.2004	Gregory Kuelbs
US 6,901,882 B2	Solar Powered Bird Feeder	6.7.2005	Gregory Kuelbs
US 7,017,521 B2	Solar Powered Bird Feeder	3.28.2006	Gregory Kuelbs
US 7,168,392 B2	Solar Powered Bird Feeder	1.30.2007	Gregory Kuelbs
US 7,540,262 B2	Solar Powered Bird Feeder	6.2.2009	Gregory Kuelbs
US 7,345,371 B1	Solar Wind Chime	3.18.2008	Gustav Kuelbs
US 7,518,253 B2	Solar Wind Chime	4.14.2009	Gustav Kuelbs
US 8,129,850 B2	Solar Wind Chime	3.6.2012	Gregory Kuelbs, Gustav Kuelbs
US 8,421,252 B1	Solar Wind Chime	4.16.2013	Gregory Kuelbs, Gustav Kuelbs
US 8,941,252 B1	Solar Wind Chime	1.27.2015	Gregory Kuelbs, Gustav Kuelbs
US 7,615,962 B1	Solar-Powered Thermometer and Clock	11.10.2009	Gustav Kuelbs
US 7,830,110 B1	Solar-Powered Thermometer	11.9.2010	Gustav Kuelbs
US 7,345,374 B1	Decorative Windmill w/Solar Panel	3.18.2008	Gustav Kuelbs, Chad Jones, Scott Plasek

Patent Number	Patent Description	Date Issued	Inventor
US 7,204,618 B1	Light w/ Interchangeable Panels	4.17.2007	Gregory Kuelbs, Gustav Kuelbs, Scott Plasek, Chad Jones
US 6,954,734 B1	Method of Producing, Selling, and Distributing articles of manufacture Method of Producing, Selling, and Distributing articles of manufacture	10.11.2005	John A Kuelbs, Gregory Kuelbs, Gustav Kuelbs
US 7,136,830 B1	through the automated aggregation of orders and the visual representation of standardized shipping volumes	11.14.2006	John A Kuelbs, Gregory Kuelbs, Gustav Kuelbs, Donald Domzalski
US 7,143,057 B2	Method of Producing, Selling, and Distributing articles of manufacture	11.28.2006	John A Kuelbs, Gregory Kuelbs, Gustav Kuelbs
US 7,021,787 B1	Outdoor Lighting System with Cold Cathode Ray Tubes	4.4.2006	Gregory Kuelbs

PATENT

REEL: 035258 FRAME: 0365

Title	Status	Filing Date	Serial No.	Issue Date	Patent/Reg. No.
Top Portion of Lamp or Hangable Accessory	Issued	01/30/02	29/154,812	02/18/03	D470,618
Lattice Pattern for Lamp or Hangable Accessory	Issued	01/30/02	29/154,822	03/18/03	D472,010
Lamp or Hangable Accessory	Issued	01/30/02	29/154,811	02/11/03	D470,265
Top Portion of Lamp or Hangable Accessory	Issued	05/03/02	29/160,151	02/18/03	D470,620
Lattice Pattern for Lamp or Hangable Accessory	Issued	05/03/02	29/160,150	02/18/03	D470,619
Lamp or Hangable Accessory	Issued	05/09/02	29/160,387	02/25/03	D470,968
Top and Bottom Portion of Lamp or Hangable Accessory	Issued	08/09/02	29/165,522	08/19/03	D478,683
Top Portion of Lamp or Hangable Accessory	Issued	08/09/02	29/165,526	11/11/03	D482,156
Bottom Portion of Lamp or Hangable Accessory	Issued	08/09/02	29/165,524	01/27/04	D485,933
Light	Issued	07/18/02	29/164,210	07/08/03	D477,107
Hangable Lamp	Issued	08/09/02	29/165,520	12/16/03	D483,895
Lamp or Hangable Accessory	Issued	08/09/02	29/165,525	12/02/03	D483,139
Hangable Lamp	Issued	08/09/02	29/165,523	11/18/03	D482,479
Oil Lantern	Issued	05/08/02	29/160,303	12/17/02	D467,374
Interchangeable Hitch Handles	Issued	04/16/02	29/159,199	08/26/03	D478,943
Solar Bird Feeder	Issued	04/17/02	29/159,290	11/26/02	D466,255
Bird Feeder	Issued	08/09/02	29/165,519	02/18/03	D470,630
Bird Feeder	Issued	08/09/02	29/165,527	02/18/03	D470,629

