

12-10-2001

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Planet Salvage, Inc.

12-5-01

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other Delaware

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 10/31/01

2. Name and address of receiving party(ies)

Name: Larry Maddox

Internal Address:

Street Address: 6602 West 131st

City: Overland Park State: KS Zip: 66209

Individual(s) citizenship United States

- Association General Partnership Limited Partnership Corporation-State Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 75/872212

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Luke W. DeMarte

Internal Address:

Street Address: D'Ancona & Pflaum LLC

111 E. Wacker Drive, Suite 2800

City: Chicago State: IL Zip: 60601

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

500387

DO NOT USE THIS SPACE

9. Signature.

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40.00 CH

Luke W. DeMarte

Name of Person Signing

Handwritten signature of Luke W. DeMarte

Signature

12/4/01

Date

Total number of pages including cover sheet, attachments, and document:

7

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002405 FRAME: 0168

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is made and entered into this 31st day of October, 2001, by and among PLANET SALVAGE, INC., a Delaware corporation, whose address is 13321 W. 98th Street, Lenexa, Kansas 66215 ("Company") and Larry Maddox ("Maddox"), as agent for the investors that are a party to the Purchase Agreement (defined below) (the "Investors") (collectively, the "Secured Party"). Capitalized terms used and not otherwise defined herein shall have the meaning given in the Purchase Agreement.

WITNESSETH:

WHEREAS, Company has agreed to sell to the Investors an aggregate \$ _____ of convertible secured notes (the "Notes") and certain Warrants to purchase capital stock of the Company (the "Warrants") pursuant to that certain Securities Purchase Agreement dated as of October 31, 2001 (the "Purchase Agreement"), by and among Company and Secured Party; and

WHEREAS, Secured Party has required that Company execute and deliver this Agreement to secure Company's performance under the Notes.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company hereby covenants and agrees with Secured Party as follows:

1. Security Interest. To secure the complete and timely payment of Company's obligations arising under the Notes (the "Obligations"), Company hereby grants a continuing security interest in its entire right, title and interest in and to whether or not existing or hereinafter acquired, to (collectively, the "Collateral"):

- (a) All of Company's property, wherever located, whether now or hereafter existing, owned, licensed, leased (to the extent of Company's leasehold or license interest therein), consigned (to the extent of Company's ownership therein), arising and/or acquired, including without limitation all of Company's: (a) accounts, chattel paper, tax refunds, contract rights, commercial tort claims, leases, leasehold interests, letters-of-credit, letter-of-credit rights, instruments, documents, documents of title, patents, copyrights, trademarks, trade names, licenses, goodwill, beneficial interests and general intangibles; (b) all goods whose sale, lease or other disposition by Company have given rise to accounts and have been returned to or repossessed or stopped in transit by Company; (c) certificated and uncertificated securities and other investment property; (d) goods, including, without limitation, all of its inventory, consumer goods, machinery, equipment, and fixtures; (e) liens, guaranties and other rights and privileges pertaining to any of the Collateral; (f) monies, reserves, deposits, deposit accounts and interest or dividends thereon, cash or cash equivalents; (g) all property now or at any time or times hereafter in the possession, or under the control of the Secured Party or its bailee; (h) all accessions to the foregoing, all litigation proceeds pertaining to the foregoing, all substitutions, renewals, improvements and replacements of and additions to the foregoing, and all

proceeds and products of the foregoing; and (i) all books, records and computer records in any way relating to the foregoing; and; (j) all of the products and proceeds of the foregoing, including without limitation, proceeds of insurance policies.

2. Further Assurances. Company agrees that, until all of the Obligations shall have been paid in full, it will not enter into any agreement which is inconsistent with Company's obligations under this Agreement without the Majority Holder's prior written consent. Company further agrees that at any time and from time to time, at the expense of Company, Company will promptly execute and deliver to Secured Party any and all further instruments and documents and take any and all further action that may be reasonably necessary or desirable, or that the Majority Holders may request, in order to perfect and protect the collateral assignment granted hereby with respect to the Intellectual Property or to enable the Majority Holders to exercise the Secured Party's rights and remedies hereunder with respect to the same.

3. Additional Intellectual Property. If, before all of the Obligations shall have been paid in full, Company shall obtain rights to any new patents, trademarks or copyrights, the provisions of Paragraph 1 shall automatically apply thereto and Company shall give Secured Party prompt written notice thereof.

4. Modification by Secured Party. Company and Secured Party authorize Maddox, as agent for Secured Party, to modify this Agreement by amending Schedule A to include any future patents and patent applications, any future trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service applications, and any future copyright applications and registrations covered by Paragraphs 1 and 4 hereof, without the signature of Company or any other Secured Party if permitted by applicable law.

5. Default. Upon any Event of Default, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and all of the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Intellectual Property may be located and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Company, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or any of the Intellectual Property, or any interest which Company may have therein, and after deducting from the proceeds of sale or other disposition of the Intellectual Property all reasonable expenses (including, without limitation, all expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations in such order and manner as the Majority Holders may elect. Any remaining proceeds after payment in full of all of the Obligations shall be paid over to Company. Notice of any sale or other disposition of the Intellectual Property shall be given to Company at least ten (10) days before the time of any intended public or private sale or other disposition of the Intellectual Property is to be made, which Company hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of the Obligations or Secured Party may, to the extent permissible under applicable law, purchase the whole or any part of the Intellectual Property sold, free from any right of redemption on the part of Company, which right is hereby waived and released.

6. Termination of Security Interest. At such time as Company shall pay all of the Obligations in full, this Agreement shall terminate and Maddox, as agent for Secured Party, shall execute and deliver to Company all releases and other instruments as may be necessary or proper to release the security interest and re-vest in Company full title to the Intellectual Property, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

7. Expenses. Any and all reasonable fees, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and expenses) incurred by Maddox, as agent for Secured Party, in connection with protecting, maintaining or preserving the Intellectual Property, or in defending or prosecuting any actions or proceedings arising out of or related to the Intellectual Property, shall be reimbursed by Company within ten (10) business days following written demand by Maddox, and if not paid within such 10-day period, shall bear interest at a rate of fifteen percent (15%) per annum from the date of such demand.

8. Preservation of Intellectual Property. Company shall have the duty to prosecute diligently (at its expense) any applications to register any of the Intellectual Property pending as of the date of this Agreement, to make federal application on registrable but unregistered Intellectual Property, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are reasonably necessary or desirable to preserve and maintain all rights in the Intellectual Property. Company shall not abandon any Intellectual Property without the prior written consent of the Majority Holders.

9. No Waiver. No course of dealing between Company and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

10. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

11. Amendments. This Agreement is subject to amendment only by a writing signed by all of the parties hereto, except as provided in Paragraph 5.

12. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, except that Company may not assign or delegate any of its rights of obligations under this Agreement.


13. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of Kansas.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 31st day of October, 2001.

COMPANY:

PLANET SALVAGE, INC.

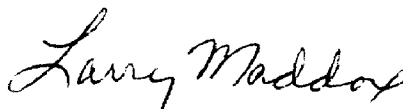
By:



Charles Lukens, President

SECURED PARTY:

Larry Maddox, as agent for Secured Party



Larry Maddox

SCHEDULE A

Intellectual Property:

1. Trademark application (Serial Number 75872212) currently pending with the U.S. Patent and Trademark Office for the word mark "Planet Salvage" and the associated service mark.