

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT3822818

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	SECURITY INTEREST	
CONVEYING PARTY DATA		
	Name	Execution Date
	STEPHEN T SCHMIDT	01/28/2016
RECEIVING PARTY DATA		
Name:	JEFFREY T HALEY	
Street Address:	13434 SE 27TH PL	
City:	BELLEVUE	
State/Country:	WASHINGTON	
Postal Code:	98005	
PROPERTY NUMBERS Total: 7		
Property Type	Number	
Patent Number:	7650708	
Patent Number:	8205359	
Patent Number:	9051718	
Patent Number:	9303386	
Application Number:	14731781	
Application Number:	15090599	
Application Number:	14400513	
CORRESPONDENCE DATA		
Fax Number:	(425)865-9335	
<i>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.</i>		
Phone:	425 289 0621	
Email:	haleyconsulting@gmail.com	
Correspondent Name:	JEFF HALEY	
Address Line 1:	13434 SE 27TH PL	
Address Line 4:	BELLEVUE, WASHINGTON 98005	
NAME OF SUBMITTER:	JEFFREY HALEY	
SIGNATURE:	/Jeffrey Haley/	
DATE SIGNED:	04/08/2016	
This document serves as an Oath/Declaration (37 CFR 1.63).		

Total Attachments: 4

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SECURITY AGREEMENT AND COLLATERAL ASSIGNMENT OF PATENTS AND PATENT APPLICATIONS

This Agreement is entered into as of the 28th day of January, 2016, by Stephen T Schmidt of Eatonville Washington ("Debtor") and Jeffrey T Haley ("Secured Party"), with an office located at Bellevue, Washington.

Secured Party created intellectual property for Debtor in the form of patent applications and issued patents for which Secured Party is owed more than \$45,000. All such intellectual property is and has been in the care of Secured Party from the date of creation. To secure amounts owed by Debtor for the creation of said property and amounts to be accrued in the future, Debtor agrees that Secured Party has a lien on the intellectual property created by Secured Party for Debtor from the date of creation. Terms of said lien are stated in writing as follows.

1. Definitions. As used in this Agreement:

"Collateral" means all rights to inventions, patent applications and patents described in the list attached to this Agreement and all papers that are evidence thereof.

"Default" means any event referred to in section 5 of this Agreement.

"Obligations" means the obligation of Debtor to pay Secured Party for the creation of the Collateral, by paying currently any new charges to keep the amount owed under \$45,000 and then paying down the \$45,000 when and to the extent that Debtor's company is profitable.

2. Security Interest. As collateral security for the prompt and unconditional payment and performance of the Obligations, Debtor hereby grants, pledges and assigns to Secured party a security interest in all of Debtor's right, title and interest in and to the Collateral.

3. Representations and Warranties. Debtor represents and warrants to Secured Party and agrees with Secured Party as follows:

a. Authority. Debtor has the authority to enter into this Agreement.

b. No Violation. The execution, delivery and performance of this Agreement does not violate the terms of any other agreement, document or instrument to which Debtor is a party.

4. Debtor's Covenants. Debtor further covenants and agrees with Secured Party as follows:

a. Limitations on Disposition. Debtor shall not sell, license, transfer or otherwise dispose of or grant any rights to any of the Collateral except in the ordinary course of business, or attempt or contract to do so, without the prior written consent of Secured Party or paying to Secured Party the amounts owed.

b. Limitation on Liens; Defense of Collateral. Debtor shall not create, permit or suffer to exist, and shall defend the Collateral against and take such other action as is necessary to remove, any lien on the Collateral, except the liens granted to Secured Party under this Agreement. Debtor shall further defend the right, title and interest of the Secured Party in and to Debtor's rights to the Collateral against the claims and demands of all persons other than the Secured Party. In the

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event that any Collateral is infringed or misappropriated by a third party, Debtor shall notify Secured Party promptly after Debtor learns thereof.

c. Expenditures by Secured Party. Debtor will reimburse Secured Party upon demand for any expenditures by Secured Party for the maintenance, protection and preservation of the Collateral, and for the collection, repossession, holding, preparation and sale or other disposition of or realization upon the Collateral. In no event shall Secured Party have any obligation to make such expenditures nor any liability for failing to make them.

5. Defaults. Each of the following shall be a default ("Default") under this Agreement:

a. Any default or event of default on any of the Obligations, whether or not the Obligations have been accelerated; or

b. Breach of any representation or warranty contained in this Agreement; or

c. Any failure fully and timely to comply with any provision of this Agreement or of any other document, instrument or agreement between Debtor and Secured Party; or

d. Any levy, attachment or execution on, or seizure of, any of the Collateral;

e. Dissolution, death, termination of existence, insolvency or bankruptcy of Debtor or appointment of a receiver to take possession of any of the Collateral.

6. Rights and Remedies of Secured Party.

a. General. In addition to the rights and remedies granted to Secured Party in this Agreement, Secured Party shall at all times have the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the state of Washington and under all other applicable laws.

b. Remedies. After the occurrence, and during the continuance, of a Default, Secured party may take any one or more of the following actions in its sole discretion:

(i) Declare all or any part of the Obligations due and payable, without presentment, demand, protest or other notice of any kind, all of which are expressly waived.