Title	Status	Filing Date	Serial No.	Issue Date	Patent/Reg. No.
Stand for Bird Feeder	Issued	04/17/02	29/159,282	12/03/02	D466,656
Light	Issued	06/11/02	29/162,257	12/03/02	D466,639
Bird Feeder	Issued	08/09/02	29/165,521	03/04/03	D471,327
Hinged Solar Collector for Light	Issued	03/24/03	29/178,330	08/17/04	D494,536
Light - Petal	Issued	03/24/03	29/178,340	11/25/03	D482,814
Light - Champagne	Issued	03/24/03	29/178,339	10/05/04	D497,021
Light - Hurricane	Issued	03/24/03	29/178,338	06/15/04	D491,685
Two-Stage Reflector for Light	Issued	05/15/03	29/181,718	03/23/04	D487,818
Light	Issued	07/21/03	29/186,717	11/29/05	D512,172
Solar Light with Rectangular Solar Collector	Issued	02/18/05	29/217,056	12/05/06	D533,298
Shipping and Display Rack	Issued	11/19/03	29/194,126	07/18/06	D525,051
Clamp for Low-Voltage Light	Issued	05/24/04	29/205,996	03/13/07	D538,143
Jumper Cables with Lights	Issued	03/17/04	29/201,572	12/06/05	D512,374
Top for Step Ladder	Issued	08/03/04	29/210,555	05/02/06	D520,147
Solar Powered Spotlight	Issued	02/25/05	29/224,230	03/18/08	D564,700

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Title	Status	Filing Date	Serial No.	Issue Date	Patent/Reg. No.	Status
ASTONICA (IC 011)	Registered	03/28/03	78/231,219	02/03/04	2,810,765	Registered
ASTONICA (IC 018)	Registered	03/28/03	78/231,226	02/03/04	2,810,766	Registered
ASTONICA	Registered	03/28/03	78/231,234	02/03/04	2,810,767	Registered
BRINGING MARGIN BACK TO MAIN STREET	Registered	10/25/04	78/505,085	01/31/06	3,053,935	Registered
CONTAINER BUILDER	Registered	08/29/05	78/702,726	01/02/07	3,192,109	Registered
JIFFY SHADE	Registered	11/19/03	78/329,889	07/12/05	2,966,538	Registered
NICHOLAS COLE	Registered	03/19/03	78/227,300	03/16/04	2,823,375	Registered

Title	Status	Filing Date	Serial No.	Issue Date	Patent/ Reg. No.	Status
POWER GLIDE & DESIGN	Registered	06/27/01	76/277,423	07/19/05	2,971,151	Registered
POWERGLIDE	Registered	07/07/00	76/085,189	08/06/02	2,605,562	Registered
POWER GLIDE	Registered	09/19/05	78/715,428	11/28/06	3,178,622	Registered
SUNERGY	Registered	03/29/04	78/392,542	12/13/05	3,026,841	Registered
SUNSCAPE	Registered	06/03/04	78/429,785	10/17/06	3,160,006	Registered
WORLD FACTORY	Registered	12/2/099	75/862,984	11/06/01	2,505,393	Registered
YELLOWSTONE	Registered Canada	12/09/03	1,199,426	09/29/05	TMA649,259	Registered

Title	Status	Filing Date	Serial No.	Issue Date	Patent/Reg. No.	Status
YELLOWSTONE (Scaffolding)	Registered	12/20/04	78/535,233	02/28/06	3,062,889	Registered