(ii) Require the Debtor to cooperate in a sale or other disposition of the Collateral at Debtor's expense. Debtor acknowledges and agrees that any failure by it to cooperate in a sale or other disposition of the Collateral will constitute a threat of imminent and irreparable harm to Secured party which will entitle Secured party to a court order or injunction: appointing a receiver to take possession of the Collateral and sell or otherwise realize upon the Collateral and apply the proceeds to the Obligations. Debtor expressly waives any right to require Secured Party to post a bond or other security or financial undertaking as a condition to obtaining any such order or injunction.

(iii) Sell, license, or otherwise dispose of the Collateral. If notice of sale or disposition of Collateral is required, ten (10) calendar days notice of any intended sale or other disposition of the Collateral shall be deemed to be reasonable. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of Debtor, and

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Debtor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. 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.

(iv) Indorse any assignment or other instrument or document with respect to the Collateral, as the attorney-in-fact for Debtor with full power of substitution.

(v) Accept and receive payment of, receipt for or defend, settle, compromise or adjust any claim, suit, action or proceeding with respect to the Collateral. In doing so, any determination made by Secured Party as to the risks of litigation and collectibility shall be deemed to be commercially reasonable unless made in bad faith.

c. Proceeds. The proceeds of sales, licenses, collections or other dispositions of the Collateral shall not be credited to the Obligations unless and until actually received in cash by Secured Party. Secured Party may credit such proceeds against the Obligations in such order as it elects in its sole discretion.

d. Deficiency. Debtor shall pay any deficiency remaining after application of the net proceeds of the Collateral to the Obligations.

e. Retention. Under no circumstances shall Secured Party be deemed to have elected to retain possession of all or any part of the Collateral in satisfaction of the Obligations unless Secured Party has given Debtor written notice of a proposal to do so pursuant to Revised Code of Washington 62A.9-505(2), regardless of the length of time the Collateral remains in Secured Party's possession after a Default. Under no circumstances shall Secured Party have any liability as a result of a decline in the market value of the Collateral while Secured Party holds it.

7. Power of Attorney. Debtor hereby appoints Secured Party, or any person or entity whom Secured Party may from time to time designate, as Debtor's attorney-in-fact with power, at any time after the occurrence of a Default: (a) to endorse Debtor's name on all applications, documents, papers and instruments necessary or appropriate for Secured Party to use, protect, register, patent, sell, license, assign, convey or otherwise transfer or dispose of any of the Collateral; (b) to notify the patent office authorities to change the address for delivery of Debtor's mail to an address designated by Secured Party; (c) to receive and to open and sort mail addressed to Debtor relating to the Collateral; (d) to do all other things which Secured party is permitted to do under this Agreement or which are necessary or appropriate to carry out this Agreement or other agreements between Debtor and Secured Party. Neither Secured Party nor any of its directors, officers, employees or agents will be liable for any acts of commission or omission or for any error in judgment or mistake of fact or law, unless the same shall have resulted from recklessness or willful misconduct. This power, being coupled with an interest, is irrevocable so long as this Agreement remains in effect. Debtor shall, from time to time, execute and deliver to Secured Party such additional documents as Secured Party may reasonably request to confirm the existence of the power of attorney granted herein and to provide additional originals thereof.

8. Revival of Security Interest. To the extent Debtor makes a payment to Secured Party or Secured Party receives any payment of proceeds of Collateral, which is later invalidated, declared to be a fraudulent transfer or preference, set aside or required to be repaid under any bankruptcy

Debtor: Stephen T Schmidt

IN WITNESS WHEREOF the parties have duly executed and delivered this Agreement as of the date first written above.

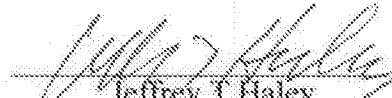
DEBTOR:

SECURED PARTY:

By


Stephen T Schmidt

By


Jeffrey T Haley

Docket #	Title	Pat. No. / App. No.	Filing Date / Issue Date
2534-01-7	SIDEWALK GRADER APPARATUS AND METHOD (joint Canada)	2,593,171	
2534-01-7	SIDEWALK GRADER APPARATUS AND METHOD (Steve has license)	7,624,520 11/533,696	9/20/06 12/1/09
2534-01-8	SIDEWALK GRADER APPARATUS AND METHOD (joint)	7,650,708 11/552,438	10/24/06 1/26/10
2534-01-9	SIDEWALK GRADER APPARATUS AND METHOD (Steve bought)	8,205,359 12/563,037	09-18-09 6-26-12
2534-02-US1	MACHINE WITH A SWIVEL AND WIRELESS CONTROL BELOW THE SWIVEL	9,051,718 12/802 717	6/14/10 06/09/2015
2534-02-US2	TOOL ATTACHMENTS ON AN AUTO-POWERED MOBILE MACHINE	12/895,280	9/30/10
2534-02-US3	HEAVY MACHINE WITH WIRELESS SENSOR AND AUTOMATIC WIRELESS CONTROL	14731781	6/5/2015
2534-02-EU1	HEAVY MACHINE WITH WIRELESS SENSOR AND AUTOMATIC WIRELESS CONTROL		
2534-02-CA1	TOOL ATTACHMENTS ON AN AUTO-POWERED MOBILE MACHINE AND AUTOMATIC WIRELESS CONTROL		
2534-02-AU1	TOOL ATTACHMENTS ON AN AUTO-POWERED MOBILE MACHINE AND AUTOMATIC WIRELESS CONTROL		
2534-03-EU1	Multi-position Tool Coupler	13 790 523.8	
2534-03-US1	Multi-position Tool Coupler	14 400 513	11/11/14